Annual Report 2020-2021

NeML

Transforming Markets

INDEX

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Visit of Mr. Hemant Sriram Patil Member of Parliament, Hingoli (Maharashtra) at NeML Office , Mumbai.

MESSAGE FROM MANAGING DIRECTOR & CEO

Dear Shareholders,

By all standards the financial year 2021 will be acknowledged by all as an unprecedented year in terms of challenges presented by the 'black swan' pandemic event. No country, business, person or any socio-economic aspect of life remains untouched by its adverse impact the world over.

However, in these times of socio-economic incertitude, we as a company have had the opportunity to recontextualize our business framework and reinvigorate our kinship with the communities we serve and our staff. I am proud to report that even in these trying times, we as a company have continued to deliver on our business goals commendably and stayed true to the charted growth path to deliver value for all our stakeholders. It is in recognition of this effort that I personally congratulate every member of the NeML team across all departmental functions for their unwavering support and applaud them all in making this challenging journey smoother by maintain business continuity.

I would like to take this opportunity to take you back to the fact that we as a company have added responsibility of the sector, we operate in. Agriculture is essential to people's lives. It is in times like this our purpose and values will really make a difference to not only our direct stakeholders like farmers, buyers and sellers but to all our country men at large. We believe our efforts will make a huge and positive impact not only to our company but to the whole society at large.

Coming back to business opportunities, like all aspects of our socio-economic life have been adversely affected by the pandemic, the agricultural ecosystem too has not been immune to it. However, even in this situation of gloom and doom, there is an unseen benefit. This is the accelerated adoption of digital by all our stakeholders. We as a company see this an opportune moment to transform the way physical markets function. What makes us particularly upbeat about this opportunity is that it backed by enabling regulatory support. One of the three farm laws recently promulgated by the Government is pertaining to sale of farm produce outside of the APMCs. We believe NeML is aptly poised to offer its market leadership expertise as the largest e-market player in the country to address transformation issues of traditional APMCs to go online while providing robust and transparent price discovery platforms to the country's farmers.

A reflection of this belief is the record procurement in pulses, oilseeds and paddy during the year by NAFED and various state agencies during the year on NeML's unified procurement portal, E-Samridhi. In its brief existence of three years, E-Samridhi has notched up transactions more than Rs 50 thousand crores and 1 crore MT of agri-commodities for NAFED. Besides ensuring enhanced efficiencies and transparency, it has benefitted 11 lakh SHFs by facilitating remittances from NAFED directly into their bank accounts.

During this financial year, NeML has partnered with NAFED and Federation of Indian FPOs & Aggregators (FIFA) for setting up NAFED e-Kisan Mandi (NeKM). This network of physical infrastructure and digitized mandis is being set-up by NAFED in partnership with local FPOs. The NeKM will be integrated with a National Level Digital Marketing Platform giving nationwide reach to FPOs. NAFED plans to open 100 NeKMs and estimates a turnover of Rs.100 crore annually from each mandi.

During this financial year, NeML continued to progress on its journey to reinforce its position as the leading e-market player in the country and go beyond agro-commodities. Accordingly, it partnered with Karma Ecotech to develop India's first and only delivery-based e-market place for buyers and sellers of plastic credits.
NeML further strengthened its linkages with FPOs by on boarding more than 400 FPOs in FY21. FPOs have reported procuring higher than prevailing market prices for their produce on NeML platforms. For the buyers too, there is guaranteed supply of required volumes as NeML platforms are a one-stop shop for them saving them the inconvenience of buying fragmented lots for which they are more than willing to pay a premium to the marketplace.
NeML's performance and numbers indicate an encouraging narrative going forward. As a team we have shown true grit and determination to achieve this. It is said, “If we want a better tomorrow, we must work harder than yesterday.” However, it is also said that difficult times bring out the best in people. The pathway going forward is steeped with increasing competition and the once-in-lifetime pandemic event. We embrace this competition and these tough times to keep us trying even harder to enhance our leadership position as we chalk our own new path with innovative business models for continued growth.

As a company we continue to be confident of growth and market share gains, backed by a strong and diversified product portfolio beyond agro-commodities. We continue sustain our focus aggressively on deeper engagement with our customer base of buyers and sellers, superior and robust price discovery platforms, geographic expansion, with adherence to best in class transparency and risk mitigation standards.

We as a company are resilient and are committed to keep delivering value to all our stakeholders by growing profitably as a company. As a company, we have never been more steadfast in creating shared success for all and will continue to positively impact the life of millions of farmers and the eventual consumers.

I want to close by extending my thanks to our highly engaged and supportive Board of Directors. I would like to thank every employee as well as all our partners across our value ecosystem in India for their commitment and support to the Company in these challenging times. Most importantly, I would like to thank you, our shareholders, for your overwhelming trust, support and confidence in NeML.

Sd/-
Mrugank Paranjape

Managing Director & CEO

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. Mrugank Paranjape
Managing Director & CEO

(w.e.f. November 05, 2020)

Mr. Mrugank Paranjape is a Managing Director & CEO of NeML He has over 29 years of diverse experience in Corporate Banking, Securities Markets,Technology, Asset Management, and Custodial Services.He was a former Manging Director & CEO of Multi Commodity Exchange (MCX).

Mr. Rajesh Kumar Sinha
Ex-Managing Director & CEO

(upto September 30, 2020)

Mr. Rajesh Kumar Sinha was 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).

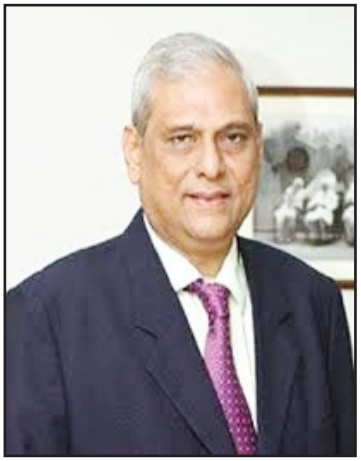
Mr. B. Venugopal
Chairman & Shareholder Director

(w.e.f. July 21, 2020)

Mr. B. Venugopal is a Shareholder Director representing NCDEX.
He holds a bachelor's degree in commerce from the University of Kerala.
He is currently a director of State Bank of India. He has several years of experience in the field of insurance and finance and has served in various positions, including as a managing director in Life Insurance Corporation of India.

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. Puneet Gupta
Independent Director

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.

Mr. Atul Roongta
Shareholder Director

(Upto July 15,2020)

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.

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 (*upto September 30,2020)* Mr. Mrugank Paranjape :Managing Director & CEO (*w.e.f.November 05, 2020)* Mr. Puneet Gupta :Independent Director Mr. Arun Balakrishnan :Independent Director Mr. Vijay Kumar Venkataraman :Shareholder Director Mr. Atul Roongta :Shareholder Director (*upto July 15, 2020)* Mr. B. Venugopal :Shareholder Director (*w.e.f. July 21, 2020)*
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. K.S. Aiyar & Co, Chartered Accountants F-7, Laxmi Mills Shakti Mills Lane, Off, Dr E Moses Rd, Mahalakshmi, Mumbai, Maharashtra 400 011.
Bankers	State Bank of India — HDFC Bank Limited Bank of India — Development Credit Bank Limited Axis Bank Limited — Punjab National Bank IndusInd Bank Limited — Canara Bank Central Bank of India — Kotak Mahindra Bank ICICI Bank — Yes Bank IDBI Bank Limited — Karur Vysya Bank Limited Citi Bank
Managing Director & Chief Executive Officer	Mr. Rajesh Kumar Sinha (*Upto September 30, 2020)* Mr. Mrugank Paranjape *(W.e.f. November 05,2020)*
Chief Financial Officer	Mr. Nimesh Dedhia
Company Secretary	Ms. Archana Tripathi

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Fourteenth Annual Report of the Company together with the audited accounts for the financial year ended March 31, 2021.

1. FINANCIAL RESULTS

The summary of financial performance of the Company for the year ended March 31, 2021 is as under:

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021 (As per IND AS)	For the year ended March 31, 2020 (As per IND AS)
Total income	6,690	6,243
Expenditure	4,434	4,276
Profit before interest, finance charges and depreciation	2,256	1,967
Interest and finance charges	37	46
Depreciation	667	721
Profit before tax	1,552	1,200
Profit after taxation	1,083	927
Other Comprehensive Income	(14)	(36)
Total Comprehensive Income for the period ,Net of tax	1,069	891

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

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021 (As per IND AS)	For the year ended March 31, 2020 (As per IND AS)
Total income	6,590	6,173
Expenditure	4,434	4,276
Profit before interest, finance charges and depreciation	2,156	1,897
Interest and finance charges	37	46
Depreciation	667	721
Profit / (loss) before tax and share of Profit / (loss) of a joint venture	1,452	1,130
Share in Joint Venture	49	432
Profit before tax	1,501	1,562
Profit after taxation	1,032	1,289
Other Comprehensive Income	(14)	(36)
Total Comprehensive Income for the period ,Net of tax	1,018	1,253

2. STATE OF COMPANY'S AFFAIRS

NeML continues to work closely with various Central Government and State Government organisations to enhance their efficiencies in procurement and sale of agricultural commodities under their food security programs. The Company assisted NAFED in record procurement of pulses and oilseeds this year under its price support scheme. This procurement done on NeML's e-Samriddhi platform helped more than 11 lakh smallholder farmers get minimum support price (MSP) directly into their bank accounts. The performance of the e-Samriddhi platform has been widely lauded by various sections of the Government.

During this financial year, NeML has partnered with NAFED and Federation of Indian FPOs & Aggregators (FIFA) for setting up NAFED e-Kisan Mandi (NeKM). This network of physical infrastructure and digitized mandis is being set-up by NAFED in partnership with local FPOs. The NeKM will be integrated with a National Level Digital Marketing Platform giving nationwide reach to FPOs.

During this financial year, NeML continued to progress on its journey to reinforce its position as the leading e-market player in the country and go beyond agricultural commodities. Accordingly, it partnered with Karma Ecotech to develop India's first and only delivery-based e-market place for buyers and sellers of plastic credits.

NeML further consolidated its position as country's leading e-markets player with **NCDFI eMarket** (ncdfiemarket.com). It is the leading B2B trading platform for dairy and dairy products in India for NCDFI members. On this platform the NCDFI members can also buy/sell cattle feed ingredients, edible oils, fodder seeds, packaging materials, sugar, chemicals, scrap, etc., apart from various service contracts. The popularity of this platform can be gauged from the fact that its trading turnover in FY 21 crossed INR 3200 crores and the price discovery on this platform often serves as the benchmark prices for bulk trading of milk and milk products in the offline world as well.

NeML further strengthened its linkages with FPOs by onboarding more than 400 FPOs in FY21. FPOs have reported procuring higher than prevailing market prices for their produce on NeML platforms. The buyers are happy to pay a premium to the market price as the NeML platform ensures guaranteed supply of required volumes taking away the inconvenience of buying fragmented lots.

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. Being the first digitisation initiative of a mandi in the country, this was a path breaking and a pioneering initiative. 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 recently completed its full integration with e National Agriculture Market (e-NAM), a platform launched by the Central Government which in turn is based on much awarded ReMS architecture.

As a company we continue to be confident of growth and market share gains, backed by a strong and diversified product portfolio beyond agricultural commodities. We continue to sustain our focus aggressively on deeper engagement with our customer base of buyers and sellers, superior and robust price discovery platforms, geographic expansion, with adherence to best in class transparency and risk mitigation standards.

3. CHANGE IN AUTHORIZED CAPITAL AND PAID UP SHARE CAPITAL

During the financial year, the Authorised Share capital was INR. 50,00,00,000 (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. 35,53,96,290 divided into 3,55,39,629 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 2019-20	No. of Shares (Amount per share Rs. 10) FY 2020-21
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	28,229	40229
	TOTAL OTHERS (B)	**28,229**	**40229**
	GRAND TOTAL (A+B)	**3,55,27,629**	**3,55,39,629**

4. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of the business of the Company during the financial year 2020-2021.

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, 2021 AND THE DATE OF THE REPORT

No material changes occurred subsequent to the close of the financial year ended March 31, 2021 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 and SS- 2. 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 20-21, 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 20-21 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.

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 2020-21, 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 Rs. 1069 Lakhs for the financial year 2020-2021, your Directors recommend a dividend of 15% i.e 1.5 Rupees on Rs.10 per share for the financial year 2020-2021

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, 2021.

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 Thirteenth Annual General Meeting of the Company was held on July 31, 2020 at the Registered Office of the Company. The Fourteenth Annual General Meeting of the Company will be held on July 02, 2021 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 2020-2021, five meetings of the Committee were held on June 09, 2020, August 08, 2020, September 17, 2020, November 09, 2020, and February 08, 2021. 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. Vijay Kumar Venkataraman	5	5
Mr. Puneet Gupta	5	5

15. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of four Directors, which includes two Independent Directors and two 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 2020-2021, fifteen meetings of the Committee were held on April 24, 2020, April 29, 2020, June 09, 2020, June 30, 2020, July 09, 2020, July 17, 2020, July 25, 2020, August 01, 2020, August 08, 2020, September 17, 2020, October 09, 2020, November 09, 2020, December 23, 2020, February 08, 2021, February 25, 2021 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	15	15
Mr. Puneet Gupta	15	15
Mr. Vijay Kumar Venkataraman	15	14
Mr. Bhaskar Nayar Venugopal	03	03*

**Mr. Bhaskar Nayar Venugopal, Shareholder Director of the Company, appointed in the Committee w.e.f November 11, 2020*

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the financial year 2020-2021, the provisions of section 135 of the Companies Act, 2013 was applicable to the Company. The Company has constituted Corporate Social Responsibility Committee consisting of three Directors. The Company has in place a CSR Policy.

During the financial year 2020-2021, one meeting of the Committee were held on February 02, 2021. 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	1	1
Mr. Puneet Gupta	1	1
Mr. Mrugank Paranjape	1	1

The Company spent in below foundations in FY 2020-21:

Name of Proposal	Amount Approved by the Committee (up to in *INR*)
PM CARES FUND	**18,39,000**

**Annual Report on CSR is annexed to Annexure A*

17. TECHNOLOGY ADVISORY COMMITTEE (TAC)

The Technology Advisory Committee consists of three Directors, which includes two Independent Directors and one Executive Director. The term of reference includes Monitoring the updated technology, investigating into problems of computerized trading system, monitoring the adequacy of systems capacity and efficiency, ensuring transparency in disseminating information regarding slowdown/ breakdown in Online Trading System and such other information as may be referred by the Board.

During the financial year 2020-2021, one meeting of the Committee was held on February 25, 2021. 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	01	01
Mr. Puneet Gupta	01	01
Mr. Mrugank Paranjape	01	01

18. 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. Ragini Chokshi & Co., Practicing Company Secretaries to conduct Secretarial Audit of the Company for the FY 2020-2021.

M/s. Ragini Chokshi & Co. 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. Ragini Chokshi & Co.

As per 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, 2021. The Company confirmed that it was a material subsidiary of NCDEX in the Financial Year 2020-21 based on Profit after Tax (PAT) and Revenue criteria. The Company appointed M/s Ragini Chokshi & Co, Practicing Company Secretary for conducting Secretarial Audit of the Company for Financial Year 2020-21.

19. 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.

20. BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2020-2021

During the financial year 2020-2021, seven meetings of the Board were held on June 09, 2020, August 08, 2020, September 17, 2020, October 09, 2020, November 09, 2020, December 23, 2020 and February 08, 2021. 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	7	7
Mr. Puneet Gupta	7	7
Mr. Rajesh Kumar Sinha	7	3*
Mr. Mrugank Paranjape	7	3*
Mr. Vijay Kumar Venkataraman	7	7
Mr. Atul Roongta	7	1*
Mr. Bhaskar Nayar Venugopal	7	5*

**Mr. Rajesh Kumar Sinha, Managing Director of the Company retired from the Board on September 30, 2020*

**Mr. Mrugank Paranjape, Managing Director of the Company, appointed on Board w.e.f November 05, 2020*

**Mr. Atul Roongta, Shareholder Director of the Company, resigned from Board on July 15, 2020*

**Mr. Bhaskar Nayar Venugopal, Shareholder Director of the Company, appointed on Board w.e.f July 21, 2020*

21. 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, 2021 is enclosed as **Annexure 1.**

The Company's Annual Return may be viewed at the following web link: https://neml.in/NEMLWebsite/annual_return.html

22. 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 Financial Statements.

23. 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'.

24. 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.

25. 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.

26. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The Board of Directors of the Company included Mr. Arun Balakrishnan, Mr. Puneet Gupta, Mr. Vijay Kumar Venkataraman, Mr. Bhaskaran Nayar Venugopal and Mr. Mrugank Paranjape.

Mr. Rajesh Kumar Sinha, Managing Director & CEO of the Company retired on September 30, 2020. Mr. Mrugank Paranjape was appointed as a Managing Director & CEO of the Company for a period of 5 years with effect from November 05, 2020 after due approval from shareholders of the Company.
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. Bhaskaran Nayar Venugopal was appointed as Directors on Board. Mr. Atul Roongta resigned from the Board on July 15, 2020.

