Annual Report 2019-2020

NeML

Transforming Markets

INDEX

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ReMS received certificate at "Commonwealth Association of Public Administration and Management" (CAPAM) under the category of Innovation in Public Service Management.

Visit of Mr. Saryu Rai -Independent Jamshedpur East MLA at NeML Office , Mumbai.

Indian Sugar e Market (ISeM) – Inauguration in New Delhi.

MESSAGE FROM MANAGING DIRECTOR & CEO

Dear Shareholders,

As a pioneering entity in e-trading which introduced cashless transactions since its inception more than 13 years ago, your company continues its thought leadership in the segment. FY 2020 ended with disruptions owing to Covid-19 Pandemic. NeML works impact the smallholder farmers (SHF) and discerning consumers who depend on the Government for getting remunerative prices for their crops and food security respectively. Being part of essential services, your company has served its customers without any compromise on the service standards. It has been possible because of the committed professional team at the Company.

Government and Government enterprises leveraged NeML markets and services platform for enhancing efficiencies of procurement and sales for programs related to your company has continued to strengthen its presence in primary agricultural markets and secondary markets. Our joint initiative with the Karnataka Government - Rashtriya e-Market Services Private Limited (ReMS) continued to positively impact the income of farmers in regulated APMC markets of the state. ReMS completed its full integration with e-National Agriculture Market (e-NAM), a platform launched by the Central Government for creating a national agriculture market.

Your company has taken new initiatives to support the new ecosystem in commodity trading. In this regard the company initiated its work to facilitate trading of electronic warehouse receipt (e-NWR) and facilitate trading for Farmer Producers Organizations (FPOs) with the help of ecosystem partners like National e-Repositories Limited (NERL) and NCDEX. NeML plans to leverage its expertise in creating national markets by connecting Farmer Aggregators including FPOs for enhancing income of smallholder farmers. These initiatives would help in doubling Farmers' income as envisaged by honorable prime minister.

During the financial year, the company launched emission permit trading system for particulate matter (EPTS-PM) in Gujarat. Globally, this is the first initiative of its kind. Gujarat Pollution Control Board took the initiative and was supported by prestigious global institutions including Harvard University, University of Chicago, MIT, Boston. This pioneering initiative with the textile cluster in Surat, Gujarat helped reduce pollution by 28%. Thus, helping the vulnerable section of the society whose health is worst affected due to the particulate matter emissions from the industry.

Your company doubled its share of overall revenue form services in FY 20, deepening its services offering to the Indian corporate.

I thank you for your continued trust, support to the company management during the year, and look forward to the same in FY 2021- a challenging year due to Coronavirus Covid-19 pandemic. I am certain that your company would emerge stronger in 2021 as compared to previous years.

Sd/-

Rajesh Sinha

Managing Director &

NeML
Transforming Markets
VISTAAR

NeML
Transforming Markets
VARSHA

NeML
Transforming Markets
VAARTA

On
NeML
Transforming Markets

FFresh
As fresh as in the orchards

e-samridhi

UNIFIED MARKET
PLATFORM

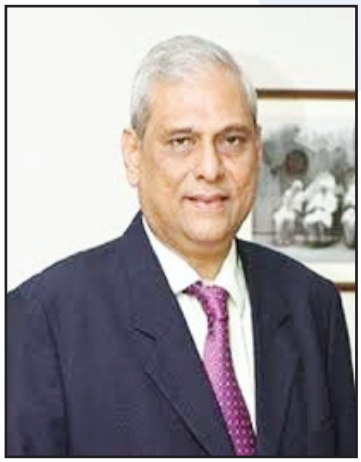
Board of Director's

Mr. Rajesh Kumar Sinha
Managing Director & CEO

Mr. Rajesh Kumar Sinha is a Managing Director & CEO of NeML. He is a BSc graduate in Agriculture from Banaras Hindu University (BHU) and holding Postgraduate Diploma in Rural Management from Institute of Rural Management Anand (IRMA).

Mr. Vijay Kumar Venkataraman
Shareholder Director

Mr. Vijay Kumar Venkataraman is a Shareholder Director representing NCDEX. He holds a bachelor's degree of technology in electrical engineering from the Indian Institute of Technology, Madras and a master's degree in business administration from the University of Delhi. He is a Managing Director and Chief Executive Officer of the National Commodity & Derivatives Exchange Limited (NCDEX), the holding Company.



Mr. Arun Balakrishnan
Independent Director

Mr. Arun Balakrishnan is an Independent Director on NeML Board. He is a Chemical Engineer, with a Post Graduate Diploma in Management from the Indian Institute of Management, Bangalore. Mr. Arun Balakrishnan superannuated as Chairman & Managing Director of Hindustan Petroleum Corporation Ltd (HPCL), a Fortune 500 Company.

Mr. Sanjeev Kumar Asthana
Independent Director

(Upto August 06, 2019)

Mr. Sanjeev Asthana was an Independent Director on NeML Board. His international affiliations are with International Institute for Environment and Development (IIED) UK, Hivos Knowledge Programme Netherlands, Enterprise Solution to Poverty (ESP) New York, US-India Business Council (USIBC), Water Forum, Columbia University, USA. He is a recognized leader in Food & Agribusiness with over 25 years of experience in India & Internationally

Mr. Srinath Srinivasan
Shareholder Director
(Upto June 11, 2019)

Mr. Srinath Srinivasan was a Shareholder Director representing NCDEX. He is an Electronics and Communication Engineer from National Institute of Technology (NIT), State Scholar at NIT Suratkal & MBA from Asian Institute of Management, Philippines. Mr. Srinath Srinivasan is a Chief Executive Officer of Oman India Joint Investment Fund (OIJIF).

Mr. Atul Roongta
Shareholder Director
(w.e.f April 13, 2019)

Mr. Atul Roongta is meritorious Chartered Accountant. He is currently a Chief Financial Officer (CFO) of National Commodity & Derivatives Exchange Limited (NCDEX), the holding Company.

Mr. Puneet Gupta
Independent Director
(w.e.f August 01, 2019)

Mr. Puneet Gupta is an Independent Director on NeML Board. He is a Master of Business Administration (MBA) from Kellogg Graduate School, Northwestern University, 2002, holding Manufacturing Strategic Operations Certificate, Northwestern University, 1998 & Bachelors' in Technology (B.Tech), from Mangalore University. He is holding Directorship in many Advisories and Investment Banking Companies.

Company Information & Director's Report

NCDEX e Markets Limited
CIN: U93090MH2006PLC165172

A Subsidiary of National Commodity & Derivatives Exchange Limited ('NCDEX')

Company Information

Board of Directors	Mr. Rajesh Kumar Sinha	:Managing Director & CEO
	Mr. Sanjeev Asthana	:Independent Director (*upto 06th August 2019)*
	Mr. Puneet Gupta	:Independent Director (*wef 01st August 2019)*
	Mr. Arun Balakrishnan	:Independent Director
	Mr. Srinath Srinivasan	:Shareholder Director (*upto 11th June 2019)*
	Mr. Vijay Kumar Venkataraman	: Shareholder Director
	Mr. Atul Roongta	: Shareholder Director (*wef 13th April 2019)*
Registered Office	Unit No. 101 & 101 T, First Floor, Ackruti Corporate Park, L. B. S. Road, Kanjurmarg West, Mumbai 400 079.	
Statutory Auditors	M/s. Chokshi & Chokshi LLP, Chartered Accountants 15/17, Raghavji 'B' Building, Ground floor, Raghavji Road, Gowalia Tank, Off Kemps Corner, Mumbai 400 036.	
Bankers	Karur Vysya Bank Limited	HDFC Bank Limited
	Bank of India	Development Credit Bank Limited
	Axis Bank Limited	State Bank of India
	IndusInd Bank Limited	Punjab National Bank
	Central Bank of India	Canara Bank
	ICICI Bank	Kotak Mahindra Bank
	IDBI Bank Limited	Yes Bank
Managing Director & Chief Executive Officer	Mr. Rajesh Kumar Sinha	
Chief Financial Officer	Mr. Nimesh Dedhia	
Company Secretary	Ms. Archana Tripathi	

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Thirteenth Annual Report of the Company together with the audited accounts for the financial year ended March 31, 2020.

1. FINANCIAL RESULTS

The summary of financial performance of the Company for the year ended March 31, 2020 is as under:

(Amount in Rupees)

Particulars	For the year ended March 31, 2020 (As per IND AS)	For the year ended March 31, 2019 (As per IND AS)
Total income	624,251,199	62,31,50,475
Expenditure	426,810,090	427,186,483
Profit before interest, finance charges and depreciation	197,441,109	195,963,992
Interest and finance charges	4,585,957	509,124
Depreciation	72,128,882	5,22,26,262
Profit before tax	120,726,270	14,32,28,606
Profit after taxation	93,240,132	115,810,545
Other Comprehensive Income	(3,595,327)	(349,577)
Total Comprehensive Income for the period ,Net of tax	89,644,805	11,54,60,968
Profit/(Loss) Balance brought forward from previous year	**(5,77,78,325)**	**(15,90,61,275)**
Profit/(Loss) after taxation carried forward to Balance Sheet	**28,056,054**	**(5,77,78,325)**

The consolidated performance of the Company along with the Joint Venture Company, Rashtriya e Market Services Pvt. Ltd. is as follows:

(Amount in Rupees)

Particulars	For the year ended March 31, 2020 (As per IND AS)	For the year ended March 31, 2019 (As per IND AS)
Total income	617,251,199	61,71,50,475
Expenditure	426,810,090	427,186,483
Profit before interest, finance charges and depreciation	190,441,109	189,963,992
Interest and finance charges	4,585,957	509,124
Depreciation	72,128,882	5,22,26,262
Profit / (loss) before tax and share of Profit / (loss) of a joint venture	113,726,270	137,228,606
Share in Joint Venture	43,208,654	32,152,111
Profit before tax	156,934,924	169,380,717
Profit after taxation	129,448,786	141,962,656
Other Comprehensive Income	(3,563,215)	(331,859)
Total Comprehensive Income for the period ,Net of tax	125,885,571	141,630,797
Profit\(Loss) Balance brought forward from previous year	**119,855,691**	**(75,97,088)**
Proftit\(Loss) after taxation carried forward to Balance Sheet	**241,930,845**	**119,855,691**

2. STATE OF COMPANY'S AFFAIRS

NeML continued its journey for positively impacting the lives of the smallholder farmers (SHF) and discerning consumers who depend on Government support for food security. Its impact broadened in perishable segments, mainly in Dairy and Fresh fruit and vegetables.

During the financial year, the company launched emission permit trading system for particulate matter (EPTS-PM) in Gujarat. Globally, this is the first initiative of its kind. Gujarat Pollution Control Board took the initiative and was supported by prestigious global institutions including Harvard University, University of Chicago, MIT and Boston. This pioneering initiative with the textile cluster in Surat, Gujarat helped reduce pollution by 28%. Thus, helping the vulnerable section of the society whose health is worst affected due to the particulate matter emissions from the industry.

During the year the company initiated its work to facilitate trading of electronic warehouse receipt (e-NWR) and facilitate trading for Farmer Producers Organizations with the help of ecosystem partners like National e-Repositories Limited (NERL). These initiatives would help in enhancing digital inclusion of the farmers.

Its joint initiative with the Karnataka Government - Rashtriya e Market Services Private Limited (REMS) continued to positively impact the income of farmers in regulated APMC markets of the state. The company launched six mobile apps to help farmers, and registered market functionaries, thus further enhancing the features of the State Agriculture Market (SAM). ReMS completed its full integration with e National Agriculture Market e-NAM, a platform launched by the Central Government.

NeML continued its work with the central Government and the State Governments to enhance efficiencies of procurement and sale of commodities under its food security programs. The key commodities covered under the initiatives included Pulses, Oilseeds, Paddy, Sugar and Salt amongst others.

NeML plans to leverage its expertise in creating national markets by connecting Farmer Aggregators including FPOs for enhancing income of smallholder farmers.

3. CHANGE IN AUTHORIZED CAPITAL AND PAID UP SHARE CAPITAL

During the financial year, the Authorised Share capital was INR. 50,00,00,000 Crore (Fifty Crore) divided into INR 3,80,00,000 (Three Crore and Eighty lakhs) Equity Shares of INR. 10/- each and INR.1,20,00,000 Preference shares of INR. 10 each.

The Paid-up share capital was INR. 35,52,76,290 crore divided into 3,55,27,629 number of equity shares of INR10/- each to NCDEX and ESOP shareholders.

Below is the structure of share capital post allotment of ESOP to employees of the Company

Sr. No.	Name of the Shareholder	Existing	Revised
		No. of Shares (Amount per share Rs. 10) FY 2018-19	No. of Shares (Amount per share Rs. 10) FY 2019-20
1	National Commodity & Derivatives Exchange Limited	3,54,99,400	3,54,99,400
	TOTAL PAID UP EQUITY SHARES (A)	**3,54,99,400**	**3,54,99,400**
1	Others	17,829	28,229
	TOTAL OTHERS (B)	**17,829**	**28,229**
	GRAND TOTAL (A+B)	**3,55,17,229**	**3,55,27,629**

4. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of the business of the Company during the financial year 2019-2020.

5. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The internal financial controls with reference to the Financial Statements are considered to be adequate.

6. TRANSFER TO RESERVE

The Company has not transferred any amount to Reserve for the year under review.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR ENDED MARCH 31, 2020 AND THE DATE OF THE REPORT

No material changes occurred subsequent to the close of the financial year ended March 31, 2020 and the date of this report.
During the year, no significant and material order was passed by the regulators or courts or tribunals impacting the going concern status and the Company operations in future.

8. SECRETERIAL STANDARD ON MEETINGS OF THE BOARD OF DIRECTORS AND GENERAL MEETINGS

The Company has complied with the requirements of SS- 1 viz., Secretarial Standard on Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India revised with effect from October 01, 2017.

9. RISK MANAGEMENT POLICY

NeML is committed to working on strengthening the Risk Management Framework of the enterprise as a whole. During FY 19-20, the company comprehensively reviewed the Risk Management Policy providing a definitive outline of risk appetite, assigning specific responsibility of risk management on Board, executives, managers, employees and contractors. As part of the exercise, the Company has put in place an Independent Risk Governance Structure for conducting detailed risk self-assessments covering various areas of Enterprise Risk including Business, Operational, Financial, Reputational, Legal & Others to ensure that any risks arising from these self-assessments are identified, analyzed and reported to the appropriate management level with an aim to mitigate or minimize such risks.

The Company continues to sustain its commitment to the highest levels of quality, superior service management, robust information security practices and mature business continuity management. During FY 19-20 the company successfully completed the annual ISO surveillance audit & retained the enterprise wise ISO certification for - ISO 9001:2015 (Quality Management System),ISO/IEC 27001:2013 (Information Security Management System) & Standardization Testing and Quality Certification (STQC) for Vulnerability Assessment and Penetration Testing.

Starting December 2017 NeML in a phased manner successfully and seamlessly migrated the IT Infrastructure to cloud (Amazon Web Services) and the migration was completed in April 2018.

The company has also implemented Internal Financial Controls as per Corporate Governance requirements of Companies Act, 2013. These process certifications have further streamlined & strengthened the risk management framework of the organization. The Company has in place adequate internal financial control with reference to financial statements. During the Financial Year 2019-20, such controls were tested and no reportable material weakness in the design or operation was noticed. Besides ISO, the statutory auditors of the company also have given a detailed report on the internal financial controls of the company without any reservations/remarks.

10. DIVIDEND AND APPROPRIATIONS

The Company has posted net profit of INR. 8,96,44,805/- for the financial year 2019-2020, your Directors recommend a dividend of 5% i.e 0.50 paise on Rs.10 per share for the financial year 2019-2020.

11. PUBLIC DEPOSITS

The Company has not accepted any public deposits and as such, no amount towards repayment of principal or payment of interest was outstanding as on March 31, 2020.

12. REGULATION OF STATE LICENSES:

The Company has Licenses for states viz., Maharashtra, Karnataka, Orissa, Gujarat, Andhra Pradesh, Himachal Pradesh and Telangana. The Company is complying with all the state licenses requirements.

13. DETAILS OF MEETINGS OF SHAREHOLDERS:

The Twelfth Annual General Meeting of the Company was held on August 02, 2019 at the Registered Office of the Company. The Thirteenth Annual General Meeting of the Company will be held on July 31, 2020 at the Registered Office of the Company.

14. AUDIT COMMITTEE

The Audit Committee consists of three Directors, which includes two Independent Directors and one Shareholder Director. The terms of reference are appointment and/ or replacement of auditors, approval of changes to accounting policies, approval or any subsequent modification of transactions of the company with related parties and other matters, which are prescribed under section 177 of the Companies Act, 2013.

During the financial year 2019-2020, five meetings of the Committee were held on May 17, 2019, August 01, 2019, November 05, 2019, November 13, 2019, January 29, 2019 and February 20, 2020. The composition and attendance of the Members is given below -

Name of the Committee Member	Number of meetings held during the relevant period	Number of meetings attended
Mr. Arun Balakrishnan	6	5
Mr. Sanjeev Asthana	6	2*
Mr. Vijay Kumar Venkataraman	6	5
Mr. Puneet Gupta	6	4*

**Mr. Puneet Gupta, Independent Director of the Company, appointed on Board w.e.f August 01, 2019*
**Mr. Sanjeev Asthana, Independent Director of the Company, retired from Board on August 06, 2019*

15. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of three Directors, which includes two Independent Directors and one Shareholder Director. The terms of reference include matters like determining the amount of fees payable to the Directors, eligibility criteria for payment of performance bonus, the aggregate quantum of such bonus for the staff members, develop criteria for selection of Directors for appointment on the Board, shortlist and recommend names for filling vacancies on the Board that might occur from time to time and such other matters as prescribed under section 178 of Companies Act, 2013.

The Company has in place a Nomination and Remuneration Policy. The policy contains provisions relating to Directors' appointment and their remuneration, criteria for determining qualifications, positive attributes, Independence of director, remuneration of Key Managerial Personnel, Senior Managerial Personnel and other employees.

During the financial year 2019-2020, five meetings of the Committee were held on May 17, 2019 August 01, 2019, January 29, 2020 and February 19, 2020, March 12, 2020. The composition and attendance of the Members is given below -

Name of the Committee Member	Number of meetings held during the relevant period	Number of meetings attended
Mr. Arun Balakrishnan	5	5
Mr. Sanjeev Asthana	5	2*
Mr. Vijay Kumar Venkataraman	5	5
Mr. Puneet Gupta	5	3*

**Mr. Puneet Gupta, Independent Director of the Company, appointed on Board w.e.f August 01, 2019*
**Mr. Sanjeev Asthana, Independent Director of the Company, retired from Board on August 06, 2019*

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the financial year 2019-2020, the provisions of section 135 of the Companies Act, 2013 became applicable to the Company due to increase in net profit of INR. 50,000,000.00 (Rupees five crores). The Company also constituted Corporate Social Responsibility Committee consisting of three Directors. The Company has in place a CSR Policy.

During the financial year 2019-2020, two meetings of the Committee were held on May 02, 2019 and January 27, 2020. The composition and attendance of the Members is given below –

Name of the Committee Member	Number of meetings held during the relevant period	Number of meetings attended
Mr. Arun Balakrishnan	2	2
Mr. Rajesh Kumar Sinha	2	2
Mr. Atul Roongta	2	2
Mr. Srinath Srinivasan	2	0*

**Mr. Srinath Srinivasan, Director of the Company resigned from the Board on June 11, 2019*

The Company spent INR. 12.48 thousand in below foundations in FY 2019-20:

Name of Proposal	Amount asked	Amount Approved by the Committee (up to in *INR*)	Area Asked for
Ashima Foundation	500,000.00	3,50,000	Skill development/ Vocational training
Sehgal Foundation	14,60,540	8,98,275	Government schools of 4 villages, 200 students of these schools will be trained on internet literacy, cyber safety and life-skills education and governance

17. SECRETARIAL AUDIT

During the financial year, the Company was not required to comply with the provisions of Secretarial Audit. However, as a matter of good governance practice, the Board appointed M/s. Bharat R. Upadhyay & Associates, Practicing Company Secretaries to conduct Secretarial Audit of the Company for the FY 2019-2020.

M/s. Bharat R. Upadhyay & Associates conducts secretarial audit of the Company on quarterly basis. There were no qualification, reservation or adverse remark or disclaimer in all the four quarters reports given by M/s. Bharat R. Upadhyay & Associates.

As per SEBI circular CIR/CFD/CMD1/27/2019 dated February 08, 2019, SEBI Listing Obligation and Disclosure Requirement (LODR), every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be prescribed with effect from the year ended March 31, 2020. The Company confirmed that it was a material subsidiary of NCDEX in the Financial Year 2019-20 based on Profit after Tax (PAT) and Revenue criteria. The Company appointed M/s N.L Bhatia & Associates, Practicing Company Secretary for conducting Secretarial Audit of the Company for Financial Year 2019-20.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Technology absorption

The Company continues to develop the technology further to keep up with changes in the technology platforms as well as the needs of our customers. A new lot tracing, trip-tracking functionality has been developed to enhance Comlive.

A processor utilization based load-balancing feature has been developed for UMP. The mobile apps of the Company continue to develop. The mobile app now has gate entry, vehicle loading and weighing apps apart from bidding. The Company has not spent any amount on Research and Development.

Conservation of energy

The Company, through NCDEX, has taken steps for conserving energy such as optimising the air conditioning in data center, use of LED lights in office area, etc. Further, several other energies saving measures were undertaken such as regular servicing, periodic maintenance of all electrical equipment's, prompt switching off the equipment's when not required, etc.

The Company takes appropriate steps for utilizing alternate sources of energy.

Foreign exchange earnings and outgo

During the year under review, the Company did not have any foreign exchange inflow and outflow.

19. BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2019-2020

During the financial year 2019-2020, six meetings of the Board were held on May 17, 2019, August 01, 2019, November 05, 2019, November 13, 2019, January 29, 2020 and February 20, 2020. The Composition and attendance of the Board of Directors are given below -

Name of Director	Number of Meeting held during the relevant period	Number of meetings attended
Mr. Arun Balakrishnan	6	6
Mr. Sanjeev Kumar Asthana	6	2*
Mr. Srinath Srinivasan	6	1*
Mr. Rajesh Kumar Sinha	6	6
Mr. Vijay Kumar Venkataraman	6	5
Mr. Atul Roongta	6	6
Mr. Puneet Gupta	6	4*

**Mr. Srinath Srinivasan, Director of the Company resigned from the Board on June 11, 2019*
**Mr. Puneet Gupta, Independent Director of the Company, appointed on Board w.e.f August 01, 2019*
**Mr. Sanjeev Asthana, Independent Director of the Company, retired from Board on August 06, 2019*

20. EXTRACT OF THE ANNUAL RETURN

The extract of annual return under sub section (3) of section 92 in Form MGT 9 as on the financial year ended March 31, 2020 is enclosed as **Annexure 1.**

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013

No loan or guarantee is given to any person during the financial year. The particulars of investments are disclosed in the Financials Statements.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 (1) OF COMPANIES ACT, 2013

All the transactions with related parties are in the ordinary course of business and on an arm's length basis. There are no material contracts or arrangements or transactions on arms' length basis. The details of related party transactions as required under the IND AS -24 "Related Party Disclosure" are set out in the Note no. 40 to the Standalone Financial Statements forming part of 'Notes to accounts'.

23. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Nomination and Remuneration committee ("erstwhile Board Governance & Compensation Committee) has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel and their remuneration and other matters as provided under section 178 (3) of the Companies Act, 2013. The Company affirms that the remuneration paid to Directors is as per the remuneration policy of the Company.

24. PARTICULARS OF EMPLOYEES UNDER THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

The information pursuant to Rule 5 sub-rule (2) of The Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is provided as **Annexure 2** of this report.

25. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The Board of Directors of the Company includes Mr. Arun Balakrishnan, Mr. Puneet Gupta, Mr. Vijay Kumar Venkataraman, Mr. Atul Roongta and Mr. Rajesh Kumar Sinha.

Mr. Rajesh Kumar Sinha was appointed as a Managing Director & CEO of the Company with effect from April 01, 2017 after due approval from shareholders of the Company. His term was expired on March 31, 2020 was renewed for further period of 6 months up to September 30, 2020.

The remuneration paid to the Managing Director & CEO of the Company was in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 and section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

During the financial year, Mr. Puneet Gupta and Mr. Atul Roongta were appointed as Directors on Board. Mr. Srinath Srinivasan resigned from the Board on June 11, 2019. Mr. Sanjeev Asthana, Independent Director retired from the Board on August 06, 2019

Pursuant to the provision of Section 152 of the Companies Act, 2013, Mr. Atul Roongta will be retiring by rotation at the ensuing Annual General Meeting and has offered himself for re-appointment as director at that meeting. The Directors recommend the name of Mr. Atul Roongta for appointment as Director of the Company.

26. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from Mr. Arun Balakrishnan, Mr. Sanjeev Asthana and Mr. Puneet Gupta Independent Directors, confirming that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

27. ANNUAL EVALUATION

The formal annual evaluation of the Board, its Committees and individual directors was conducted in accordance with the provisions of Companies Act, 2013. Necessary documents circulated to Directors for their feedback for the purpose of compliance with the provisions of the Companies Act 2013. The performance of the Board, its Committees, individual Directors and Independent Directors was found good, very good and excellent.

28. STATUTORY AUDITORS

M/s. Chokshi & Chokshi LLP, Chartered Accountants were appointed as the Statutory Auditors of the Company for a period of five years at the Eighth Annual General Meeting (AGM) held on August 12, 2015 up to FY 2019-20.

M/s. Chokshi & Chokshi LLP, Chartered Accountants has completed 1 term (five years) of their appointment. As a good corporate governance and a normal rotation procedure the Company decided to appoint M/s. K.S Aiyar, Statutory Auditors of the Company for a period of five years up to FY 2024-2025 at a remuneration of Rs.5,00,000/-

Further as per the third proviso of section 139 (1) of Companies Act, 2013, the Statutory Auditor has furnished a certificate to the Company that they satisfy the criteria provided in Section 141 of the Companies Act, 2013. The Company received mentioned certificate from the Statutory Auditor of the Company.

There is no qualification, reservation or adverse remark or disclaimer in the report given by M/s. Chokshi & Chokshi LLP, Statutory Auditors on the Standalone and consolidated financial statements of the Company for the year ended March 31, 2020.

29. DISCLOSURE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL), ACT, 2013

The Company has complied with provisions relating to the constitution of Internal Complaint Committee (ICC) under the sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013

The disclosures required to be under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 are given in the following table: -

1	Number of complaints of sexual harassment received in the year	Nil
2	Number of complaints disposed off during the year	Not applicable
3	Number of cases pending for more than 90 days	Not applicable
4	Whether workshops or awareness programs against sexual harassment were carried out	Yes. Awareness program was done for all employees
5	Nature of action taken by the employer	Not applicable

30. JOINT VENTURE COMPANY - RASHTRIYA e MARKET SERVICES PRIVATE LIMITED (ReMS)

Rashtriya e Market Services Private Limited (ReMS), the equal joint venture company between the Company and the Government of Karnataka has further strengthened its operations to create "one state on market" towards fulfilment of the Agriculture Markets Reforms Committee objectives of the state Government. ReMS uses Unified Market Platform (UMP) to operate 165 main market yards of the state. The platform provides enhances the price discovery mechanism of the produce in APMC markets in the state, material accounting, trade fulfilment and online funds settlement, etc.

The State Agricultural Market (SAM) of the state is now fully integrated with electronic National Agriculture Markets (eNAM). The UMP is now in the process of getting recognition from other states so as to provide its famers a wider choice to sell their produce to the best bidders from across the country. Thus, allowing remote buyers to participate in the Karnataka APMC markets.
As on March 31, 2020, the market turnover of the initiative crossed INR 1.80Lakh Crore since its inception in February 2014. During the financial year 2019-20 Farmer producer organization (FPO) trades worth more than 11.50 Crores were traded on the platform.

The company continued to work on enhancing its reach through apps and by further improving the price discovery mechanism in association with globally renowned institutions like MIT Boston and Yale University.

A statement containing the salient features of the financial statement of ReMS is given in Form AOC- I, which is enclosed as **Annexure 3**.

31. EMPLOYEE STOCK OPTION PLAN (ESOP)

The Board of Directors approved ESOP at its meeting held on March 27, 2017 and shareholders granted approval on March 28, 2017. The vesting period was over on March 27, 2018. The Company granted option to eligible employees of the Company under Employee Share Option Plan (ESOP Plan 2017). Following are details of the ESOP Plan 2017:

1. Total Options granted -**6,94,944** number of shares
2. Options vested- **4,13,281** number of shares
3. Options exercised- **27,629** number of shares
4. The total number of shares arising as a result of exercise of option- **27,629**
5. Options lapsed- **1,39,123**
6. the exercise price- **59.72/- per share**
7. variation of terms of options-NA
8. Money realized by exercise of options-**INR. 16,50, 003.88/-**
9. total number of options in force-NA
10. Employee wise details of options granted to:

(i) Key managerial personnel;

Designation	Eligible for ESOP	Employee Name	Designation	No. of Shares
Managing Director & CEO	1	Rajesh Kumar Sinha	Managing Director & CEO	93,912

(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.-**NA**

(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant-**NA**

The Company is maintaining ESOP Register in form No. **SH 6.**

32. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Act with respect to Directors' Responsibility Statement, it is hereby confirmed:

i. that in the preparation of accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii. that the directors have selected such accounting policies and applied them consistently and made judgement and estimates that were responsible and prudent 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 the year under review;

iii. that the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

iv. that the Directors have prepared the accounts for the financial year ended March 31, 2020 on a 'going concern' basis.

v. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

33. ACKNOWLEDGEMENTS

The Directors gratefully acknowledge the support and guidance received from various State Governments in general and Karnataka Government in particular, ReMS, other government organizations and public-sector undertaking associated with the Company, NCDEX, the holding Company and its employees. The Board also places on record its appreciation for the co-operation extended by the Banks, Service providers and Members of the Company.

The Board also acknowledges the relentless efforts and contribution made by the employees of the Company.

By order of the Board of Directors,

Place: Mumbai

Date: June 09, 2020

Sd/-

Rajesh Kumar Sinha
Managing Director
DIN-06798679

Sd/-

Atul Roongta
Director
DIN-07878061

Annexure 3

Form AOC-I

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Rashtriya e Market Services Private Limited
1**. Latest audited Balance Sheet Date**	March 31, 2020
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	5,000,000 Equity shares
Amount of Investment in Associates/Joint Venture Extend of Holding %	50%
3. Description of how there is significant influence	Significant influence is due to 20% or more of total share capital
4. Reason why the associate/joint venture is not consolidated	Not applicable
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	Rs. 21,38,74,782/-
6. Profit / Loss for the year	
i. Considered in Consolidation	Rs. 3,62,40,766/-
i. Not Considered in Consolidation	NIL

1. Names of associates or joint ventures which are yet to commence operations: None
2. Names of associates or joint ventures which have been liquidated or sold during the year: None

Place: Mumbai
Date: June 09, 2020

Sd/-
Rajesh Kumar Sinha
Managing Director
DIN- 06798679

Sd/-
Atul Roongta
Director
DIN - 07878061

Sd/-
Nimesh Dedhia
Chief Financial Officer

Annexure 1

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) Corporate Identification Number (CIN) of the Company:- U93090MH2006PLC165172

ii) Registration Date:- 18/10/2006

iii) Name of the Company: - NCDEX e Markets Limited

iv) Category / Sub-Category of the Company: Category:- Public Company/ Sub Category: Limited by Shares

v) Address of the registered office and contact details:- Unit No.101 & 101 T, 1st Floor, Ackruti Corporate Park, L.B.S. Marg, Kanjurmarg (W), Mumbai- 400079 Tel:-022- 4881 0500

vi) Whether listed company ~~Yes~~ / No:- No

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:-Not Applicable

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:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Transaction Charges on account of e-market services (Activities auxiliary to financial service activities)	661	63.76%
	Total		**63.76%**

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section
1	**National Commodity and Derivatives Exchange Limited** Add.: 1st Floor, Ackruti Corporate park, L.B.S. Marg, Kanjurmarg (W). Mumbai- 400078	U51909MH2003PLC140116	Holding Company	99.92%	Sub section (46) of Section 2
2	**Rashtriya e Market Services Private Limited** Add: No.16, Karnataka State Agricultural Marketing Board, 2nd Raj Bhavan Road, Bangalore – 560001	U01200KA2014PTC073119	Joint Venture Company	50%	Sub Section (6) of Section 2

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt									
d) Bodies Corp. **National Commodity & Derivatives Exchange Limited**	d) 3,54,99,400		d) 3,54,99,400	d) 99.95%	d) 3,54,99,400		d) 3,54,99,400	d) 99.92%	(0.03)
e) Banks/FI									
f) Any Other....									
Sub-total (A) (1):-	**3,54,99,400**		**3,54,99,400**	99.95%	**3,54,99,400**		**3,54,99,400**	**99.92%**	**(0.03)**
(2) Foreign									
a) NRIs - Individuals	**NA**	**NA**	**NA**	**NA**	**NA**		**NA**	**NA**	**NA**
b)Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1) +(A) (2)									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	3,54,99,400		**3,54,99,400**	99.95%	**3,54,99,400**		**3,54,99,400**	99.92%	(0.03)
B. Public Shareholding	NA	NA	NA	NA	NA		NA	NA	NA
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	NA	NA	NA	NA	NA		NA	NA	**NA**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,008	300	2,308	**0.01%**	2,508	100	2,608	**0.01**	-
ii) Individual									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
shareholders holding nominal share capital in excess of Rs 1 lakh	**15,521**	-	**15,521**	**0.04%**	**25,621**	-	**25,621**	**0.07%**	**0.03%**
c) Others (specify)									
Sub-total (B)(2):-									
Total Public Shareholding (B) = (B)(1) + (B)(2)	**17,529**	**300**	**17,829**	**0.05%**	**28,129**	**100**	**28,229**	**0.08%**	**0.03%**
C. Shares held by Custodian for GDRs & ADRs		-	-	-	-		-	-	-
Grand Total (A+B+C)	**3,55,16,929**	**300**	**3,55,17,229**	**100%**	**3,55,27,529**	**100**	**3,55,27,629**	**100%**	**0.00%**

(ii) **Shareholding of Promoters (including Promoter Group)**

Sl N o.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	% change in shareholding during the year
1	National Commodity & Derivatives Exchange Limited	Equity Shares: 3,54,99,400	Equity Shares 99.95%	NA	Equity Shares: 3,54,99,400	Equity Shares 99.92%	NA	(0.03)
	Total	**3,54,99,400**	**99.95%**	NA	**3,54,99,400**	**99.92%**	NA	**(0.03)**

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Equity Share- 3,54,99,400	Equity Shares 99.95%	Equity Shares: 3,54,99,400	Equity Shares- 99.92%
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	Change in percentage due to ESOP allotment	-
	At the End of the year	Equity Shares- **3,54,99,400**	Equity Shares **99.95%**	Equity Shares: **3,54,99,400**	Equity Shares- **99.92%**

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	1) Mr. Om Prakash Agarwal	10,838	0.030%	10,838	0.030%
	2) Mr. Manoj Kumar Godara	2,683	0.007%	2,683	0.007%

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	3) Mr. Ramesh Chand H.C (Allotted Shares under ESOP on 17/05/2019)	1000	0.0028%	9000	0.0253%
	4) Mr. Shailesh Kumar Puliyamkottu Kumaran (Allotted Shares under ESOP on 17/05/2019)	-	0%	1000	0.0028
	5) Mr. Ankur Jain (Allotted Shares under ESOP on 17/05/2019)	100	0.0003	500	0.0014
	6) Mr. Manish Tripathi	105	0.0003	105	0.0003
	7) Mr. Anand Chandra Jha	102	0.0003	102	0.0003
	8) Mr. Sudhir Gupta	101	0.0003	101	0.0003
	9) Mr. Kapil Dev (Transfer of 100 equity shares from Mr. Kapil Dev to Mr. Kapil Dev jointly with NCDEX on February 20,2020)	100	0.0003	-	0%
	10) Ms. Seema Nayak (Transfer of 100 equity shares from Ms. Seema Pramod Nayak to Ms. Seema Pramod Nayak jointly with NCDEX on February 20, 2020)	100 **Total: 15,129 Equity shares**	0.0003	- **Total: 24,329 Equity shares**	0%
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc): ***Change in percentage due to ESOP allotment***	(Transfer of 100 equity shares from Mr. Atul Roongta to Mr. Atul Roongta jointly with NCDEX on February 20, 2020) (Transfer of 100 equity	0.0003%	-	0.0003%

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		shares from Mr. Kapil Dev to Mr. Kapil Dev jointly with NCDEX on February 20, 2020)	0.0003%		0.0003%
		(Transfer of 100 equity shares from Ms. Poornima Santosh Shetty to Ms. Poornima Santosh Shetty jointly with NCDEX with NCDEX on February 20, 2020)	0.0003%		0.0003%
		(Transfer of 100 equity shares from Ms. Seema Pramod Nayak to Ms. Seema Pramod Nayak jointly with NCDEX on February 20, 2020)	0.0003%		0.0003%

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the End of the year (or on the date of separation, if separated during the year)				
	Transfer of 100 equity shares from Mr. Atul Roongta to Mr. Atul Roongta jointly with NCDEX on February 20, 2020	i) 100	0.0003%	i) 100	0.0003%
	Transfer of 100 equity shares from Mr. Kapil Dev to Mr. Kapil Dev jointly with NCDEX on February 20, 2020	ii) 100	0.0003%	ii) 100	0.0003%
	Transfer of 100 equity shares from Ms. Poornima Santosh Shetty to Ms. Poornima Santosh Shetty jointly with NCDEX with NCDEX on February 20, 2020	iii) 100	0.0003%	iii) 100	0.0003%
	Transfer of 100 equity shares from Ms. Seema Pramod Nayak to Ms. Seema Pramod Nayak jointly with NCDEX on February 20, 2020	iv) 100	0.0003%	iv) 100	0.0003%
		Total: 400 Equity shares		**Total: 400 Equity shares**	

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
	At the beginning of the year 1) Mr. Rajesh Kumar Sinha – Managing Director & CEO	2100 Equity shares	0.0059%	3100 Equity shares	0.0087%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			Change in percentage due to ESOP allotment	
	At the End of the year	**2100 Equity shares**	**0.0059%**	**3100 Equity shares**	**0.0087%**

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Rupees)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
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
Total (i+ii+iii)	0	0	0	**0**
Change in Indebtedness during the financial year				---
• Addition	---	---	---	**---**
• Reduction	---	---	---	
Net Change	**-**	**-**	**-**	**-**
Indebtedness at the end of the financial year				
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
Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Rajesh Kumar Sinha Managing Director & CEO	Total Amount
1.	Gross salary (a) Salary 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	Rs. 11,444,769 - Rs. 10,00,000	Rs. 11,444,769 - Rs. 10,00,000
2.	Stock Option (ESOP- Equity Shares)	3100 Equity Shares	3100 Equity Shares
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)	**Rs.12,444,769**	**Rs.12,444,769**
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	**Mr. Arun Balakrishnan**	**Mr. Sanjeev Asthana**	**Mr. Puneet Gupta**	
	• Fee for attending board /committee meetings • Commission • Others, please specify	6,90,000/- Nil Nil	2,20,000/- Nil Nil	4,10,000 Nil Nil	13,20,000/- Nil Nil
	Total (1)				**13,20,000/-**
2.	Other Non-Executive Directors	**Mr. Vijay Kumar Venkataraman**	**Mr. Srinath Srinivasan**	**Mr. Atul Roongta**	
	• Fee for attending board /committee meetings • Commission • Others, please specify	Nil Nil Nil	40,000/- Nil Nil	Nil Nil Nil	40,000/-
	Total (2)				**40,000/-**
	Total (B) = (1 + 2)				**13,60,000/-**
	Total Managerial Remuneration				**13,60,000/-**
	Overall Ceiling as per the Act	Rs. 1,00,000 per member per meeting			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Nimesh Dedhia Chief Financial Officer	**Ms. Archana Tripathi Company Secretary**	**Total**
1.	Gross salary (a) Salary 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	Rs. 32,14,221/- - *Nil*	Rs. 13,58,929 /- - Nil	Rs. 45,73,150 /- Rs. Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total	**Rs. 32,14,221/-**	**Rs. 13,58,929 /-**	**Rs. 45,73,150 /-**

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)
A. COMPANY					
Penalty				**NIL**	
Punishment					
Compounding					
B. DIRECTORS					
Penalty				**NIL**	
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty				**NIL**	
Punishment					
Compounding					

For NCDEX e Markets Limited

Sd-
Rajesh Kumar Sinha
Managing Director &
Chief Executive Officer
DIN- 06798679

Sd-
Atul Roongta
Director
DIN - 07878061

Place: Mumbai
Date: June 09, 2020

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 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,
NCDEX e Market Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NCDEX e Market Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 the financial year ended on March 31, 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 financial year ended on March 31, 2020, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iii. 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 Financial Year.**

iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares

and Takeovers) Regulations, 2011;- **Not Applicable.**

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; - **Not Applicable.**

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;- **Not Applicable.**

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;- **Not Applicable.**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- **Not Applicable.**

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; - **Not Applicable.**

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2016; - **Not Applicable.**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable.**

i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 - **Not Applicable.**

v. Provisions of State APMC (Agricultural Produce Marketing Committee) Acts;-
The Company is required to obtain license under the APMC Act to carry out the operations. The Company has obtained licenses from the following States:

- Maharashtra
- Karnataka
- Orissa
- Rajasthan
- Gujarat
- Andhra Pradesh
- Himachal Pradesh
- Telangana

vi. Rules, regulations, circulars, directives, conditions and guidelines issued / prescribed under above laws and to the extent applicable to the functions of the Company.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

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

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out

in compliance with the provisions of the Act.
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.

All the decisions have been taken unanimously at the Board Meeting and with requisite majority at an Annual General Meeting.

At the Annual General Meeting held on August 2, 2019 the Shareholders approved the following by way of Resolution:

i) Re-appointment of Mr. Arun Balakrishnan, Independent Director of the Company to hold office for 3 (three) consecutive years commencing from August 07, 2019 up to August 06, 2022, not liable to retire by rotation. (Special Resolution).

ii) Appointment of Mr. Puneet Gupta Independent Director of the Company to hold office for 3 (three) consecutive years commencing from August 01, 2019 up to July 31, 2022, not liable to retire by rotation. (Ordinary Resolution).

Re-appointment of Mr.Rajesh Kumar Sinha as a Managing Director & CEO of the Company with effect from April 1, 2020 upto September 30, 2020 by way of Special Resolution by the Shareholder of the Company at the Extra Ordinary General Meeting held on March 12, 2020.

No winding –up petition was filed against the company during the Financial Year.

The meeting of Independent Directors are held on **June 01, 2020**

Internal Complaint Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 was going to be held in March 2020 but due to lockdown the meeting could not took place.

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. List of Other Applicable Act is as per **Annexure -A**

We further report that during the financial year there was Allotment of Equity Shares to employees of the Company on May 17, 2019 under ESOP.

For N L Bhatia & Associates
Practicing Company Secretarie
UIN: P1996MH055800
UDIN: F005436B000311676

Bharat Upadhyay
Partner
FCS No.5436
COP No.4457

Place: Mumbai
Date: June 2, 2020.

Annexure -A

LIST OF OTHER APPLICABLE ACTS

a) Maharashtra Agricultural Produce Marketing (Development and Regulation) Act, 1963.
b) Karnataka Agricultural Produce Marketing (Development and Regulation) Act, 1966 and Rules 1968.
c) Rajasthan Agricultural Produce Markets Act, 1961.
d) Orissa Agricultural Produce Markets Act, 1956.
e) The Gujarat Agricultural Produce Market (Amendment) Act, 2007 and Rules 2014 there under.
f) Andhra Pradesh (Agricultural Produce & Livestock) Markets Act, 1966.
g) Himachal Pradesh Agricultural & Horticultural Produce Marketing (Development & Regulation) Act, 2005.
h) The Professional Tax Act, 1975.
i) The Minimum Wages Act, 1948.
j) The Employees Provident Funds & Miscellaneous Provisions Act, 1952.
k) The Payment of Bonus Act, 1965.
l) The Payment of Gratuity Act, 1972.
m) Companies Act, 1956 and relevant notified provisions of Companies Act, 2013 read with Rules made there under.
n) The Maharashtra Labour Welfare Fund Act, 1953.
o) The Payment of Wages Act, 1936.
p) The Maternity Benefit Act, 1961.
q) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959.
r) The Sexual Harassment of Women Workspace (Prevention Prohibition and Redressal) Act, 2013.
s) The Shop and Establishment Act, 1948.
t) The Contract Labour Act, 1970.
u) TDS on Salary Provisions (Income Tax Act).

Standalone Financial Statement

INDEPENDENT AUDITORS' REPORT

To the Members,
NCDEX E Markets Limited

Report on the Audit of Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of NCDEX E Markets Limited("the Company"), which comprise the Balance Sheet as at 31st March 2020, the statement of Profit and Loss (including Other Comprehensive income), the statement of Cash flows and the Statement of Changes in Equity for the year ended 31st March 2020 ('the period') and a summary of significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

   In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, its profit and the total comprehensive income, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

2. We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 opinion on the standalone financial statements.

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

3. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Secretarial Report and Directors' Report, but does not include the standalone financial statements and our auditor's report thereon.
   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

4. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statement

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

6. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability 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.

   Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements. The description of the auditor's responsibilities for the audit of the standalone financial statements is given in "Appendix I" to this report.

Report on Other Legal and Regulatory Requirements

9. 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"** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

10. 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, Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses unmodified opinion on the adequacy and operative effectiveness of the Company's internal financial controls with reference to standalone financial statements.

g. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its director during the year is within the limit laid down in 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:

   i. The Company does not have any pending litigation which would impacts its financial position in its standalone financial statements.

   ii. The Company did not have any long term contracts including derivative contracts for which there were any materials foreseeable losses.

   iii. There was no amount which were required to be transferred to the Investor Education and Protection Fund by the company.

For CHOKSHI & CHOKSHI LLP
Chartered Accountants
FRN: 101872W/W100045

Nilesh Joshi
Partner
M. No. 114749
UDIN: 20114749AAAACW7556

Place: Mumbai
Date: June 9, 2020.

APPENDIX – I: THE FURTHER DESCRIPTION OF THE AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements 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 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 ability of the Group 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 Group 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.

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.

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

IN RESPECT OF THE MATTERS COVERED IN CARO 2016 REPORT, WE CONFIRM THE FOLLOWING:

1. In respect of its fixed assets:
   a. According to the information and explanations given to us, the Company is maintaining records showing full particulars, including quantitative details and situations of all the fixed assets.

   b. Major fixed assets of the company comprise of intangible assets inter alia software. Other fixed assets of the Company are physically verified as per the program approved by the management for such verification. As per the information and explanation provided by the management, due to COVID-19 lockdown, the aforesaid verification could not be undertaken by the Company as at the end of the current financial year. The management explanation that considering the past trend and having regard to the size of the Company and nature of its assets and related internal controls, there is unlikely to be any material discrepancy for the current financial year, and the same has been relied upon. Further, the management has informed that post COVID-19 lockdown, an interim physical verification shall be conducted for the next financial year.

   c. According to the information and explanations given to us, the Company does not have any immovable property, Consequently, clause 3(i)(c) of the order is not applicable.

2. The company is in the business of rendering services and consequently, does not hold any inventory. Accordingly, the provisions of Clause 3(ii) of the order are not applicable to the Company.

3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, Limited Liability Partnerships firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii)(a) to 3(iii)(c) are not applicable to the Company.

4. According to the information and explanations given to us the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 with respect to the loans, investments, guarantees, and security given.

5. The Company has not accepted any public deposits within the meaning of sections 73 to 76 of Companies Act, 2013 and rules framed there under;

6. As the Company is not a manufacturing concern, the clause 3(vi) of the Order regarding maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company.

7. a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing applicable undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, goods and service tax, cess and any other statutory dues with the appropriate authorities during the period under audit and no such dues are outstanding for more than six months from the date they became payable, except for professional tax where registration was delayed due to technical problem in respective State site. The detail of the same is given below:

Sr. No.	Name of the statue	Nature of dues	Amount payable	Amount paid under protest	Period to which the amount relates
1	Professional Tax Act	Professional Tax	14,580	Nil	February 2019 to September 2019

b) According to the records of the Company and the representation made available to us by the Company, there are no dues of income tax or the duty of customs, sales tax, service tax or goods and service tax or cess, which have not been deposited on account of any disputes.

8. In our opinion, and according to the information and explanations given to us, the Company has not borrowed any money from financial institutions, banks or Debenture holders. Accordingly, the provision of clause 3(viii) of the Order is not applicable to the Company.

9. According to the information and explanations given to us, the Company has not raised any fund by way of public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the order are not applicable to the company.

10. During the course of our examination of the books of accounts, carried out in accordance with the generally accepted auditing standards in India, and according to the information and explanation given to us, we have not come across any instance of fraud by the company or any fraud on the Company by its officers or employees, either noticed or reported during the year, on or by the Company.

11. According to the information and explanations given to us and based on our examination of the records of the Company, the Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.

12. The Company is not in the nature of a Nidhi Company as defined under section 406 of the Act.

13. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in note 41 of the standalone financial statements, as required by the applicable accounting standards.

