Notes forming part of the Standalone financial statements

1. Company Overview

Multi Commodity Exchange of India Limited (the "Company" or the "Exchange") is a deemed Stock Exchange recognised under the Securities Contracts (Regulation) Act, 1956. The Company is a demutualised Exchange and has permanent recognition from the Government of India to facilitate nationwide online trading operations of commodity derivatives. Pursuant to SEBI approval to the Company's wholly owned subsidiary, Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) to act as the clearing corporation, the clearing and settlement division of the company has been transferred to MCXCCL with effect from September 01, 2018.

The Company is a public limited company incorporated and domiciled in India and has its registered office at 'Exchange Square', Suren Road, Chakala, Andheri (East), Mumbai 400093, India. Its shares are listed on the BSE Limited. Further, in pursuance of Regulation 3.1.1 of the National Stock Exchange (Capital Market) Trading Regulations Part A and other relevant provisions, National Stock Exchange of India Limited (NSE) vide its Circular Ref No. 202/201 dated March 7, 2012 notified that with effect from March 09, 2012 the Company's equity shares were permitted to be traded and admitted to dealings on NSE.

2. Significant Accounting Policies, Key accounting estimates and Judgements

2.1. Basis of Preparation of Financial Statements

A. These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy as mentioned in note (b) below hitherto in use

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

B. Application of New Accounting pronouncement

Pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019, Ind AS 116 – "Leases" (Ind AS 116) supersedes Ind AS 17 – "Leases". The Company has adopted Ind AS 116 using the modified retrospective approach with effect from 1st April, 2019.

2.2 Significant Accounting Policies

A. Property, plant and equipment

Property, plant and equipment are stated at original cost, less accumulated depreciation and accumulated impairment losses, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management.

Depreciation methods, estimated useful lives and residual value:

Depreciation is calculated using the straight-line method to allocate their cost over their estimated useful lives as follows:

Asset Class	Useful Life
Buildings	60 years
Office equipment	5 years
Network equipment	3-6 years
Furniture and fixtures	10 years
Vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end.

Cost of assets not ready for intended use as on Balance Sheet date are disclosed under 'Capital work-in-progress'. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed under 'Other Non-Current Assets'.

B. Intangible assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. Expenditure on an intangible item is expensed when incurred unless it forms part of the cost of intangible asset that meets the recognition criteria. Intangible assets are stated at cost of acquisition and are carried at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. Amortization methods and useful lives are reviewed at each financial year end.

At each balance sheet date consideration is given to determine whether there is any indication of impairment of the carrying amounts of the company's intangible assets. If indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized in the Statement of Profit and Loss Account whenever the carrying amount of an asset exceeds its recoverable amount.

C. Impairment of non-financial assets

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired, if such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

D. Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks, cheque on hand, short-term deposits with a maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

E. Cash Flow Statement

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

F. Fair Value Measurement

The company measures financial instruments at fair value in accordance with accounting policies at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

G. Financial Instruments

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.

a) Financial Assets:

The company measures its financial assets at fair value at each balance sheet date. In this context, quoted investments are fair valued adopting the techniques defined in Level 1 of fair value hierarchy of Ind-AS 113 "Fair Value Measurement" and unquoted investments, where the observable input is not readily available, are fair valued adopting the techniques defined in Level 3 of fair value hierarchy of Ind-AS 113 and securing the valuation report from the certified valuer. However, trade receivables that do not contain a significant financing component are measured at transaction price.

The Company classifies a financial asset in accordance with the below criteria:

i. The Company's business model for managing the financial asset and

ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

i. Financial assets measured at amortized cost

ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

iii. Financial assets measured at fair value through profit or loss (FVTPL)

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

a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

A financial asset is measured at FVTOCI if both of the following conditions are met:

a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

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

However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss and fair value changes are recognized in Other Comprehensive Income (OCI).

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

De-recognition

Financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;
  - (a) The company has transferred substantially all the risks and rewards of the asset, or
  - (b) The company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

On De-recognition of a financial asset, (except for financial assets measured at FVTOCI) the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVTOCI)
- Financial assets measure at fair value through profit and loss (FVTPL)

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For recognition of impairment loss on other financial assets and risk exposure, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

b) Financial Liabilities

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument.

All non-current financial liabilities of the Company are measured at amortized cost using the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

H. Investment in Associate Company

Investment in associates are shown at cost. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

I. Revenue Recognition

Revenue is recognised on accrual basis and when no significant uncertainty as to measurement and realization exists.

a) Transaction Charges – Revenue is recognized on transactions in accordance with the Company's fees scales as and when the transaction occurs.

b) Admission Fees (non refundable) collected from new members for joining the Exchange are recognized once the membership is approved.

c) Subscription and other fees – Revenue is recognized on straight line basis over the period to which fee relates.

d) Dividend income is recognised when the Company's right to receive dividend is established.

e) Interest income accrued on time proportion basis. The amounts disclosed as revenue are net of taxes and amounts collected on behalf of third parties.