Pursuant to the provision of Section 152 of the Companies Act, 2013, Mr. Bhaskaran Venugopal Nayar 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. Bhaskaran Venugopal Nayar for appointment as Director of the Company.

27. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from Mr. Arun Balakrishnan 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.

28. 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.

29. STATUTORY AUDITORS

M/s. K.S. Aiyar & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company for a period of five years at the Thirteenth Annual General Meeting (AGM) held on July 31, 2020 upto FY 2024-25.

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. K.S. Aiyar & Co., Statutory Auditors on the Standalone and consolidated financial statements of the Company for the year ended March 31, 2021.

30. 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

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

Formed in 2014, ReMS is a 50:50 joint venture between NeML and the State Government of Karnataka. Being the first digitisation initiative of a mandi in the country, this was a path breaking and a pioneering initiative.

With experience of having modernized 23 APMC markets in the state, NeML (then called NCDEX Spot Exchange/NSPOT) was an obvious choice for a JV partner, when the Karnataka Government decided to form a JV entity to undertake digitisation of all the mandis in state. Upon implementation, NeML developed a Unified Markets Platform (UMP) for the initiative.

In FY 21, ReMS covered 162 of the 164 APMC main market yards in the state covering more than 90 commodities and clocked a turnover of over Rs 1.80 Lakh Crore since its inception in February 2014. During the financial year 2019-20 Farmer producer organization (FPO) trades worth more than Rs 11.50 Crores were traded on the platform.

This was the first such initiative of its kind in the country and was widely admired and studied across the country and referred to as the 'Karnataka Model'. The robust architecture was replicated and formed the basis on which National Agriculture Market (eNAM), a pan-India electronic trading portal owned by the Government of India which networks the existing APMC mandis to create a unified national market for agricultural commodities on the lines of ReMS. In 2020, ReMS platform achieved complete inter-operability with eNAM platform.

This initiative was hailed by all as Niti Ayog put forth empirical data that the Karnataka farmers got 38% higher price realisations on the ReMS platform than in the open markets and recommended that other states follow the 'Karnataka Model'. In addition, the Union Finance Minister too in her budget speech of FY2016-17 referred to the success of the Karnataka model and advocated its national roll-out.

ReMS won several awards for the initiative that positively impacted the lives of farmers and led to increase in the arrival of agricultural commodities in the state administered APMC markets in the state. Notable amongst them include certificate of distinction at "Commonwealth Association of Public Administration and Management" (CAPAM) as a finalist in 2018 International Innovations Awards under the category of Innovation in Public Service Management and won the overall award. ReMS was also conferred with "Gems of Digital India Awards 2017 for excellence in e-Governance" by Digital India under the Ministry of Electronics & Information Technology, Government of India.

The Government of India rolled this nationally, by tasking Government owned National Agriculture Market (eNAM) with networking all the existing APMC mandis across the country to create a unified national market for agricultural commodities. Recently ReMS was ported to eNAM e-market platform which uses the ReMS architecture developed by NeML earlier.

During the year, Government of Karnataka has amended APMC Act, allowing farmers/sellers to sell their produce anywhere of their choice. Further Government of Karnataka has revised the transaction charges payable by APMCs to ReMS and as per last revision reduced the rate from 10 paise to 1 paise per Rs. 100 trade value. Thus reduction in transaction rate and reduction of transactions in APMCs has drastically affected the revenue of ReMS in the second half of the financial year.

ReMS has taken opinion that Goods & Service Tax Act is not applicable to it and accordingly it is not charging the GST on the transaction charges nor provision has been made in the books. Financial impact of the same in the Financial Statements of FY 2020-21 is Rs. 2.05 Cr. excluding any interest and other impositions, if any.

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

32. 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- **5,48,969** number of shares
3. Options exercised- **39,629** number of shares
4. The total number of shares arising as a result of exercise of option- **39,629**
5. Options lapsed- **1,45,975**
6. the exercise price- **59.72/- per share**
7. variation of terms of options- **right to exercise option either happening of liquidity event or within 5 years from the date of option granted (approved by members in the Extra Ordinary General Meeting held on November 12, 2020)**
8. Money realized by exercise of options-**INR. 23,66, 644/-**
9. total number of options in force-**5,09,340**
10. Employee wise details of options granted to:

(i) Key managerial personnel;-**NA**

(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.**
During the year, members in the Extra Ordinary General Meeting held on December 28, 2020 have approved Employee Stock Option Policy (New Scheme) and the Board has been authorized to issue and allot equity shares upon exercise of options from time to time in accordance with the new ESOP Policy (New Scheme).

33. 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, 2021, 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, 2021 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.

34. 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 07, 2021

Sd/-
Mrugank Paranjape
Managing Director
DIN- 02162026

Sd/-
Bhaskaran Nayar Venugopal
Director
DIN – 02638597

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

(Rupees in Lakhs)

Name of Associates/Joint Ventures	Rashtriya e Market Services Private Limited
1**. Latest audited Balance Sheet Date**	March 31, 2021
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	50,00,000 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 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	2,095
6. Profit / Loss for the year	
i. Considered in Consolidation	(51)
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 07, 2021

Sd/-
Mrugank Paranjape
Managing Director
DIN- 02162026

Sd/-
Bhaskaran Nayar Venugopal
Director
DIN - 02638597

Sd/-
Nimesh Dedhia
Chief Financial Officer

Annexure A to the Director's Report

Annual Report on Corporate Social Responsibility (CSR) Activities

1. **Brief outline of the Company's CSR Policy :**This Policy is aimed at implementing welfare measures in the society by addressing the concerns of the marginalized section of the society as part of their core business areas and to encourage employees to give back to the society. This Policy is made in accordance with the Companies Act, 2013 ("Act") along with Companies (Corporate Social Responsibility) Rules, 2014 ("Rules") and forms parts of NeML's key business process and as per recommendations of the CSR Committee

2. **Composition of CSR Committee**

Sl No.	Name of Director	Designation	No. of CSR Committee Meeting held during the year	No. of CSR Committee Meeting held during the year
1	Mr. Arun Balakrishnan	Independent Director- Chairman	01	01
2	Mr. Puneet Gupta	Independent Director- Member	01	01
3	Mr. Mrugank Paranjape	Managing Director & CEO- Member	01	01

3. **CSR Composition, CSR policy and CSR projects approved by the Board on the website of the Company:**
   The Company's CSR Committee may be viewed at following web link: https://neml.in/NEMLWebsite/committee.html
   The Company's CSR Policy may be viewed at following web link: https://neml.in/NEMLWebsite/pdf/NeML_CSR_Policy-Website.pdf

4. **Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014: NA**

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sl No	Financial Year	Amount available for set-off from preceding financial years (in Lakh)	Amount required to be set- off for the financial year, if any (in Lakh)
NA			

6. **Average net profit of the company as per section 135(5): 917 Lakh**

7. **(a) Two percent of average net profit of the company as per section 135(5):18.34 Lakh**
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial: NA
   (c) Amount required to be set off for the financial year, if: NA
   (d) Total CSR obligation for the financial year (7a+7b-7c): 18.34 Lakh

8. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Lakh.)	Amount Unspent (in Lakh.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		mount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
18.39	NA		NA		

(b) Details of CSR amount spent against ongoing projects for the financial year:

SI No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No)	Location of the project.	
				State	District
NA					

Project duration	Amount allocated for the project (in Lakh)	Amount spent in the current financial Year (in Lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Lakh)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation Through Implementing Agency	
					Name	CSR Registration Number
NA						

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No)	Location of the project.	
				State	District
1	PM Cares Fund	Contribution to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund	-	-	-

Amount spent for the project (in Lakh.).	Mode of implementation on – Direct (Yes / No).	Mode of implementation through implementing agency	
		Name	CSR Registration Number
NA			

(d) Amount spent in Administrative Overheads: NA

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): NA

(g) Excess amount for set off, if any:

Sl No	Particular	Amount
I	Two percent of average net profit of the company as per section 135(5)	18.34 Lakh
Ii	Total amount spent for the Financial Year	18.39 Lakh
Iii	Excess amount spent for the financial year [(ii)-(i)]	0.05 Lakh
Iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
V	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.05 Lakh

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Lakh)	Amount spent in the reporting Financial Year (in Lakh.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Lakh)
				Name of the fund	Amount	Date of transfer	NA
NA				NA			

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount al-located for the project (in Lakh.)	Amount spent on the project in the reporting Financial Year (in Lakh)	Cumulative amount spent at the end of reporting Financial Year. (in Lakh)	Status of the project Completed / Ongoing
NA								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s): NA

(b) Amount of CSR spent for creation or acquisition of capital: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

SD/-
Mrugank Paranjape
Managing Director & CEO
DIN:02162026

SD/-
ArunBalakrishnan
Chairman of CSR Committee
DIN: 00130241

FORM NO. MGT.9 **Annexure1**

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31,2021

[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- 400079Tel:-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	72.66%
2	Software Service Income	620	11.24%
	Total		**83.90%**

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	99.89%	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) 99.92%	d) 3,54,99,400		d) 3,54,99,400	d) 99.89%	(0.03)
e) Banks/FI f) Any Other….									
Sub-total (A) (1):-	**3,54,99,400**		**3,54,99,400**	**99.92%**	**3,54,99,400**		**3,54,99,400**	**99.89%**	**(0.03)**
(2) Foreign a) NRIs - Individuals b)Other - Individuals c) Bodies Corp. d) Banks / FI e) Any Other.... **Sub-total (A) (2):- Total shareholding**	NA	NA	NA	NA	NA		NA	NA	NA

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	
of Promoter (A) = (A)(1) +(A) (2)	**3,54,99,400**		**3,54,99,400**	**99.92%**	**3,54,99,400**		**3,54,99,400**	**99.89%**	**(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	17,291	100	17,391	0.05%	17291	100	17391	0.05%	NA
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	10,838	-	10,838	0.03%	22,838	-	22838	0.06%	0.03%
c) Others (specify)									
Sub-total (B)(2):-	**28,129**	**100**	**28229**	**0.08%**	**40129**	**100**	**40229**	**0.11%**	**0.03**
Total Public Shareholding (B) = (B)(1) + (B)(2)									
C. Shares held by Custodian for GDRs & ADRs		-	-	-	-		-	-	-
Grand Total (A+B+C)	**3,55,27,529**	**100**	**3,55,27,629**	**100%**	**3,55,39,529**	**100**	**3,55,39,629**	**100%**	**0.00%**

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

Sl No.	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 99.92%	NA	Equity Shares: 3,54,99,400	Equity Shares 99.89%	NA	(0.03)
	Total	**3,54,99,400**	**99.92%**	NA	**3,54,99,400**	**99.89%**	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 99.92%	Equity Shares: 3,54,99,400	Equity Shares- 99.89%
	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 **99.92**%	Equity Shares: **3,54,99,400**	Equity Shares-**99.89%**

(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%	**10838**	**0.0305%**
	2) Ms. Kshipra Sarotdar (Allotted Shares under ESOP on on 08/02/2021)	-	0%	**12000**	**0.0338%**
	3) Mr. Ramesh Chand H.C	9000	0.0253%	**9000**	**0.0253%**
	4) Mr. Rajesh Kumar Sinha	3100	0.0084%	**3000**	**0.0084%**
	5) Mr. Manoj Kumar Godara	2683	0.007%	**2683**	**0.0075%**
	6) Mr. Shailesh Kumar Puliyamkottu Kumaran	1000	0.028%	**1000**	**0.028%**
	7) Mr. Ankur Jain	500	0.0014%	**500**	**0.0014%**
	8) Mr. Manish Tripathi	105	0.0003%	**105**	**0.003%**
	9) Mr. Anand Chandra Jha	102	0.0003%	**102**	**0.003%**
	10) Mr. Sudhir Gupta	101	0.0003%	**101**	**0.0003%**
		Total: 27,429 Equity shares		**Total: 39,329 Equity Shares**	
	Date wise Increase/Decrease in Shareholding during the yearspecifying 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 fromMr. Rajesh Kumar Sinha toNCDEX jointly with Hitesh Savlaon October 07, 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. Rajesh Kumar Sinha to NCDEX jointly with Mr. Hitesh Savla on October 07, 2020*	100 **Total: 100 Equity shares**	0.0003%	100 **Total: 100 Equity shares**	0.0003%

(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	3100 Equity shares	0.0087%	3100 Equity Shares	0.0084%
	2) Mr. Mrugank Paranjape	NA**	NA**	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Transfer of 100 Equity Shares to Mr Hitesh Savla jointly with NCDEX	(0.0003%)	Transfer of 100 Equity Shares to Mr Hitesh Savla jointly with NCDEX	0.0003%
	At the End of the year	**3000 Equity shares**	**0.0084%**	**3000 Equity shares**	**0.0084%**

Mr. Rajesh Kumar Sinha, Managing Director & CEO retired with effect from September 30, 2020
****Mr. Mrugank Paranjape, Managing Director & CEO was appointed with effect from November 05, 2020***

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	Mrugank Paranjape 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	1,20,77,576/- 12,40,853/-	43,09,028/- 3,00,165/-	1,63,86,604/- 15,41,018/-
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)	**1,33,18,429/-**	**46,09,193/-**	**1,79,27,622/-**
	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. Puneet Gupta**		
	• Fee for attending board /committee meetings • Commission • Others, please specify	10,20,000/- Nil Nil	10,20,000/- Nil Nil		20,40,000/- Nil Nil
	Total (1)				
2.	Other Non-Executive Directors	**Mr. Vijay Kumar Venkataraman**	**Mr. Atul Roongta**	**Mr. B. Venugopal**	
	• Fee for attending board /committee meetings • Commission • Others, please specify	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	
	Total (2)				
	Total (B) = (1 + 2)				
	Total Managerial Remuneration				
	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	35,29,085/- - -	16,39,627/- - -	51,68,712/- - -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify			
	Total	**35,29,085/-**	**16,39,627/-**	**51,68,712/-**

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-
Mrugank Paranjape
Managing Director & CEO
DIN-02162023

Sd-
B. Venugopal
Director
DIN -02638597

Place: Mumbai
Date: June 07, 2021

SECRETARIAL AUDIT REPORT
FORM NO MR-3
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To,
The Members,
NCDEX E-MARKETS LIMITED
First Floor, Ackruti Corporate Park,
L. B. S. Marg,Kanjurmarg West, Mumbai - 400078.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NCDEX E-MARKETS LIMITED** (hereinafter called the 'Company') having **(CIN- U93090MH2006PLC165172**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Due to COVID-19 pandemic impact and situation of partial lockdown, the verification and examination of documents as facilitated by the Company were conducted through electronic mode and based on our verification of 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 March 31, 2021 (hereinafter called as the 'Audit Period') 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 March 31, 2021** according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed thereunder

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;(Not Applicable to the Company for the Audit Period as there is no FDI or ODI or ECB during the Audit Period)

(v) 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 to the Company for the Audit Period)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;**(Not Applicable to the Company for the Audit Period)**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018;**(Not Applicable to the Company for the Audit Period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;**(Not Applicable to the Company for the Audit Period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008; **(Not applicable as the Company has not issued any debt securities during the Audit Period)**

(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 as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the Audit Period)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;**(Not applicable as the Company has not delisted its equity shares from any stock exchange during the Audit Period)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;**(Not applicable as the Company has not bought back any of its securities during the Audit Period)**

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

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

(ii) SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015[Not applicable during the audit period].

We further report that having regard to the compliance system prevailing in the Company and on perusal of the relevant documents and records in pursuance thereof on test check basis and on the basis of representation made, the Company has generally complied with the following laws applicable specifically to the Company;

- Rules ,Regulations ,circulars ,directive ,conditions and guidelines applicable to the Company and issued by following State Agriculture Produce Market Committee's with which the Company is registered .
  1) Maharashtra
  2) Karnataka
  3) Orissa
  4) Rajasthan
  5) Gujarat
  6) Andhra Pradesh
  7) Himachal Pradesh
  8) Telangana

During the Audit Period, 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. No changes took place in the composition of the Board of Directors during the Audit Period.

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 where the same were given at shorter notice than seven days, the Company has taken shorter notice consent from the Members of the Board 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 decisions at Board Meetings and Committee Meetings were carried through either unanimously or on the basis of majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were following specific events or actions which have a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

1. Extension of term of Mr Rajesh Sinha as Managing Director & CEO for further period of 6 months from April 1,2020 to September 30, 2020.
2. Cessation of Mr. Rajesh Sinha as Managing Director & CEO of the Company .
3. Appointment of Mr Shailesh Chitre as Interim CEO from the period October 9,2020 till November 4,2020
4. Appointment of Mr. Mrugnak Paranjape as Managing Director and CEO for period of 5 years w.e.f November 5,2020
5. Modification to NEML Employee Stock Option Plan 2017
6. Approval to Issue shares under New NEML Employee Stock Option Policy 2020
7. Allotment of 12,000 equity shares under NEML Employee Stock Option Plan ,2017

Date:13-05-2021
Place: Mumbai

FOR RAGINI CHOKSHI & CO

UMASHANKAR HEGDE
(PARTNER)
M.No: A22133 #CP No: 11161
UDIN : A022133C000311499

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
NCDEX E-MARKETS LIMITED
(CIN : U93090MH2006PLC165172)

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

Date:13-05-2021

FOR RAGINI CHOKSHI & CO

Place: Mumbai

UMASHANKAR HEGDE
(PARTNER)
M.No: A22133 #CP No: 11161
UDIN : A022133C000311499

Standalone Financial Statement

INDEPENDENT AUDITOR'S REPORT

To the Members,
NCDEX e Markets Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **NCDEX e Markets Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of cash flows for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report but does not include the financial statements and our auditor's report thereon. The Board's Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Board's Report including annexures thereto and, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of the Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other 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 rules made thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 internal financial controls 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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.