14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

15. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence clause 3(xv) of the Order is not applicable to the Company.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M/s. CHOKSHI AND CHOKSHI LLP
Chartered Accountants
FRN: 101872W/W100045

Nilesh Joshi
Partner
M. No. 114749
UDIN: 20114749AAAACW7556

Place: Mumbai
Date: June 9, 2020

ANNEXURE - B TO INDEPENDENT AUDITORS' REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. We have audited the internal financial controls over financial reporting of NCDEX E Markets Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 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 internal financial controls system with reference to standalone financial statements 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 judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s. CHOKSHI AND CHOKSHI LLP
Chartered Accountants
FRN: 101872W/W100045

Nilesh Joshi
Partner
M. No. 114749
UDIN: 20114749AAAACW7556

Place: Mumbai
Date: June 9, 2020

NCDEX e Markets Limited
Standalone Balance Sheet as at March 31, 2020

(Amount in Rs.)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current Assets			
(a) Property, Plant and Equipment	2	32,227,161	41,243,367
(b)Right of use Assets	30	47,224,433	
(c) Other Intangible assets	3	116,440,001	117,020,901
(d) Capital Work in Progress	2	-	-
(e) Financial Assets			
(i) Non-current Investments	4	50,000,001	50,000,001
(ii) Others	5	138,722,918	13,181,848
(f) Deferred tax assets (Net)	6	10,642,426	19,591,118
(g) Income Tax Assets (Net)	28	16,447,038	24,526,886
(h) Other non-current assets	7	607,163	1,487,010
Total non-current assets		**412,311,141**	**267,051,132**
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	8	38,042,035	57,116,475
(ii) Cash & cash equivalents	9	498,272,647	634,288,854
(iii) Bank balances other than (ii) above	10	582,810,000	412,390,430
(iv) Others	11	79,535,864	27,633,562
(b) Other current assets	12	8,297,386	21,047,763
Total current assets		**1,206,957,932**	**1,152,477,085**
Total Assets		**1,619,269,073**	**1,419,528,216**
Equity			
(a) Share capital	13	355,276,290	355,172,290
(b) Other Equity	14	28,056,064	(57,778,325)
Total Equity		**383,332,354**	**297,393,965**
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
Deposits	15	1,311,326	2,017,244
Lease liability	30	35,697,419	-
(b) Provisions	16	7,694,391	3,180,280
Total non-current liabilities		**44,703,136**	**5,197,524**
Current Liabilities			
(a) Financial Liabilities			
(i) Deposits	17	218,795,057	200,102,062
(ii) Lease Liability	30	15,391,548	-
(iii) Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises; and	18	2,966,662	5,492,576
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		7,342,855	40,381,792
(iv) Other liabilities	19	882,097,768	813,049,992
(b) Other current liabilities	20	19,021,717	14,652,722
(c) Provisions	21	45,617,976	43,257,583
Total current liabilities		**1,191,233,584**	**1,116,936,727**
Total Liabilities		**1,235,936,720**	**1,122,134,251**
Total equity and liabilities		**1,619,269,073**	**1,419,528,216**

The accompaying Standalone Notes form an intergal part of the Financial Statements

Significant Accounting Policy and Standalone Notes to Financial Statements. 1 to 50

As per our report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045

For and behalf of the Board of Directors
NCDEX e Markets Limited

Nilesh Joshi
Partner
M. No. 114749

Rajesh Kumar Sinha
Managing Director
DIN:06798679

Atul Roongta
Director
DIN:07878061

Place: Mumbai
Date: 9th June 2020

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

NCDEX e Markets Limited

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

(Amount in Rs.)

Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
Revenue from operations	22	544,232,051	560,046,104
Other Income	23	80,019,148	63,104,371
		624,251,199	**623,150,475**
EXPENSE			
Employee benefits expense	24	182,152,095	188,510,433
Finance Cost	25	4,585,957	509,124
Depreciation & Amortization	26	72,128,882	52,226,262
Other Expenses	27	244,657,995	238,676,050
Total Expenses		**503,524,929**	**479,921,869**
Profit / (loss) before exceptional items and income tax		**120,726,270**	**143,228,606**
Exceptional item (net of tax)		-	-
Profit / (Loss) before tax		**120,726,270**	**143,228,606**
Current tax	28	18,537,446	28,421,113
MAT Credit (Entitlement) /Utilise		14,485,138	(29,235,195)
Income Tax for earlier periods Written off/ (Back)		-	176,160
Deferred tax	28	(5,536,447)	28,055,983
Profit / (Loss) after tax		**93,240,132**	**115,810,545**
OTHER COMPREHENSIVE INCOME			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains (losses) on defined benefit plans		(5,072,414)	(445,605)
Income tax effect		1,477,087	96,028
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**89,644,805**	**115,460,968**
Earnings per equity share:			
Basic	29	2.62	3.26
Diluted	29	2.62	3.26

The accompaying Standalone Notes form an intergal part of the Financial Statements

Significant Accounting Policy and Standalone Notes to Financial Statements. 1 to 50

As per our report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045

For and behalf of the Board of Directors
NCDEX e Markets Limited

Nilesh Joshi
Partner
M. No. 114749

Rajesh Kumar Sinha
Managing Director
DIN:06798679

Atul Roongta
Director
DIN:07878061

Place: Mumbai
Date: 9th June 2020

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

NCDEX e Markets Limited

Standalone Cash Flow Statement for year ended March 31, 2020

(Amount in Rs.)

Particulars		Year ended March 31 ,2020	Year ended March 31 ,2019
A. Cash flow from Operating Activities			
Profit Before Tax		**115,653,856**	**142,783,001**
Adjustments for:			
Depreciation and Amortisation Expense		72,128,882	52,226,262
Impairment of Fixed Assets (Software)		-	5,915,283
Interest Income		(50,253,388)	(35,365,189)
Dividend Income		(7,000,000)	(6,000,000)
Interest on Income Tax Refund		(2,885,688)	-
Short term gain on mutual fund		(14,093,304)	(21,189,961)
Share option reserve		-	(14,034,200)
Profit on sale of Fixed Assets		(76,610)	-
Transition Reserve IND AS 116		(4,301,800)	
Operating Profit before working capital changes		**109,171,947**	**124,335,196**
Movements in working capital:			
Decrease / (Increase) in Non-current Other Bank balances		(125,541,070)	(2,000,000)
Decrease / (Increase) in Prepaid expenses		879,847	(163,553)
Decrease / (Increase) in Trade receivables		19,074,440	(8,605,008)
Decrease / (Increase) in Other financial assets		(51,902,302)	75,567,275
Decrease / (Increase) in Other current Assets		12,750,377	(10,035,488)
Increase / (Decrease) in Long term Provisions		4,514,110	3,180,280
Increase / (Decrease) in Non Current Lease liabilities		35,697,419	
Increase / (Decrease) in Deposits Paid		17,987,077	(8,237,344)
Increase / (Decrease) in Trade payables		(35,564,851)	(20,658,299)
Increase / (Decrease) in Other financial liabilities		69,047,777	346,313,676
Increase / (Decrease) in Current Lease liabilities		15,391,548	
Increase / (Decrease) in Other current liabilities		4,368,995	4,498,417
Increase / (Decrease) in Short term Provisions		2,360,391	23,957,492
Cash flow before taxation		**78,235,707**	**528,152,644**
Direct taxes paid		(8,980,511)	(26,108,301)
Net Cash Generated from Operating Activities	**(A)**	**69,255,195**	**502,044,343**
B. Cash Flows From Investing Activities			
Purchase of fixed assets		(109,756,210)	(65,167,450)
Interest Received		50,253,388	35,618,417
Interest on income tax refund		2,885,688	-
Investment in fixed deposits		(170,419,570)	(249,034,258)
Short term gain on mutual fund		14,093,304	21,189,961
Profit on sale of Fixed Assets		76,610	-
Dividend received		7,000,000	6,000,000
Net Cash Used in Investing Activities	**(B)**	**(205,866,788)**	**(251,393,330)**
C. Cash Flows From Financing Activities			
Issue of Equity share capital		621,088	1,028,919
RMF utilised during the year		(25,705)	(1,000,447)
Net Cash Generated from Financing Activities	**(C)**	**595,383**	**28,472**
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)		**(136,016,209)**	**250,679,485**
Effect of exchange differences on Cash & Cash equivalents held in foreign currency		-	-
Cash and Cash Equivalents at the Beginning of the year		**634,288,855**	**383,609,371**
Cash and Cash Equivalents at the End of the year [Refer Note 9]		**498,272,647**	**634,288,856**
Notes:			
1. Cash & Cash Equivalents			
Cash on Hand		202,251	4,426
Balances with Banks:			
- In Current Accounts		262,506,374	484,143,064
- In Fixed Deposits		235,564,022	33,857,850
- Investments in mutual funds (Highly Liquid Funds)		-	116,283,516
Cash & Cash Equivalents considered for Cash flow		**498,272,647**	**634,288,856**

Note: The above Cash Flow Statement is prepared under indirect method as per IND AS 7-'Statement of Cash Flows'.

Figures in brackets indicate cash outflow.

The accompaying Standalone Notes form an intergal part of the Financial Statements

Significant Accounting Policy and Standalone Notes to Financial Statements. **1 to 50**

As per our report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045

For and behalf of the Board of Directors
NCDEX e Markets Limited

Nilesh Joshi
Partner
M. No.114749

Rajesh Kumar Sinha
Managing Director
DIN:06798679

Atul Roongta
Director
DIN:07878061

Place: Mumbai
Date: 9th June 2020

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

NCDEX e Markets Limited
STATEMENT OF CHANGES IN EQUITY

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

Issued , subscribed and paid up share capital
Equity Shares of Rs.10/- each

Particulars	Amount in Rs.
As at March 31, 2018	355,000,000
Changes in equity share capital	-
Share issue Expenses	-
Shares issued during the period	172,290
As at March 31, 2019	355,172,290
Changes in equity share capital	
Share issue Expenses	
Shares issued during the period	104,000
As at March 31, 2020	355,276,290

Other equity

(Amounts in Rs.)

Particulars	Risk Management Fund	Retained Earnings	Share option Reserve	Share Premium	Special Guarantee Fund	Other Comprehensive Income - FVTOCI defined benefit plans	Total
Balance at the end of the reporting period on 31st March 2018	**1,495,980**	**(171,714,494)**	**14,034,200**	**-**	**-**	**(2,876,961)**	**(159,061,275)**
Addition in current period	1,500,000	115,810,545	-	856,629	100,000	(349,577)	117,917,597
Utilised / Reversed during the period	(1,000,447)	-	(14,034,200)	-	-	-	(15,034,647)
Transfer to Risk Management Fund	-	(1,500,000)	-	-	-	-	(1,500,000)
Transfer to Special Guarantees Fund		(100,000)		-	-	-	(100,000)
Share issue expenses	-		-	-	-	-	-
Balance at the end of the reporting period on 31st March 2019	**1,995,533**	**(57,503,949)**	**-**	**856,629**	**100,000**	**(3,226,538)**	**(57,778,325)**
Addition in current period		93,240,133		517,088		(3,595,327)	90,161,894
Utilised / Reversed during the period	(25,705)	-	-	-	-	-	(25,705)
Transfer to Risk Management Fund		-		-	-	-	-
Transfer to Special Guarantees Fund		-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-
Transition Reserve IND AS 116	-	(4,301,800)	-	-	-	-	(4,301,800)
Balance at the end of the reporting period on 31st March 2020	**1,969,828**	**31,434,384**	**-**	**1,373,717**	**100,000**	**(6,821,865)**	**28,056,064**

The accompaying standalone notes form an Significant Accounting Policy and Standalone 1 to 50

Notes:
(i) Risk Management Fund (Refer Note 35)

(ii) Retained Earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

(iii) Share Option Reserve
which option to subscribe for the Company's shares have been granted to certain

(iv) Share Premium Reserve
Securities Premium Reserve is used to record premium on issuance of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

(v) Special/Settlement Guarantee Fund (Refer Note 36)

(vi) Other Comprehensive Income
Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI)

As per our report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045

Nilesh Joshi
Partner
M. No. 114749

For and behalf of the Board of Directors
NCDEX e Markets Limited

Rajesh Kumar Sinha
Managing Director
DIN:06798679

Atul Roongta
Director
DIN:07878061

Place: Mumbai
Date: 9th June 2020

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

NCDEX e Markets Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2020.
(All amounts are in Rupees unless otherwise stated)

Corporate Information

NCDEX e Markets Limited ("the Company"), a subsidiary of National Commodity & Derivatives Exchange Ltd (NCDEX) along with its nominee shareholders, is a national level electronic commodity market and services company focusing on capitalizing the opportunities of the offering electronic commodity trading platform and services in the commodity markets through a robust technology platform and ecosystem partners.

1. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements ("standalone financial statements"). These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

These standalone financial statements are prepared in accordance , under the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Companies Act 2013 (the Act).

b) Historical Cost Convention

The Standalone Financial Statements have been prepared on the historical cost basis except for the followings:

(i) Certain financial assets and liabilities and contingent consideration that is measured at fair value;
(ii) Assets held for sale measured at fair value less cost to sell;
(iii) Defined benefit plans& plan assets measured at fair value; and

c) Use of estimates and judgement

The preparation of standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management needs to exercise judgement in applying the accounting policies. Changes in the estimates are accounted for in the year ended when actual figures are known and not as a restatement to the comparable figures. Application of accounting policies that require critical accounting estimates and assumptions having the most significant effect on the amounts recognised in the standalone financial statements are:

- Useful lives property, plant, equipment and intangible assets

- Measurement of defined employee benefit obligation

- Contingent liabilities

d) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle
(ii) Held primarily for the purpose of trading, or
(iii) Expected to be realised within twelve months after the reporting period other than for (i) above, or
(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
(v) Current assets also include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle
(ii) It is held primarily for the purpose of trading
(iii) It is due to be settled within twelve months after the reporting period other than for (i) above, or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

e) 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.

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.

The Company categorizes assets and liabilities measured at fair value into one of three levels as follows:

Level 1 – Quoted (unadjusted)

This hierarchy includes financial instruments measured using quoted prices.

Level 2

Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include the following:

(i) quoted prices for similar assets or liabilities in active markets.
(ii) quoted prices for identical or similar assets or liabilities in markets that are not active.
(iii) inputs other than quoted prices that are observable for the asset or liability.
(iv) Market – corroborated inputs.

Level 3

They are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

f) Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures at carried at cost less accumulated impairment losses, if any.

g) Non-current assets held for sale

Non-current assets & disposal group classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, Plant and Equipment (PPE) and intangible assets, are not depreciated or amortized once classified as held for sale.

h) Property plant and equipment (including Capital Work in Progress)

PPE are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of CENVAT/ITC) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees for qualifying assets.

Significant parts of an item of PPE having different useful lives & material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation of these PPE commences when the assets are ready for their intended use. Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Depreciation is provided on straight line method over the useful life of the assets as prescribed in Schedule III of Companies Act, 2013.The Residual value of all assets is taken to be “NIL”.

The useful life of property, plant and equipment are as follows: -

Asset Class	Useful Life
Furniture & Fixtures	10 years
Computer hardware	
- Servers & Networking devices	6 years
- Computer Hardware	3 years
Electrical Installations	10 years
Office Equipment	5 years
Vehicles	8 years

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Fixed assets having an original cost of less than or equal to Rs. 5,000 individually are fully depreciated in the year of purchase or installation.

Leasehold Improvement other than electrical installations is amortized over the renewable period of lease.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or over the shorter of the assets useful life and the lease term if there is an uncertainty that the company will obtain ownership at the end of the lease term.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

i) Intangible Assets

(i) Computer Software

Purchase of computer software used for the purpose of operations is capitalized. However, any expenses on software support, maintenance, upgrade etc. payable periodically is charged to the Statement of Profit & Loss.

Costs capitalised are amortized on a straight line basis over its expected useful life based on management's estimate.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends & has ability to complete the software and use or sell it
- Software will be able to generate probable future economic benefits
- Software is available, and the expenditure attributable to the software during its development can be reliably measured.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use. The estimated useful life (5-10 years) of subsequent

development of already capitalised intangible assets is evaluated independent of the estimated life of the original assets.

Intangible assets are amortized over a period of five years or remaining life of the product considered at the end of each financial year whichever is earlier. The carrying value of computer software costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

(ii) De-recognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(iii) Intangible assets under development

All costs incurred in development, are initially capitalized as Intangible assets under development – till the time these are either transferred to Intangible Assets on completion or expensed as Software Development cost (including allocated depreciation) as and when determined of no further use.

j) 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:

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For the Purpose of Subsequent measurement, financial assets are classified in following categories based on the company's business model:

- Financial instrument at amortized cost
- Financial instrument at fair value through other comprehensive income (FVTOCI)
- Financial instruments, derivatives and equity instruments a fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(i) Financial instruments at amortized cost

A 'financial instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

(ii) Financial instrument at FVTOCI

A 'financial instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Statement of profit and loss. Interest earned whilst holding FVTOCI financial instrument is reported as interest income using the EIR method.

(iii) Financial instrument at FVTPL

Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

(iv) Equity investments

All equity investments are measured at fair value. For equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. This amount is not recycled from OCI to the Statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Investment in subsidiaries, joint ventures and associates

Investment in joint ventures is carried at cost in the standalone financial statements.

Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

Cash and Cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

De-recognition

A financial asset is de-recognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of Impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
d) Loan commitments which are not measured as at FVTPL
e) Financial guarantee contracts which are not measured as at FVTPL
f) Right to use assets in the scope of Ind AS 116.

<u>The Company follows 'simplified approach' for recognition of impairment loss allowance on:</u>
Trade receivables or contract revenue receivables;

ECL impairment loss allowance (or reversal) if any, is recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

Financial liabilities
Financial liabilities are measured at amortized cost using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable
right to set off the recognized amounts and the Company intends either to settle on a net basis, or to
realise the asset and settle the liability simultaneously.

k) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

l) Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service taxes, Goods and Service Tax (GST) and amounts collected on behalf of third parties.

Annual Membership/Lot creation charges/Penalty/E-pledge fees/tricker board charges/other charges: -

Annual subscription charges are recognized as income when there is reasonable certainty and the ultimate realization.

Transaction Charges – Transaction charges are recognised as income on trade date basis.

Software service charges: - Software service charges are recognized as income on the basis of agreement with parties and in respect of agreements with the joint controlled, claims are accounted on actual receipts.

Admission fees: - Admission fees are recognized as income at the time an applicant is converted as member and provisional member.

Registration Fees: - Registration fee is recognized fully as one-time income for the financial period.

Reactivation Fees: - Reactivation fees is charged when client agrees to reactivate the account and pays the same and It is recognised on receipt basis.

Business Support Services: - Income from business support services are recognized on the basis of agreement with parties.

Interest income: - Interest income for fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. For Debt instruments measured at either at amortized cost or at fair value through other comprehensive income, it is recorded using effective interest rate (EIR) method.

Dividend: - Dividend is recognized when the company's right to receive dividend is established as at the reporting date.

Short term Capital Gain from Mutual fund: - STCG is recognized as income on sale of mutual fund.

m) Leases

As a lessee

Use of estimates and judgment

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Accounting Policy

'Effective April 01, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019.

'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.

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:

(1) the contract involves the use of an identified asset

(2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and

(3) 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 to use asset 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.

'Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right to use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

'The right to 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 incurred and an estimate of costs to dismantle and remove the underlying assets or to restore the underlying asset or the site on which it is located, less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

'Right to use assets is subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right to use asset reflects that the Company expects to exercise a purchase option, the related right to use asset is depreciated over the useful life of the underlying asset. In addition, the right of use asset is periodically reduced by impairment loss, if any, and adjusted for certain re-measurement of the lease liability.

The lease liability is initially measured at the present value of the future lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right to use asset if the group changes its assessment if whether it will exercise an extension or a termination option. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

Lease liability and Right to use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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 Statement of Assets and Liabilities based on their nature.

Transition

Effective April 1, 2019, the company adopted Ind AS 116 “Leases” and applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right to use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee’s incremental borrowing rate at the date of initial application. Figures as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under Ind AS 17.

n) Foreign currency transactions

Functional and presentation currency:

Items included in the Financial Information of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Standalone Financial Information are presented in Indian currency (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Any income or expenses on account of exchange difference between the date of transaction and on settlement or on translation is recognized in the statement of profit and loss as income or expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary rates at the date when the fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation difference on items whose fair value gain or loss is recognised in OCI or statement of profit or loss, respectively).

o) Employee Benefits

Short term employee benefits: -

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in Statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the Standalone Statement of Assets and Liabilities.

Post-employment obligations

i. Defined contribution plans

Provident Fund

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of profit and loss of the year ended when the contributions to the respective funds are due. There are no obligations other than the contribution payable to the provident Fund.

ii. Defined benefit plans

Gratuity obligation.

The Company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the Standalone Statement of Assets and Liabilities in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined

benefit obligation is determined by discounting the estimated future cash outflows by reference to yields on government securities at the end of the reporting period that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of profit and loss as past service cost.

Compensated absences – Leave benefits

These are measured based on actuarial valuation carried out by an independent actuary at each balance sheet date unless they are insignificant.

p) Provisions, Contingent Liabilities and Contingent Assets

Provisions for legal claims and are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using current pre tax rate that reflects, when appropriate, the risk specific to the liability.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent liabilities are not recognised but disclosed in the Standalone Financial Statements, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are not recognised but disclosed in the Standalone Financial Statements when an inflow of economic benefits is probable.

q) Employee stock compensation cost

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that

the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

r) Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year ended. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

s) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Standalone Financial Statement. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amount will be available to utilise those temporary differences and losses. At each reporting date the Company reassesses unrecognized deferred tax assets and recognizes the same to the extent it has become probable that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to

offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
Current and deferred tax is recognised in Statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is not probable that the Group will pay normal tax during the specified period.

t) Cash flow statement

Cash flows has been prepared under the "Indirect method" as set out in the Ind AS-7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

u) Cash and Cash equivalents

Cash and Cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

NCDEX e Markets Limited
Notes to Standalone Financial Statements as at March 31, 2020

2 Property, Plant and equipment & Capital Work-in-Progress

(Amount in Rs.)

Particulars	Furniture and Fixtures	Leasehold Improvement	Computer Hardware	Office Equipments	Freehold Vehicles	Electrical Installations	Total	Capital Work in Progress
GROSS BLOCK								
As at April 01, 2018	**300,196**	**-**	**43,459,951**	**572,184**	**2,379,974**	**-**	**46,712,305**	**8,980,491**
Additions	4,297,640	10,108,923	5,934,068	6,327,289	-	2,108,132	28,776,053	4,336,135
Disposals / Adjustments	-	-	-	-	-	-	-	(13,316,626)
As at March 31, 2019	**4,597,836**	**10,108,923**	**49,394,019**	**6,899,473**	**2,379,974**	**2,108,132**	**75,488,358**	**-**
Additions	259,462	702,925	1,873,022	1,048,990	-		3,884,398	
Disposals / Adjustments			1,359,021	7,640			1,366,661	
As at March 31,2020	**4,857,298**	**10,811,848**	**49,908,020**	**7,940,823**	**2,379,974**	**2,108,132**	**78,006,095**	**-**
ACCUMULATED DEPRECIATION								
As at April 01, 2018	**38,339**	**-**	**16,334,221**	**116,218**	**622,194**	**-**	**17,110,972**	**-**
Depreciation for the period	382,846	907,927	14,394,884	1,010,796	311,097	126,469	17,134,019	-
Disposals / Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2019	**421,185**	**907,927**	**30,729,105**	**1,127,014**	**933,291**	**126,469**	**34,244,991**	**-**
Depreciation for the period	473,343	1,053,337	9,315,841	1,523,450	311,097	**215,897**	**12,892,965**	
Disposals / Adjustments			1,359,021				1,359,021	
As at March 31,2020	**894,528**	**1,961,264**	**38,685,925**	**2,650,464**	**1,244,388**	**342,366**	**45,778,935**	**-**
NET BLOCK								
As at March 31, 2019	**4,176,652**	**9,200,996**	**18,664,914**	**5,772,459**	**1,446,683**	**1,981,663**	**41,243,367**	**-**
As at March 31, 2020	**3,962,771**	**8,850,584**	**11,222,095**	**5,290,359**	**1,135,586**	**1,765,766**	**32,227,161**	**-**

NCDEX e Markets Limited
Notes to Standalone Financial Statements as at March 31, 2020

3 Intangible Assets

(Amount in Rs.)

Gross Block	Computer Software	Total
As at April 01, 2018	163,582,533	163,582,533
Additions	45,371,857	45,371,857
Provision for Impairment	5,915,283	5,915,283
Disposals / Adjustments	9,837,752	9,837,752
As at March 31, 2019	193,201,355	193,201,355
Additions	42,536,459	42,536,459
Provision for Impairment		-
Disposals / Adjustments		-
As at March 31, 2020	**235,737,814**	**235,737,814**
Accumulated amortisation and impairment losses	**Computer Software**	**Total**
As at April 01, 2018	50,925,963	50,925,963
Depreciation for the period	35,092,243	35,092,243
Additions		-
Disposals / Adjustments	9,837,752	9,837,752
As at March 31, 2019	76,180,454	76,180,454
Depreciation for the period	43,117,359	43,117,359
Additions		
Disposals / Adjustments		
As at March 31, 2020	**119,297,813**	**119,297,813**
Net Book Value	**Computer Software**	**Total**
As at March 31, 2019	**117,020,901**	**117,020,901**
As at March 31, 2020	**116,440,001**	**116,440,001**

NCDEX e Markets Limited
Notes to Standalone Financial Statements as at March 31, 2020

4 Non-current Investments

Particulars	As at March 31, 2020		As at March 31, 2019	
	Quantity	Amount in Rs.	Quantity	Amount in Rs.
Financial Assets				
Investments				
A.) Investments in Equity shares (Unquoted)				
(i) Joint Ventures				
(a) Equity share of Rs. 10/- each fully paid up in Rashtriya e Market Services Private Limited	5,000,000	50,000,000	5,000,000	50,000,000
(ii) Other				
(a) Equity share of Rs. 10/- each fully paid up in National Warehousing Corporation Pvt. Ltd.*	98,900	1	98,900	1
Aggregate amount of Unquoted Investment Rs. 50,000,001 (P.Y. Rs. 50,000,001)				
***Aggregate Provision for Dimunition in value of unquoted investment Rs. 988,999 (P.Y. Rs. 988,999)**				
Total	**5,098,900**	**50,000,001**	**5,098,900**	**50,000,001**

Investments in Joint Venture

Particulars	As at March 31, 2020		As at March 31, 2019	
	% of share	Amount in Rs.	% of share	Amount in Rs.
1) Rashtriya e Market Services Private Limited	50%	50,000,000	50%	50,000,000
Total investments carrying value		**50,000,000**		**50,000,000**

Details of Joint Venture

Name of Joint Venture	Principal Activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company	
			As at March 31, 2020	As at March 31, 2019
1) Rashtriya e Market Services Private Limited	Provide special electronic platform for auctioning of farmers produce.	Bangalore	50%	50%

5 Other Non Current Financial Assets **(Amounts in Rs.)**

Particulars	As at March 31, 2020	As at March 31, 2019
a.) Security Deposits		
(i) Unsecured, considered good;	5,660,705	5,615,151
Non Current Bank Balances		
(a) Bank deposits with more than 12 months maturity		
- Held as Margin Money for Bank Gurantee	2,600,000	-
- Held as Security for Borowings	1,000,000	-
- Others	126,100,000	7,000,000
(b) Interest accrued on Fixed Deposits	3.362.213	566.697
Total	**138,722,918**	**13,181,848**

6 Deferred tax assets/(Liability) (net) **(Amounts in Rs.)**

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets/(Liability) (Net)	(8,473,619)	(14,010,066)
MAT Credit	19,116,046	33,601,184
Total	**10,642,426**	**19,591,118**

(Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets components		
Provision for doubtful debts	211,604	893,793
Carried forward unabsorbed depreciation	-	2,273,659
Ind AS 116- ROU and Lease Liability	1,125,352	-
Provision for Employee benefit	3,971,734	925,518
Total Deferred Tax Assets components	**5,308,691**	**4,092,970**
Deferred Tax Liability components		
Share Issue Expenses	-	33,063
Discounting of Deposits (As per IND AS)	(460,802)	66,195
Depreciation and amortisation	14,243,112	18,003,778
Total Deferred Tax Liability components	**13,782,310**	**18,103,036**
Net Deferred Tax Assets / (Liability)	**(8,473,619)**	**(14,010,066)**

7 Other Non-Current Assets (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid Expenses	607,163	1,487,010
Total	**607,163**	**1,487,010**

8 Trade Recievables (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables		
(a) Secured, considered good;	-	-
(b) Unsecured, considered good;		
- Due from Holding Company	20,179	-
- Others	38,021,855	57,116,475
(c) Considered doubtful	726,663	3,069,344
Less : Provision for doubtful debts	(726.663)	(3.069.344)
Total	**38,042,035**	**57,116,475**

9 Cash & Cash Equivalents (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash & Cash Equivalents		
Cash on hands	202,251	4,426
Balance with banks		
In Current Accounts	262,506,374	484,143,063
Fixed deposit with maturity less than 3 months		
- Held as Margin Money for Bank Gurantee	5.464.022	-
- Others	230.100.000	33.857.850
Others		
Investments in mutual funds (Highly Liquid Funds)	-	116.283.514
Total	**498,272,647**	**634,288,854**

10 Other Bank Balances (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed deposit with maturity between 3 to 12 months		
- Held as Margin Money for Bank Gurantee	30,750,000	34,300,000
- Held as Security for Borowings	51,500,000	31,000,000
- Others	500,560,000	347,090,430
Total	**582,810,000**	**412,390,430**

11 Other Financial Assets (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
a.) Security Deposits		
(i) Unsecured, considered good;	1,624,761	1,341,581
b.) Other advances		
(i) Unsecured, considered good;		
(1) Loans and Advances to Employees	739,962	-
(2) Earnest Money Deposit	3,475,000	3,050,000
c.) Others		
(i) Unsecured, considered good;		
(1) Trade Money recievable from members	2,884,528	1,331,633
(2) Accrued Interest	28,964,368	16,334,241
(3) Accrued Income for Provisional Billing	41,847,244	5,576,108
Total	**79,535,864**	**27,633,562**

12 Other Current Assets (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Other Current Assets		
Prepaid Expenses	8,066,655	20,978,536
GST	230,732	69,227
Total	**8,297,386**	**21,047,763**

Notes to Standalone Financial Statements as at March 31, 2020

13 Share Capital

(A) Authorised Share Capital

(i) Equity Shares of Rs.10/- each

Particulars	No of Shares	(Amounts in Rs.)
As at April 01, 2018	**3,80,00,000**	**38,00,00,000**
Increase during the period	-	-
As at March 31, 2019	**3,80,00,000**	**38,00,00,000**
Increase during the period	-	-
As at March 31, 2020	**3,80,00,000**	**38,00,00,000**

(ii) 5% Cumulative redemable Preference Shares of Rs.10/- each

Particulars	No of Shares	(Amounts in Rs.)
As at April 1, 2017	**1,20,00,000**	**12,00,00,000**
Increase during the period	-	-
As at March 31, 2018	**1,20,00,000**	**12,00,00,000**
Increase during the period	-	-
As at March 31, 2019	**1,20,00,000**	**12,00,00,000**
Increase during the period	-	-
As at March 31, 2020	**1,20,00,000**	**12,00,00,000**

(B) Issued , subscribed and paid up share

(i) Equity Shares of Rs.10/- each

Particulars	No of shares	(Amounts in Rs.) Equity Share Capital par value
As at April 01, 2018	**3,55,00,000**	**35,50,00,000**
Add: Shares issued during the period under ESOP	17,229	1,72,290
Less: Share bought back during the period		
As at March 31, 2019	**3,55,17,229**	**35,51,72,290**
Add: Shares issued during the period under ESOP	10,400	1,04,000
Less: Share bought back during the period	-	-
As at March 31, 2020	**3,55,27,629**	**35,52,76,290**

(i) 5% Cumulative redemable Preference Shares of Rs.10/- each

Particulars	No of shares	(Amounts in Rs.) Preference Share Capital par value
As at April 01, 2018	-	-
Add: Shares issued during the period	-	-
As at March 31, 2019	-	-
Add: Shares issued during the period	-	-
As at March 31, 2020	-	-

13.1 Terms/Rights attached to equity share

The Company has only one class of Equity Shares having Par Value of Rs 10 per share. Each holder of Equity shares is entitled to one vote per share. 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 each shareholder.

13.2 Out of shares issued by the company, Shares held by its Holding company are as follows:

(i) Equity Shares

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	% of holding	Number	% of holding
National Commodity & Derivatives Exchange Ltd (Holding Company) along with its Nominees	3,54,99,400	99.92%	3,54,99,400	99.95%

13.3 Details of shareholders holding more than 5% share in the Company

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	Number	% of holding	Number	% of holding
Equity Shares of Rs 10 each fully paid				
National Commodity & Derivatives Exchange Ltd	3,54,99,400	99.92%	3,54,99,400	99.95%

13.4 The reconcilation of the number of shares outstanding as at 31st March, 2020 is set out below:

(i) Equity Shares of Rs.10/- each

Particulars	Number of Shares as at 31st March, 2020	Number of Shares as at 31st March, 2019
Equity Shares of Rs 10 each fully paid		
Number of shares at the beginning	3,55,17,229	3,55,00,000
Add: Shares issued/Converted during the period	10,400	17,229
Number of shares at the end	**3,55,27,629**	**3,55,17,229**

13.5 Information regarding issue of shares in last five periods:

(a)In Financial period 2015-16 1,50,00,000 /- Equity shares of Rs. 10 each (face value) has been alloted as fully paid up pursuant to conversion of loan from holding Company, without payment being received in cash. The above said loan amount is received by the company through Bank. During the period , Company has also converted CRP into Equity.

(b) The Company has not issed any bonus shares.

(c) The Company has not undertaken any buyback of shares.

14 Other equity

The company has an option scheme under which option to subscribe for the Company's shares have been granted to certain executives and senior employees. The share based payment reserve is used to recognise the value of equity settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

(Amounts in Rs.)

(iv) Share Premium Reserve Particulars Securities Premium Reserve is used to record premium on issuance of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.	Risk Management Fund	Retained Earnings	Share option Reserve	Share Premium	Special Guarantee Fund	Other Comprehensive Income - FVTOCI defined benefit plans	Total
(v) Special/Settlement Guarantee Fund (Refer Note 36) **Balance at the end of the reporting period on 01st April, 2018**	**1,495,980**	**(171,714,494)**	**14,034,200**	**-**	**-**	**(2,876,961)**	**(159,061,275)**
(vi) Other Comprehensive Income Addition in current period	1,500,000	115,810,545	-	856,629	100,000	(349,577)	117,917,597
Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI) Utilised / Reversed during the period	(1,000,447)	-	(14,034,200)	-	-	-	(15,034,647)
Transfer to Risk Management Fund	-	(1,500,000)	-	-	-	-	(1,500,000)
Transfer to Special Guarantees Fund		(100,000)		-	-	-	(100,000)
Share issue expenses	-		-	-	-	-	-
Balance at the end of the reporting period on 31st March 2019	**1,995,533**	**(57,503,949)**	**-**	**856,629**	**100,000**	**(3,226,538)**	**(57,778,325)**
Addition in current period		93,240,133		517,088		(3,595,327)	90,161,894
Utilised / Reversed during the period	(25,705)	-	-	-			(25,705)
Transfer to Risk Management Fund	-	-					-
Transfer to Special Guarantees Fund	-	-					-
Share issue expenses	-	-	-	-	-	-	-
Transition Reserve IND AS 116		(4,301,800)					(4,301,800)
Balance at the end of the reporting period on 31st March 2020	**1,969,828**	**31,434,384**	**-**	**1,373,717**	**100,000**	**(6,821,865)**	**28,056,064**

Notes:

(i) Risk Management Fund (Refer Note 35)

(ii) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

(iii) Share Option Reserve

The company has an option scheme under which option to subscribe for the Company's shares have been granted to certain executives and senior employees. The share based payment reserve is used to recognise the value of equity settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

(iv) Share Premium Reserve

Securities Premium Reserve is used to record premium on issuance of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

(v) Special/Settlement Guarantee Fund (Refer Note 36)

(vi) Other Comprehensive Income

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI)

NCDEX e Markets Limited
Notes to Standalone Financial Statements as at March 31, 2020

15 Non-Current Deposits

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current Deposits		
Deposit from Members	1,311,326	2,017,244
Total	**1,311,326**	**2,017,244**

16 Non-Current Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provisions for Employee Benefits	7,694,390	3,180,280
Total	**7,694,391**	**3,180,280**

17 Deposits

Particulars	As at March 31, 2020	As at March 31, 2019
Current Deposits;		
(i) Deposit from Members	47,295,057	48,602,062
(ii) Deposit from clearing banks	170,000,000	150,000,000
(iii) Deposit from warehouse service provider	1,500,000	1,500,000
Total	**218,795,057**	**200,102,062**

18 Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payables		
- Micro, Small and Medium Enterprises (Refer Note no. 39)	2,966,662	5,492,576
- Due to Holding Company	-	2,385,570
Trade Payables-Others	7,342,855	37,996,222
Total	**10,309,517**	**45,874,368**

19 Other liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Employee payables	1,059,173	83,629
Trade money from members	881,038,596	812,966,363
Total	**882,097,768**	**813,049,992**

20 Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
a) Revenue received in advance;		
b) Other advances;		
Advances/Deposit from customers	2,225,714	1,890,453
c) Statutory Liabilities	16,796,003	12,762,269
Total	**19,021,717**	**14,652,722**

21 Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provisions for Employee Benefits		
(i) Provision for Leave Encashment	781,874	385,979
(ii) Provision for Bonus*	24,984,645	29,326,547
(iii) Provision for Gratuity	5,162,933	3,248,894
(iv) Provisions for Other Expenses *	14,688,524	10,296,163
Total	**45,617,976**	**43,257,583**

*** Note :- Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent Liabilities and Contingent Assets:**

(Amount in Rs.)

Nature of Provision	Provision for Expenses	Provision for Employee Benefits
Carrying Amount as at April 01, 2018	**8,679,202**	**10,620,890**
Less : Amount used during the period	8,679,202	10,620,890
Add : Unused amount reversed during the period	-	
Add : Additional Provision made during the period	10,296,166	32,961,420
Carrying Amount as at March 31, 2019	**10,296,166**	**32,961,420**
Less : Amount used during the period	10,296,166	32,961,420
Add : Unused amount reversed during the period		
Add : Additional Provision made during the period	14,688,524	30,929,452
Carrying Amount as at March 31, 2020	14,688,524	**30,929,452**

Notes to Standalone Financial Statements as at March 31, 2020

22 Revenue from operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of services		
Transaction Charges	398,047,627	486,646,320
Annual Membership Fees	7,100,414	5,515,490
Admission/Registration Fees	12,859,044	15,953,876
Pledge Finance Charges	859,447	6,491,046
Other Operating Income		
Software Services	116,498,555	45,439,372
Business Support Services	8,866,965	-
Total	**544,232,051**	**560,046,104**

-

23 Other Income -

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Other non-operating income		
Interest Income		
Interest on Term Deposits with Banks	50,253,388	35,365,189
Interest on Income Tax Refund	2,885,688	-
Interest Income for financial liabilities recognised at amortised cost	79,735	150,639
Interest Income for financial assets recognised at amortised cost	435,053	398,582
Other Miscellenous		
Dividend Income	7,000,000	6,000,000
Profit on sale/Increase in Fair value of Mutual Fund Investment	14,093,304	21,189,961
Reversal of Provision for RDD	4,970,783	
(Refer Note 37)		-
Profit on sale of Fixed Assets	76,610	-
Rent Income	224,586	-
Total	**80,019,148**	**63,104,371**

24 Employee benefits expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, bonus and allowances	159,123,431	168,982,767
Contribution to Provident and other funds	8,672,800	6,785,134
Staff welfare expenses	11,221,400	9,165,236
Gratuity Expenses	3,134,463	3,577,296
Total	**182,152,095**	**188,510,433**

25 Finance Cost

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Cost (IND AS 116) Lease Rent	4,381,820	
(Refer Note 30)		-
Interest Expense on SD Discounting	166,813	440,962
Bank Interest	37,324	68,162
Total	**4,585,957**	**509,124**

Notes to Standalone Financial Statements as at March 31, 2020

26 Depreciation & Amortization

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation	12,892,965	17,134,018
Amortization	43,117,359	35,092,244
Amortization-Right to use Asset (Refer Note 30)	16,118,558	-
Total	**72,128,882**	**52,226,262**

27 Other expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Professional Fees	60,607,527	68,243,675
Software Maintainence Charges	122,061,006	83,193,141
Rent and Sharing Cost	8,871,923	25,698,790
Auditors' Remuneration*	716,002	450,000
Communication Expenses	3,014,901	2,772,603
Travelling and Conveyance Expenses	14,122,996	20,355,589
Advertisement & business promotion expenses	3,998,783	2,191,699
Interest Expenses	38,841	45,230
Electricity Charges	4,607,314	3,764,235
Trainings & Seminars	500,972	691,946
Tender Fees	21,925	22,347
Testing Charges	2,994	375,714
License Fees	7,934,444	8,809,672
Directors Sitting Fees	1,360,000	1,200,000
Books Periodicals	8,922	30,043
CSR Expense (Refer Note 39)	1,248,275	-
Donation	-	100,000
Security & Maintainence Charges	1,369,758	1,484,442
Provision for Doubtful Debts (Refer Note 37)	726,663	3,069,344
Sundry Balances Written off (Net) (Refer Note 37)	3,222,206	3,205,233
Provision for Impairment on Fixed Asset (Software)	-	5,915,283
GST / Service Tax Expense	4,983,431	2,361,344
Printing and stationery	1,408,893	920,193
Commission & Brokerage	196,007	38,000
Subscription Charges	98,836	175,320
Bank Charges	774,121	134,742
Office Expenses	2,149,658	2,716,968
Other Expenses	611,597	710,496
Total	**244,657,995**	**238,676,051**

*Auditor's Remuneration	For the year ended March 31, 2020	For the year ended March 31, 2019
Statutory Audit fees	595,000	295,000
Taxation Matter fees	71,002	100,000
Others	50,000	55,000
Total	**716,002**	**450,000**

Notes to Standalone Financial Statements as at March 31, 2020

28 Income Tax

a. Tax expense in the statement of profit and loss comprises:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax (excluding OCI)	18,537,446	28,421,113
MAT Credit (Entitlement)/ Utilisation	14,485,138	(29,235,195)
Earlier period Tax Adjustment	-	176,160
Deferred Tax	(5,536,447)	28,055,983
Total	**27,486,138**	**27,418,060**

b. A reconciliation of Income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before income taxes	120,726,270	143,228,606
Enacted tax rates in India	29.12%	21.549%
Computed expected tax expense	35,155,576	30,864,460
Add : Tax impact due to Non-deductible expenses for tax purposes	27,655,207	1,970,222
Less : Tax effect due to non-taxable income and other adjustments	(29,788,198)	(4,413,569)
Less : MAT Credit Utilise	(14,485,138)	
Income tax expense	**18,537,446**	**28,421,113**

c. The following table provides the details of income tax assets and income tax liabilities as of March 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income tax assets	34,984,484	52,947,999
Income tax liabilities	18,537,446	28,421,113
Net current income tax assets/ (liability) at the end	**16,447,038**	**24,526,886**

d. The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net current income tax asset/ (liability) at the beginning	24,526,886	26,919,830
Income tax paid	36,694,394	25,932,141
Additional Refund Receivable/Received	(32,079,872)	-
Provision for income tax (including tax on OCI)	(17,060,359)	(28,325,085)
Reversal of Provision for Tax	4,365,989	
Net current income tax asset/ (liability) at the end	**16,447,038**	**24,526,886**

29 Earnings Per Share (EPS)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit after Tax as per Statement of Profit and Loss	93,240,132	115,810,545
Basic Weighted average number of Equity shares outstanding	35,521,104	35,507,135
Basic Earning per share	2.62	3.26
ESOPs outstanding	-	-
Weighted average number of Equity shares adjusted for the effect of dilution	35,521,104	35,507,135
Diluted Earning per share	2.62	3.26

NCDEX e Markets Limited
Notes to Standalone Financial Statements as at March 31, 2020

30 Leases

a Transition

On transition, the adoption of the new standard resulted in recognition of 'Right to use' asset of 472.46` lakhs and a lease liability of 515.48 lakhs . The cumulative effect of applying the standard of Rs.43.01 lakhs is debited to retained earnings. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Particulars	Amount in Rs.
Lease Commitments as on 31 March 2019	59,259,098
Add/(less): contracts reassessed as lease contracts	(7,711,019)
extension/termination	-
Lease liability as on 1 April 2019	**51,548,079**

The impact of change in accounting policy on account of adoption of Ind AS 116 is as follows:

Particulars	Amount in Rs.
Increase in Lease Liability by	65,962,339
Increase in Right of use of assets by	63,612,438
Increase/(Decrease) in Deferred Tax Liability by	(1,125,352)
Increase/(Decrease) in Finance Cost by	4,381,820
Increase/(Decrease) in Depreciation by	16,118,558

b **The following is the summary of practical expedients elected on initial application:**

i Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
ii Applied the exemption not to recognize right to use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

iii Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
iv Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

c The effect of depreciation and interest related to Right to Use Asset and Lease Liability are reflected in the Profit & Loss Account under the heading "Depreciation and Amortisation Expense" and "Finance costs" respectively under Note No 25 and 26.
d The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8%.

e Following are the changes in the carrying value of right to use assets for the year ended March 31, 2020.

Particulars	Category of Right to use Assets		Total
	Office Space	Guest House	
Balance as of April 1, 2019	-	-	-
Reclassified on account of adoption of Ind AS 116	1,951,899	-	1,951,899
Additions	61,296,009	364,530	61,660,539
Additions through business combinations	-	-	-
Deletions	(269,447)	-	(269,447)
Depreciation	15,935,794	182,764	16,118,558
Translation difference	-	-	-
Balance as of March 31, 2020	**47,042,667**	**181,766**	**47,224,433**

f The following is the break-up of current and non-current lease liabilities as of March 31, 2020

Particulars	Amount in Rs.
Non Current Lease liabilities	35,697,419
Current lease liabilities	15,391,548
Total	**51,088,967**

g The following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars	Amount in Rs.
Balance as at April 1, 2019	-
Reclassified on account of adoption of Ind AS 116	-
Additions	65,962,339
Additions through business combinations	-
Deletions	(300,037)
Finance cost accrued during the period	4,381,820
Payment of lease liabilities	18,955,155
Translation difference	-
Balance as of March 31, 2020	**51,088,967**

h The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2020 on an undiscounted basis:

Particulars	Amount in Rs.
Less than one year	18,687,336
One to five years	39,549,638
More than 5 years	-
Total	**58,236,974**

i Amount Recognised in Profit or Loss as of March 31, 2020

Particulars	Amount in Rs.
Interest on lease liabilities	4,381,820
Depreciation on Right of Use of Asset	16,118,558
Expense relating to short term lease	1,922,740
Variable lease payments	-
Income from sub leasing right of use assets	-
Expense relating to leases of low value assets, excluding short term lease of low value assets	-

j The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

31. Impact of Coronavirus (COVID-19) Pandemic:

The outbreak of COVID-19 pandemic globally and in India is causing significant disruption and slowdown of economic activity The Company has evaluated impact of this pandemic on its business operations at the time of finalisation of accounts for the financial year 2019-20 and based thereon and keeping in view current indicators of future economic conditions, there is no significant impact on the carrying value of its assets and liabilities as at March 31, 2020 and on the financial performance for the year ended March 31, 2020. The impact of the pandemic may be different from that estimated as at the date of finalisation and subsequent approval of these financial statements. The Company will continue to closely monitor any material changes to economic conditions in future.

32. Commitments and Contingent Liabilities (as represented by Management)

(a) Contingent Liabilities not provided for: On account of Bank Guarantee as at 31st March 2020 – Rs. 1,85,00,000/-. (As at 31st March 2019 – Rs. 2,60,00,000)
(b) Capital Commitments: Nil (As at 31st March 2019- Nil)

33. Members holding membership of the Exchange for more than three years can terminate their membership and withdraw deposit. These deposits are payable on demand therefore membership deposit of such members is classified as current liability.

34. The management has made an assessment keeping *inter-alia* in view impact of COVID-19
(a) In the opinion of the Management, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of what is required.
(b) The account of Trade receivables, Trade payables, Loans and Advances are subject to confirmation/ reconciliation and adjustments, if any. The management does not expect any material differences affecting the current period standalone financial statements.

35. Risk Management Fund (RMF) as constituted by the Company is the amount earmarked for completion of the settlement, in case of a default by a member. The company is in process of formulating the policy of Risk Management Fund. Company has utilised Rs. 25,705/- from the fund. As considered by the Management of the Company the Contribution made is appropriate and sufficient to cover member defaults, if any.

36. The Company was required to maintain Settlement Guaranteed Fund (SGF) as the Company holds Spot Exchange Licenses under State Agricultural Produce Market Committee (APMC) Regulations to
mitigate market risks. Under the Regulatory framework a spot exchange was required to maintain Settlement Guarantee Fund (SGF) to mitigate the risks attached with defaults in a trade. The Company had spot exchange/ Private market licenses in the states of Karnataka, Maharashtra, Gujarat, Rajasthan, Odisha, Telangana and Andhra Pradesh. The Company had started its first spot exchange in the state of Karnataka under the name “Mandiz”. It was planned to execute more spot exchanges in other states in due course.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

37. Balance Written off/Written Back:

(a) The Company has written off certain amounts towards old outstanding totalling to Rs. 40,85,207/- (Previous year Rs. 41,49,173/-) which were due but not received. During the year company also have created a provision of Rs. 7,26,663/- (Previous year Rs. 49,56,237 /-).
The above has been done in line with policy as approved by the Board of Directors.