Other Matters

The financial statements of the Company for the year ended March 31, 2020 included in this Statement have been audited by another auditor. The report of another auditor on this comparative financial information dated June 09, 2020 for the year ended March 31, 2020 expressed an unmodified opinion.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   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 directors during the year is in accordance with the provisions of section 197 of the Act

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) the Company does not have any pending litigations which would impact its financial position;

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin A. Negandhi
Partner
Membership No.: 112888
UDIN: 21112888AAAADZ5189

Place: Mumbai
Date: May 13, 2021

Annexure 'A' to the Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the standalone financial statements for the year ended on March 31, 2021, of **NCDEX e Markets Limited)**

In our opinion, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the normal course of audit, which were necessary to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management during the year and in our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property. Accordingly, the provisions of clause 3(ii)(c) of the Order are not applicable.

(ii) The nature of the Company's activities is such that the provisions of clause 3 (ii) of the Order are not applicable to the Company.

(iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clauses 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) of the Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted any deposit from the public and consequently the directives issued by the Reserve Bank of India, provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, with regard to the deposits accepted from the public are not applicable to the Company.
No order has been passed by the Company Law Board, National Law Tribunal or Reserve Bank of India or any other court or any other tribunal.

(vi) The Company is not required to maintain cost records pursuant to the Rules made by the Central Government under Section 148 (1) of the Companies Act, 2013.

(vii) (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, cess and other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of above which were outstanding, as at March 31, 2021 for a period of more than six months from the date on which they became payable.

(b) According to the records of the Company, there are no dues of goods and services tax, income-tax, duty of customs, which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank, Government or debenture holder, and hence clause 3 (viii) of the Order is not applicable to the Company.

(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, clause 3 (ix) of the Order is not applicable to the Company.

(x) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds by the Company or on the Company by any of its officers or employees noticed or reported during the course of our audit.

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

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) According to the information and explanations given to us, pursuant to the provisions of section 192 of the Companies Act, 2013, the Company has not entered into any non-cash transactions with directors or persons connected with him/her.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin A. Negandhi
Partner
Membership No.: 112888
UDIN: 21112888AAAADZ5189

Place: Mumbai
Date: May 13, 2021

Annexure - B to the Independent Auditor's Report of even date on the Standalone Financial Statements of NCDEX e Markets Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **NCDEX e Markets Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, 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 K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin A. Negandhi
Partner
Membership No.: 112888
UDIN: 21112888AAAADZ5189

Place: Mumbai
Date: May 13, 2021

NCDEX e Markets Limited
Standalone Balance Sheet as at March 31, 2021

(Rs in Lakhs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Assets			
Non-Current Assets			
(a) Property, Plant and Equipment	2	246	322
(b)Right of use Assets	30	334	472
(c) Other Intangible assets	3	886	1,165
(d)Intangible assets under development	3	167	-
(e) Financial Assets			
(i) Non-Current Investments	4	500	500
(ii) Others	5	1,228	1,387
(f) Deferred tax assets (Net)	6	4	126
(g) Other non-current assets	7	5	6
Total non-current assets		**3,370**	**3,978**
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	8	148	380
(ii) Cash & cash equivalents	9	9,121	4,983
(iii) Bank balances other than (ii) above	10	7,832	5,828
(iv) Others	11	997	796
(b) Other current assets	12	70	83
(c) Current Tax Assets (Net)	28		164
Total current assets		**18,168**	**12,234**
Total Assets		**21,538**	**16,212**
Equity			
(a) Share capital	13	3,554	3,553
(b) Other Equity	14	1,197	300
Total Equity		**4,751**	**3,853**
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
Deposits	15	13	13
Lease liability	30	233	357
(b) Provisions	16	242	77
Total non-current liabilities		**488**	**447**
Current Liabilities			
(a) Financial Liabilities			
(i) Deposits	17	2,158	2,188
(ii) Lease Liability	30	146	154
(iii) Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises; and	18	21	30
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		243	220
(iv) Other liabilities	19	12,339	8,821
(b) Other current liabilities	20	983	190
(c) Provisions	21	314	309
(d) Current Tax Liabilities (Net)	28	95	
Total current liabilities		**16,299**	**11,912**
Total Liabilities		**16,787**	**12,359**
Total equity and liabilities		**21,538**	**16,212**

The accompaying Standalone Notes form an intergal part of the Financial Statements
Significant Accounting Policy and Standalone Notes to Financial Statements. 1 to 47

As per our report of even date attached

For and on behalf of
K. S. Aiyar & Co
Chartered Accountants
FRN: 100186W

Sachin A.Negandhi
Partner
M. No. 112888

Place: Mumbai
Date: 13th May 2021

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

Mrugank Paranjape
Managing Director
DIN: 02162026

B. Venugopal
Director
DIN:02638597

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

Place: Mumbai
Date: 13th May 2021

NCDEX e Markets Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2021

(Rs in Lakhs)

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME			
Revenue from operations	22	5,855	5,442
Other Income	23	835	801
		6,690	**6,243**
EXPENSE			
Employee benefits expense	24	2,262	1,829
Finance cost	25	37	46
Depreciation & amortisation	26	667	721
Other expenses	27	2,172	2,447
Total Expenses		**5,138**	**5,043**
Profit / (loss) before exceptional items and income tax		**1,552**	**1,200**
Exceptional item (net of tax)		-	-
Profit / (Loss) before tax		**1,552**	**1,200**
Current tax	28	512	330
Income Tax for earlier periods Written off/ (Back)		21	-
Deferred tax (credit)/charge	28	(64)	(57)
Profit / (Loss) after tax		**1,083**	**927**
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		(20)	(51)
Income tax effect		6	15
Total Comprehensive Income for the year, net of tax		**1,069**	**891**
Earnings per equity share:			
Basic	29	3.05	2.61
Diluted	29	3.04	2.60

The accompaying Standalone Notes form an intergal part of the Financial Statements
Significant Accounting Policy and Standalone Notes to Financial Statements. 1 to 47

As per our report of even date attached

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Chartered Accountants
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Archana Tripathi
Company Secretary

Place: Mumbai
Date: 13th May 2021

NCDEX e Markets Limited
Standalone Cash Flow Statement for year ended March 31, 2021

(Rs in Lakhs)

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flow from Operating Activities			
Profit Before Tax		**1,552**	**1,200**
Adjustments for:			
Depreciation & amortisation		667	721
Provision no longer required		-	(50)
Provision for doubtful debts		6	7
(Profit) / Loss on sale of Property ,Plant & Equipment		1	(1)
(Profit) / Loss on sale of investments		(30)	(141)
Interest income		(663)	(503)
Dividend Income		(100)	(70)
Expenses on lease liability		34	44
Utilisation from Risk Management Fund (RMF)		-	(0)
Employees Stock Option Outstanding Account		(1)	8
Impairment loss		5	-
Operating Profit before working capital changes		**1,471**	**1,215**
Movements in working capital:			
Decrease / (Increase) in trade receivables		226	184
Decrease / (Increase) in other current assets		12	90
Decrease / (Increase) in other non current assets		1	9
Decrease / (Increase) other financial assets		(166)	(376)
Increase / (Decrease) in non - current financial liabilities		0	(7)
Increase / (Decrease) in trade payables		19	(306)
Increase / (Decrease) in current financial liabilities		3,487	878
Increase / (Decrease) in other current liabilities		793	44
Increase / (Decrease) in provisions		150	18
Cash flow before taxation		**5,993**	**1,749**
Direct taxes paid (net off refund of Rs 208 lakhs (Previous year Rs 349 lakhs))		(82)	(90)
Net Cash Used in from Financing Activities	**(A)**	**5,911**	**1,659**
B. Cash Flows From Investing Activities			
Purchase of Property, Plant and Equipment		(326)	(463)
Purchase of current investments		(3,925)	(14,301)
Sale of current investments		3,955	14,442
Investment in fixed deposits (original maturity of more than three months)		(1,843)	(2,931)
Interest Received		626	348
Dividend received		100	70
Net Cash Used in Investing Activities	**(B)**	**(1,413)**	**(2,835)**
C. Cash Flows From Financing Activities			
Payment of lease Liabilities		(190)	(190)
Proceed of issue of equity shares		8	6
Payment of Dividend		(178)	-
Net Cash Generated from Financing Activities	**(C)**	**(360)**	**(184)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)		**4,138**	**(1,360)**
Effect of exchange differences on Cash & Cash equivalents held in foreign currency		-	-
Cash and Cash Equivalents at the Beginning of the year		**4,983**	**6,343**
Cash and Cash Equivalents at the End of the year [Refer Note 9]		**9,121**	**4,983**
Notes:			
1. Cash & Cash Equivalents			
Cash on Hand		-	2
Balances with Banks:			-
- In Current Accounts		2,284	2,625
- In Fixed Deposits		2,827	2,356
- Investments in mutual funds (Highly Liquid Funds)		4,010	
Cash & Cash Equivalents considered for Cash flow		**9,121**	**4,983**

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.

As per our report of even date attached

For and on behalf of
K. S. Aiyar & Co
Chartered Accountants
FRN: 100186W

Sachin A.Negandhi
Partner
M. No.112888

Place: Mumbai
Date: 13th May 2021

For and behalf of the Board of Directors
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Managing Director
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Chief Financial Officer

Archana Tripathi
Company Secretary

Place: Mumbai
Date: 13th May 2021

NCDEX e Markets Limited
STATEMENT OF CHANGES IN EQUITY

(Rs in Lakhs)

Statement of Changes in Equity for year ended March 31,2021

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

Particulars	Amount
As at April 01, 2019	3,552
Changes in equity share capital	
Share issue Expenses	
Shares issued during the period	1
As at March 31, 2020	3,553
Changes in equity share capital	
Share issue Expenses	
Shares issued during the period	1
As at March 31, 2021	3,554

Other equity

Particulars	Risk Management Fund	Retained Earnings	Share Premium	Settlement Guarantee Fund	Employees Stock Option Outstanding	Total
Balance at the end of the reporting period on April 1, 2019	**20**	**(608)**	**9**	**1**	**-**	**(578)**
Employees Stock Option impact	-	(51)	2	-	67	18
Restated Balance at the begginnning of the period April 1, 2019	**20**	**(659)**	**11**	**1**	**67**	**(560)**
Addition in current period	-	927	6	-	8	941
Remeasure benefit of defined benefit plan	-	(36)	-	-	-	(36)
Utilised / Reversed during the period	(0)	-	-	-	(2)	(2)
Transfer to Risk Management Fund	-	-	-	-	-	-
Transfer to Settlement Guarantee Fund		-	-	-	-	-
Share issue expenses	-	-	-	-	-	-
Transition Reserve IND AS 116	-	(43)	-	-	-	(43)
Balance at the end of the reporting period on March 31, 2020	**20**	**189**	**17**	**1**	**73**	**300**
Addition in current period	-	1,083	7	-	-	**1,090**
Remeasure benefit of defined benefit plan	-	(14)	-	-	-	(14)
Utilised / Reversed during the period	-	-	-	-	(1)	(1)
Transfer to Risk Management Fund	-	-	-	-	-	-
Transfer to Settlement Guarantee Fund	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-
Payment of Dividend (Transaction with owners in their capacity as owners)	-	(178)	-	-	-	(178)
Payment of Dividend - Others	-	(0)	-	-	-	(0)
Balance at the end of the reporting period on March 31, 2021	**20**	**1,080**	**24**	**1**	**72**	**1,197**

The accompaying standalone notes form an intergal part of the Financial Statements
Significant Accounting Policy and Standalone Notes to Financial Statements.

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, actuarial gain and loss on defined benefit plan

(iii) 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,

(iv) Settlement Guarantee Fund (Refer Note 36)

(v) Employees Stock Option Outstanding Account (Refer Note 45)

As per our report of even date attached

For and on behalf of
K. S. Aiyar & Co
Chartered Accountants
FRN: 100186W

Sachin A.Negandhi
Partner
M. No. 112888

Place: Mumbai
Date: 13th May 2021

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

Mrugank Paranjape
Managing Director
DIN:02162026

B. Venugopal
Director
DIN:02638597

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

Place: Mumbai
Date: 13th May 2021

NCDEX e Markets Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021.
(All amounts are in lakhs 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) Statement of Compliance

The financial statements as at and for the year ended March 31, 2021 and March 31, 2020 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies act 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provision of the act to the extent applicable.

The financial statements are approved for issue by the Company's Board of Directors on May 13, 2021.

b) Basis of preparation

The financial statements have been prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities, which have been measured as indicated below:

(i) Certain financial assets and liabilities and contingent consideration that are measured at fair value;
(ii) Assets held for sale measured at fair value less cost to sell;
(iii) Share based payments
(iv) Employees 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 :

- Estimated Useful lives property, plant, equipment and intangible assets
- Recognition and measurement of defined employee benefit obligation
- Recognition of deferred tax assets
- Contingent liabilities
- Leases

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)

- Observable inputs that reflect quoted prices (un-adjusted) for identical assets or liabilities in active markets.

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 (PPE) (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 GST) 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 II 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.

PPE 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 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) <u>Computer Software</u>

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 and 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 of subsequent development of already capitalised intangible assets is amortised over the remaining estimated life of the original assets.

The amortization period and the amortisation method for an intangible asset is reviewed periodically. If the expected useful life of the asset is different from previous estimates, the amortisation period is changed prospectively

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.

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.

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

ECL (or reversal) if any, is recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

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.

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 Financial Statement.

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 Financial Statement 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. 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, 2021

(Rs in Lakhs)

2 Property Plant and Equipment & Capital Work-in-progress	Computer Hardware	Improvement to Lease hold Property	Office Equipments	Electrical Installations	Furniture and Fixtures	Motor Car	Total	Capital work in progress
Cost or Deemed cost								
Opening Balance As at April 01, 2019	494	101	69	21	46	24	755	-
Additions	19	7	10	-	3	-	39	-
Disposals / Adjustments	14	-	0	-	-	-	14	-
Closing gross carrying amount as at March 31, 2020	**499**	**108**	**79**	**21**	**49**	**24**	**780**	-
Additions	20	-	13	-	0	-	33	-
Disposals / Adjustments	(0)	-	1	-	1	-	2	-
Closing gross carrying amount as at March 31, 2021	**519**	**108**	**91**	**21**	**48**	**24**	**811**	-
Accumulated depreciation and impairment								
Opening Balance As at April 01, 2019	309	9	12	1	5	8	**344**	-
Depreciation for the year	93	11	15	2	4	4	129	-
Disposals / Adjustments	15	-	-	-	-	-	15	-
Closing accumulated depreciation as at March 31, 2020	**387**	**20**	**27**	**3**	**9**	**12**	**458**	-
Depreciation for the year	37	44	17	2	5	3	108	-
Disposals / Adjustments	(0)	-	1	-	0	-	1	-
Closing accumulated depreciation as at March 31, 2021	**424**	**64**	**43**	**5**	**14**	**15**	**565**	-
Net carrying amount as at March 31, 2020	**112**	**89**	**53**	**18**	**39**	**11**	**322**	
Net carrying amount as at March 31, 2021	**95**	**44**	**48**	**16**	**34**	**9**	**246**	-

NCDEX e Markets Limited
Notes to Standalone Financial Statements as at March 31, 2021

(Rs in Lakhs)

3 Intangible Assets	Computer Software	Intangible assets under development
Cost or Deemed cost		
Opening Balance As at April 01, 2019	1,932	-
Additions	426	-
Disposals / Adjustments	-	-
Closing gross carrying amount as at March 31, 2020	**2,358**	-
Additions	122	167
Disposals	27	-
Impairment	5	-
Closing gross carrying amount As at March 31, 2021	**2,502**	**167**
Accumulated amortisation and impairment losses		
Opening Balance As at April 01, 2019	762	-
Depreciation for the year	431	-
Disposals / Adjustments	-	-
Closing accumulated depreciation as at March 31, 2020	**1,193**	-
Amortisation for the year	395	-
Disposals / Adjustments	28	-
Closing accumulated amortisation As at March 31, 2021	**1,616**	-
Net carrying amount As on March 31, 2020	**1,165**	-
Net carrying amount As on March 31, 2021	**886**	**167**

NCDEX e Markets Limited

Notes to Standalone Financial Statements as at March 31, 2021

(Rs in Lakhs)