(b) The Company has also written back certain payables, which is outstanding for more than 2 years,
for which no claim was received amounting to Rs. 8,83,384/- (Previous year - Rs. 9,43,939).

38. Segment Reporting

The Company has identified and disclosed "E-market service" and "Software Services" as reportable segments. The operating segment has been identified and reported taking into account its internal financial reporting and performance evaluation of its operations. Operating Segment is reported in the manner evaluated by Board under Ind AS 108 "Operating Segment".
Revenue and expenses directly attributable to segments are reported under each reportable segment. Revenues and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. The revenues and expenses, relating to the enterprise as a whole and not allocable to a particular segment on reasonable basis have been disclosed as "Unallocable".
Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as "Unallocable". Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

Summarised segment information for the year ended March 31, 2020 is as follows:

Particulars	**E-Market Service**	**Software Service**	**Total**
Revenue	42,78,93,758	11,63,38,293	54,42,32,051
(-)Segment Expense	27,54,41,374	9,16,28,598	36,70,69,972
Segment Result	15,24,52,384	2,47,09,695	17,71,62,079
(-)Unallocable expenses			6,79,21,402
(-)Depreciation and Amortisation expense	2,81,55,433	2,00,81,120	4,82,36,554
(-)Unallocable depreciation and amortisation expense			2,38,92,328
(+)Other Income			8,00,19,148
Profit Before Taxes			11,71,30,943
(-)Taxes			2,74,86,138
Profit for the year			**8,96,44,805**

Particulars	**E-Market Service**	**Software Service**	**Total**
Segment Assets	1,23,68,38,821	6,20,84,999	1,29,89,23,819
Unallocable Assets			32,03,45,254
Total Assets			**1,61,92,69,073**
Segment Liabilities	1,11,87,96,012	58,09,430	1,12,46,05,441
Unallocable Liabilities			11,13,31,278
Total Liabilities			**1,23,59,36,720**

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

39. Corporate social responsibility expenses:

As per Section 135 of the Companies Act, 2013, the Company has identified areas including activities classified under clause (ix) of Schedule VII of the Companies Act, 2013. The gross amount required to be spent by the Company on Corporate social responsibility (CSR) activities is Rs. 1,248,275/- the areas of CSR activities and contributions made thereto are as follows:

Particulars	Total amount paid for the year ended 31st March, 2020 (Amount in Rs.)
Amount spent as contribution to Ashima Foundation for promoted rural development interventions in India's poorest communities.	3,50,000
Amount spent as contribution to S M Sehgal Foundation for Jagruk Yuva Project.	8,98,275
Total	**12,48,275**

Note - In F.Y. 2018-19, Section 135 of the Companies Act, 2013 is not applicable to the Company.

40. First time adoption of IND AS 116 "Leases"

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of Rs. 472.46 lakhs and a lease liability of Rs. 515.48 lakhs. The cumulative effect of applying the standard resulted in Rs. 43.01 lakhs being debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit for the year ended and earnings per share.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

41. As required by Ind AS - 24 "Related Party Disclosures"

(i) Name and description of related parties

Relationship	**Name of related party**
(a) Holding Company	National Commodity & Derivatives Exchange Ltd ('NCDEX ')
(b) Fellow subsidiaries	NCDEX Institute of Commodity Markets and Research (NICR) National E-Repository Limited (NERL) National Commodity Clearing Limited (NCCL)
(c) Associate of Holding company	Power Exchange India Limited (PXIL)
(d) Key management personnel	Mr. Rajesh Sinha - Chief Executive officer and Managing Director Mr. Nimesh Dedhia - Chief Financial officer Ms. Archana Tripathi - Company Secretary Mr. Arun Balakrishnan (Independent Director) Mr. Sanjeev Asthana (upto 07/08/2019) (Independent Director) Mr. Puneet Gupta (w.e.f August 01, 2019) (Independent Director)
(e) Joint Venture	Rashtriya e Market Services Private Limited
(f) Director	Mr. Srinath Srinavasan (upto 11/06/2019) Mr. Rajesh Kumar Sinha Mr. Arun Balakrishnan Mr. Sanjeev Asthana (upto 07/08/2019) Mr. Vijaykumar Venkataraman Mr. Atul Roongta (Director w.e.f August 01, 2019) Mr. Puneet Gupta (Independent Director w.e.f August 01, 2019)

Note: Related party relationship is as identified by the Company and same is relied upon by the auditors.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

(ii) Nature of transactions - The transactions entered into with the related parties during the year along with related balances as at the year-end are as under:

(A) Transactions with Related Parties for the year end

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	(Amount in Rs.)	(Amount in Rs.)
(I) Transactions with National Commodity & Derivatives Exchange Ltd (NCDEX)		
Services Received	78,46,247	1,22,64,620
Services Rendered	-	-
Reimbursement of Expenses	-	8,71,203
(II) Transaction with other Related Parties		
(a) Services Rendered		
Rashtriya e Market Services Private Limited	3,51,99,996	3,41,99,996
(b) Services Rendered		
Power Exchange India Ltd	5,40,00,000	40,00,000
(c) Dividend Received		
Rashtriya e Market Services Private Limited	70,00,000	60,00,000
(d) Remuneration paid to KMP		
Mr. Rajesh Sinha (Chief Executive Officer and Managing Director)	1,18,13,049	97,39,917
Mr. Kartik Thakkar (Chief Financial Officer)	-	13,47,486
Mr. Nimesh Dedhia (Chief Financial Officer)	32,14,221	3,07,125
Ms. Archana Tripathi (Company Secretary)	13,58,929	10,76,879
(e) Reimbursement of expenses incurred on behalf of the Company by KMP		
Mr. Rajesh Sinha (Chief Executive Officer and Managing Director)	12,46,707	19,98,734
Mr. Kartik Thakkar (Chief Financial Officer)	-	9,72,185
Mr. Nimesh Dedhia (Chief Financial Officer)	2,65,399	1,42,022
Ms. Archana Tripathi (Company Sercretary)	1,96,983	89,466
Mr. Arun Balakrishnan (Independent Director)	-	1,15,736
Mr. Sanjeev Asthana (Independent Director)	-	1,38,417
(f) Shares issued to KMP	59,720	1,19,440
Mr. Rajesh Sinha (Chief Executive Officer and Managing Director)		

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

(g) Sitting Fees paid to Directors		
Mr. Arun Balakrishnan (Independent Director)	6,90,000	5,00,000
Mr. Sanjeev Asthana (Independent Director)	2,20,000	5,00,000
Mr. Srinath Srinavasan	40,000	2,00,000
Mr. Puneet Gupta (Independent Director)	4,10,000	-

(B) Closing Balance with Related Parties

Particulars	Year ended March 31, 2020 (Amount in Rs.)	Year ended March 31, 2019 (Amount in Rs.)
(a) Services Rendered		
National Commodity & Derivatives Exchange Ltd	20,179	23,85,570
(b) Investment in Joint Venture		
Rashtriya e Market Services Private Limited	5,00,00,000	5,00,00,000
(c) Reimbursement of expenses incurred on behalf of the Company by KMP		
Mr. Rajesh Sinha (Chief Executive Officer and Managing Director)	-	98,054
Mr. Nimesh Dedhia (Chief Financial Officer)	600	7,938
Ms. Archana Tripathi - Company Secretary	802	-
(d) Investments by National Commodity & Derivatives Exchange Ltd (NCDEX)		
Investment at the beginning of the year		
Equity Share Capital	35,49,94,000	35,49,94,000
Additions		
Equity Share Capital	-	-
Deletions / Conversion / Redemption		
Equity Share Capital (Transfer)	-	-
Investment at the end of the year		
Equity Share Capital	35,49,94,000	35,49,94,000
(e) Investments by Other Related Parties		
Investment at the beginning of the year		
Equity Share Capital	1,19,440	-
Additions		
Equity Share Capital	59,720	1,19,440
Deletions / Conversion / Redemption		
Equity Share Capital	-	-
Investment at the end of the year		
Equity Share Capital	1,79,160	1,19,440

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

42. Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
		(Amount in.Rs)	
a.	Principal amount overdue and remaining unpaid to any supplier as at the end of the period*	-	-
	Interest due thereon :	-	-
b.	Amount of interest paid during the period	-	-
c.	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006.	-	-
d.	Amount of interest accrued and remaining unpaid at the end of the accounting period.	-	1258
e.	The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006.	-	-

Note: The above information and that given in Note No. 18 ' Trade Payables' regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company and has been relied upon by the auditors.
***Note:** There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2020 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act,2006 are applicable.

43. During the year, Company has recognized the following amounts in the standalone financial statements as per Indian Accounting Standard 19 (Ind AS 19) "Employees Benefits":

(a) Defined Contribution Plan
Contribution to Provident Fund, Superannuation Fund, and Employee State Insurance Scheme

Contribution to Defined Contribution Plan, recognized are charged off for the year as under:

The Company makes contribution, determined as a percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is defined contribution plan. The Company

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Employer's Contribution to Provident Fund	86,65,804	67,82,506

(b) Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service subject to a maximum of Rs.20,00,000.

Actuarial assumptions	(Amount in Rs.)	
	Gratuity (Unfunded)	
	As at Mar 31, 2020	As at March 31, 2019
Expected Rate of Return on plan assets	6.84%	7.76%
Discount rate (per annum)	6.84%	7.76%
Rate of increase in Compensation levels	7.50%	7.50%
Rate of Employee turnover	5.00%	5.00%
Mortality Rate during Employment	Indian Assured lives Mortality (2006-08)	Indian Assured lives mortatlity (2006-08)
Mortality Rate after Employment	N.A.	N.A.

Table showing changes in present value of obligations:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Present value of obligation as at the beginning of the year	1,40,42,318	1,07,04,267
Interest Cost	10,89,684	8,32,792
Current Service Cost	34,55,275	28,49,327
Liability transferred in / acquisitions	-	-
(Liability transferred out/ divestments)	(6,44,188)	-
Curtailment cost / (Credit)	-	-
Settlement cost /(Credit)	-	-
Benefits paid	(31,99,059)	-
Actuarial (gain)/ loss on obligations- Due to Change in Financial Assumptions	18,38,525	(10,31,502)
Actuarial (gain)/ loss on obligations- Due to Experience	33,31,578	6,87,434
Present value of obligation as at the end of the year.	**1,99,14,133**	**1,40,42,318**

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

Table showing changes in the fair value of plan assets:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Fair value of plan assets at beginning of the year	1,07,93,424	87,30,419
Interest Income	8,37,570	6,79,227
Assets transferred in / Acquisitions	-	-
(Assets Transferred Out/ Divestments)	(6,44,188)	-
Employer contribution	68,65,764	21,73,451
Benefits paid	(3199,059)	(10,31,502)
Return on Plan Asset	97,689	2,41,829
Fair value of plan assets at year end	**1,47,51,200**	**1,07,93,424**

Table showing actuarial gain /loss - plan assets:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Actual return of plan assets	9,35,259	9,21,056
Expected return on plan assets	8,37,570	6,79,227
Return on Plan Asset	**97,689**	**2,41,829**

Actuarial Gain / loss recognized

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial gain / (loss) for the period – Obligation	51,70,103	6,87,434
Return on Plan Assets	97,689	2,41,829
Total gain / (loss) for the period	50,72,414	9,29,263
Actuarial gain / (loss) recognized in the period	50,72,414	9,29,263
Unrecognised actuarial gains / (losses) at the end of the period	-	-

The amounts to be recognized in Balance Sheet

Particulars	(Amount in Rs.)	
	As on March 31 2020	As at March 31, 2019
Present value of obligation as at the end of the period	(1,99,14,133)	1,40,42,318
Fair value of plan assets as at the end of the period	1,47,51,200	1,07,93,424
Funded Status	**(51,62,933)**	**(32,48,894)**
Unrecognised actuarial (gains) / losses	-	-
Net asset / (liability) recognised in Balance Sheet	**(51,62,933)**	**(32,48,894)**

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

Expenses recognized in Statement of Profit and Loss:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Current service cost	34,55,275	28,49,327
Past service cost (Vested Benefit)	-	-
Interest Cost	2,52,114	8,32,792
Expected return on plan assets	-	(6,79,227)
Curtailment and settlement cost /(credit)	-	-
Expenses recognised in the Statement of Profit and Loss	**37,07,389**	**30,02,892**

Expenses recognized in Other Comprehensive Income:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial (Gains)/Losses on Obligation For the Period	51,70,103	6,87,434
Return on Plan Assets, Excluding Interest Income	(97,689)	(2,41,829)
Net (Income)/Expense For the Period Recognized in OCI	**50,72,414**	**4,45,605**

Maturity profile of defined benefit obligation from the fund:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
1st Following year	7,08,251	9,68,694
2nd Following year	9,61,761	6,36,124
3rd Following year	9,27,273	7,89,592
4th Following year	10,39,029	7,90,487
5th Following year	11,10,431	8,58,086
Sum of Years 6 to 10	67,04,810	50,10,227
Sum of Years 11 and above	3,73,36,869	2,93,89,914

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

Investment Details: -

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Gratuity	
	March 31,2020	March 31,2019
Investments with insurer	100%	100%

Sensitivity Analysis: -

Sensitivity Analysis	March 31,2020	March 31,2019
Projected Benefit Obligation on Current Assumptions	1,99,14,133	14,042,318
Delta Effect of +1% Change in Rate of Discounting	(19,86,026)	(1,357,722)
Delta Effect of -1% Change in Rate of Discounting	23,37,832	1,588,655
Delta Effect of +1% Change in Rate of Salary Increase	22,99,053	1,576,932
Delta Effect of -1% Change in Rate of Salary Increase	(19,91,874)	(1,372,573)
Delta Effect of +1% Change in Rate of Employee Turnover	(1,80,771)	(26,045)
Delta Effect of -1% Change in Rate of Employee Turnover	1,88,647	17,311

The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

Note 1: Gratuity is payable as per company's scheme as detailed in the reports.
Note 2: Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.
Note 3: Salary escalation & attrition rate are considered as advised by the company; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.
Note 4: Maturity Analysis of Benefit Payments is undiscounted cash flows considering future salary, attrition & death in respective year for members as mentioned above.
Note 5: Average Expected Future Service represents Estimated Term of Post – Employee benefits obligation.
Note 6: Value of asset provided by the client is considered as fair value of plan asset for the period of reporting as same is not evaluated by us.

44. Financial Instrument and Risk management

1. Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings in the form of deposits, trade and other payables, and other liabilities. The main purpose of these financial liabilities is to finance the

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include investments, security deposits paid, loans and advances to related and other parties, trade and other receivables and cash and cash equivalents that derive directly from its operations and other bank balances including deposits with banks.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework.

(A) Liquidity Risk

Risk Assessment

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company's finance department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any surplus cash available, over and above the amount required for management and other operational requirements, is retained as cash and cash equivalents (to the extent required), highly marketable debt investments, and interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Risk Management

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

Particulars	Note No	Carrying Amount	Less than 12 months	Payable on demand
As at March 31, 2020				
Deposits	15, 17	-	15,00,000	21,72,95,057
Trade payables	18	-	103,09,517	
Other financial liabilities	19	-	88,20,97,768	
As at March 31, 2019				
Deposits	15, 17	-	15,00,000	19,86,02,062
Trade payables	18	-	4,58,74,368	-
Other financial liabilities	19	-	81,30,49,992	-

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

(B) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Interest rate risk and Financial instrument price risk (Mutual funds) affects company's financial assets, liabilities or expected future cash flows.

The sensitivity analyses in the following sections relate to the position as on 31st March 2020 and 31st March 2019.

POTENTIAL IMPACT OF RISK		
Risk Assessment :- Interest Rate Risk / Price Risk	**Risk Management**	**SENSITIVITY TO 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 investment in Interest earning fixed deposits.	In order to manage its interest rate and price risk the Company diversifies its portfolio in accordance with the risk management policies within the limits set by management.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 100 bps change in interest rates.
The Company is also exposed to the price risk due to its investment in mutual fund - debt instruments. The price risk arises due to uncertainties about the future market values of these investments.	In order to manage the risk arising from investment in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Company maintains a list of approved Financial Instruments. The use of any new investment must be approved by the Management.	Nil.

(C) Credit Risk

Risk Assessment

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The company is exposed to credit risk arising from cash and cash equivalents, deposit with banks and trade receivables from members.

-Trade Receivables:
Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of member's deposits kept by the Company as collateral which can be utilised in case of member default. All trade receivables are reviewed and assessed for default on yearly basis. Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

-Other financial assets

The company maintains exposure in cash and cash equivalents, term deposit with banks, earnest money deposits with vendors. Company holds term deposits with the banks having high ratings and most of the earnest money deposits are held with the government entities and hence the risk associated is reduced.

2) Fair Value Measurement

The fair value of financial assets and liabilities are 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: Fair value of cash and current deposits, trade and other current receivables, trade payables, other current liabilities, current loans from banks and other financial institutions approximate their carrying amounts largely due to the current maturities of these instruments. Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rate.

Fair Value measurement

Fair Value Hierarchy and valuation technique used to determine fair value.
The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and are categorized into Level 1, Level 2 and Level 3 inputs.

The carrying value and Fair value of Financial Instruments by Categories were as follows:

(Amount in Rs.)

Particulars	**Levels**	**As at March 31, 2020**	**As at March 31, 2019**
Financial Assets			
Financial assets at fair value through Amortized Cost	Level 3		
I) Trade receivables	-	3,80,42,035	5,71,16,475
II) Cash and Cash equivalents	-	49,82,72,647	51,80,05,339
III) Other Bank balances	-	58,28,10,000	41,23,90,430
IV) Other receivables	-	21,82,58,782	4,08,15,410
V) Investments - Non Current	-	5,00,00,001	5,00,00,001
VI) Other Non-Current Financial Assets	-	-	-
TOTAL		**138,73,83,465**	**107,83,27,655**

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

Financial assets at fair value through Profit & Loss			
I) Cash and cash equivalents (Liquid Investments)	Level 1	-	11,62,83,514
		-	**11,62,83,514**
Financial Liabilities			
Financial liabilities at Amortized Cost			
I) Deposits	Level 3		
- From members	-	4,86,06,383	5,06,19,306
- From Clearing banks	-	17,00,00,000	15,00,00,000
- From Warehouse Service providers	-	15,00,000	15,00,000
II) Lease Liability		5,10,88,966	-
III) Trade payables	-	1,03,09,517	4,58,74,368
IV) Other liabilities	-	88,20,97,768	81,30,49,992
V) Non-Current Deposits			
VI) Non-Current Lease Liability			
TOTAL		**116,36,02,636**	**106,10,43,665**

Valuation Process: -

The finance department of the company includes a team that performs the valuation of financial assets and liabilities required for financial reporting purposes including level 3 fair values. This team reports directly to CFO (Chief financial officer).

45. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value. The company manages its capital structure and makes adjustment in light of changes in economic conditions. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company is not subject to any externally imposed capital requirements.

46. Employee Stock Option Plan / Employee Stock Option Scheme

NCDEX e Markets Limited, the company has created an Employee Stock Option - "ESOP 2017" for the benefits of employees.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

Table of stock options with vesting option, vesting period, exercise price and exercise period:

Part A

Vesting		Exercise		
Option	**Period**		**Period**	**Price (INR)***
3,00,000	27-03-2018		Not more than 3 years from vesting	59.72
2,25,000	27-03-2019		Not more than 3 years from vesting	59.72
2,25,000	27-03-2020		Not more than 3 years from vesting	59.72

The aforesaid options will be vested to eligible employees on satisfaction of vesting conditions as defined under the policy.

Part B

Vesting		Exercise	
Option	**Period**	**Period**	**Price (INR)*0**
3,00,000	within 3 years from 27-3-18	3 years from vesting ,subject to liquidity event as per Board Discretion	59.72
2,25,000	within 3 years from 27-3-19	3 years from vesting ,subject to liquidity event as per Board Discretion	59.72
2,25,000	within 3 years from 27-3-20	3 years from vesting ,subject to liquidity event as per Board Discretion	59.72

The aforesaid options would have vested to eligible employees on achieving EBIDTA as per Respective yearly targets.
If the prescribed EBIDTA is not achieved the options stands lapsed
* Fair value per share is taken from independent valuer.

Employee Stock Option Activity under Scheme 2017

(Amount in Rs.)

Particulars	As at 31st March 2020	As at 31st March 2019
Outstanding at the Beginning of the year	5,84,832	6,94,944
Vested During the year	1,62,926	2,50,355
Lapsed During the year	46,240	92,883
Exercised During the year	10,400	17,229
Outstanding at the end of the year	5,28,192	5,84,832
Exercisable at the end of the year	3,85,652	2,33,126

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2020

47. Impairment to Property, Plant and Equipment:

The Company has a process of conducting physical verification of the property, plant and equipment and assessment for cash generating capability of the same, which forms the basis for identifying impairment and consequent provision for impairment loss, if any, at each balance sheet date. Due to COVID-19 lockdown, the physical verification could not be undertaken as at the year end. Considering the past trend, nature of assets and cash generating capability of the assets the company does not envisage any impairment loss for the current financial year.

48. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions as described below that affect the reported amounts and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A. Assumptions

The cost of the defined benefit plans and the present value of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.

B. Estimates

The estimates used by the company to present the amount in accordance with Ind AS reflect conditions as at the transition date. Refer significant accounting policies.

49. Events after reporting period

No such major events after reporting period

50. Previous year's figures have been regrouped and restated wherever necessary to make their classification comparable with that of the current year. Financial statements are approved by Board of Directors as on June 9, 2020.

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045

Nilesh Joshi
Partner
M. No. 114749

Place: Mumbai
Date: June 9, 2020

For and behalf of the Board of Directors
NCDEX e Markets Limited

Rajesh Kumar Sinha
Managing Director
DIN: 06798679

Atul Roongta
Director
DIN: 07878061

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

Consolidated Financial Statement

INDEPENDENT AUDITORS' REPORT

To the Members,
NCDEX E Markets Limited

Report on the Audit of Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of NCDEX E Markets Limited("the Company") and its Joint Venture Company i.e Rashtriya E Market Services Private Limited ("Joint Venture Company/ReMS") (together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2020, the and consolidated statement of Profit and Loss (including Other Comprehensive income), the consolidated statement of Cash flows and the consolidated Statement of Changes in Equity for the year ended 31st March 2020 ('the period') and a summary of significant accounting policies and other explanatory information (herein after referred to as "consolidated financial statements").

   In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March, 2020, its consolidated profit and the total consolidated comprehensive income, consolidated changes in equity and its consolidated cash flows for the period ended on that date.

Basis for Opinion

2. We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated 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 opinion on the consolidated financial statements.

Other Matters

3. As per the management of the Joint Venture Company, GST is not applicable on the transaction charges billed by the same and hence, no provision has been made in the books of accounts. The financial impact of the same on the Financial Statements of year ended March 2020 is Rs. 5.81 crores exclusive of interest and other impositions, if any.

4. The consolidated financial statements also include the Group's share of net profit (including OCI) of Rs. 4,32,40,766/- for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of Joint Venture Company, whose financial statement/financial information have not been audited by us. This financial statement/ financial information has been audited by the other auditor whose report have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amount and disclosure included in

respect of Joint Venture Company, and our report in term of sub- section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid Joint Venture Company, is based solely on the reports of the other auditor.

Our opinion on the Consolidated Financial Statements, and our report on the other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.
Our Opinion on the Consolidated Financial Statements is not modified in respect of these matters.

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

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

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

6. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statement

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the entity included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the entity 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the entity included in the Group are responsible for assessing the Group's ability 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entity included in the Group are responsible for overseeing financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements. The description of the auditor's responsibilities for the audit of the consolidated financial statements is given in "Appendix I" to this report.

Report on Other Legal and Regulatory Requirements

9. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of Joint Venture Company as noted in sub-paragraph (4) of 'Other Matters' paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor;

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid consolidated financial statements comply with Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. On the basis of the written representations received from the directors of the Company as on March 31, 2020, taken on record by the Board of Directors of the Company and the report of the other statutory auditor of its Joint Venture company, none of the directors of any such company is disqualified as on March 31, 2020, from being appointed as a Director of that Company in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses unmodified opinion on the adequacy of the Company's internal financial controls with reference to financial statements and its operating effectiveness of the Company's internal financial controls over financial reporting.

   g. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its director during the year is within the limit laid down in 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, and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of Joint Venture as noted in sub-paragraph (4) of "Other Matters" paragraph:

i. The Group does not have any pending litigation which would impacts its financial position in its consolidated financial statements.

ii. The Company and its Joint Venture Company did not have any long term contracts including derivative contracts for which there were any materials foreseeable losses.

iii. There was no amount which were required to be transferred to the Investor Education and Protection Fund by the Company and its Joint Venture Company

For CHOKSHI & CHOKSHI LLP
Chartered Accountants
FRN: 101872W/W100045

Nilesh Joshi
Partner
M. No. 114749
UDIN: 20114749AAAACY6565

Place: Mumbai
Date: June 9, 2020.

APPENDIX – I: THE FURTHER DESCRIPTION OF THE AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDTED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has an adequate internal financial controls system with reference to financial statements 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 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 ability of the Group 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 Group 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.

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.

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. In conjunction with our audit of the consolidated financial statements of NCDEX e Markets Limited ("the Company") as of and for the year ended March 31, 2020 we have audited the internal financial controls over financial reporting of the Company as of that date.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Company, are 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 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 internal financial controls system with reference to consolidated financial statements 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 judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For M/s. CHOKSHI AND CHOKSHI LLP
Chartered Accountants
FRN: 101872W/W100045

Nilesh Joshi
Partner
M. No. 114749
UDIN: 20114749AAAACY6565

Place: Mumbai
Date: June 9, 2020

NCDEX e Markets Limited
Consolidated Balance Sheet as at March 31, 2020

(Amount in Rs.)

Particulars	Note	As at Mar 31, 2020	As at March 31, 2019
Assets			
Non-current Assets			
(a) Property, Plant and Equipment	2	32,227,161	41,243,367
(b)Right of use Assets	30	47,224,433	
(c) Other Intangible assets	3	116,440,001	117,020,901
(d) Capital Work in Progress	2	-	-
(e) Investment in associates/ joint venture accounted for using the equity method	4	263,874,782	227,634,016
(f) Financial Assets			
(i) Non-current Investments	5	1	1
(ii) Others	6	138,722,918	13,181,848
(g) Deferred tax assets (Net)	7	10,642,426	19,591,118
(i) Income Tax Assets (Net)	28	16,447,038	24,526,886
(j) Other non-current assets	8	607,163	1,487,010
Total non-current assets		**626,185,923**	**444,685,147**
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	9	38,042,035	57,116,475
(ii) Cash & cash equivalents	10	498,272,647	634,288,854
(iii) Bank balances other than (ii) above	11	582,810,000	412,390,430
(iv) Others	12	79,535,864	27,633,562
(b) Other current assets	13	8,297,386	21,047,763
Total current assets		**1,206,957,932**	**1,152,477,085**
Total Assets		**1,833,143,855**	**1,597,162,232**
Equity			
(a) Share capital	14	355,276,290	355,172,290
(b) Other Equity	14	241,930,845	119,855,691
Total Equity		**597,207,135**	**475,027,981**
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
Deposits	15	1,311,326	2,017,244
Lease liability	30	35,697,419	-
(b) Provisions	16	7,694,391	3,180,280
Total non-current liabilities		**44,703,136**	**5,197,524**
Current Liabilities			
(a) Financial Liabilities			
(i) Deposits	17	218,795,057	200,102,062
(ii) Lease Liability	30	15,391,548	-
(iii) Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises; and	18	2,966,662	5,492,576
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		7,342,855	40,381,792
(iv) Other liabilities	19	882,097,768	813,049,992
(b) Other current liabilities	20	19,021,717	14,652,722
(c) Provisions	21	45,617,976	43,257,583
Total current liabilities		**1,191,233,584**	**1,116,936,727**
Total Liabilities		**1,235,936,720**	**1,122,134,251**
Total equity and liabilities		**1,833,143,855**	**1,597,162,232**

The accompaying consolidated notes form an intergal part of the Financial Statements

Significant Accounting Policy and Consolidated Notes to Financial Statements. 1 to 51

As per our report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045

Nilesh Joshi
Partner
M. No. 114749

Place: Mumbai
Date: June 9, 2020.

For and behalf of the Board of Directors
NCDEX e Markets Limited

Rajesh Kumar Sinha
Managing Director
DIN:06798679

Atul Roongta
Director
DIN:07878061

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

NCDEX e Markets Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2020

(Amount in Rs.)

Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
Revenue from operations	22	544,232,051	560,046,104
Other Income	23	73,019,148	57,104,371
		617,251,199	**617,150,475**
EXPENSE			
Employee benefits expense	24	182,152,095	188,510,433
Finance Cost	25	4,585,957	509,124
Depreciation & Amortization	26	72,128,882	52,226,262
Other Expenses	27	244,657,995	238,676,050
Total Expenses		**503,524,929**	**479,921,869**
Profit / (loss) before exceptional items and income tax		**113,726,270**	**137,228,606**
Exceptional item (net of tax)		-	-
Profit / (loss) before tax and share of Profit / (loss) of a joint venture			
Share of Profit / (Loss) from Joint Venture		43,208,654	32,152,111
Profit / (Loss) before tax		**156,934,924**	**169,380,717**
Current tax	28	18,537,446	28,421,113
MAT Credit (Entitlement) /Utilise		14,485,138	(29,235,195)
Income Tax for earlier periods Written off/ (Back)		-	176,160
Deferred tax	28	(5,536,447)	28,055,983
Profit / (Loss) after tax		**129,448,786**	**141,962,656**
OTHER COMPREHENSIVE INCOME			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Share of Other comprehensive income / (Loss) from Joint Venture		32,112	17,718
Re-measurement gains (losses) on defined benefit plans		(5,072,414)	(445,605)
Income tax effect		1,477,087	96,028
TOTAL COMPREHENSIVE INCOME FOR THE period, NET OF TAX		**125,885,571**	**141,630,797**
Earnings per equity share:			
Basic	29	3.64	4.00
Diluted	29	3.64	4.00

The accompaying consolidated notes form an intergal part of the Financial Statements

Significant Accounting Policy and Consolidated Notes to Financial Statements. 1 to 51

As per our report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045

Nilesh Joshi
Partner
M. No. 114749

Place: Mumbai
Date: June 9, 2020.

For and behalf of the Board of Directors
NCDEX e Markets Limited

Rajesh Kumar Sinha
Managing Director
DIN:06798679

Atul Roongta
Director
DIN:07878061

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

NCDEX e Markets Limited
Consolidated Cash Flow Statement for the year ended March 31, 2020

(Amount in Rs.)

Particulars		Year ended March 31 ,2020	Year ended March 31 ,2019
A. Cash flow from Operating Activities			
Profit Before Tax		**151,894,622**	**168,952,830**
Adjustments for:			
Depreciation and Amortisation Expense		72,128,882	52,226,262
Impairment of Fixed Assets (Software)		-	5,915,283
Interest Income		(50,253,388)	(35,365,189)
Dividend Income		-	
Interest on Income Tax Refund		(2,885,688)	-
Short term gain on mutual fund		(14,093,304)	(21,189,961)
Share of Profit from Joint Venture		(43,240,766)	(32,169,829)
Share option reserve		-	(14,034,200)
Profit on sale of Fixed Assets		(76,610)	-
Transition Reserve IND AS 116		(4,301,800)	
Operating Profit before working capital changes		**109,171,947**	**124,335,197**
Movements in working capital:			
Decrease / (Increase) in Non-current Other Bank balances		(125,541,070)	(2,000,000)
Decrease / (Increase) in Prepaid expenses		879,847	(163,553)
Decrease / (Increase) in Trade receivables		19,074,440	(8,605,008)
Decrease / (Increase) in Other financial assets		(51,902,302)	75,567,275
Decrease / (Increase) in Other current Assets		12,750,377	(10,035,488)
Increase / (Decrease) in Long term Provisions		4,514,110	3,180,280
Increase / (Decrease) in Non Current Lease liabilities		35,697,419	
Increase / (Decrease) in Deposits Paid		17,987,077	(8,237,344)
Increase / (Decrease) in Trade payables		(35,564,851)	(20,658,299)
Increase / (Decrease) in Other financial liabilities		69,047,777	346,313,676
Increase / (Decrease) in Current Lease liabilities		15,391,548	
Increase / (Decrease) in Other current liabilities		4,368,995	4,498,417
Increase / (Decrease) in Short term Provisions		2,360,391	23,957,492
Cash flow before taxation		**78,235,707**	**528,152,645**
Direct taxes paid		(8,980,511)	(26,108,301)
Net Cash Generated from Operating Activities	**(A)**	**69,255,195**	**502,044,344**
B. Cash Flows From Investing Activities			
Purchase of fixed assets		(109,756,210)	(65,167,450)
Interest Received		50,253,388	35,618,417
Interest on income tax refund		2,885,688	-
Investment in fixed deposits		(170,419,570)	(249,034,258)
Short term gain on mutual fund		14,093,304	21,189,961
Profit on sale of Fixed Assets		76,610	-
Dividend received		7,000,000	6,000,000
Net Cash Used in Investing Activities	**(B)**	**(205,866,788)**	**(251,393,330)**
C. Cash Flows From Financing Activities			
Issue of Equity share capital		621,088	1,028,919
RMF utilised during the year		(25,705)	(1,000,447)
Net Cash Generated from Financing Activities	**(C)**	**595,383**	**28,472**
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)		**(136,016,209)**	**250,679,485**
Effect of exchange differences on Cash & Cash equivalents held in foreign currency		-	-
Cash and Cash Equivalents at the Beginning of the year		**634,288,855**	**383,609,371**
Cash and Cash Equivalents at the End of the year [Refer Note 9]		**498,272,647**	**634,288,856**
Notes:			
1. Cash & Cash Equivalents			
Cash on Hand		202,251	4,426
Balances with Banks:			
- In Current Accounts		262,506,374	484,143,064
- In Fixed Deposits		235,564,022	33,857,850
- Investments in mutual funds (Highly Liquid Funds)		-	116,283,516
Cash & Cash Equivalents considered for Cash flow		**498,272,647**	**634,288,856**

Note: The above Cash Flow Statement is prepared under indirect method as per IND AS 7-'Statement of Cash Flows'.

Figures in brackets indicate cash outflow.

The accompaying consolidated notes form an intergal part of the Financial Statements

Significant Accounting Policy and Consolidated Notes to Financial Statements. **1 to 51**

As per our report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045

For and behalf of the Board of Directors
NCDEX e Markets Limited

Nilesh Joshi
Partner
M. No.114749

Rajesh Kumar Sinha
Managing Director
DIN:06798679

Atul Roongta
Director
DIN:07878061

Place: Mumbai
Date: June 9, 2020.

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

NCDEX e Markets Limited
STATEMENT OF CHANGES IN EQUITY

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

Issued , subscribed and paid up share capital
Equity Shares of Rs.10/- each

Particulars	Amount in Rs.
As at March 31, 2018	355,000,000
Changes in equity share capital	-
Share issue Expenses	-
Shares issued during the period	172,290
As at March 31, 2019	355,172,290
Changes in equity share capital	
Share issue Expenses	
Shares issued during the period	104,000
As at March 31, 2020	355,276,290

Other equity

(Amounts in Rs.)

Particulars	Risk Management Fund	Retained Earnings*	Share option Reserve	Share Premium**	Special Guarantee Fund	Other Comprehensive Income - FVTOCI defined benefit plans	Total
Balance at the end of the reporting year on 31st March 2018	**1,495,980**	**(20,256,601)**	**14,034,200**	**-**	**-**	**(2,870,666)**	**(7,597,088)**
Total Comprehensive Income for the year		**141,962,656**					141,962,656
Addition in current year	1,500,000		-	856,629	100,000	(331,859)	2,124,770
Utilised / Reversed during the year	(1,000,447)	-	(14,034,200)	-	-	-	(15,034,647)
Transfer to Risk Management Fund	-	(1,500,000)	-	-	-	-	(1,500,000)
Transfer to Special Guarantees Fund	-	(100,000)	-	-	-	-	(100,000)
Share issue expenses	-	-	-	-	-	-	-
Balance at the end of the reporting year on 31st March 2019	**1,995,533**	**120,106,054**	**0**	**856,629**	**100,000**	**(3,202,525)**	**119,855,691**
Total Comprehensive Income for the year		129,448,786				**(3,563,215)**	125,885,571
Addition in current year				517,088			517,088
Utilised / Reversed during the year	(25,705)						(25,705)
Transfer to Risk Management Fund							0
Transfer to Special Guarantees Fund							0
Share issue expenses							0
Transition Reserve IND AS 116		(4,301,800)					(4,301,800)
Balance at the end of the reporting period on 31st March 2020	**1,969,828**	**245,253,040**	**0**	**1,373,717**	**100,000**	**(6,765,740)**	**241,930,845**

The accompaying notes form an intergal part of the Financial Statements

Significant Accounting Policy and Consolidated Notes to Financial Statements. 1 to 51

Notes:
(i) Risk Management Fund (Refer Note 35)

(ii) Retained Earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

(iii) Share Option Reserve
The company has an option scheme under which option to subscribe for the Company's shares have been granted to certain executives and senior employees. The share based payment reserve is used to recognise the value of equity settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

(iv) Share Premium Reserve
Securities Premium Reserve is used to record premium on issuance of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

(v) Special/Settlement Guarantee Fund (Refer Note 36)

(vi) Other Comprehensive Income
Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI)

As per our report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045

For and behalf of the Board of Directors
NCDEX e Markets Limited

Nilesh Joshi
Partner
M. No. 114749

Rajesh Kumar Sinha
Managing Director
DIN:06798679

Atul Roongta
Director
DIN:07878061

Place: Mumbai
Date: June 9, 2020.

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

NCDEX e Markets Limited
Notes to the Consolidated Financial Statements for the year ended March 31,2020.
(All amounts are in Rupees unless otherwise stated)

Corporate Information

1. NCDEX e Markets Limited ('hereinafter referred to as "the Company/NeML") a subsidiary of National Commodity & Derivatives Exchange Ltd (NCDEX) along with its nominee shareholders, and its Joint Venture Rashtriya e Market Services Private Limited ("the joint venture/ReMS") (hereinafter collectively referred to as "the Group"), is a national level electronic commodity market and services company focusing on capitalizing the opportunities of the offering electronic commodity trading platform and services in the commodity markets through a robust technology platform and ecosystem partners.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements ("consolidated financial statements"). These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

These consolidated financial statements are prepared in accordance, under the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Companies Act 2013 (the Act).

b) Basis of Consolidation

Joint Arrangements

Under Ind AS 111, joint arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than legal structure of the joint arrangement. NeML has joint venture with ReMS. Interest in Joint venture is accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy described below.

The Financial Statements of joint venture used for the purpose of consolidation are drawn up to the same reporting date as of the Group.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner, as the Company's separate Financial Statements.

c) Historical Cost Convention

The Consolidated Financial Statements have been prepared on the historical cost basis except for the followings:

(i) Certain financial assets and liabilities and contingent consideration that is measured at fair value;
(ii) Assets held for sale measured at fair value less cost to sell;
(iii) Defined benefit plans& plan assets measured at fair value; and

d) Use of estimates and judgement

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management needs to exercise judgement in applying the accounting policies. Changes in the estimates are accounted for in the year ended when actual figures are known and not as a restatement to the comparable figures. Application of accounting policies that require critical accounting estimates and assumptions having the most significant effect on the amounts recognised in the consolidated financial statements are:

- Useful lives property, plant, equipment and intangible assets

- Measurement of defined employee benefit obligation

- Contingent liabilities

e) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle
(ii) Held primarily for the purpose of trading, or
(iii) Expected to be realised within twelve months after the reporting period other than for (i) above, or
(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
(v) Current assets also include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle
(ii) It is held primarily for the purpose of trading
(iii) It is due to be settled within twelve months after the reporting period other than for (i) above, or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

f) Fair value measurement

The Group 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.

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 Group 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.

The Group categorizes assets and liabilities measured at fair value into one of three levels as follows:

Level 1 – Quoted (unadjusted)

This hierarchy includes financial instruments measured using quoted prices.

Level 2

Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include the following:

(i) quoted prices for similar assets or liabilities in active markets.
(ii) quoted prices for identical or similar assets or liabilities in markets that are not active.
(iii) inputs other than quoted prices that are observable for the asset or liability.
(iv) Market – corroborated inputs.

Level 3

They are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

g) Investments in subsidiaries, associates and joint ventures

The Group records the Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any.

h) Non-current assets held for sale

Non-current assets & disposal group classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, Plant and Equipment (PPE) and intangible assets, are not depreciated or amortized once classified as held for sale.

i) Property plant and equipment (including Capital Work in Progress)

PPE are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of CENVAT/ITC) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees for qualifying assets.

Significant parts of an item of PPE having different useful lives & material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation of these PPE commences when the assets are ready for their intended use. Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Depreciation is provided on straight line method over the useful life of the assets as prescribed in Schedule III of Companies Act, 2013.The Residual value of all assets is taken to be "NIL".

The useful life of property, plant and equipment are as follows: -

Asset Class	**Useful Life**
Furniture & Fixtures	10 years
Computer hardware	
- Servers & Networking devices	6 years
- Computer Hardware	3 years
Electrical Installations	10 years
Office Equipment	5 years
Vehicles	8 years

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Fixed assets having an original cost of less than or equal to Rs. 5,000 individually are fully depreciated in the year of purchase or installation.

Leasehold Improvement other than electrical installations is amortized over the renewable period of lease.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or over the shorter of the assets useful life and the lease term if there is an uncertainty that the group will obtain ownership at the end of the lease term.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an

item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

j) Intangible Assets

(i) Computer Software

Purchase of computer software used for the purpose of operations is capitalized. However, any expenses on software support, maintenance, upgrade etc. payable periodically is charged to the Statement of Profit & Loss.

Costs capitalised are amortized on a straight line basis over its expected useful life based on management's estimate.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends & has ability to complete the software and use or sell it
- Software will be able to generate probable future economic benefits
- Software is available, and the expenditure attributable to the software during its development can be reliably measured.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use. The estimated useful life (5-10 years) of subsequent development of already capitalised intangible assets is evaluated independent of the estimated life of the original assets.

Intangible assets are amortized over a period of five years or remaining life of the product considered at the end of each financial year whichever is earlier. The carrying value of computer software costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

(ii) De-recognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(iii) Intangible assets under development

All costs incurred in development, are initially capitalized as Intangible assets under development – till the time these are either transferred to Intangible Assets on completion or expensed as Software Development cost (including allocated depreciation) as and when determined of no further use.

k) 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:

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the group commits to purchase or sell the asset.

Subsequent measurement

For the Purpose of Subsequent measurement, financial assets are classified in following categories based on the group's business model:

- Financial instrument at amortized cost
- Financial instrument at fair value through other comprehensive income (FVTOCI)
- Financial instruments, derivatives and equity instruments a fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(i) Financial instruments at amortized cost

A 'financial instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

(ii) Financial instrument at FVTOCI

A 'financial instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Statement of profit and loss. Interest earned whilst holding FVTOCI financial instrument is reported as interest income using the EIR method.

(iii) Financial instrument at FVTPL

Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the group may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such

election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

(iv) Equity investments

All equity investments are measured at fair value. For equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. This amount is not recycled from OCI to the Statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

Cash and Cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

De-recognition

A financial asset is de-recognized only when

- The Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of Impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
d) Loan commitments which are not measured as at FVTPL
e) Financial guarantee contracts which are not measured as at FVTPL
f) Right to use assets in the scope of Ind AS 116.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:
Trade receivables or contract revenue receivables;

ECL impairment loss allowance (or reversal) if any, is recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

Financial liabilities
Financial liabilities are measured at amortized cost using the effective interest method.

Subsequent measurement
Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of profit and loss.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De recognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments
The Group offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

l) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

m) Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service taxes, Goods and Service Tax (GST) and amounts collected on behalf of third parties.

Annual Membership/Lot creation charges/Penalty/E-pledge fees/tricker board charges/other charges: -

Annual subscription charges are recognized as income when there is reasonable certainty and the ultimate realization.

Transaction Charges – Transaction charges are recognised as income on settlement date basis.

Software service charges: - Software service charges are recognized as income on the basis of agreement with parties and in respect of agreements with the joint controlled, claims are accounted on actual receipts.

Admission fees: - Admission fees are recognized as income at the time an applicant is converted as member and provisional member.

Registration Fees: - Registration fee is recognized fully as one-time income for the financial period.

Reactivation Fees: - Reactivation fees is charged when client agrees to reactivate the account and pays the same and It is recognised on receipt basis.

Business Support Services: - Income from business support services are recognized on the basis of agreement with parties.

Interest income: - Interest income for fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. For Debt instruments measured at either at amortized cost or at fair value through other comprehensive income, it is recorded using effective interest rate (EIR) method.

Dividend: - Dividend is recognized when the Group's right to receive dividend is established as at the reporting date.

Short term Capital Gain from Mutual fund: - STCG is recognized as income on sale of mutual fund.

n) Leases

As a lessee

Use of estimates and judgment

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Accounting Policy

'Effective April 01, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019.

'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.

The Group 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 group assesses whether:

(1) the contract involves the use of an identified asset

(2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and

(3) the group has the right to direct the use of the asset.

'At the date of commencement of the lease, the group recognizes a right to use asset 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 group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

'Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right to use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

'The right to 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 incurred and an estimate of costs to dismantle and remove the underlying assets or to restore the underlying asset or the site on which it is located, less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

'Right to use assets is subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right to use asset reflects that the group expects to exercise a purchase option, the related right to use asset is depreciated over the useful life of the underlying asset. In addition, the right of use asset is periodically reduced by impairment loss, if any, and adjusted for certain re-measurement of the lease liability.

The lease liability is initially measured at the present value of the future lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right to use asset if the group changes its assessment if whether it will exercise an extension or a termination option. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee and
- The exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the group is reasonably certain not to terminate early.

Lease liability and Right to use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

Lease income from operating leases where the group 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 Statement of Assets and Liabilities based on their nature.

Transition

Effective April 1, 2019, the group adopted Ind AS 116 "Leases" and applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right to use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Figures as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under Ind AS 17.

o) Foreign currency transactions

Functional and presentation currency:
Items included in the Consolidated Financial Information of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Information are presented in Indian currency (INR), which is the Group's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Any income or expenses on account of exchange difference between the date of transaction and on settlement or on translation is recognized in the statement of profit and loss as income or expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary rates at the date when the fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation difference on items whose fair value gain or loss is recognised in OCI or statement of profit or loss, respectively).

p) Employee Benefits

Short term employee benefits: -

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in Statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the Consolidated Statement of Assets and Liabilities.

Post-employment obligations

i. Defined contribution plans
Provident Fund

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of profit and loss of the period when the contributions to the respective funds are due. There are no obligations other than the contribution payable to the provident Fund.

ii. Defined benefit plans

Gratuity obligation.

The Group has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the Consolidated Statement of Assets and Liabilities in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to yields on government securities at the end of the reporting period that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of profit and loss as past service cost.

Compensated absences – Leave benefits

These are measured based on actuarial valuation carried out by an independent actuary at each balance sheet date unless they are insignificant.

q) Provisions, Contingent Liabilities and Contingent Assets

Provisions for legal claims and are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using current pre tax rate that reflects, when appropriate, the risk specific to the liability.
Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent liabilities are not recognised but disclosed in the Consolidated Financial Statements, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are not recognised but disclosed in the Consolidated Financial Statements when an inflow of economic benefits is probable.

r) Employee stock compensation cost

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

s) Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year ended. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

t) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statement. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amount will be available to utilise those temporary differences and losses. At each reporting date the Group reassesses unrecognized deferred tax assets and recognizes the same to the extent it has become probable that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as “MAT Credit Entitlement”. The Group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is not probable that the Group will pay normal tax during the specified period.

Dividend distribution tax paid on the dividends is recognized consistently with the presentation of the transaction that creates the income tax consequence.

u) Cash flow statement

Cash flows has been prepared under the “Indirect method” as set out in the Ind AS-7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

v) Cash and Cash equivalents

Cash and Cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31,2020

2 Property, Plant and equipment & Capital Work-in-Progress

(Amount in Rs.)

Particulars	Furniture and Fixtures	Leasehold Improvement	Computer Hardware	Office Equipments	Freehold Vehicles	Electrical Installations	Total	Capital Work in Progress
GROSS BLOCK								
As at April 01, 2018	**300,196**	**-**	**43,459,951**	**572,184**	**2,379,974**	**-**	**46,712,305**	**8,980,491**
Additions	4,297,640	10,108,923	5,934,068	6,327,289	-	2,108,132	28,776,053	4,336,135
Disposals / Adjustments	-	-	-	-	-	-	-	(13,316,626)
As at March 31, 2019	**4,597,836**	**10,108,923**	**49,394,019**	**6,899,473**	**2,379,974**	**2,108,132**	**75,488,358**	**-**
Additions	259,462	702,925	1,873,022	1,048,990	-		3,884,398	
Disposals / Adjustments			1,359,021	7,640			1,366,661	
As at March 31,2020	**4,857,298**	**10,811,848**	**49,908,020**	**7,940,823**	**2,379,974**	**2,108,132**	**78,006,095**	**-**
ACCUMULATED DEPRECIATION								
As at April 01, 2018	**38,339**	**-**	**16,334,221**	**116,218**	**622,194**	**-**	**17,110,972**	**-**
Depreciation for the period	382,846	907,927	14,394,884	1,010,796	311,097	126,469	17,134,019	-
Disposals / Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2019	**421,185**	**907,927**	**30,729,105**	**1,127,014**	**933,291**	**126,469**	**34,244,991**	**-**
Depreciation for the period	473,343	1,053,337	9,315,841	1,523,450	311,097	**215,897**	**12,892,965**	
Disposals / Adjustments			1,359,021				1,359,021	
As at March 31,2020	**894,528**	**1,961,264**	**38,685,925**	**2,650,464**	**1,244,388**	**342,366**	**45,778,935**	**-**
NET BLOCK								
As at March 31, 2019	**4,176,652**	**9,200,996**	**18,664,914**	**5,772,459**	**1,446,683**	**1,981,663**	**41,243,367**	**-**
As at March 31, 2020	**3,962,771**	**8,850,584**	**11,222,095**	**5,290,359**	**1,135,586**	**1,765,766**	**32,227,161**	**-**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31,2020

3 Intangible Assets

(Amount in Rs.)