4 Non-Current Investments

Particulars	Quantity	As at March 31, 2021	Quantity	As at March 31, 2020
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	50,00,000	500	50,00,000	500
(ii) Other				
(a) Equity share of Rs. 10/- each fully paid up in National Warehousing Corporation Pvt. Ltd.*	98,900	-	98,900	-
Aggregate amount of Unquoted Investment Rs. 500 lakhs (P.Y. Rs. 500 lakhs)				
Total	**50,98,900**	**500**	**50,98,900**	**500**

Investments in Joint Venture

Particulars	% of share	As at March 31, 2021	% of share	As at March 31, 2020
1) Rashtriya e Market Services Private Limited	50%	500	50%	500
Total investments carrying value		**500**		**500**

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, 2021	As at March 31, 2020
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

Particulars	As at March 31, 2021	As at March 31, 2020
a.) Security Deposits		
(i) Unsecured, considered good;	65	57
Non Current Bank Balances		
(a) Bank deposits with more than 12 months maturity		
- Held as Margin Money for Bank Gurantee	-	26
- Held as Security for Borowings	-	10
- Others	1,137	1,261
(b) Interest accrued on Fixed Deposits	26	33
Total	**1,228**	**1,387**

6 Deferred tax assets/(Liability) (net)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets/(Liability) (Net)	4	(65)
MAT Credit	-	191
Total	**4**	**126**

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets components		
Provision for doubtful debts	2	2
Ind AS 116- ROU and Lease Liability	13	11
Provision for Employees benefit	74	40
ESOP	21	20
Discounting of Deposits (As per IND AS)	3	5
Total Deferred Tax Assets components	**113**	**77**
Deferred Tax Liability components		
Depreciation and amortisation	109	143
Total Deferred Tax Liability components	**109**	**143**
Net Deferred Tax Assets / (Liability)	**4**	(65)

NCDEX e Markets Limited

Notes to Standalone Financial Statements as at March 31, 2021

(Rs in Lakhs)

7 Other Non-Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid Expenses	5	6
Total	**5**	**6**

8 Trade Recievables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables		
(a) Secured, considered good;	-	-
(b) Unsecured, considered good;		
- Due from Holding Company	-	0
- Others	148	380
Other receivables - credit impaired	6	7
Less : Allowance for expected credit loss	(6)	(7)
Total	**148**	**380**

9 Cash & Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash & Cash Equivalents		
Cash on hands	-	2
Balance with banks		
In Current Accounts	2,284	2,625
Fixed deposit with maturity less than 3 months		
- Held as Margin Money for Bank Gurantee	32	55
- Others	2,795	2,301
Others		
Investments in mutual funds (Highly Liquid Funds)	4,010	-
Total	**9,121**	**4,983**

9.1

Particulars	No. of Units	As at March 31, 2021	No. of Units	As at March 31, 2020
Investments in Mutual Funds				
Investments in Mutual Funds at FVPL				
MF-Birla Liquid Fund - Growth	181,296	601	-	-
MF-HDFC Liquid Fund - Growth	12,382	501	-	-
MF-ICICI Liquid Plan - Growth	131,969	402	-	-
MF-ICICI Overnight Fund - Growth	270,846	301	-	-
MF-Tata Liquid Plan - Growth	18,522	602	-	-
MF-SBI Liquid fund - Growth	15,582	502	-	-
MF-Nippon Liquid Fund - Growth	11,945	601	-	-
MF-L&T Liquid Fund - Growth	7,113	200	-	-
MF-Axis Liquid Fund - Growth	13,133	300	-	-
Total	**662,787**	**4,010**	**-**	**-**

10 Other Bank Balances

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed deposit with maturity between 3 to 12 months		
- Held as Margin Money for Bank Gurantee	225	308
- Held as Security for Borowings	215	515
- Others	7,392	5,005
Total	**7,832**	**5,828**

11 Other Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
a.) Security Deposits		
(i) Unsecured, considered good;	20	16
b.) Other advances		
(i) Unsecured, considered good;		
(1) Loans and Advances to Employees	10	7
(2) Earnest Money Deposit	40	35
c.) Others		
(i) Unsecured, considered good;		
(1) Trade Money recievable from members	2	29
(2) Accrued Interest	334	290
(3) Accrued Income for Provisional Billing	591	419
Total	**997**	**796**

12 Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Other Current Assets		
Prepaid Expenses	70	81
GST	-	2
Total	**70**	**83**

NCDEX e Markets Limited
Notes to Standalone Financial Statements as at March 31, 2021

(Rs in Lakhs)

13 Share Capital

(A) Authorised Share Capital

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

Particulars	No of Shares	Amount
As at April 01, 2019	**38,000,000**	**3,800**
Increase during the period	-	-
As at March 31, 2020	**38,000,000**	**3,800**
Increase during the period	**-**	**-**
As at March 31, 2021	**38,000,000**	**3,800**

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

Particulars	No of Shares	Amount
As at April 01, 2019	**12,000,000**	**1,200**
Increase during the period	-	-
As at March 31, 2020	**12,000,000**	**1,200**
Increase during the period	**-**	**-**
As at March 31, 2021	**12,000,000**	**1,200**

(B) Issued , subscribed and paid up share

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

Particulars	No of shares	Equity Share Capital par value
As at April 01, 2019	**35,517,229**	**3,552**
Add: Shares issued during the period under ESOP	10,400	1
Less: Share bought back during the period	**-**	-
As at March 31, 2020	**35,527,629**	**3,553**
Add: Shares issued during the period under ESOP	12,000	1
Less: Share bought back during the period	**-**	-
As at March 31, 2021	**35,539,629**	**3,554**

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

Particulars	No of shares	Preference Share Capital
As at April 01, 2019	-	-
Add: Shares issued during the period	-	-
As at March 31, 2020	**-**	**-**
Add: Shares issued during the period	-	-
As at March 31, 2021	-	-

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, 2021		As at March 31, 2020	
	Number	% of holding	Number	% of holding
National Commodity & Derivatives Exchange Ltd (Holding Company) along with its Nominees	35,499,400	99.89%	35,499,400	99.92%

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

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	Number	% of holding	Number	% of holding
Equity Shares of Rs 10 each fully paid				
National Commodity & Derivatives Exchange Ltd	35,499,400	99.89%	35,499,400	99.92%

13.4 The reconcilation of the number of shares outstanding as at 31st March, 2021 is set out below:

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

Particulars	Number of March 31, 2021	Number of March 31, 2020
Equity Shares of Rs 10 each fully paid		
Number of shares at the beginning	35,527,629	35,517,229
Add: Shares issued/Converted during the period	12,000	10,400
Number of shares at the enc	**35,539,629**	**35,527,629**

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 Cumulative Redemable Preference Shares into Equit

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

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

NCDEX e Markets Limited

Notes to Standalone Financial Statements as at March 31, 2021

(Rs in Lakhs)

14 Other equity

Particulars	Risk Management Fund	Retained Earnings	Share Premium	Settlement Guarantee Fund	Employees Stock Option Outstanding Account	Total
Balance at the end of the reporting period on April 1, 2019	**20**	**(608)**	**9**	**1**	**-**	**(578)**
Employees Stock Option impact	-	(51)	2	-	67	18
Restated Balance at the begginnning of the period April 1, 2019	**20**	**(659)**	**11**	**1**	**67**	**(560)**
Addition in current period	-	927	6	-	8	941
Remeasure benefit of defined benefit plan	-	(36)	-	-		(36)
Utilised / Reversed during the period	(0)	-	-	-	(2)	(2)
Transfer to Risk Management Fund	-	-	-	-	-	-
Transfer to Settlement Guarantee Fund	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-
Transition Reserve IND AS 116		(43)	-	-	-	(43)
Balance at the end of the reporting period on March 31, 2020	**20**	**189**	**17**	**1**	**73**	**300**
Addition in current period	-	1,083	7	-	-	1,090
Remeasure benefit of defined benefit plan	-	(14)	-	-	-	(14)
Utilised / Reversed during the period	-	-	-	-	(1)	(1)
Transfer to Risk Management Fund	-	-	-	-	-	-
Transfer to Settlement Guarantee Fund	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-
Payment of Dividend (Transaction with owners in their capacity as ov	-	(178)	-	-	-	(178)
Payment of Dividend - Others	-	(0)	-	-	-	(0)
Balance at the end of the reporting period on March 31, 2021	**20**	**1,080**	**24**	**1**	**72**	**1,197**

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, actuarial gain and loss on defined benefit plan

(iii) 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.

(iv) Settlement Guarantee Fund (Refer Note 36)

(v) Employees Stock Option Outstanding Account (Refer Note 45)

NCDEX e Markets Limited

Notes to Standalone Financial Statements as at March 31, 2021

(Rs in Lakhs)

15 Non-Current Deposits

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current Deposits		
Deposit from Members	13	13
Total	**13**	**13**

16 Non-Current Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Employee benefits obligation		
a) Provision for leave encashment	118	-
b) Provision for gratuity	124	77
Total	**242**	**77**

17 Deposits

Particulars	As at March 31, 2021	As at March 31, 2020
Current Deposits;		
(i) Deposit from Members	443	473
(ii) Deposit from clearing banks	1,700	1,700
(iii) Deposit from warehouse service provider	15	15
Total	**2,158**	**2,188**

18 Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables		
Micro, Small and Medium Enterprises (Refer Note no. 41)		
-Others	9	30
- Due to Holding Company	12	-
Trade Payables-Others	243	220
Total	**264**	**250**

19 Other liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Employee payables	11	11
Trade money from members	12,328	8,810
Total	**12,339**	**8,821**

20 Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
a) Revenue received in advance;		
b) Other advances;		
Advances/Deposit from customers	15	22
c) Statutory Liabilities	968	168
Total	**983**	**190**

21 Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Employee benefits obligation		
(i) Provision for Leave Encashment	12	8
(ii) Provision for Performance based incentives (PBI)	302	249
(iii) Provision for Gratuity	-	52
Total	**314**	**309**

NCDEX e Markets Limited

Notes to Standalone Financial Statements as at March 31, 2021

(Rs in lakhs)

22 Revenue from operations

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of services		
Transaction Charges	4,861	3,980
Annual Membership Fees	118	71
Admission/Registration Fees	95	129
Pledge Finance Charges	-	9
Other Operating Income		
Software Services	752	1,163
Business Support Services/Others	29	90
Total	**5,855**	**5,442**

23 Other Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Other non-operating income		
Interest Income		
Interest on Term Deposits with Banks	663	503
Interest on Income Tax Refund	11	29
Interest Income for financial liabilities recognised at amortised cost	1	1
Interest Income for financial assets recognised at amortised cost	5	4
Other Miscellenous		
Dividend Income	100	70
Profit on sale/Increase in Fair value of Mutual Fund Investment	40	141
Reversal of Provision for RDD	-	50
Profit on sale of Fixed Assets	-	1
Rent Income/Others	15	2
Total	**835**	**801**

24 Employee benefits expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, bonus and allowances	2,057	1,591
Contribution to Provident and other funds	150	118
Share based payments to Employees	-	8
Staff welfare expenses	55	112
Total	**2,262**	**1,829**

25 Finance Cost

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Cost (IND AS 116) Lease Rent **(Refer Note 30)**	34	44
Interest Expense on SD Discounting	1	2
Bank Interest	2	0
	-	-
Total	**37**	**46**

NCDEX e Markets Limited

Notes to Standalone Financial Statements as at March 31, 2021

(Rs in lakhs)

26 Depreciation & Amortization

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation	108	129
Amortization	395	431
Amortization-Right to use Asset (Refer Note 30)	164	161
Total	**667**	**721**

27 Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Professional Fees	649	606
Software Maintainence Charges	1,182	1,221
Rent and Sharing Cost	44	89
Auditors' Remuneration*	5	7
Communication Expenses	26	30
Travelling and Conveyance Expenses	40	141
Advertisement & business promotion expenses	12	40
Electricity Charges	24	46
Trainings & Seminars	3	5
License Fees	60	79
Directors Sitting Fees	20	14
CSR Expense (Refer Note 38)	18	12
Donation	1	-
Security & Maintainence Charges	16	14
Provision for Doubtful Debts	6	7
Sundry Balances Written off (Net)	-	32
Impairment on Fixed Asset (Software)	5	-
Loss on sale / scrap of fixed assets (net)	1	-
GST / Service Tax Expense	14	50
Printing and stationery	8	14
Commission & Brokerage	-	2
Subscription Charges	12	1
Bank Charges	2	8
Office Expenses	19	22
Other Expenses	5	7
Total	**2,172**	**2,447**

*Auditor's Remuneration	For the year ended March 31, 2021	For the year ended March 31, 2020
Statutory Audit fees	3	3
Limited Review	2	3
Taxation Matter fees	-	1
Others	0	0
Total	**5**	**7**

NCDEX e Markets Limited
Notes to Standalone Financial Statements as at March 31, 2021

(Rs in lakhs)

28 Income Tax

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax (excluding OCI)	326	185
MAT Credit (Entitlement)/ Utilisation	186	145
Earlier period Tax Adjustment	21	-
Deferred Tax	(64)	(57)
Income tax effect OCI	(6)	(15)
Total	**463**	**258**

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, 2021	For the year ended March 31, 2020
Profit before income taxes	1,552	1,207
Enacted tax rates in India	29.12%	29.12%
Computed expected tax expense	452	352
Add : Tax impact due to Non-deductible expenses for tax purposes	287	276
Less: Tax effect due to non-taxable income and other adjustments	(227)	(298)
Less : Deferred Tax asset	(64)	(57)
Add : Income Tax for earlier periods Written off/ (Back)	21	-
Less : Income tax effect OCI	(6)	(15)
Income tax expense	**463**	**258**

c. The following table provides the details of income tax assets and income tax liabilities as of March 31, 2021

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income tax assets	417	350
Income tax liabilities	512	186
Net current income tax assets/ (liability) at the end	**(95)**	**164**

d. The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2021

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net current income tax asset/ (liability) at the beginning	164	245
Income tax paid	290	367
Additional Refund Receivable/Received	(208)	(321)
Provision for income tax	(326)	(171)
Reversal Provision for Tax	(15)	44
Net current income tax asset/ (liability) at the end	**(95)**	**164**

29 Earnings Per Share (EPS)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit after Tax as per Statement of Profit and Loss **(A)**	1,083	927
Basic Weighted average number of Equity shares outstanding **(B)**	35,529,536	35,521,104
Basic Earning per share **(A)/(B)**	3.05	2.61
ESOPs outstanding	509,340	521,340
Weighted average number of Equity shares adjusted for the effect of dilution **(C)**	35,614,521	35,614,616
Diluted Earning per share **(A)/(C)**	3.04	2.60

NCDEX e Markets Limited
Notes to Standalone Financial Statements as at March 31, 2021

(Rs in lakhs)

30 Leases

a Transition

On transition, the adoption of the new standard resulted in recognition of 'Right to use' asset of Rs. 472 lakhs and a lease liability of Rs. 515 lakhs . The cumulative effect of applying the standard of Rs. 43 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**
Lease Commitments as on 31 March 2019	592
Add/(less): contracts reassessed as lease contracts	(77)
Add/(less): adjustment on account of extension/termination	-
Lease liability as on 1 April 2019	**515**

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

Particulars	**Amount**
Increase in Lease Liability by	660
Increase in Right of use of assets by	636
Increase/(Decrease) in Deferred Tax Liability by	(11)
Increase/(Decrease) in Finance Cost by	44
Increase/(Decrease) in Depreciation by	161

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, 2021.