Gross Block	Computer Software	Total
As at April 01, 2018	163,582,533	163,582,533
Additions	45,371,857	45,371,857
Provision for Impairment	5,915,283	5,915,283
Disposals / Adjustments	9,837,752	9,837,752
As at March 31, 2019	193,201,355	193,201,355
Additions	42,536,459	42,536,459
Provision for Impairment		-
Disposals / Adjustments		-
As at March 31, 2020	**235,737,814**	**235,737,814**
Accumulated amortisation and impairment losses	**Computer Software**	**Total**
As at April 01, 2018	50,925,963	50,925,963
Depreciation for the period	35,092,243	35,092,243
Additions		-
Disposals / Adjustments	9,837,752	9,837,752
As at March 31, 2019	76,180,454	76,180,454
Depreciation for the period	43,117,359	43,117,359
Additions		
Disposals / Adjustments		
As at March 31, 2020	**119,297,813**	**119,297,813**
Net Book Value	**Computer Software**	**Total**
As at March 31, 2019	**117,020,901**	**117,020,901**
As at March 31, 2020	**116,440,001**	**116,440,001**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2020

4 Investments in a Joint Venture (Amounts in Rs.)

Particulars	As at March 31. 2020	As at March 31. 2019
Financial Assets		
(a) Rashtriya e Market Services Private Limited		
Opening Balance	227,634,016	201,464,187
Add: Groups Share of Profit	43,240,766	32,169,829
Less: Dividend Received	(7,000,000)	(6,000,000)
Total	**263,874,782**	**227,634,016**

Investments in Joint Venture

Particulars	As at March 31. 2020		As at March 31. 2019	
	% of share	Amount in Rs.	% of share	Amount in Rs.
1) Rashtriya e Market Services Private Limited	50%	263,874,782	50%	227,634,016
Total investments carrying value		**263,874,782**		**227,634,016**

Details of Joint Venture

Name of Joint Venture	Principal Activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company	
			As at March 31, 2019	As at March 31, 2019
1) Rashtriya e Market Services Private Limited	Provide special electronic platform for	Bangalore	50%	50%

5 Non-current Investments (Amounts in Rs.)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Quantity	Amount in Rs.	Quantity	Amount in Rs.
Financial Assets				
Investments				
A.) Investments in Equity shares (Unquoted)				
(a) Equity share of Rs. 10/- each fully paid up in National	989,000	1	989,000	1
***Aggregate Provision for Dimunition in value of unquoted investment Rs. 988,999 (P.Y. Rs. 988,999)**				
Total	**989,000**	**1**	**989,000**	**1**

6 Other Non Current Financial Assets (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
a.) Security Deposits		
(i) Unsecured, considered good;	5,660,705	5,615,151
Non Current Bank Balances		
(a) Bank deposits with more than 12 months maturity		
- Held as Margin Money for Bank Gurantee	2,600,000	-
- Held as Security for Borowings	1,000,000	-
- Others	126,100,000	7,000,000
(b) Interest accrued on Fixed Deposits	3,362,213	566,697
Total	**138,722,918**	**13,181,848**

7 Deferred tax assets/(Liability) (net) (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets/(Liability) (Net)	(8,473,619)	(14,010,066)
MAT Credit	19,116,046	33,601,184
Total	**10,642,426**	**19,591,118**

(Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets components		
Provision for doubtful debts	211,604	893,793
Carried forward unabsorbed depreciation	-	2,273,659
Ind AS 116- ROU and Lease Liability	1,125,352	-
Provision for Employee benefit	3,971,734	925,518
Total Deferred Tax Assets components	**5,308,691**	**4,092,970**
Deferred Tax Liability components		
Share Issue Expenses	-	33,063
Discounting of Deposits (As per IND AS)	(460,802)	66,195
Depreciation and amortisation	14,243,112	18,003,778
Total Deferred Tax Liability components	**13,782,310**	**18,103,036**
Net Deferred Tax Assets / (Liability)	**(8,473,619)**	**(14,010,066)**

8 Other Non-Current Assets (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid Expenses	607,163	1,487,010
Total	**607,163**	**1,487,010**

9 Trade Recievables (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables		
(a) Secured, considered good;	-	-
(b) Unsecured, considered good;		
- Due from Holding Company	20,179	-
- Others	38,021,855	57,116,475
(c) Considered doubtful	726,663	3,069,344
Less : Provision for doubtful debts	(726,663)	(3,069,344)
Total	**38,042,035**	**57,116,475**

10 Cash & Cash Equivalents (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash & Cash Equivalents		
Cash on hands	202,251	4,426
Balance with banks		
In Current Accounts	262,506,374	484,143,063
Fixed deposit with maturity less than 3 months		
- Held as Margin Money for Bank Gurantee	5,464,022	-
- Others	230,100,000	33,857,850
Others		
Investments in mutual funds (Highly Liquid Funds)	-	116,283,514
Other Bank Balances		
Fixed deposit with maturity between 3 to 12 months		
Total	**498,272,647**	**634,288,854**

11 Other Bank Balances (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed deposit with maturity between 3 to 12 months		
- Held as Margin Money for Bank Gurantee	30,750,000	34,300,000
- Held as Security for Borowings	51,500,000	31,000,000
- Others	500,560,000	347,090,430
Total	**582,810,000**	**412,390,430**

12 Other Financial Assets (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
a.) Security Deposits		
(i) Unsecured, considered good;	1,624,761	1,341,581
b.) Other advances		
(i) Unsecured, considered good;		
(1) Loans and Advances to Employees	739,962	-
(2) Earnest Money Deposit	3,475,000	3,050,000
c.) Others		
(i) Unsecured, considered good;		
(1) Trade Money recievable from members	2,884,528	1,331,633
(2) Accrued Interest	28,964,368	16,334,241
(3) Accrued Income for Provisional Billing	41,847,244	5,576,108
Total	**79,535,864**	**27,633,562**

13 Other Current Assets (Amounts in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Other Current Assets		
Prepaid Expenses	8,066,655	20,978,536
GST	230,732	69,227
Total	**8,297,386**	**21,047,763**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2020

14 Share Capital

(A) Authorised Share Capital

(i) Equity Shares of Rs.10/- each

Particulars	No of Shares	(Amounts in Rs.)
As at April 01, 2018	**3,80,00,000**	**38,00,00,000**
Increase during the period	-	-
As at March 31, 2019	**3,80,00,000**	**38,00,00,000**
Increase during the period	-	-
As at March 31, 2020	**3,80,00,000**	**38,00,00,000**

(ii) 5% Cumulative redemable Preference Shares of Rs.10/- each

Particulars	No of Shares	(Amounts in Rs.)
As at April 1, 2017	**1,20,00,000**	**12,00,00,000**
Increase during the period	-	-
As at March 31, 2018	**1,20,00,000**	**12,00,00,000**
Increase during the period	-	-
As at March 31, 2019	**1,20,00,000**	**12,00,00,000**
Increase during the period	-	-
As at March 31, 2020	**1,20,00,000**	**12,00,00,000**

(B) Issued , subscribed and paid up share

(i) Equity Shares of Rs.10/- each

Particulars	No of shares	(Amounts in Rs.) Equity Share Capital par value
As at April 01, 2018	**3,55,00,000**	**35,50,00,000**
Add: Shares issued during the period under ESOP	17,229	1,72,290
Less: Share bought back during the period		
As at March 31, 2019	**3,55,17,229**	**35,51,72,290**
Add: Shares issued during the period under ESOP	10,400	1,04,000
Less: Share bought back during the period	-	-
As at March 31, 2020	**3,55,27,629**	**35,52,76,290**

(i) 5% Cumulative redemable Preference Shares of Rs.10/- each

Particulars	No of shares	(Amounts in Rs.) Preference Share Capital par value
As at April 01, 2018	-	-
Add: Shares issued during the period	-	-
As at March 31, 2019	**-**	**-**
Add: Shares issued during the period	-	-
As at March 31, 2020	-	-

14.1 Terms/Rights attached to equity share

The Company has only one class of Equity Shares having Par Value of Rs 10 per share. Each holder of Equity shares is entitled to one vote per share. 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 each shareholder.

14.2 Out of shares issued by the company, Shares held by its Holding company are as follows:

(i) Equity Shares

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	% of holding	Number	% of holding
National Commodity & Derivatives Exchange Ltd (Holding Company) along with its Nominees	3,54,99,400	99.92%	3,54,99,400	99.95%

14.3 Details of shareholders holding more than 5% share in the Company

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	Number	% of holding	Number	% of holding
Equity Shares of Rs 10 each fully paid				
National Commodity & Derivatives Exchange Ltd	3,54,99,400	99.92%	3,54,99,400	99.95%

14.4 The reconcilation of the number of shares outstanding as at 31st March, 2020 is set out below:

(i) Equity Shares of Rs.10/- each

Particulars	Number of Shares as at 31st March, 2020	Number of Shares as at 31st March, 2019
Equity Shares of Rs 10 each fully paid		
Number of shares at the beginning	3,55,17,229	3,55,00,000
Add: Shares issued/Converted during the period	10,400	17,229
Number of shares at the end	**3,55,27,629**	**3,55,17,229**

14.5 Information regarding issue of shares in last five periods:

(a)In Financial period 2015-16 1,50,00,000 /- Equity shares of Rs. 10 each (face value) has been alloted as fully paid up pursuant to conversion of loan from holding Company, without payment being received in cash. The above said loan amount is received by the company through Bank. During the period , Company has also converted CRP into Equity.

(b) The Company has not issed any bonus shares.

(c) The Company has not undertaken any buyback of shares.

14 Other equity

(Amounts in Rs.)

Particulars	Risk Management Fund	Retained Earnings*	Share option Reserve	Share Premium**	Special Guarantee Fund	Other Comprehensive Income - FVTOCI defined benefit plans	Total
Balance at the end of the reporting year on 31st March 2018	**1,495,980**	**(20,256,601)**	**14,034,200**	**-**	**-**	**(2,870,666)**	**(7,597,088)**
Total Comprehensive Income for the year		141,962,656					141,962,656
Addition in current year	1,500,000		-	856,629	100,000	(331,859)	2,124,770
Utilised / Reversed during the year	(1,000,447)	-	(14,034,200)	-	-	-	(15,034,647)
Transfer to Risk Management Fund	-	(1,500,000)	-	-	-	-	(1,500,000)
Transfer to Special Guarantees Fund	-	(100,000)	-	-	-	-	(100,000)
Share issue expenses	-	-	-	-	-	-	-
Balance at the end of the reporting year on 31st March 2019	**1,995,533**	**120,106,054**	**-**	**856,629**	**100,000**	**(3,202,525)**	**119,855,691**
Total Comprehensive Income for the year		129,448,786				(3,563,215)	125,885,571
Addition in current year				517,088			517,088
Utilised / Reversed during the year	(25,705)						(25,705)
Transfer to Risk Management Fund							-
Transfer to Special Guarantees Fund							-
Share issue expenses							-
Transition Reserve IND AS 116		(4,301,800)					(4,301,800)
Balance at the end of the reporting period on 31st March 2020	**1,969,828**	**245,253,040**	**-**	**1,373,717**	**100,000**	**(6,765,740)**	**241,930,845**

Number In (-)

Notes:

(i) Risk Management Fund (Refer Note 35)

(ii) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

(iii) Share Option Reserve

The company has an option scheme under which option to subscribe for the Company's shares have been granted to certain executives and senior employees. The share based payment reserve is used to recognise the value of equity settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

(iv) Share Premium Reserve

Securities Premium Reserve is used to record premium on issuance of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

(v) Special/Settlement Guarantee Fund (Refer Note 36)

(vi) Other Comprehensive Income

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI)

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2020

15 Non-Current Deposits

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current Deposits		
Deposit from Members	1,311,326	2,017,244
Total	**1,311,326**	**2,017,244**

16 Non-Current Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provisions for Employee Benefits	7,694,390	3,180,280
Total	**7,694,391**	**3,180,280**

17 Deposits

Particulars	As at March 31, 2020	As at March 31, 2019
Current Deposits;		
(i) Deposit from Members	47,295,057	48,602,062
(ii) Deposit from clearing banks	170,000,000	150,000,000
(iii) Deposit from warehouse service provider	1,500,000	1,500,000
Total	**218,795,057**	**200,102,062**

18 Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payables		
- Micro, Small and Medium Enterprises (Refer Note no. 39)	2,966,662	5,492,576
- Due to Holding Company	-	2,385,570
Trade Payables-Others	7,342,855	37,996,222
Total	**10,309,517**	**45,874,368**

19 Other liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Employee payables	1,059,173	83,629
Trade money from members	881,038,596	812,966,363
Total	**882,097,768**	**813,049,992**

20 Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
a) Revenue received in advance;		
b) Other advances;		
Advances/Deposit from customers	2,225,714.19	1,890,453.05
c) Statutory Liabilities	16,796,002.81	12,762,269.04
Total	**19,021,717**	**14,652,722**

21 Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provisions for Employee Benefits		
(i) Provision for Leave Encashment	781,874	385,979
(ii) Provision for Bonus*	24,984,645	29,326,547
(iii) Provision for Gratuity	5,162,933	3,248,894
(iv) Provisions for Other Expenses *	14,688,524	10,296,163
Total	**45,617,976**	**43,257,583**

*** Note :- Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent Liabilities and Contingent Assets:**

(Amount in Rs.)

Nature of Provision	Provision for Expenses	Provision for Employee Benefits
Carrying Amount as at April 01, 2018	**8,679,202**	**10,620,890**
Less : Amount used during the period	8,679,202	10,620,890
Add : Unused amount reversed during the period	-	
Add : Additional Provision made during the period	10,296,166	32,961,420
Carrying Amount as at March 31, 2019	**10,296,166**	**32,961,420**
Less : Amount used during the period	10,296,166	32,961,420
Add : Unused amount reversed during the period		
Add : Additional Provision made during the period	14,688,524	30,929,452
Carrying Amount as at March 31, 2020	14,688,524	**30,929,452**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2020

22 Revenue from operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of services		
Transaction Charges	398,047,627	486,646,320
Annual Membership Fees	7,100,414	5,515,490
Admission/Registration Fees	12,859,044	15,953,876
Pledge Finance Charges	859,447	6,491,046
Other Operating Income		
Software Services	116,498,555	45,439,372
Business Support Services	8,866,965	-
Total	**544,232,051**	**560,046,104**

-

23 Other Income -

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Other non-operating income		
Interest Income		
Interest on Term Deposits with Banks	50,253,388	35,365,189
Interest on Income Tax Refund	2,885,688	-
Interest Income for financial liabilities recognised at amortised cost	79,735	150,639
Interest Income for financial assets recognised at amortised cost	435,053	398,582
Other Miscellenous		
Dividend Income		
Profit on sale/Increase in Fair value of Mutual Fund Investment	14,093,304	21,189,961
Reversal of Provision for RDD	4,970,783	
(Refer Note 37)		-
Profit on sale of Fixed Assets	76,610	-
Rent Income	224,586	-
Total	**73,019,148**	**57,104,371**

24 Employee benefits expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, bonus and allowances	159,123,431	168,982,767
Contribution to Provident and other funds	8,672,800	6,785,134
Staff welfare expenses	11,221,400	9,165,236
Gratuity Expenses	3,134,463	3,577,296
Total	**182,152,095**	**188,510,433**

25 Finance Cost

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Cost (IND AS 116) Lease Rent	4,381,820	
(Refer Note 30)		-
InterestExpenseonSD Discounting	166,813	440,962
Bank Interest	37,324	68,162
Total	**4,585,957**	**509,124**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2020

26 Depreciation & Amortization

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation	12,892,965	17,134,018
Amortization	43,117,359	35,092,244
Amortization-Right to use Asset (Refer Note 30)	16,118,558	-
Total	**72,128,882**	**52,226,262**

27 Other expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Professional Fees	60,607,527	68,243,675
Software Maintainence Charges	122,061,006	83,193,141
Rent and Sharing Cost	8,871,923	25,698,790
Auditors' Remuneration*	716,002	450,000
Communication Expenses	3,014,901	2,772,603
Travelling and Conveyance Expenses	14,122,996	20,355,589
Advertisement & business promotion expenses	3,998,783	2,191,699
Interest Expenses	38,841	45,230
Electricity Charges	4,607,314	3,764,235
Trainings & Seminars	500,972	691,946
Tender Fees	21,925	22,347
Testing Charges	2,994	375,714
License Fees	7,934,444	8,809,672
Directors Sitting Fees	1,360,000	1,200,000
Books Periodicals	8,922	30,043
CSR Expense (Refer Note 39)	1,248,275	-
Donation	-	100,000
Security & Maintainence Charges	1,369,758	1,484,442
Provision for Doubtful Debts (Refer Note 37)	726,663	3,069,344
Sundry Balances Written off (Net) (Refer Note 37)	3,222,206	3,205,233
Provision for Impairment on Fixed Asset (Software)	-	5,915,283
GST / Service Tax Expense	4,983,431	2,361,344
Printing and stationery	1,408,893	920,193
Commission & Brokerage	196,007	38,000
Subscription Charges	98,836	175,320
Bank Charges	774,121	134,742
Office Expenses	2,149,658	2,716,968
Other Expenses	611,597	710,496
Total	**244,657,995**	**238,676,051**

*Auditors' Remuneration	For the year ended March 31, 2020	For the year ended March 31, 2019
Statutory Audit fees	595,000	295,000
Taxation Matter fees	71,002	100,000
Others	50,000	55,000
Total	**716,002**	**450,000**

Notes to Consolidated Financial Statements as at March 31, 2020

28 Income Tax

a. Tax expense in the statement of profit and loss comprises:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax (excluding OCI)	18,537,446	28,421,113
MAT Credit (Entitlement)/ Utilisation	14,485,138	(29,235,195)
Earlier period Tax Adjustment	-	176,160
Deferred Tax	(5,536,447)	28,055,983
Total	**27,486,138**	**27,418,060**

b. A reconciliation of Income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before income taxes	113,726,270	137,228,606
Add: Dividend from ReMS	7,000,000	6,000,000
Profit before income taxes	120,726,270	143,228,606
Enacted tax rates in India	29.12%	21.549%
Computed expected tax expense	35,155,490	30,864,460
Add : Tax impact due to Non-deductible expenses for tax purposes	27,655,293	1,970,222
Less : Tax effect due to non-taxable income and other adjustments	(29,788,198)	(4,413,569)
Less : MAT Credit Utilise	(14,485,138)	
Income tax expense	**18,537,446**	**28,421,113**

c. The following table provides the details of income tax assets and income tax liabilities as of March 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income tax assets	34,984,484	52,947,999
Income tax liabilities	18,537,446	28,421,113
Net current income tax assets/ (liability) at the end	**16,447,038**	**24,526,886**

d. The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net current income tax asset/ (liability) at the beginning	24,526,886	26,919,830
Income tax paid	36,694,394	25,932,141
Additional Refund Receivable/Received	(32,079,872)	-
Provision for income tax (including tax on OCI)	(17,060,359)	(28,325,085)
Reversal of Provision for Tax	4,365,989	
Net current income tax asset/ (liability) at the end	**16,447,038**	**24,526,886**

29 Earnings Per Share (EPS)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit after Tax as per Statement of Profit and Loss	129,448,786	141,962,656
Basic Weighted average number of Equity shares outstanding	35,521,104	35,507,135
Basic Earning per share	3.64	4.00
ESOPs outstanding	-	-
Weighted average number of Equity shares adjusted for the effect of dilution	35,521,104	35,507,135
Diluted Earning per share	3.64	4.00

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2020

30 Leases

a Transition

On transition, the adoption of the new standard resulted in recognition of 'Right to use' asset of 472.46` lakhs and a lease liability of 515.48 lakhs . The cumulative effect of applying the standard of Rs.43.01 lakhs is debited to retained earnings. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Particulars	Amount in Rs.
Lease Commitments as on 31 March 2019	59,259,098
Add/(less): contracts reassessed as lease contracts	(7,711,019)
Add/(less): adjustment on account of extension/termination	-
Lease liability as on 1 April 2019	**51,548,079**

The impact of change in accounting policy on account of adoption of Ind AS 116 is as follows:

Particulars	Amount in Rs.
Increase in Lease Liability by	65,962,339
Increase in Right of use of assets by	63,612,438
Increase/(Decrease) in Deferred Tax Liability by	(1,125,352)
Increase/(Decrease) in Finance Cost by	4,381,820
Increase/(Decrease) in Depreciation by	16,118,558

b The following is the summary of practical expedients elected on initial application:

i Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

ii Applied the exemption not to recognize right to use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

iii Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

iv Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

c The effect of depreciation and interest related to Right to Use Asset and Lease Liability are reflected in the Profit & Loss Account under the heading "Depreciation and Amortisation Expense" and "Finance costs" respectively under Note No 25 and 26.

d The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8%.

e Following are the changes in the carrying value of right to use assets for the year ended March 31, 2020.

Particulars	Category of Right to use Assets		Total
	Office Space	Guest House	
Balance as of April 1, 2019	-	-	
Reclassified on account of adoption of Ind AS 116	1,951,899	-	1,951,899
Additions	61,296,009	364,530	61,660,539
Additions through business combinations	-	-	-
Deletions	(269,447)	-	(269,447)
Depreciation	15,935,794	182,764	16,118,558
Translation difference	-	-	-
Balance as of March 31, 2020	**47,042,667**	**181,766**	**47,224,433**

f The following is the break-up of current and non-current lease liabilities as of March 31, 2020

Particulars	Amount in Rs.
Non Current Lease liabilities	35,697,419
Current lease liabilities	15,391,548
Total	**51,088,967**

g The following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars	Amount in Rs.
Balance as at April 1, 2019	-
Reclassified on account of adoption of Ind AS 116	-
Additions	65,962,339
Additions through business combinations	-
Deletions	(300,037)
Finance cost accrued during the period	4,381,820
Payment of lease liabilities	18,955,155
Translation difference	-
Balance as of March 31, 2020	**51,088,967**

h The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2020 on an undiscounted basis:

Particulars	Amount in Rs.
Less than one year	18,687,336
One to five years	39,549,638
More than 5 years	-
Total	**58,236,974**

i Amount Recognised in profit or loss as of March 31, 2020

Particulars	Amount in Rs.
Interest on lease liabilities	4,381,820

Depreciation on Right of Use of Asset	16,118,558
Expense relating to short term lease	1,922,740
Variable lease payments	-
Income from sub leasing right of use assets	-
Expense relating to leases of low value assets, excluding short term lease of low value assets	-

j The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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Notes to Consolidated Financial Statements for year ended 31.03.2020

31. Impact of Coronavirus (COVID-19) Pandemic:

The outbreak of COVID-19 pandemic globally and in India is causing significant disruption and slowdown of economic activity The Group has evaluated impact of this pandemic on its business operations at the time of finalisation of accounts for the financial year 2019-20 and based thereon and keeping in view current indicators of future economic conditions, there is no significant impact on the carrying value of its assets and liabilities as at March 31, 2020 and on the financial performance for the year ended March 31, 2020. The impact of the pandemic may be different from that estimated as at the date of finalisation and subsequent approval of these consolidated financial statements. The Group will continue to closely monitor any material changes to economic conditions in future.

32. Commitments and Contingencies (as represented by Management)

(a) Contingent Liabilities not provided for: On account of Bank Guarantee as at 31st March 2020 – Rs. 1,85,00,000/-. (As at 31st March 2019 – Rs. 2,60,00,000)

(b) As at March 31, 2020 claims against the Jointly Controlled company not acknowledged as debts in respect of Service Tax Matters amounted to Rs. 13,14,46,784/- (As at 31st March 2019 Rs. 12,30,14,213/-) These matters are pending before the appellate authorities and the management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the company's financial position and results of operations.

(c) Capital Commitments: Nil (As at 31st March 2019- Nil)

33. Members holding membership of the Exchange for more than three years can terminate their membership and withdraw deposit. These deposits are payable on demand therefore membership deposit of such members is classified as current liability.

34. The management has made an assessment keeping *inter-alia* in view impact of COVID-19
(a) In the opinion of the Management, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of what is required.
(b) The account of Trade receivables, Trade payables, Loans and Advances are subject to confirmation/ reconciliation and adjustments, if any. The management does not expect any material differences affecting the current period consolidated financial statements.

35. Risk Management Fund (RMF) as constituted by the Company is the amount earmarked for completion of the settlement, in case of a default by a member. The company is in process of formulating the policy of Risk Management Fund. Company has utilised Rs. 25,705/- from the fund. As considered by the Management of the Company the Contribution made is appropriate and sufficient to cover member defaults, if any.

36. The Company was required to maintain Settlement Guaranteed Fund (SGF) as the Company holds Spot Exchange Licenses under State Agricultural Produce Market Committee (APMC) Regulations

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to mitigate market risks. Under the Regulatory framework a spot exchange was required to maintain Settlement Guarantee Fund (SGF) to mitigate the risks attached with defaults in a trade. The Company had spot exchange/ Private market licenses in the states of Karnataka, Maharashtra, Gujarat, Rajasthan, Odisha, Telangana and Andhra Pradesh. The Company had started its first spot exchange in the state of Karnataka under the name "Mandiz". It was planned to execute more spot exchanges in other states in due course.

37. During the year:

(a) The Company has written off certain amounts towards old outstanding totalling to Rs.40,85,207/- (Previous year Rs. 41,49,173/-) which were due but not received. During the year company also have created a provision of Rs.7,26,663/- (Previous year Rs. 49,56,237 /-). The above has been done in line with policy as approved by the Board of Directors.

(b) The Company has also written back certain payables, which is outstanding for more than 2 years,
for which no claim was received amounting to Rs. 8,83,384 /- (Previous year - Rs. 9,43,939).

38. Segment Reporting

The Company has identified and disclosed "E-market service" and "Software Services" as reportable segments. The operating segment has been identified and reported taking into account its internal financial reporting and performance evaluation of its operations. Operating Segment is reported in the manner evaluated by Board under Ind AS 108 "Operating Segment".

Revenue and expenses directly attributable to segments are reported under each reportable segment. Revenues and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. The revenues and expenses, relating to the enterprise as a whole and not allocable to a particular segment on reasonable basis have been disclosed as "Unallocable".

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as "Unallocable". Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

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Summarised segment information for the year ended March 31, 2020 is as follows:

Particulars	E-Market Service	Software Service	Total
Revenue	42,78,93,758	11,63,38,293	54,42,32,051
(-)Segment Expense	27,54,41,374	9,16,28,598	36,70,69,972
Segment Result	15,24,52,384	2,47,09,695	17,71,62,079
(-)Unallocable expenses			6,78,89,290
(-)Depreciation and Amortisation expense	2,81,55,433	2,00,81,120	4,82,36,554
(-)Unallocable depreciation and amortisation expense			2,38,92,328
(+)Other Income			7,30,19,148
Profit Before Taxes			11,01,63,055
(+)Share of net profit from Joint venture	4,32,08,654		4,32,08,654
Profit Before Taxes			15,33,71,709
(-)Taxes			2,74,86,138
Profit for the year			**12,58,85,571**

Particulars	E-Market Service	Software Service	Total
Segment Assets	1,50,07,13,603	6,20,84,999	1,56,27,98,602
Unallocable Assets			27,03,45,253
Total Assets			**1,83,31,43,855**
Segment Liabilities	1,11,87,96,012	58,09,430	1,12,46,05,442
Unallocable Liabilities			11,13,31,278
Total Liabilities			**1,23,59,36,720**

Note - In F.Y. 2018-19, Ind AS 108 “Operating Segments” is not applicable to the Company.

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Notes to Consolidated Financial Statements for year ended 31.03.2020

39. Corporate social responsibility expenses:

As per Section 135 of the Companies Act, 2013, the Company has identified areas including activities classified under clause (ix) of Schedule VII of the Companies Act, 2013. The gross amount required to be spent by the Company on Corporate social responsibility (CSR) activities is Rs. 1,248,275/- the areas of CSR activities and contributions made thereto are as follows:

Particulars	Total amount paid for the year ended 31st March, 2020 (Amount in Rs.)
Amount spent as contribution to Ashima Foundation for promoted rural development interventions in India's poorest communities.	3,50,000
Amount spent as contribution to S M Sehgal Foundation for Jagruk Yuva Project.	8,98,275
Total	**12,48,275**

Note - In F.Y. 2018-19, Section 135 of the Companies Act, 2013 is not applicable to the Company.

40. First time adoption of IND AS 116 "Leases"

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of INR 472.46 lakhs and a lease liability of INR 515.48 lakhs. The cumulative effect of applying the standard resulted in INR 43.01 lakhs being debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit for the year ended and earnings per share.

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41. As required by Ind AS - 24 "Related Party Disclosures"

(i) Name and description of related parties

Relationship	Name of related party
(a) Holding Company	National Commodity & Derivatives Exchange Ltd ('NCDEX ')
(b) Fellow subsidiaries	NCDEX Institute of Commodity Markets and Research (NICR) National E-Repository Limited (NERL) National Commodity Clearing Limited (NCCL)
(c) Associate of Holding company	Power Exchange India Limited (PXIL)
(d) Key management personnel	Mr. Rajesh Sinha - Chief Executive officer and Managing Director Mr. Nimesh Dedhia - Chief Financial officer Ms. Archana Tripathi - Company Secretary Mr. Arun Balakrishnan (Independent Director) Mr. Sanjeev Asthana (upto 07/08/2019) (Independent Director) Mr. Puneet Gupta (w.e.f August 01, 2019) (Independent Director)
(e) Joint Venture	Rashtriya e Market Services Private Limited
(f) Director	Mr. Srinath Srinavasan (upto 11/06/2019) Mr. Rajesh Kumar Sinha Mr. Arun Balakrishnan Mr. Sanjeev Asthana (upto 07/08/2019) Mr. Vijaykumar Venkataraman Mr. Atul Roongta (Director w.e.f August 01, 2019) Mr. Puneet Gupta (Independent Director w.e.f August 01, 2019)

Note: Related party relationship is as identified by the Company and same is relied upon by the auditors.

(ii) Nature of transactions - The transactions entered into with the related parties during the year along with related balances as at the year-end are as under:

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(A) Transactions with Related Parties for the year end

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	(Amount in Rs.)	(Amount in Rs.)
(I) Transactions with National Commodity & Derivatives Exchange Ltd (NCDEX)		
Services Received	78,46,247	1,22,64,620
Services Rendered	-	-
Reimbursement of Expenses	-	8,71,203
(II) Transaction with other Related Parties		
(a) Services Rendered		
Rashtriya e Market Services Private Limited	3,51,99,996	3,41,99,996
(b) Services Rendered		
Power Exchange India Ltd	5,40,00,000	40,00,000
(c) Dividend Received		
Rashtriya e Market Services Private Limited	-	-
(d) Remuneration paid to KMP		
Mr. Rajesh Sinha (Chief Executive Officer and Managing Director)	1,18,13,049	97,39,917
Mr. Kartik Thakkar (Chief Financial Officer)	-	13,47,486
Mr. Nimesh Dedhia (Chief Financial Officer)	32,14,221	3,07,125
Ms. Archana Tripathi (Company Secretary)	13,58,929	10,76,879
(e) Reimbursement of expenses incurred on behalf of the Company by KMP		
Mr. Rajesh Sinha (Chief Executive Officer and Managing Director)	12,46,707	19,98,734
Mr. Kartik Thakkar (Chief Financial Officer)	-	9,72,185
Mr. Nimesh Dedhia (Chief Financial Officer)	2,65,399	1,42,022
Ms. Archana Tripathi (Company Sercretary)	1,96,983	89,466
Mr. Arun Balakrishnan (Independent Director)	-	1,15,736
Mr. Sanjeev Asthana (Independent Director)	-	1,38,417
(f) Shares issued to KMP		
Mr. Rajesh Sinha (Chief Executive Officer and Managing Director)	59,720	1,19,440
(g) Sitting Fees paid to Directors		
Mr. Arun Balakrishnan (Independent Director)	6,90,000	5,00,000
Mr. Sanjeev Asthana (Independent Director)	2,20,000	5,00,000
Mr. Srinath Srinavasan	40,000	2,00,000
Mr. Puneet Gupta (Independent Director)	4,10,000	-

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(B) Closing Balance with Related Parties

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	(Amount in Rs.)	(Amount in Rs.)
(a) Services Rendered		
National Commodity & Derivatives Exchange Ltd	20,179	23,85,570
(b) Investment in Joint Venture		
Rashtriya e Market Services Private Limited	-	-
(c) Reimbursement of expenses incurred on behalf of the Company by KMP		
Mr. Rajesh Sinha (Chief Executive Officer and Managing Director)	-	98,054
Mr. Nimesh Dedhia (Chief Financial Officer)	600	7,938
Ms. Archana Tripathi - Company Secretary	802	-
(d) Investments by National Commodity & Derivatives Exchange Ltd (NCDEX)		
Investment at the beginning of the year		
Equity Share Capital	35,49,94,000	35,49,94,000
Additions		
Equity Share Capital	-	-
Deletions / Conversion / Redemption		
Equity Share Capital (Transfer)	-	-
Investment at the end of the year		
Equity Share Capital	35,49,94,000	35,49,94,000
(e) Investments by Other Related Parties		
Investment at the beginning of the year		
Equity Share Capital	1,19,440	-
Additions		
Equity Share Capital	59,720	1,19,440
Deletions / Conversion / Redemption		
Equity Share Capital	-	-
Investment at the end of the year		
Equity Share Capital	1,79,160	1,19,440

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42. Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
		(Amount in.Rs)	
a.	Principal amount overdue and remaining unpaid to any supplier as at the end of the period*	-	-
	Interest due thereon :	-	-
b.	Amount of interest paid during the period	-	-
c.	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006.	-	-
d.	Amount of interest accrued and remaining unpaid at the end of the accounting period.	-	1258
e.	The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006.	-	-

Note: The above information and that given in Note No. 18 ' Trade Payables' regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company and has been relied upon by the auditors.
***Note:** There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2020 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act,2006 are applicable.

43. During the year, Company has recognized the following amounts in financial statements as per Indian Accounting Standard 19 (Ind AS 19) "Employees Benefits":

(a) Defined Contribution Plan
Contribution to Provident Fund, Superannuation Fund, and Employee State Insurance Scheme
Contribution to Defined Contribution Plan, recognized are charged off for the year as under:
The Company makes contribution, determined as a percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is defined contribution plan. The Company has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

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Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Employer's Contribution to Provident Fund	86,65,804	67,82,506

(c) Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service subject to a maximum of Rs.20,00,000.

Actuarial assumptions	(Amount in Rs.)	
	Gratuity (Unfunded)	
	As at Mar 31, 2020	As at March 31, 2019
Expected Rate of Return on plan assets	6.84%	7.76%
Discount rate (per annum)	6.84%	7.76%
Rate of increase in Compensation levels	7.50%	7.50%
Rate of Employee turnover	5.00%	5.00%
Mortality Rate during Employment	Indian Assured lives Mortality (2006-08)	Indian Assured lives mortatlity (2006-08)
Mortality Rate after Employment	N.A.	N.A.

Table showing changes in present value of obligations:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Present value of obligation as at the beginning of the year	1,40,42,318	1,07,04,267
Interest Cost	10,89,684	8,32,792
Current Service Cost	34,55,275	28,49,327
Liability transferred in / acquisitions	-	
(Liability transferred out/ divestments)	(6,44,188)	
Curtailment cost / (Credit)	-	
Settlement cost /(Credit)	-	
Benefits paid	(31,99,059)	
Actuarial (gain)/ loss on obligations- Due to Change in Financial Assumptions	18,38,525	(10,31,502)
Actuarial (gain)/ loss on obligations- Due to Experience	33,31,578	6,87,434
Present value of obligation as at the end of the year.	**1,99,14,133**	**1,40,42,318**

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Table showing changes in the fair value of plan assets:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Fair value of plan assets at beginning of the year	1,07,93,424	87,30,419
Interest Income	8,37,570	6,79,227
Assets transferred in / Acquisitions		-
(Assets Transferred Out/ Divestments)	(6,44,188)	
Employer contribution	68,65,764	21,73,451
Benefits paid	(3199,059)	(10,31,502)
Return on Plan Asset	97,689	2,41,829
Fair value of plan assets at year end	**1,47,51,200**	**1,07,93,424**

Table showing actuarial gain /loss - plan assets:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2020
Actual return of plan assets	9,35,259	9,21,056
Expected return on plan assets	8,37,570	6,79,227
Return on Plan Asset	**97,689**	**2,41,829**

Actuarial Gain / loss recognized

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial gain / (loss) for the period – Obligation	51,70,103	6,87,434
Return on Plan Assets	97,689	2,41,829
Total gain / (loss) for the period	50,72,414	9,29,263
Actuarial gain / (loss) recognized in the period	50,72,414	9,29,263
Unrecognised actuarial gains / (losses) at the end of the period	-	-

The amounts to be recognized in Balance Sheet

Particulars	(Amount in Rs.)	
	As on March 31 2020	As at March 31, 2019
Present value of obligation as at the end of the period	(1,99,14,133)	1,40,42,318
Fair value of plan assets as at the end of the period	1,47,51,200	1,07,93,424
Funded Status	**(51,62,933)**	**(32,48,894)**
Unrecognised actuarial (gains) / losses	-	-
Net asset / (liability) recognised in Balance Sheet	**(51,62,933)**	**(32,48,894)**

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Expenses recognized in Statement of Profit and Loss:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Current service cost	34,55,275	28,49,327
Past service cost (Vested Benefit)	-	-
Interest Cost	2,52,114	8,32,792
Expected return on plan assets	-	(6,79,227)
Curtailment and settlement cost /(credit)	-	-
Expenses recognised in the Statement of Profit and Loss	**37,07,389**	**30,02,892**

Expenses recognized in Other Comprehensive Income:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial (Gains)/Losses on Obligation For the Period	51,70,103	6,87,434
Return on Plan Assets, Excluding Interest Income	(97,689)	(2,41,829)
Net (Income)/Expense For the Period Recognized in OCI	**50,72,414**	**4,45,605**

Maturity profile of defined benefit obligation from the fund:

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
1st Following year	7,08,251	9,68,694
2nd Following year	9,61,761	6,36,124
3rd Following year	9,27,273	7,89,592
4th Following year	10,39,029	7,90,487
5th Following year	11,10,431	8,58,086
Sum of Years 6 to 10	67,04,810	50,10,227
Sum of Years 11 and above	3,73,36,869	2,93,89,914

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Investment Details: -

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Gratuity	
	March 31,2020	March 31,2019
Investments with insurer	100%	100%

Sensitivity Analysis: -

Sensitivity Analysis	March 31,2020	March 31,2019
Projected Benefit Obligation on Current Assumptions	1,99,14,133	14,042,318
Delta Effect of +1% Change in Rate of Discounting	(19,86,026)	(1,357,722)
Delta Effect of -1% Change in Rate of Discounting	23,37,832	1,588,655
Delta Effect of +1% Change in Rate of Salary Increase	22,99,053	1,576,932
Delta Effect of -1% Change in Rate of Salary Increase	(19,91,874)	(1,372,573)
Delta Effect of +1% Change in Rate of Employee Turnover	(1,80,771)	(26,045)
Delta Effect of -1% Change in Rate of Employee Turnover	1,88,647	17,311

The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

Note 1: Gratuity is payable as per company's scheme as detailed in the reports.
Note2: Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.
Note 3: Salary escalation & attrition rate are considered as advised by the company; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.
Note 4: Maturity Analysis of Benefit Payments is undiscounted cash flows considering future salary, attrition & death in respective year for members as mentioned above.
Note 5: Average Expected Future Service represents Estimated Term of Post – Employee benefits obligation.
Note 6: Value of asset provided by the client is considered as fair value of plan asset for the period of reporting as same is not evaluated by us.

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44. Financial Instrument and Risk management

1. Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings in the form of deposits, trade and other payables, and other liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include investments, security deposits paid, loans and advances to related and other parties, trade and other receivables and cash and cash equivalents that derive directly from its operations and other bank balances including deposits with banks.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework.

(A) Liquidity Risk

Risk Assessment

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company's finance department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any surplus cash available, over and above the amount required for management and other operational requirements, is retained as cash and cash equivalents (to the extent required), highly marketable debt investments, and interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Risk Management

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

(Amount in Rs.)

Particulars	Note No	Carrying Amount	Less than 12 months	Payable on demand
As at March 31, 2020				
Deposits	15, 17	-	15,00,000	21,72,95,057
Trade payables	18	-	103,09,517	
Other financial liabilities	19	-	88,20,97,768	
As at March 31, 2019				
Deposits	15, 17	-	15,00,000	19,86,02,062
Trade payables	18	-	4,58,74,368	-
Other financial liabilities	19	-	81,30,49,992	-

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(B) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three types of risk: interest rate risk,

currency risk and other price risk, such as equity price risk. Interest rate risk and Financial instrument price risk (Mutual funds) affects company's financial assets, liabilities or expected future cash flows.

The sensitivity analyses in the following sections relate to the position as at 31st March 2020 and 31st March 2019.

POTENTIAL IMPACT OF RISK		
Risk Assessment :- Interest Rate Risk / Price Risk	**Risk Management**	**SENSITIVITY TO 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 investment in Interest earning fixed deposits.	In order to manage its interest rate and price risk the Company diversifies its portfolio in accordance with the risk management policies within the limits set by management.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 100 bps change in interest rates.
The Company is also exposed to the price risk due to its investment in mutual fund - debt instruments. The price risk arises due to uncertainties about the future market values of these investments.	In order to manage the risk arising from investment in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Company maintains a list of approved Financial Instruments. The use of any new investment must be approved by the Management.	Nil

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(C) Credit Risk

Risk Assessment
Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The company is exposed to credit risk arising from cash and cash equivalents, deposit with banks and trade receivables from members.

-Trade Receivables:
Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of member's deposits kept by the Company as collateral which can be utilised in case of member default. All trade receivables are reviewed and assessed for default on yearly basis. Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

-Other financial assets
The company maintains exposure in cash and cash equivalents, term deposit with banks, earnest money deposits with vendors. Company holds term deposits with the banks having high ratings and most of the earnest money deposits are held with the government entities and hence the risk associated is reduced.

2) Fair Value Measurement
The fair value of financial assets and liabilities are 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: Fair value of cash and current deposits, trade and other current receivables, trade payables, other current liabilities, current loans from banks and other financial institutions approximate their carrying amounts largely due to the current maturities of these instruments. Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rate.

Fair Value measurement
Fair Value Hierarchy and valuation technique used to determine fair value.
The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and are categorized into Level 1, Level 2 and Level 3 inputs.

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The carrying value and Fair value of Financial Instruments by Categories were as follows:

(Amount in Rs.)

Particulars	Levels	As on March 31, 2020	As on March 31, 2019
Financial Assets			
Financial assets at fair value through Amortized Cost	Level 3		
I) Trade receivables	-	3,80,42,035	5,71,16,475
II) Cash and Cash equivalents	-	49,82,72,647	51,80,05,339
III) Other Bank balances	-	58,28,10,000	41,23,90,430
IV) Other receivables	-	21,82,58,782	4,08,15,410
V) Investments - Non Current	-	1	1
TOTAL		**1,33,01,31,809**	**1,02,83,27,655**
Financial assets at fair value through Profit & Loss			
I) Cash and cash equivalents (Liquid Investments)	Level 1		11,62,83,514
			11,62,83,514
Financial Liabilities			
Financial liabilities at Amortized Cost			
I) Deposits	Level 3		
- From members	-	4,86,06,383	5,06,19,306
- From Clearing banks	-	17,00,00,000	15,00,00,000
-From Warehouse Service providers	-	15,00,000	15,00,000
II) Lease Liability		5,10,88,967	
III) Trade payables	-	1,03,09,517	4,58,74,368
IV) Other liabilities	-	88,20,97,768	81,30,49,992
TOTAL		**116,36,02,636**	**106,10,43,665**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for year ended 31.03.2020

Valuation Process: -
The finance department of the company includes a team that performs the valuation of financial assets and liabilities required for financial reporting purposes including level 3 fair values. This team reports directly to CFO (Chief financial Officer).

45. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.
The company manages its capital structure and makes adjustment in light of changes in economic conditions. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company is not subject to any externally imposed capital requirements.

46. Investment in Joint Venture:

The Group has a 50% interest in RASHTRIYA e-MARKET SERVICES PRIVATE LIMITED (ReMS), a joint venture involved in establishing, operating, managing, specialized electronic trading platform (Unified Market Platform-UMP) for auctioning of farmer's produce to bring efficiency and transparency in the agricultural regulated markets in the state of Karnataka. The Group's interest in ReMS is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised Balance Sheet as at March 31, 2020

(Amount in Rs.)

Particulars	**31st March 2020**	**31st March 2019**
Current Assets	59,95,79,976	50,65,14,044
Non-current Assets	79,13,421	1,59,73,095
Current Liabilities	(7,39,32,784)	(6,51,68,940)
Non-current liabilities	(43,74,654)	(20,50,168)
Equity	**52,77,49,564**	**45,52,68,031**
Proportion of groups ownership	50%	50%
Carrying Amount of investment	**26,38,74,782**	**22,76,34,016**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for year ended 31.03.2020

Summarised Statement of profit and loss for the year ended March 31, 2020

(Amount in Rs.)

Particulars	Y.E March 31, 2020	Y.E March 31, 2019
Revenue from Operations	32,28,56,615	31,08,00,863
Other Income	2,87,92,949	2,06,26,431
Employee benefit expenses	(1,26,80,466)	(1,28,59,184)
Operating Expenses	(17,40,29,099)	(17,92,14,773)
Depreciation and amortization expenses	(1,09,22,986)	(1,29,07,482)
Other Expenses	(3,39,49,064	(2,54,39,434)
Profit Before Tax	**12,00,67,949**	**10,10,06,421**
Tax Expense	3,07,72,901	3,42,35,565
Profit for the period	**8,92,95,048**	**6,67,70,856**
Other Comprehensive Income	64,224	35,436
Total comprehensive income for the period	**8,93,59,272**	**6,68,06,292**
Less - Dividend distribution Tax (DDT)	(28,77,740)	(24,66,635)
Total comprehensive income for the period after DDT	**8,64,81,532**	**6,43,39,657**
Groups Share of profit for the year	**4,32,40,766**	**3,21,69,829**

47. Employee Stock Option Plan / Employee Stock Option Scheme

NCDEX e Markets Limited, the company has created an Employee Stock Option - "ESOP 2017" for the benefits of employees.

Table of stock options with vesting option, vesting period, exercise price and exercise period:

Part A

Vesting		Exercise	
Option	**Period**	**Period**	**Price (INR)***
3,00,000	27-03-2018	Not more than 3 years from vesting	59.72
2,25,000	27-03-2019	Not more than 3 years from vesting	59.72
2,25,000	27-03-2020	Not more than 3 years from vesting	59.72

The aforesaid options will be vested to eligible employees on satisfaction of vesting conditions as defined under the policy.

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for year ended 31.03.2020

Part B

Vesting		Exercise	
Option	**Period**	**Period**	**Price (INR)***
3,00,000	within 3 years from 27-3-18	3 years from vesting ,subject to liquidity event as per Board Discretion	59.72
2,25,000	within 3 years from 27-3-19	3 years from vesting ,subject to liquidity event as per Board Discretion	59.72
2,25,000	within 3 years from 27-3-20	3 years from vesting ,subject to liquidity event as per Board Discretion	59.72

The aforesaid options would have vested to eligible employees on achieving EBIDTA as per Respective yearly targets.
If the prescribed EBIDTA is not achieved the options stands lapsed
* Fair value per share is taken from independent valuer.

Employee Stock Option Activity under Scheme 2017

(Amount in Rs.)

Particulars	**31st March 2020**	**31st March 2019**
Outstanding at the Beginning of the year	5,84,832	6,94,944
Vested During the year	1,62,926	2,50,355
Lapsed During the year	46,240	92,883
Exercised During the year	10,400	17,229
Outstanding at the end of the year	5,28,192	5,84,832
Exercisable at the end of the year	3,85,652	2,33,126

48. Impairment to Property, Plant and Equipment:

The Company has a process of conducting physical verification of the property, plant and equipment and assessment for cash generating capability of the same, which forms the basis for identifying impairment and consequent provision for impairment loss, if any, at each balance sheet date. Due to COVID-19 lockdown, the physical verification could not be undertaken as at the year end. Considering the past trend, nature of assets and cash generating capability of the assets the company does not envisage any impairment loss for the current financial year.

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for year ended 31.03.2020

49. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions as described below that affect the reported amounts and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A. Assumptions
The cost of the defined benefit plans and the present value of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.

B. Estimates
The estimates used by the company to present the amount in accordance with Ind AS reflect conditions as at the transition date. Refer significant accounting policies.

50. Events after reporting period

No such major events after reporting period

51. Previous year's figures have been regrouped and restated wherever necessary to make their classification comparable with that of the current year. Consolidated Financial statements are approved by Board of Directors as on June 9, 2020.

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045

Nilesh Joshi
Partner
M. No. 114749

Place: Mumbai
Date: June 9, 2020

For and behalf of the Board of Directors
NCDEX e Markets Limited

Rajesh Kumar Sinha
Managing Director
DIN: 06798679

Atul Roongta
Director
DIN: 07878061

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

NCDEX e Markets Limited

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