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	20	0	20
Additions	612	4	616
Additions through business combinations	-	-	-
Deletions	(3)	0	(3)
Depreciation	159	2	161
Translation difference	-	-	-
Balance as of April 1, 2020	**470**	**2**	**472**
Reclassified on account of adoption of Ind AS 116	1	0	1
Additions	25	0	25
Additions through business combinations	-	-	-
Deletions	-	-	-
Depreciation	162	2	164
Translation difference	-	-	-
Balance as of March 31, 2021	**334**	**0**	**334**

NCDEX e Markets Limited

Notes to Standalone Financial Statements as at March 31, 2021

(Rs in lakhs)

f The following is the break-up of current and non-current lease liabilities as of March 31, 2021

Particulars	March 31, 2021	March 31, 2020
Non Current Lease liabilities	233	357
Current lease liabilities	146	154
Total	**379**	**511**

g The following is the movement in lease liabilities during the year ended March 31, 2021:

Particulars	Amount
Balance as at April 1, 2019	-
Reclassified on account of adoption of Ind AS 116	-
Additions	660
Additions through business combinations	-
Deletions	(3)
Finance cost accrued during the period	44
Payment of lease liabilities	190
Translation difference	-
Balance as of April 1, 2020	**511**
Reclassified on account of adoption of Ind AS 116	-
Additions	24
Additions through business combinations	-
Deletions	
Finance cost accrued during the period	34
Payment of lease liabilities	190
Translation difference	-
Balance as of March 31, 2021	**379**

h The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2021 on an undiscounted basis:

Particulars	Amount
Less than one year	170
One to five years	248
More than 5 years	-
Total	**418**

i Amount Recognised in Profit or Loss as of March 31, 2021

Particulars	Amount
Interest on lease liabilities	34
Depreciation on Right of Use of Asset	164
Expense relating to short term lease	8
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 31,2021

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 2020-21 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, 2021 and on the financial performance for the year ended March 31, 2021. 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

(a) Contingent Liabilities not provided for: On account of Bank Guarantee as at 31st March 2021 – ₹ 316 lakhs (As at 31st March 2020 – ₹ 185 lakhs)
(b) Capital Commitments: Nil (As at 31st March 2020- Nil)

33. Members holding membership (Trading & Clearing Membership) 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) 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. Company has not utilised any amount in FY 2020-2021 and in previous year ₹ 0.25 lakh was utilised 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 is required to maintain an amount of ₹ 1 lakh in Settlement Guarantee Fund (SGF) as the Company holds Spot Exchange registration under State Agricultural Produce Market Committee (APMC) Regulations to mitigate market risks. Under the Regulatory framework (APMC regulations) a spot exchange is required to maintain Settlement Guarantee Fund (SGF) to mitigate the risks attached with defaults in a trade. The Company holds APMC registrations in the states of Karnataka, Maharashtra, Gujarat, Rajasthan, Odisha, Telangana and Andhra Pradesh.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

37. 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, 2021 is as follows:

(₹ in lakhs)

Particulars	E-Market Service	E-Market Service	Software Service	Software Service	Total	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Revenue	5,103	4,279	752	1,163	5,855	5,442
(-) Segment Expense	3,318	2,754	667	916	3,985	3,671
Segment Result	**1,784**	**1,525**	**85**	**247**	**1,869**	**1,772**
(-) Unallocable expenses					499	687
(-) Depreciation and amortisation expense	248	282	201	201	449	482
(-) Unallocable depreciation and amortisation expense					218	239
(+) Other Income					835	801
Profit Before Taxes					**1,538**	**1,164**
(-) Taxes					469	273
Profit for the year					**1,069**	**891**

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

Particulars	E-Market Service	E-Market Service	Software Service	Software Service	Total	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Segment Assets	17,828	12,368	395	621	**18,223**	**12,989**
Unallocable Assets					3,315	3,223
Total Assets					**21,538**	**16,212**
Segment Liabilities	14,644	11,188	36	58	14,679	11,246
Unallocable Liabilities					2,108	1,113
Total Liabilities					**16,787**	**12,359**

38. 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 spent by the Company on Corporate Social Responsibility (CSR) activities is ₹ 18 lakhs (Previous year ₹ 12 lakhs) the areas of CSR activities and contributions made thereto are as follows:

Particulars	Total amount paid for the year ended 31st March, 2021 (₹ in lakhs)
Amount spent as contribution to PM Care Fund Covid 19	18
Total	**18**

Particulars	Total amount paid for the year ended 31st March, 2020 (₹ in lakhs)
Amount spent as contribution to Ashima Foundation for promoted rural development interventions in India's poorest communities.	3
Amount spent as contribution to S M Sehgal Foundation for Jagruk Yuva Project.	9
Total	**12**

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

39. 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, figures 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 lakhs and a lease liability of Rs. 515 lakhs. The cumulative effect of applying the standard resulted in Rs. 43 lakhs being debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit for the year ended March, 2019 and earnings per share.

40. 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. Mrugank Paranjape - Chief Executive Officer and Managing Director (from 05/11/2020) Mr. Shailesh Chitre (09/10/2020 to 04/11/2020) (Interim CEO) Mr. Rajesh Sinha - Chief Executive Officer and Managing Director (upto 30/09/2020) Mr. Nimesh Dedhia - Chief Financial Officer Ms. Archana Tripathi - Company Secretary
(e) Joint Venture	Rashtriya e Market Services Private Limited

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

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 31,2021	Year ended March 31,2020
	(₹ in lakhs)	(₹ in lakhs)
(I) Transactions with National Commodity & Derivatives Exchange Ltd (NCDEX)		
Services Received	41	76
Services Rendered	14	2
Dividend Paid	177	-
(II) Transaction with other Related Parties		
(a) Services Rendered		
Rashtriya e Market Services Private Limited	237	352
(b) Services Rendered		
Power Exchange India Ltd	405	538
(c) Services Rendered		
National E Repository Limited	1	-
(d) Dividend Received		
Rashtriya e Market Services Private Limited	100	70
(e) Remuneration paid to KMP		
Mr. Rajesh Sinha	133	118
Mr. Mrugank Paranjape (*)	46	-
Mr. Nimesh Dedhia (*)	35	32
Ms. Archana Tripathi (*)	16	14
(f) Shares issued to KMP		
Mr. Rajesh Sinha	-	1
(g) Sitting Fees paid to Directors		
Mr. Arun Balakrishnan (Independent Director)	10	7
Mr. Sanjeev Asthana (Independent Director)	-	2
Mr. Srinath Srinavasan	-	0.40
Mr. Puneet Gupta (Independent Director)	10	4

(*) Remuneration paid to KMP does not include gratuity and leave encashment benefits recognised as per IND AS 19 -Employees Benefits as the same are provided based on Actuarial Valuation on overall company basis.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

(B) Closing Balance with Related Parties

Particulars	As at March 31,2021	As at March 31,2020
	(₹ in lakhs)	(₹ in lakhs)
(a) Trade Payables		
National Commodity & Derivatives Exchange Ltd	12	-
National E Repository Limited	(0.21)	-
(b) Trade Receivables		
National Commodity & Derivatives Exchange Ltd	-	0.20
(c) Investment in Joint Venture		
Rashtriya e Market Services Private Limited	500	500
(d) Investments by National Commodity & Derivatives Exchange Ltd (NCDEX)		
Equity Share Capital	3,550	3,550
(e) Investments by Mr Rajesh Sinha		
Equity Share Capital	-	2

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

(₹ in lakhs)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
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.	-	-
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.	-	-

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

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, 2021 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act,2006 are applicable.

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

(₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's Contribution to Provident Fund	96	87

(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.

Actuarial assumptions	Gratuity (Unfunded)	
	As at March 31, 2021	As at March 31, 2020
Expected Rate of Return on plan assets	7.09%	6.84%
Discount rate (per annum)	7.09%	6.84%
Rate of increase in Compensation levels	8%	7.5%
Rate of Employee turnover	5%	5%
Mortality Rate during Employment	Indian Assured lives Mortality (2012-14)	Indian Assured lives mortality (2006-08)
Mortality Rate after Employment	N.A.	N.A.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

Table showing changes in present value of obligations:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Present value of obligation as at the beginning of the year	199	140
Interest Cost	14	11
Current Service Cost	54	35
Liability transferred in / acquisitions	-	-
(Liability transferred out/ divestments)	-	(6)
Curtailment cost / (Credit)	-	-
Settlement cost /(Credit)	-	-
Benefits paid	(52)	(32)
Actuarial (gain)/ loss on obligations- Due to Change in Financial Assumptions	7	18
Actuarial (gain)/ loss on obligations- Due to Experience	10	33
Present value of obligation as at the end of the year.	**233**	**199**

Table showing changes in the fair value of plan assets:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Fair value of plan assets at beginning of the year	148	108
Interest Income	10	8
Assets transferred in / Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	(6)
Employer contribution	5	69
Benefits paid	(52)	(32)
Return on Plan Asset	(3)	1
Fair value of plan assets at year end	**108**	**148**

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

Table showing actuarial gain /loss - plan assets:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Actual return of plan assets	7	9
Expected return on plan assets	10	8
Return on Plan Asset, Excluding Interest Income	**(3)**	**1**

The amounts to be recognized in Balance Sheet

Particulars	(₹ in lakhs)	
	As on March 31 2021	As on March 31 2020
Present value of obligation as at the end of the period	(233)	(199)
Fair value of plan assets as at the end of the period	108	148
Funded Status	(125)	(52)
Unrecognised actuarial (gains) / losses	-	-
Net asset / (liability) recognised in Balance Sheet	**(125)**	**(52)**

Expenses recognized in Statement of Profit and Loss:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	54	35
Past service cost (Vested Benefit)	-	-
Interest Cost	4	3
Expected return on plan assets	-	-
Curtailment and settlement cost /(credit)	-	-
Expenses recognised in the Statement of Profit and Loss	**58**	**37**

Expenses recognized in Other Comprehensive Income:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial (Gains)/Losses on Obligation For the Period	17	52
Return on Plan Assets, Excluding Interest Income	3	(1)
Net (Income)/Expense For the Period Recognized in OCI	**20**	**51**

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

Maturity profile of defined benefit obligation from the fund:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
1st Following year	7	7
2nd Following year	8	10
3rd Following year	9	9
4th Following year	11	10
5th Following year	16	11
Sum of Years 6 to 10	80	67
Sum of Years 11 and above	625	373

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, 2021	March 31, 2020
Investments with insurer	100%	100%

Sensitivity Analysis: - **(₹ in lakhs)**

Sensitivity Analysis	March 31, 2021	March 31, 2020
Projected Benefit Obligation on Current Assumptions	233	199
Delta Effect of +1% Change in Rate of Discounting	(27)	(20)
Delta Effect of -1% Change in Rate of Discounting	28	23
Delta Effect of +1% Change in Rate of Salary Increase	28	23
Delta Effect of -1% Change in Rate of Salary Increase	(28)	(20)
Delta Effect of +1% Change in Rate of Employee Turnover	(5)	(2)
Delta Effect of -1% Change in Rate of Employee Turnover	6	2

Methodology, Assumptions and Limitation in respect of sensitivity analysis :-

Sensitivity analysis is carried out by Projected Unit Credit Method (PUCM) method by changing only the respective assumption and keeping all other assumption same as that used to estimate the liability. The impact given is the difference between the liability as on the date of valuation and the liability if the given assumption changes by the stated amount. The limitation of this method is that it considers the change in the respective assumption in isolation without affecting the other assumptions which in reality may not be the case. Nonetheless the methodology gives fair idea of the impact on the liability in case the given assumption changes.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

43. 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.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

(₹ in lakhs)

Particulars	Note No	Carrying Amount	More than 12 months	Less than 12 months	Payable on demand
As at March 31, 2021					
Deposits	15,17	2,171	13	15	2,143
Trade payables	18	264	-	264	-
Lease liabilities	30	379	233	146	-
Other financial liabilities	19	12,339	-	12,339	-
As at March 31, 2020					
Deposits	15,17	2,201	13	15	2,173
Trade payables	18	250	-	250	-
Lease liabilities	30	511	357	154	-
Other financial liabilities	19	8,821	-	8,821	-

(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.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

The sensitivity analyses in the following sections relate to the position as on 31st March 2021 and 31st March 2020.

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	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 Committee.	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 31,2021

-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.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

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

(₹ in lakhs)

Particulars	Levels	As at March 31, 2021	As at March 31, 2020
Financial Assets			
Financial assets at fair value through Amortized Cost			
I) Trade receivables		148	380
II) Cash and Cash equivalents		5,111	4,983
III) Other Bank balances		7,832	5,828
IV) Other receivables			
Current		997	795
Non -Current		1,228	1,387
V) Other Non-Current Financial Assets		-	-
TOTAL		**15,316**	**13,374**
Financial assets at fair value through Profit & Loss			
I) Cash and cash equivalents (Liquid Investments)	Level 1	4,010	-
II) Investment in Unquoted Equity Shares*	Level 3	500	500
		4,510	**500**
Financial Liabilities			
Financial liabilities at Amortized Cost			
I) Deposits			
- From members		443	473
- From Clearing banks		1,700	1,700
-From Warehouse Service providers		15	15
II) Lease Liability		146	154
III) Trade payables		264	250
IV) Other liabilities		12,339	8,821
V) Non-Current Deposits		13	13
VI) Non-Current Lease Liability		233	357
TOTAL		**15,152**	**11,783**

*Fair value of these instruments is determined using market approaches

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

44. 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.

45. 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.

The table given below summarises the ESOP vested.

Granted	Vesting %	ESOP Vested
March-18	40%	277,978
March-19	30%	208,483
March-20	30%	208,483
		694,944

Vesting Dates	% of Vesting	ESOP Vested (less Lapsed)
28/Mar/2018	40%	250,356
28/Mar/2019	30%	162,924
28/Mar/2020	30%	135,689

The exercise price of ESOP vested Rs. 59.72 as per FMV report by an independent valuer.

The Vested Options can be exercised by the Option grantees only in connection with or upon happening of a Liquidity Event within such period as prescribed by the Board in this regard or within 5 years from date of grant of options. (Special Resolution dt 12th Nov 2021).

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

Employee Stock Option Activity under Scheme 2017

Particulars	As at 31st March 2021	As at 31st March 2020
No of ESOPs outstanding at the beginning of the	5,21340	4,02,880
Vested during the year	-	2,08,483
Lapsed during the year	-	72,794
Exercised during the year	12,000	17,229
Outstanding at the end of the year	5,09,340	5,21,340
Exercisable at the end of the year	5,09,340	5,21,340

Under the scheme 39,629 ESOPs have been exercised by employees and 145,975 have lapsed.

Summary of re-statement of PY financials FY 2019-2020 is mentioned in table given below:

Particulars	(₹ in lakhs)
Employee Stock Option (Other Equity)	73
Share Premium	3
Deferred Tax assets/credit	20
Net impact on Retained Earnings	57
Cost of Share based payments to Employees	8

The Black Scholes Valuation method is applied for valuation of ESOP by an independent valuer.

46. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

NCDEX e Markets Limited
Notes to Standalone Financial Statements for the year ended March 31,2021

47. 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 May 13, 2021.

For and on behalf of
K. S. Aiyar & Co
Chartered Accountants
FRN:100186W

Sachin A. Negandhi
Partner
M. No. 112888

Place: Mumbai
Date: May 13, 2021

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

Mrugank Paranjape
Managing Director
DIN: 02162026

B. Venugopal
Director
DIN: 02638597

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

Place: Mumbai
Date: May 13, 2021

Consolidated Financial Statement

INDEPENDENT AUDITOR'S REPORT

To the Members of
NCDEX e Markets Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **NCDEX e Markets Limited** ("the Company") and its jointly controlled entity, which comprise the Consolidated Balance Sheet as at March 31, 2021, the consolidated Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of consolidated cash flows for the year then ended, and notes to consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the 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 (IND AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its jointly controlled entitiy as at March 31, 2021, and its profit (including other comprehensive income), the consolidated statement of changes in equity and its consolidated cash flows for the year then ended.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and its jointly controlled entity in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Responsibilities of the Management for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, changes in equity and consolidated cash flows of the Company and its jointly controlled entity 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 rules made thereunder. The respective Board of Directors of the Company and its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its jointly controlled 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Company and its jointly controlled entity are responsible for assessing the ability of the Company and its jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company and its jointly controlled entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and its jointly controlled entity are responsible for overseeing the financial reporting process of the Company and its jointly controlled entity.

Auditor's Responsibilities for the Audit of the Consolidated 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 scepticism 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 internal financial controls with reference to consolidated 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 Company and its jointly controlled entity 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 consolidated 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 Company and its jointly controlled entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the

direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company 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.

Other Matters

1. We did not audit the financial statements of one joint venture company whose financial statements reflect total assets of Rs.5,716 lakhs as at March 31, 2021, total revenues of Rs. 1,388 lakhs and net cash inflows amounting to Rs. 81 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid joint venture is based solely on the reports of the other auditors.

2. The Independent Auditors of jointly controlled entity in their audit report for the year ended March 31, 2021, have drawn attention to a matter wherein in the opinion of the jointly controlled entity's management, Goods and Services Tax (GST) is not applicable on the transaction charges billed by the jointly controlled entity. Hence the provision for GST is not made in the books of accounts. The financial impact, if any, due to applicability of GST on profit for the year of jointly controlled entity is Rs. 205 lakhs. Therefore, the financial impact on the consolidated financial statements for the year is Rs. 103 lakhs exclusive of interest and other imposition, if any. The cumulative financial impact, if any, due to applicability of GST on the consolidated financial statements is Rs. 898 lakhs (50% of Rs 1,796 lakhs) exclusive of interest and other impositions, if any.

3. The Consolidated financial statements of the Company and its jointly controlled entity for the year ended March 31, 2020 included in these Consolidated Financial Statements have been audited by another auditor. The report of another auditor on this comparative financial information dated June 09, 2020 for the year ended March 31, 2020 expressed an unmodified opinion.

Our report on the Consolidated Financial Statements of the Company and its jointly controlled entity and our report on 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 reports of the other auditors is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, 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 auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its jointly controlled entity, none of the directors of the Company and its jointly controlled entity, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and its jointly controlled entity and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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 directors during the year is in accordance with the provisions of section 197 of the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its jointly controlled entity – Refer note 33(b) to the consolidated financial statements.

ii. The Company and its jointly controlled entity did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, and its jointly controlled entity.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin A. Negandhi
Partner
Membership No.: 112888
UDIN: 21112888AAAAEE5900

Place: Mumbai
Date: June 07, 2021

Annexure - A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of NCDEX e Markets Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of **NCDEX e Markets Limited** (hereinafter referred to as 'the Company') and its jointly controlled entity as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of the Company as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its jointly controlled entity, which are companies incorporated in India, 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. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its jointly controlled entity 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company and its jointly controlled entity, has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, 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.

Other Matters

We did not audit the Internal financial controls over financial reporting in so far as it relates to jointly controlled entity whose financial statements has been considered in the consolidated financial statements. Our report on the adequacy and operating effectiveness of the Internal financial controls over financial reporting for the Company and its jointly controlled entity, under section 143(3)(i) of the Act in so far as it relates to the jointly controlled entiy is solely based on the corresponding report of the auditor of that Company.

Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and report of the other auditor.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No: 100186W

Sachin A. Negandhi
Partner
Membership No.: 112888
UDIN: 21112888AAAAEE5900

Place: Mumbai
Date: June 07, 2021

NCDEX e Markets Limited
Consolidated Balance Sheet as at March 31, 2021

(Rs in Lakhs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Assets			
Non-Current Assets			
(a) Property, Plant and Equipment	2	246	322
(b)Right of use Assets	31	334	472
(c) Other Intangible assets	3	886	1,165
(d)Intangible assets under development	3	167	-
(e) Investment in associates/ joint venture accounted for using the equity method	4	2,595	2,646
(f) Financial Assets			
(i) Non-Current Investments	5	0	0
(ii) Others	6	1,228	1,387
(g) Deferred tax assets (Net)	7	4	126
(h) Other non-current assets	8	5	6
Total non-current assets		**5,465**	**6,124**
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	9	148	380
(ii) Cash & cash equivalents	10	9,121	4,983
(iii) Bank balances other than (ii) above	11	7,832	5,828
(iv) Others	12	997	796
(b) Other current assets	13	70	83
(c) Current Tax Assets (Net)	29		164
Total current assets		**18,168**	**12,234**
Total Assets		**23,633**	**18,358**
Equity			
(a) Share capital	14	3,554	3,553
(b) Other Equity	15	3,292	2,446
Total Equity		**6,846**	**5,999**
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
Deposits	16	13	13
Lease liability	31	233	357
(b) Provisions	17	242	77
Total non-current liabilities		**488**	**447**
Current Liabilities			
(a) Financial Liabilities			
(i) Deposits	18	2,158	2,188
(ii) Lease Liability	31	146	154
(iii) Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises; and	19	21	30
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		243	220
(iv) Other liabilities	20	12,339	8,821
(b) Other current liabilities	21	983	190
(c) Provisions	22	314	309
(d) Current Tax Liabilities (Net)	29	95	
Total current liabilities		**16,299**	**11,912**
Total Liabilities		**16,787**	**12,359**
Total equity and liabilities		**23,633**	**18,358**

The accompaying Consolidated Notes form an intergal part of the Financial Statements
Significant Accounting Policy and Consolidated Notes to Financial Statements. 1 to 49

As per our report of even date attached

For and on behalf of
K. S. Aiyar & Co
Chartered Accountants
FRN: 100186W

Sachin A.Negandhi
Partner
M. No. 112888

Place: Mumbai
Date: 7th June 2021

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

Mrugank Paranjape
Managing Director
DIN: 02162026

B. Venugopal
Director
DIN:02638597

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

Place: Mumbai
Date: 7th June 2021

NCDEX e Markets Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(Rs in Lakhs)

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME			
Revenue from operations	23	5,855	5,442
Other Income	24	735	731
		6,590	**6,173**
EXPENSE			
Employee benefits expense	25	2,262	1,829
Finance cost	26	37	46
Depreciation & amortisation	27	667	721
Other expenses	28	2,172	2,447
Total Expenses		**5,138**	**5,043**
Profit / (loss) before exceptional items and income tax		**1,452**	**1,130**
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		49	432
Profit / (Loss) before tax		**1,501**	**1,562**
Current tax	29	512	330
Income Tax for earlier periods Written off/ (Back)		21	-
Deferred tax (credit)/charge	29	(64)	(57)
Profit / (Loss) after tax		**1,032**	**1,289**
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		0	0
Re-measurement gains (losses) on defined benefit plans		(20)	(51)
Income tax effect		6	15
Total Comprehensive Income for the year, net of tax		**1,018**	**1,253**
Earnings per equity share:			
Basic	30	2.90	3.63
Diluted	30	2.90	3.62

The accompaying Consolidated Notes form an intergal part of the Financial Statements
Significant Accounting Policy and Consolidated Notes to Financial Statements. 1 to 49

As per our report of even date attached

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Archana Tripathi
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Place: Mumbai
Date: 7th June 2021

NCDEX e Markets Limited
Consolidated Cash Flow Statement for year ended March 31, 2021

(Rs in Lakhs)

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flow from Operating Activities			
Profit Before Tax		**1,501**	**1,562**
Adjustments for:			
Depreciation & amortisation		667	721
Provision no longer required		-	(50)
Provision for doubtful debts		6	7
(Profit) / Loss on sale of Property ,Plant & Equipment		1	(1)
(Profit) / Loss on sale of investments		(30)	(141)
Share of Profit from Joint Venture		(49)	(432)
Interest income		(663)	(503)
Dividend Income		-	-
Expenses on lease liability		34	44
Utilisation from Risk Management Fund (RMF)		-	(0)
Employees Stock Option Outstanding Account		(1)	8
Impairment loss		5	-
Operating Profit before working capital changes		**1,471**	**1,215**
Movements in working capital:			
Decrease / (Increase) in trade receivables		226	184
Decrease / (Increase) in other current assets		12	90
Decrease / (Increase) in other non current assets		1	9
Decrease / (Increase) other financial assets		(166)	(376)
Increase / (Decrease) in non - current financial liabilities		0	(7)
Increase / (Decrease) in trade payables		19	(306)
Increase / (Decrease) in current financial liabilities		3,487	878
Increase / (Decrease) in other current liabilities		793	44
Increase / (Decrease) in provisions		150	18
Cash flow before taxation		**5,993**	**1,749**
Direct taxes paid (net off refund of Rs 208 lakhs (Previous year Rs 349 lakhs)		(82)	(90)
Net Cash Used in from Financing Activities	**(A)**	**5,911**	**1,659**
B. Cash Flows From Investing Activities			
Purchase of Property, Plant and Equipment		(326)	(463)
Purchase of current investments		(3,925)	(14,301)
Sale of current investments		3,955	14,442
Investment in fixed deposits (original maturity of more than three months		(1,843)	(2,931)
Interest Received		626	348
Dividend received		100	70
Net Cash Used in Investing Activities	**(B)**	**(1,413)**	**(2,835)**
C. Cash Flows From Financing Activities			
Payment of lease Liabilities		(190)	(190)
Proceed of issue of equity shares		8	6
Payment of Dividend		(178)	-
Net Cash Generated from Financing Activities	**(C)**	**(360)**	**(184)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)		**4,138**	**(1,360)**
Effect of exchange differences on Cash & Cash equivalents held in foreign currency		-	-
Cash and Cash Equivalents at the Beginning of the year		**4,983**	**6,343**
Cash and Cash Equivalents at the End of the year [Refer Note 10]		**9,121**	**4,983**
Notes:			
1. Cash & Cash Equivalents			
Cash on Hand		-	2
Balances with Banks:			-
- In Current Accounts		2,284	2,625
- In Fixed Deposits		2,827	2,356
- Investments in mutual funds (Highly Liquid Funds)		4,010	
Cash & Cash Equivalents considered for Cash flow		**9,121**	**4,983**

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.

As per our report of even date attached

For and on behalf of
K. S. Aiyar & Co
Chartered Accountants
FRN: 100186W

Sachin A.Negandhi
Partner
M. No.112888

Place: Mumbai
Date: 7th June 2021

For and behalf of the Board of Directors
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Managing Director
DIN:02162026

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DIN:02638597

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

Place: Mumbai
Date: 7th June 2021

NCDEX e Markets Limited
STATEMENT OF CHANGES IN EQUITY

(Rs in Lakhs)

Statement of Changes in Equity for year ended March 31,2021

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

Particulars	Amount
As at April 01, 2019	3,552
Changes in equity share capital	
Share issue Expenses	
Shares issued during the period	1
As at March 31, 2020	3,553
Changes in equity share capital	
Share issue Expenses	
Shares issued during the period	1
As at March 31, 2021	3,554

Other equity

Particulars	Risk Management Fund	Retained Earnings	Share Premium	Settlement Guarantee Fund	Employees Stock Option Outstanding	Total
Balance at the end of the reporting period on April 1, 2019	**20**	**1,169**	**9**	**1**	**-**	**1,199**
Employees Stock Option impact	-	(51)	2	-	67	18
Adjustment on correction of error		7				7
Restated Balance at the begginnning of the period April 1, 2019	**20**	**1,125**	**11**	**1**	**67**	**1,224**
Addition in current period	-	1,289	6	-	8	1,303
Remeasure benefit of defined benefit plar	-	(36)	-	-	-	(36)
Utilised / Reversed during the period	(0)	-	-	-	(2)	(2)
Transfer to Risk Management Fund	-	-	-	-	-	-
Transfer to Settlement Guarantee Fund		-	-	-	-	-
Share issue expenses	-	-	-	-	-	-
Transition Reserve IND AS 116	-	(43)	-	-	-	(43)
Balance at the end of the reporting period on March 31, 2020	**20**	**2,335**	**17**	**1**	**73**	**2,446**
Addition in current period	-	1,032	7	-	-	**1,039**
Remeasure benefit of defined benefit plar	-	(14)	-	-	-	(14)
Utilised / Reversed during the period	-	-	-	-	(1)	(1)
Transfer to Risk Management Fund	-	-	-	-	-	-
Transfer to Settlement Guarantee Fund	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-
Payment of Dividend (Transaction with owners in their capacity as owners)	-	(178)	-	-	-	(178)
Payment of Dividend - Others	-	(0)	-	-	-	(0)
Balance at the end of the reporting period on March 31, 2021	**20**	**3,175**	**24**	**1**	**72**	**3,292**

The accompaying consolidated notes form an intergal part of the Financial Statements
Significant Accounting Policy and Consolidated Notes to Financial Statements.

Notes:
(i) Risk Management Fund (Refer Note 36)

(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 tc shareholders, actuarial gain and loss on defined benefit plan

(iii) 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

(iv) Settlement Guarantee Fund (Refer Note 37)

(v) Employees Stock Option Outstanding Account (Refer Note 46)

As per our report of even date attached

For and on behalf of
K. S. Aiyar & Co
Chartered Accountants
FRN: 100186W

Sachin A.Negandhi
Partner
M. No. 112888

Place: Mumbai
Date: 7th June 2021

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

Mrugank Paranjape
Managing Director
DIN:02162026

B. Venugopal
Director
DIN:02638597

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

Place: Mumbai
Date: 7th June 2021

NCDEX e Markets Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021.
(All amounts are in lakhs unless otherwise stated)

Corporate Information

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.

1. 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) Statement of Compliance

The consolidated financial statements as at and for the year ended March 31, 2021 and March 31, 2020 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies act 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provision of the act to the extent applicable.

The financial statements are approved for issue by the Company's Board of Directors on June 7, 2021.

b) Basis of preparation

The consolidated financial statements have been prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities, which have been measured as indicated below:

(i) Certain financial assets and liabilities and contingent consideration that are measured at fair value;
(ii) Assets held for sale measured at fair value less cost to sell;
(iii) Share based payments
(iv) Employees defined benefit plans & plan assets measured at fair value; and

c) 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.

d) 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 :

- Estimated Useful lives property, plant, equipment and intangible assets
- Recognition and measurement of defined employee benefit obligation
- Recognition of deferred tax assets
- Contingent liabilities
- Leases

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)

- Observable inputs that reflect quoted prices (un-adjusted) for identical assets or liabilities in active markets.

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 at 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 (PPE) (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 GST) 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 II 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.

PPE 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 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.

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 and 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 of subsequent development of already capitalised intangible assets is amortised over the remaining estimated life of the original assets.

The amortization period and the amortisation method for an intangible asset is reviewed periodically. If the expected useful life of the asset is different from previous estimates, the amortisation period is changed prospectively

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 Company 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.

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

ECL (or reversal) if any, is recognized during the period is recognized as
income/ expense in the Statement of Profit and Loss.

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 trade date basis.

Software service charges: - Software service charges are recognized as income on the basis of agreement with parties.

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.

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 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 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 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 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 Financial Statements.

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 Financial Statement 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. 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 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 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.

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, 2021

(Rs in Lakhs)

2 Property Plant and Equipment & Capital Work-in-progress	Computer Hardware	Improvement to Lease hold Property	Office Equipments	Electrical Installations	Furniture and Fixtures	Motor Car	Total	Capital work in progress
Cost or Deemed cost								
Opening Balance As at April 01, 2019	494	101	69	21	46	24	755	-
Additions	19	7	10	-	3	-	39	-
Disposals / Adjustments	14	-	0	-	-	-	14	-
Closing gross carrying amount as at March 31, 2020	**499**	**108**	**79**	**21**	**49**	**24**	**780**	-
Additions	20	-	13	-	0	-	33	-
Disposals / Adjustments	(0)	-	1	-	1	-	2	-
Closing gross carrying amount as at March 31, 2021	**519**	**108**	**91**	**21**	**48**	**24**	**811**	-
Accumulated depreciation and impairment								
Opening Balance As at April 01, 2019	309	9	12	1	5	8	**344**	-
Depreciation for the year	93	11	15	2	4	4	129	-
Disposals / Adjustments	15	-	-	-	-	-	15	-
Closing accumulated depreciation as at March 31, 2020	**387**	**20**	**27**	**3**	**9**	**12**	**458**	-
Depreciation for the year	37	44	17	2	5	3	108	-
Disposals / Adjustments	(0)	-	1	-	0	-	1	-
Closing accumulated depreciation as at March 31, 2021	**424**	**64**	**43**	**5**	**14**	**15**	**565**	-
Net carrying amount as at March 31, 2020	**112**	**89**	**53**	**18**	**39**	**11**	**322**	
Net carrying amount as at March 31, 2021	**95**	**44**	**48**	**16**	**34**	**9**	**246**	-

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2021

(Rs in Lakhs)

3 Intangible Assets	Computer Software	Intangible assets under development
Cost or Deemed cost		
Opening Balance As at April 01, 2019	1,932	-
Additions	426	-
Disposals / Adjustments	-	-
Closing gross carrying amount as at March 31, 2020	**2,358**	-
Additions	122	167
Disposals	28	-
Impairment	5	-
Closing gross carrying amount As at March 31, 2021	**2,502**	**167**
Accumulated amortisation and impairment losses		
Opening Balance As at April 01, 2019	762	-
Depreciation for the year	431	-
Disposals / Adjustments	-	-
Closing accumulated depreciation as at March 31, 2020	**1,193**	-
Amortisation for the year	395	-
Disposals / Adjustments	28	-
Closing accumulated amortisation As at March 31, 2021	**1,616**	-
Net carrying amount As on March 31, 2020	**1,165**	-
Net carrying amount As on March 31, 2021	**886**	**167**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2021

(Rs in Lakhs)

4 Investments in a Joint Venture

Particulars	As at March 31, 2021	As at March 31, 2020
Financial Assets		
(a) Rashtriya e Market Services Private Limitec		
Opening Balance	2,646	2,283
Add: Groups Share of Profit	49	432
Less: Dividend Received	(100)	(70)
Total	**2,595**	**2,646**

Investments in Joint Venture

Particulars	As at March 31, 2021		As at March 31, 2020	
	% of share	Amount in Rs.	% of share	Amount in Rs.
1) Rashtriya e Market Services Private Limited	50%	2,595	50%	2,646
Total investments carrying value		**2,595**		**2,646**

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, 2021	As at March 31, 2020
1) Rashtriya e Market Services Private Limited	Provide special electronic platform for auctioning of farmers produce.	Bangalore	50%	50%

5 Non-current Investments

Particulars	As at March 31, 2021		As at March 31, 2020	
	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 Warehousing Corporation Pvt. Ltd.*	989,000	0	989,000	0
Total	**989,000**	**0**	**989,000**	**0**

6 Other Non Current Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
a.) Security Deposits		
(i) Unsecured, considered good;	65	57
Non Current Bank Balances		
(a) Bank deposits with more than 12 months maturity		
- Held as Margin Money for Bank Gurantee	-	26
- Held as Security for Borowings	-	10
- Others	1,137	1,261
(b) Interest accrued on Fixed Deposits	26	33
Total	**1,228**	**1,387**

7 Deferred tax assets/(Liability) (net)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets/(Liability) (Net)	4	(65)
MAT Credit	-	191
Total	**4**	**126**

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets components		
Provision for doubtful debts	2	2
Ind AS 116- ROU and Lease Liability	13	11
Provision for Employees benefit	74	40
ESOP	21	20
Discounting of Deposits (As per IND AS)	3	5
Total Deferred Tax Assets components	**113**	**78**
Deferred Tax Liability components		
Depreciation and amortisation	109	143
Total Deferred Tax Liability components	**109**	**143**
Net Deferred Tax Assets / (Liability)	**4**	**(65)**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2021

(Rs in Lakhs)

8 Other Non-Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid Expenses	5	6
Total	**5**	**6**

9 Trade Recievables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables		
(a) Secured, considered good;	-	-
(b) Unsecured, considered good;		
- Due from Holding Company	-	0
- Others	148	380
Other receivables - credit impaired	6	7
Less : Allowance for expected credit los	(6)	(7)
Total	**148**	**380**

10 Cash & Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash & Cash Equivalents		
Cash on hands	-	2
Balance with banks		
In Current Accounts	2,284	2,625
Fixed deposit with maturity less than 3 months		
- Held as Margin Money for Bank Gurantee	32	55
- Others	2,795	2,301
Others		
Investments in mutual funds (Highly Liquid Funds)	4,010	-
Total	**9,121**	**4,983**

10.1

Particulars	No. of Units	As at March 31, 2021	No. of Units	As at March 31, 2020
Investments in Mutual Funds				
Investments in Mutual Funds at FVPL				
MF-Birla Liquid Fund - Growth	181,296	601	-	-
MF-HDFC Liquid Fund - Growth	12,382	501	-	-
MF-ICICI Liquid Plan - Growth	131,969	402	-	-
MF-ICICI Overnight Fund - Growth	270,846	301	-	-
MF-Tata Liquid Plan - Growth	18,522	602	-	-
MF-SBI Liquid fund - Growth	15,582	502	-	-
MF-Nippon Liquid Fund - Growth	11,945	601	-	-
MF-L&T Liquid Fund - Growth	7,113	200	-	-
MF-Axis Liquid Fund - Growth	13,133	300	-	-
Total	**662,787**	**4,010**	**-**	**-**

11 Other Bank Balances

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed deposit with maturity between 3 to 12 months		
- Held as Margin Money for Bank Gurantee	225	308
- Held as Security for Borowings	215	515
- Others	7,392	5,005
Total	**7,832**	**5,828**

12 Other Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
a.) Security Deposits		
(i) Unsecured, considered good;	20	16
b.) Other advances		
(i) Unsecured, considered good;		
(1) Loans and Advances to Employees	10	7
(2) Earnest Money Deposit	40	35
c.) Others		
(i) Unsecured, considered good;		
(1) Trade Money recievable from members	2	29
(2) Accrued Interest	334	290
(3) Accrued Income for Provisional Billing	591	419
Total	**997**	**796**

13 Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Other Current Assets		
Prepaid Expenses	70	81
GST	-	2
Total	**70**	**83**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2021

(Rs in Lakhs)

14 Share Capital

(A) Authorised Share Capital

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

Particulars	No of Shares	Amount
As at April 01, 2019	**38,000,000**	**3,800**
Increase during the period	-	-
As at March 31, 2020	**38,000,000**	**3,800**
Increase during the period	-	-
As at March 31, 2021	**38,000,000**	**3,800**

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

Particulars	No of Shares	Amount
As at April 01, 2019	**12,000,000**	**1,200**
Increase during the period	-	-
As at March 31, 2020	**12,000,000**	**1,200**
Increase during the period	-	-
As at March 31, 2021	**12,000,000**	**1,200**

(B) Issued , subscribed and paid up share

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

Particulars	No of shares	Equity Share Capital par value
As at April 01, 2019	**35,517,229**	**3,552**
Add: Shares issued during the period under ESOP	10,400	1
Less: Share bought back during the period	-	-
As at March 31, 2020	**35,527,629**	**3,553**
Add: Shares issued during the period under ESOP	12,000	1
Less: Share bought back during the period	-	-
As at March 31, 2021	**35,539,629**	**3,554**

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

Particulars	No of shares	Preference Share Capital par
As at April 01, 2019	-	-
Add: Shares issued during the period	-	-
As at March 31, 2020	-	-
Add: Shares issued during the period	-	-
As at March 31, 2021	-	-

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, 2021		As at March 31, 2020	
	Number	% of holding	Number	% of holding
National Commodity & Derivatives Exchange Ltd (Holding Company) along with its Nominees	35,499,400	99.89%	35,499,400	99.92%

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

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	Number	% of holding	Number	% of holding
Equity Shares of Rs 10 each fully paid				
National Commodity & Derivatives Exchange Ltd	35,499,400	99.89%	35,499,400	99.92%

14.4 The reconcilation of the number of shares outstanding as at 31st March, 2021 is set out below:

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

Particulars	Number of March 31, 2021	Number of March 31, 2020
Equity Shares of Rs 10 each fully paid		
Number of shares at the beginning	35,527,629	35,517,229
Add: Shares issued/Converted during the period	12,000	10,400
Number of shares at the enc	**35,539,629**	**35,527,629**

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 Cumulative Redemable Preference Shares into Equity.

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

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

NCDEX e Markets Limited

Notes to Consolidated Financial Statements as at March 31, 2021

(Rs in Lakhs)

15 Other equity

Particulars	Risk Management Fund	Retained Earnings	Share Premium	Settlement Guarantee Fund	Employees Stock Option Outstanding Account	Total
Balance at the end of the reporting period on April 1, 2019	**20**	**1,169**	**9**	**1**	**-**	**1,199**
Employees Stock Option impact	-	(51)	2	-	67	18
Adjustment on correction of error		7				7
Restated Balance at the begginnning of the period April 1, 2019	**20**	**1,125**	**11**	**1**	**67**	**1,224**
Addition in current period	-	1,289	6	-	8	1,303
Remeasure benefit of defined benefit plan	-	(36)	-	-		(36)
Utilised / Reversed during the period	(0)	-	-	-	(2)	(2)
Transfer to Risk Management Fund	-	-	-	-	-	-
Transfer to Settlement Guarantee Fund	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-
Transition Reserve IND AS 116	-	(43)	-	-	-	(43)
Balance at the end of the reporting period on March 31, 2020	**20**	**2,335**	**17**	**1**	**73**	**2,446**
Addition in current period	-	1,032	7	-	-	1,039
Remeasure benefit of defined benefit plan	-	(14)	-	-	-	(14)
Utilised / Reversed during the period	-	-	-	-	(1)	(1)
Transfer to Risk Management Fund	-	-	-	-	-	-
Transfer to Settlement Guarantee Fund	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-
Payment of Dividend (Transaction with owners in their capacity as owners)	-	(178)	-	-	-	(178)
Payment of Dividend - Others	-	(0)	-	-	-	(0)
Balance at the end of the reporting period on March 31, 2021	**20**	**3,175**	**24**	**1**	**72**	**3,292**

Notes:

(i) Risk Management Fund (Refer Note 36)

(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, actuarial gain and loss on defined benefit plan

(iii) 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.

(iv) Settlement Guarantee Fund (Refer Note 37)

(v) Employees Stock Option Outstanding Account (Refer Note 46)

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2021
(Rs in Lakhs)

16 Non-Current Deposits

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current Deposits		
Deposit from Members	13	13
Total	**13**	**13**

17 Non-Current Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Employee benefits obligation		
a) Provision for leave encashment	118	-
b) Provision for gratuity	124	77
Total	**242**	**77**

18 Deposits

Particulars	As at March 31, 2021	As at March 31, 2020
Current Deposits;		
(i) Deposit from Members	443	473
(ii) Deposit from clearing banks	1,700	1,700
(iii) Deposit from warehouse service provider	15	15
Total	**2,158**	**2,188**

19 Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables		
Micro, Small and Medium Enterprises (Refer Note no. 42)		
-Others	9	30
- Due to Holding Company	12	-
Trade Payables-Others	243	220
Total	**264**	**250**

20 Other liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Employee payables	11	11
Trade money from members	12,328	8,810
Total	**12,339**	**8,821**

21 Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
a) Revenue received in advance;		
b) Other advances;		
Advances/Deposit from customers	15	22
c) Statutory Liabilities	968	168
Total	**983**	**190**

22 Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Employee benefits obligation		
(i) Provision for Leave Encashment	12	8
(ii) Provision for Performance based incentives (PBI)	302	249
(iii) Provision for Gratuity	-	52
Total	**314**	**309**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2021

(Rs in lakhs)

23 Revenue from operations

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of services		
Transaction Charges	4,861	3,980
Annual Membership Fees	118	71
Admission/Registration Fees	95	129
Pledge Finance Charges	-	9
Other Operating Income		
Software Services	752	1,163
Business Support Services/Others	29	90
Total	**5,855**	**5,442**

24 Other Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Other non-operating income		
Interest Income		
Interest on Term Deposits with Banks	663	503
Interest on Income Tax Refund	11	29
Interest Income for financial liabilities recognised at amortised cost	1	1
Interest Income for financial assets recognised at amortised cost	5	4
Other Miscellenous		
Dividend Income	-	-
Profit on sale/Increase in Fair value of Mutual Fund Investment	40	141
Reversal of Provision for RDD	-	50
Profit on sale of Fixed Assets	-	1
Rent Income/Others	15	2
Total	**735**	**731**

25 Employee benefits expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, bonus and allowances	2,057	1,591
Contribution to Provident and other funds	150	118
Share based payments to Employees	-	8
Staff welfare expenses	55	112
Total	**2,262**	**1,829**

26 Finance Cost

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Cost (IND AS 116) Lease Rent **(Refer Note 31)**	34	44
Interest Expense on SD Discounting	1	2
Bank Interest	2	0
	-	-
Total	**37**	**46**

NCDEX e Markets Limited

Notes to Consolidated Financial Statements as at March 31, 2021

(Rs in lakhs)

27 Depreciation & Amortization

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation	108	129
Amortization	395	431
Amortization-Right to use Asset (Refer Note 31)	164	161
Total	**667**	**721**

28 Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Professional Fees	649	606
Software Maintainence Charges	1,182	1,221
Rent and Sharing Cost	44	89
Auditors' Remuneration*	5	7
Communication Expenses	26	30
Travelling and Conveyance Expenses	40	141
Advertisement & business promotion expenses	12	40
Electricity Charges	24	46
Trainings & Seminars	3	5
License Fees	60	79
Directors Sitting Fees	20	14
CSR Expense (Refer Note 39)	18	12
Donation	1	-
Security & Maintainence Charges	16	14
Provision for Doubtful Debts	6	7
Sundry Balances Written off (Net)	-	32
Impairment on Fixed Asset (Software)	5	-
Loss on sale / scrap of fixed assets (net)	1	-
GST / Service Tax Expense	14	50
Printing and stationery	8	14
Commission & Brokerage	-	2
Subscription Charges	12	1
Bank Charges	2	8
Office Expenses	19	22
Other Expenses	5	7
Total	**2,172**	**2,447**

*Auditor's Remuneration	For the year ended March 31, 2021	For the year ended March 31, 2020
Statutory Audit fees	3	3
Limited Review	2	3
Taxation Matter fees	-	1
Others	0	0
Total	**5**	**7**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2021

(Rs in lakhs)

29 Income Tax

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax (excluding OCI)	326	185
MAT Credit (Entitlement)/ Utilisation	186	145
Earlier period Tax Adjustment	21	-
Deferred Tax	(64)	(57)
Income tax effect OCI	(6)	(15)
Total	**463**	**258**

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, 2021	For the year ended March 31, 2020
Profit before income taxes	1,452	1,137
Enacted tax rates in India	29.12%	29.12%
Computed expected tax expense	423	331
Add : Tax impact due to Non-deductible expenses for tax purposes	287	276
Less: Tax effect due to non-taxable income and other adjustments	(227)	(298)
Less : Deferred Tax asset	(64)	(57)
Add : Income Tax for earlier periods Written off/ (Back)	21	-
Less : Income tax effect OCI	(6)	(15)
Add: Tax impact Dividend	29	20
Income tax expense	**463**	**258**

c. The following table provides the details of income tax assets and income tax liabilities as of March 31, 2021

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income tax assets	417	350
Income tax liabilities	512	186
Net current income tax assets/ (liability) at the end	**(95)**	**164**

d. The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2021

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net current income tax asset/ (liability) at the beginning	164	245
Income tax paid	290	367
Additional Refund Receivable/Received	(208)	(321)
Provision for income tax	(326)	(171)
Reversal Provision for Tax	(15)	44
Net current income tax asset/ (liability) at the end	**(95)**	**164**

30 Earnings Per Share (EPS)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit after Tax as per Statement of Profit and Loss **(A)**	1,032	1,289
Basic Weighted average number of Equity shares outstanding **(B)**	35,529,536	35,521,104
Basic Earning per share **(A)/(B)**	2.90	3.63
ESOPs outstanding	509,340	521,340
Weighted average number of Equity shares adjusted for the effect of dilution **(C)**	35,614,521	35,614,616
Diluted Earning per share **(A)/(C)**	2.90	3.62

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2021

(Rs in lakhs)

31 Leases

a Transition

On transition, the adoption of the new standard resulted in recognition of 'Right to use' asset of Rs. 472 lakhs and a lease liability of Rs. 515 lakhs . The cumulative effect of applying the standard of Rs. 43 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**
Lease Commitments as on 31 March 2019	592
Add/(less): contracts reassessed as lease contracts	(77)
Add/(less): adjustment on account of extension/termination	-
Lease liability as on 1 April 2019	**515**

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

Particulars	**Amount**
Increase in Lease Liability by	660
Increase in Right of use of assets by	636
Increase/(Decrease) in Deferred Tax Liability by	(11)
Increase/(Decrease) in Finance Cost by	44
Increase/(Decrease) in Depreciation by	161

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 26 and 27.
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, 2021.

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	20	0	20
Additions	612	4	616
Additions through business combinations	-	-	-
Deletions	(3)	0	(3)
Depreciation	159	2	161
Translation difference	-	-	-
Balance as of April 1, 2020	**470**	**2**	**472**
Reclassified on account of adoption of Ind AS 116	1	0	1
Additions	25	0	25
Additions through business combinations	-	-	-
Deletions	-	-	-
Depreciation	162	2	164
Translation difference	-	-	-
Balance as of March 31, 2021	**334**	**0**	**334**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements as at March 31, 2021

(Rs in lakhs)

f The following is the break-up of current and non-current lease liabilities as of March 31, 2021

Particulars	March 31, 2021	March 31, 2020
Non Current Lease liabilities	233	357
Current lease liabilities	146	154
Total	**379**	**511**

g The following is the movement in lease liabilities during the year ended March 31, 2021:

Particulars	Amount
Balance as at April 1, 2019	-
Reclassified on account of adoption of Ind AS 116	-
Additions	660
Additions through business combinations	-
Deletions	(3)
Finance cost accrued during the period	44
Payment of lease liabilities	190
Translation difference	-
Balance as of April 1, 2020	**511**
Reclassified on account of adoption of Ind AS 116	-
Additions	24
Additions through business combinations	-
Deletions	
Finance cost accrued during the period	34
Payment of lease liabilities	190
Translation difference	-
Balance as of March 31, 2021	**379**

h The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2021 on an undiscounted basis:

Particulars	Amount
Less than one year	170
One to five years	248
More than 5 years	-
Total	**418**

i Amount Recognised in Profit or Loss as of March 31, 2021

Particulars	Amount
Interest on lease liabilities	34
Depreciation on Right of Use of Asset	164
Expense relating to short term lease	8
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 Consolidated Financial Statements for the year ended March 31, 2021

32. 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 2020-21 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, 2021 and on the financial performance for the year ended March 31, 2021. 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.

33. Commitments and Contingent Liabilities

(a) Contingent Liabilities not provided for: On account of Bank Guarantee as at 31st March 2021 – ₹ 316 lakhs (As at 31st March 2020 – ₹ 185 lakhs)

(b) As at March 31, 2021 claims against the Jointly Controlled company not acknowledged as debts in respect of Service Tax Matters amounted to Rs. 1,314 lakhs (As at 31st March 2020 Rs. 1,314 lakhs) 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. NeML share will be 50% in case liability is crystallised.

(c) Capital Commitments: Nil (As at 31st March 2020- Nil)

34. Members holding membership (Trading & Clearing Membership) 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.

35. 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) 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.

36. 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. Company has not utilised any amount in FY 2020-2021 and in previous year ₹ 0.25 lakh was utilised from the fund. As considered by the Management of the Company the Contribution made is appropriate and sufficient to cover member defaults, if any.

37. The Company is required to maintain an amount of ₹ 1 lakh in Settlement Guarantee Fund (SGF) as the Company holds Spot Exchange registration under State Agricultural Produce Market Committee (APMC) Regulations to mitigate market risks. Under the Regulatory framework (APMC regulations) a spot exchange is required to maintain Settlement Guarantee Fund (SGF) to mitigate the risks attached with defaults in a trade. The Company holds APMC registrations in the states of Karnataka, Maharashtra, Gujarat, Rajasthan, Odisha, Telangana and Andhra Pradesh.

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, 2021 is as follows:

(₹ in lakhs)

Particulars	E-Market Service	E-Market Service	Software Service	Software Service	Total	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Revenue	5,103	4,279	752	1,163	5,855	5,442
(-) Segment Expense	3,318	2,754	667	916	3,985	3,671
Segment Result	**1,784**	**1,525**	**85**	**247**	**1,870**	**1,772**
(-) Unallocable expenses					499	687
(-) Depreciation and Amortisation expense	248	282	201	201	449	482
(-) Unallocable depreciation and amortisation expense					217	239
(+) Other Income					735	731
Profit Before Taxes					**1,439**	**1,095**
(+) Share of profit from Joint Venture					49	432
Profit Before Taxes					**1,488**	**1,526**
(-) Taxes					470	273
Profit for the year					**1,018**	**1,253**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

Particulars	E-Market Service	E-Market Service	Software Service	Software Service	Total	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Segment Assets	17,828	12,368	395	621	**18,223**	**12,989**
Unallocable Assets					5,410	5,369
Total Assets					**23,633**	**18,358**
Segment Liabilities	14,644	11,188	36	58	14,679	11,246
Unallocable Liabilities					2,108	1,113
Total Liabilities					**16,787**	**12,359**

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 spent by the Company on Corporate Social Responsibility (CSR) activities is ₹ 18 lakhs (Previous year ₹ 12 lakhs) the areas of CSR activities and contributions made thereto are as follows:

Particulars	Total amount paid for the year ended 31st March, 2021 (₹ in lakhs)
Amount spent as contribution to PM Care Fund Covid 19	18
Total	**18**

Particulars	Total amount paid for the year ended 31st March, 2020 (₹ in lakhs)
Amount spent as contribution to Ashima Foundation for promoted rural development interventions in India's poorest communities.	3
Amount spent as contribution to S M Sehgal Foundation for Jagruk Yuva Project.	9
Total	**12**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

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, figures 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 lakhs and a lease liability of Rs. 515 lakhs. The cumulative effect of applying the standard resulted in Rs. 43 lakhs being debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit for the year ended March, 2019 and earnings per share.

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. Mrugank Paranjape - Chief Executive Officer and Managing Director (from 05/11/2020) Mr. Shailesh Chitre (09/10/2020 to 04/11/2020) (Interim CEO) Mr. Rajesh Sinha - Chief Executive Officer and Managing Director (upto 30/09/2020) Mr. Nimesh Dedhia - Chief Financial Officer Ms. Archana Tripathi - Company Secretary
(e) Joint Venture	Rashtriya e Market Services Private Limited

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Notes to Consolidated Financial Statements for the year ended March 31, 2021

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 31,2021	Year ended March 31,2020
	(₹ in lakhs)	(₹ in lakhs)
(I) Transactions with National Commodity & Derivatives Exchange Ltd (NCDEX)		
Services Received	41	76
Services Rendered	14	2
Dividend Paid	177	-
(II) Transaction with other Related Parties		
(a) Services Rendered		
Rashtriya e Market Services Private Limited	237	352
(b) Services Rendered		
Power Exchange India Ltd	405	538
(c) Services Rendered		
National E Repository Limited	1	-
(d) Remuneration paid to KMP		
Mr. Rajesh Sinha	133	118
Mr. Mrugank Paranjape (*)	46	-
Mr. Nimesh Dedhia (*)	35	32
Ms. Archana Tripathi (*)	16	14
(e) Shares issued to KMP		
Mr. Rajesh Sinha	-	1
(f) Sitting Fees paid to Directors		
Mr. Arun Balakrishnan (Independent Director)	10	7
Mr. Sanjeev Asthana (Independent Director)	-	2
Mr. Srinath Srinavasan	-	0.40
Mr. Puneet Gupta (Independent Director)	10	4

(*) Remuneration paid to KMP does not include gratuity and leave encashment benefits recognised as per IND AS 19 -Employees Benefits as the same are provided based on Actuarial Valuation on overall company basis.

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Notes to Consolidated Financial Statements for the year ended March 31, 2021

(B) Closing Balance with Related Parties

Particulars	As at March 31,2021	As at March 31,2020
	(₹ in lakhs)	(₹ in lakhs)
(a) Trade Payables		
National Commodity & Derivatives Exchange Ltd	12	-
National E Repository Limited	(0.21)	-
(b) Trade Receivables		
National Commodity & Derivatives Exchange Ltd	-	0.20
(c) Investments by National Commodity & Derivatives Exchange Ltd (NCDEX)		
Equity Share Capital	3,550	3,550
(d) Investments by Mr Rajesh Sinha		
Equity Share Capital	-	2

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

(₹ in lakhs)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
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.	-	-
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.	-	-

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

Note: The above information and that given in Note No. 19 ' 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, 2021 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 has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

(₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's Contribution to Provident Fund	96	87

(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.

Actuarial assumptions	Gratuity (Unfunded)	
	As at March 31, 2021	As at March 31, 2020
Expected Rate of Return on plan assets	7.09%	6.84%
Discount rate (per annum)	7.09%	6.84%
Rate of increase in Compensation levels	8%	7.5%
Rate of Employee turnover	5%	5%
Mortality Rate during Employment	Indian Assured lives Mortality (2012-14)	Indian Assured lives mortality (2006-08)
Mortality Rate after Employment	N.A.	N.A.

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

Table showing changes in present value of obligations:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Present value of obligation as at the beginning of the year	199	140
Interest Cost	14	11
Current Service Cost	54	35
Liability transferred in / acquisitions	-	-
(Liability transferred out/ divestments)	-	(6)
Curtailment cost / (Credit)	-	-
Settlement cost /(Credit)	-	-
Benefits paid	(52)	(32)
Actuarial (gain)/ loss on obligations- Due to Change in Financial Assumptions	7	18
Actuarial (gain)/ loss on obligations- Due to Experience	10	33
Present value of obligation as at the end of the year.	**233**	**199**

Table showing changes in the fair value of plan assets:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Fair value of plan assets at beginning of the year	148	108
Interest Income	10	8
Assets transferred in / Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	(6)
Employer contribution	5	69
Benefits paid	(52)	(32)
Return on Plan Asset	(3)	1
Fair value of plan assets at year end	**108**	**148**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

Table showing actuarial gain /loss - plan assets:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Actual return of plan assets	7	9
Expected return on plan assets	10	8
Return on Plan Asset, Excluding Interest Income	**(3)**	**1**

The amounts to be recognized in Balance Sheet

Particulars	(₹ in lakhs)	
	As on March 31 2021	As on March 31 2020
Present value of obligation as at the end of the period	(233)	(199)
Fair value of plan assets as at the end of the period	108	148
Funded Status	(125)	(52)
Unrecognised actuarial (gains) / losses	-	-
Net asset / (liability) recognised in Balance Sheet	**(125)**	**(52)**

Expenses recognized in Statement of Profit and Loss:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	54	35
Past service cost (Vested Benefit)	-	-
Interest Cost	4	3
Expected return on plan assets	-	-
Curtailment and settlement cost /(credit)	-	-
Expenses recognised in the Statement of Profit and Loss	**58**	**37**

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

Expenses recognized in Other Comprehensive Income:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial (Gains)/Losses on Obligation for the Period	17	52
Return on Plan Assets, Excluding Interest Income	3	(1)
Net (Income)/Expense for the Period Recognized in OCI	**20**	**51**

Maturity profile of defined benefit obligation from the fund:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
1st Following year	7	7
2nd Following year	8	10
3rd Following year	9	9
4th Following year	11	10
5th Following year	16	11
Sum of Years 6 to 10	80	67
Sum of Years 11 and above	625	373

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, 2021	March 31, 2020
Investments with insurer	100%	100%

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Sensitivity Analysis: - **(₹ in lakhs)**

Sensitivity Analysis	March 31, 2021	March 31, 2020
Projected Benefit Obligation on Current Assumptions	233	199
Delta Effect of +1% Change in Rate of Discounting	(27)	(20)
Delta Effect of -1% Change in Rate of Discounting	28	23
Delta Effect of +1% Change in Rate of Salary Increase	28	23
Delta Effect of -1% Change in Rate of Salary Increase	(28)	(20)
Delta Effect of +1% Change in Rate of Employee Turnover	(5)	(2)
Delta Effect of -1% Change in Rate of Employee Turnover	6	2

Methodology, Assumptions and Limitation in respect of sensitivity analysis :-

Sensitivity analysis is carried out by Projected Unit Credit Method (PUCM) method by changing only the respective assumption and keeping all other assumption same as that used to estimate the liability. The impact given is the difference between the liability as on the date of valuation and the liability if the given assumption changes by the stated amount. The limitation of this method is that it considers the change in the respective assumption in isolation without affecting the other assumptions which in reality may not be the case. Nonetheless the methodology gives fair idea of the impact on the liability in case the given assumption changes.

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.

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(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.

(₹ in lakhs)

Particulars	Note No	Carrying Amount	More than 12 months	Less than 12 months	Payable on demand
As at March 31, 2021					
Deposits	16,18	2,171	13	15	2,143
Trade payables	19	264	-	264	-
Lease liabilities	31	379	233	146	-
Other financial liabilities	20	12,339	-	12,339	-
As at March 31, 2020					
Deposits	16,18	2,201	13	15	2,173
Trade payables	19	250	-	250	-
Lease liabilities	31	511	357	154	-
Other financial liabilities	20	8,821	-	8,821	-

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Notes to Consolidated Financial Statements for the year ended March 31, 2021

(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 2021 and 31st March 2020.

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 Committee.	Nil.

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

(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:

(₹ in lakhs)

Particulars	Levels	As at March 31, 2021	As at March 31, 2020
Financial Assets			
Financial assets at fair value through Amortized Cost			
I) Trade receivables		148	380
II) Cash and Cash equivalents		5,111	4,983
III) Other Bank balances		7,832	5,828
IV) Other receivables			
Current		997	795
Non -Current		1,228	1,387
V) Other Non-Current Financial Assets		-	-
TOTAL		**15,316**	**13,373**
Financial assets at fair value through Profit & Loss			
I) Cash and cash equivalents (Liquid Investments)	Level 1	4,010	0
II) Investments in Unquoted Equity Shares*	Level 3	0	0
		4,010	
Financial Liabilities			
Financial liabilities at Amortized Cost			
I) Deposits			
- From members		443	473
- From Clearing banks		1,700	1,700
-From Warehouse Service providers		15	15
II) Lease Liability		146	154
III) Trade payables		264	250
IV) Other liabilities		12,339	8,821
V) Non-Current Deposits		13	13
VI) Non-Current Lease Liability		233	357
TOTAL		**15,152**	**11,783**

*Fair value of these instruments is determined using market approaches

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.

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

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.

The table given below summarises the ESOP vested.

Granted	Vesting %	ESOP Vested
March-18	40%	277,978
March-19	30%	208,483
March-20	30%	208,483
		694,944

Vesting Dates	% of Vesting	ESOP Vested (less Lapsed)
28/Mar/2018	40%	250,356
28/Mar/2019	30%	162,924
28/Mar/2020	30%	135,689

The exercise price of ESOP vested Rs. 59.72 as per FMV report by an independent valuer.

The Vested Options can be exercised by the Option grantees only in connection with or upon happening of a Liquidity Event within such period as prescribed by the Board in this regard or within 5 years from date of grant of options. (Special Resolution dt 12th Nov 2021).

Employee Stock Option Activity under Scheme 2017

Particulars	As at 31st March 2021	As at 31st March 2020
No of ESOPs outstanding at the beginning of the	5,21340	4,02,880
Vested during the year	-	2,08,483
Lapsed during the year	-	72,794
Exercised during the year	12,000	17,229
Outstanding at the end of the year	5,09,340	5,21,340
Exercisable at the end of the year	5,09,340	5,21,340

Under the scheme 39,629 ESOPs have been exercised by employees and 145,975 have lapsed.

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

Summary of re-statement of PY financials FY 2019-2020 is mentioned in table given below:

Particulars	(₹ in lakhs)
Employee Stock Option (Other Equity)	73
Share Premium	3
Deferred Tax assets/credit	20
Net impact on Retained Earnings	57
Cost of Share based payments to Employees	8

The Black Scholes Valuation method is applied for valuation of ESOP by an independent valuer.

47. 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, 2021

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Current Assets	5,661	5,996
Non-current Assets	56	79
Current Liabilities	(483)	(739)
Non-current liabilities	(44)	(44)
Equity	5,190	5,292
Proportion of groups ownership	50%	50%
Carrying Amount of investment	**2,595**	**2,646 ***

*Rs 7 lakhs restated in FY 2019-2020 on account of error.

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

Summarised Statement of profit and loss for the year ended March 31, 2021

(₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from Operations	1,139	3,229
Other Income	249	288
Employee benefit expenses	169	192
Operating Expenses	353	1,753
Depreciation and amortization expenses	23	109
Other Expenses	608	262
Profit Before Tax	**235**	**1,201**
Tax Expense	137	308
Profit for the period	98	893
Other Comprehensive Income	0	1
Total comprehensive income for the period	**98**	**894**
Less - Dividend distribution Tax (DDT)	-	(29)
Total comprehensive income for the period after DDT	**98**	**865**
Groups Share of profit for the year	**49**	**432**

48. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

NCDEX e Markets Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

49. 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 7, 2021.

For and on behalf of
K. S. Aiyar & Co
Chartered Accountants
FRN:100186W

Sachin A. Negandhi
Partner
M. No. 112888

Place: Mumbai
Date: June 7, 2021

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

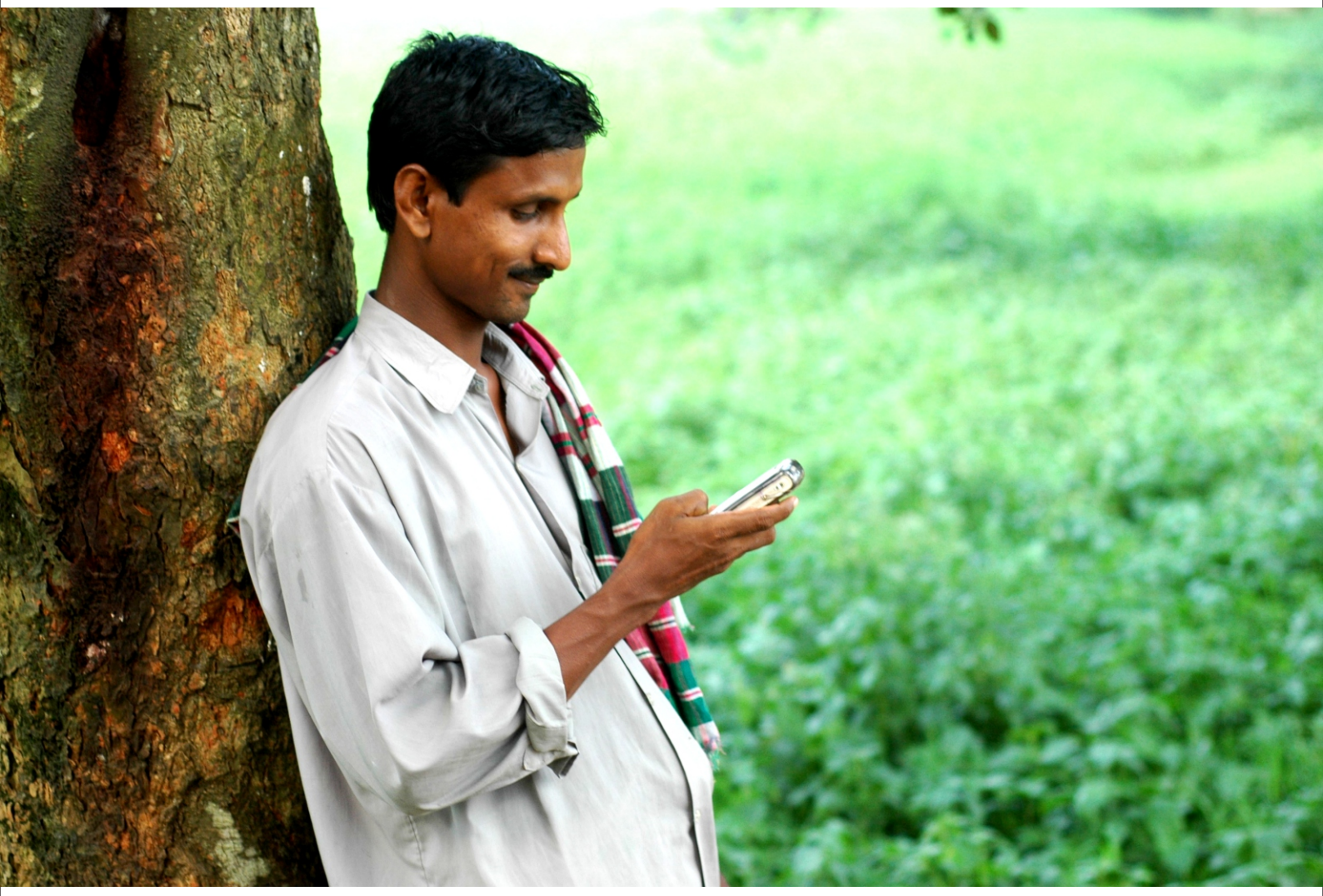
Mrugank Paranjape
Managing Director
DIN: 02162026

B. Venugopal
Director
DIN: 02638597

Nimesh Dedhia
Chief Financial Officer

Archana Tripathi
Company Secretary

Place: Mumbai
Date: June 7, 2021



NCDEX e Markets Limited

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