J. Foreign currency translation

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency. Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

K. Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

L. Employee Benefits Expenses

a) Post-employment benefits and other long term benefits

Payments to defined contribution schemes are recognized as an expense when employees have rendered the service entitling them to the contribution. The cost of providing benefits under the defined benefit scheme is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The company recognizes re-measurement gains and losses arising on defined benefit gratuity plans in Other Comprehensive Income (OCI) as they will never be reclassified into profit or loss, they are immediately recorded in retained earnings.

b) Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period when the employee renders those services. These benefits include compensated absences such as leave expected to be availed within a year and performance incentives.

c) Stock based compensation

The company recognizes compensation expense relating to share-based payment in net profit using fair value in accordance with Ind AS 102 "Share-Based Payment". The company recognizes the same in ESOP Compensation Reserve

M. Taxes on Income (Current and Deferred)

Income tax expense comprises both current and deferred tax. Current income tax for taxable profit before tax as reported in the Statement of Profit and Loss for the periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized in other comprehensive income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carrying forward of unused tax credits and unused tax losses can be utilized. Deferred tax relating to items recognized outside the statement of profit and loss are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to share premium.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

N. Ind AS 116 "Leases"

a) As a lessee

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset.

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to the lease contract existing on April 1, 2019 using the modified retrospective approach. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The standard permits a choice on initial adoption, on a lease-by-lease basis, to measure the right-of-use (ROU) asset at either its carrying amount as if Ind AS 116 had been applied since the commencement of the lease, or an amount equal to the lease liability adjusted for accruals or prepayments. The Company has elected to measure the right-of-use asset equal to the lease liability, with the result of no net impact on retained earnings and no restatement of prior period comparatives.

The company recognizes a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost which comprise the initial amount of lease liability adjusted for any lease payments made before the commencement date. The right of use asset is subsequently depreciated using the straight-line method of the balance lease term. In addition, the right of use asset is periodically reduced by impairment loss, if any and adjusted for certain Remeasurements of lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the amounts expected to be payable over the period of lease. The lease liability is measured at amortized cost using effective interest rate method. It is remeasured when there is a change in future lease payments arising from change in the index or rate

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments (including interest) have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-to-use assets and lease liabilities for short term lease that have a lease term of 12 months or less and leases of low-value assets. The Company recognize the lease payments associated with these leases as an expenses on a straight-line basis over the lease term.

b) Lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term. Contingent rents are recognised as revenue in the period in which they are earned.

The accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116.

O. Provisions, Contingent liabilities, Contingent assets and Commitments

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events, when the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the company recognizes impairment on the assets with the contract.

P. Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

Q. Earnings per share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

R. Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to it, and that the grant will be received. Government grants are recognised in the Statement of Profit or Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Profit or Loss over the expected useful lives of the assets concerned.

S. Rounding of amounts

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

T. Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

2.3. Key accounting estimates and Judgments

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

Critical accounting estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

PROVISIONS

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

GLOBAL HEALTH PANDEMIC ON COVID-19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. COVID-19 is significantly impacting business operation of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lockdown of production facilities etc.

In assessing the recoverability of Company's assets such as Investments, Loans, intangible assets, Trade receivable etc. the Company has considered internal and external information. The Company has performed sensitivity analysis on the assumptions used basis the internal and external information/indicators of future economic conditions, the Company expects to recover the carrying amount of the assets.

2.4. New and amended standards effective from 1st April 2019 adopted by the Company

Amendment to Ind AS 12 – Income taxes

The amendment relating to income tax consequences of dividend clarify that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The adoption of the standard did not have any impact to the financial statements. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend in accordance with Ind AS 12.

Ind AS 12 – Income Taxes – Appendix C, Uncertainty over Income Tax Treatments:-

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amunt or the expected value of the tax treatment when determining taxable profit/loss, tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition – i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The standard became effective from April 01, 2019. The Company has adopted the standard on April 01, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 01, 2019 if any without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C is insignificant in the standalone financial statements.

Amendment to Ind AS 19 – Employee benefit – plan amendment, curtailment or settlement

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The adoption of the standard did not have any material impact to the financial statements.

2.5. Recent Accounting Pronouncements

Standards are issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020

2A. PROPERTY, PLANT AND EQUIPMENT

₹ In Lakh

Particulars	Land-Freehold	Buildings	Office Equipments (Including Computer Hardware)	Networking Equipment	Furniture and fixtures	Vehicles	Total
Gross carrying amount							
Balance as at April 01, 2018	**5,061**	**6,268**	**5,318**	**46**	**567**	**205**	**17,465**
Additions	–	–	678	–	3	–	681
Disposals	–	–	10	1	–	88	99
Balance as at March 31, 2019	**5,061**	**6,268**	**5,987**	**44**	**570**	**117**	**18,047**
Additions	–	–	1,115	–	2	44	1,161
Disposals	–	–	1	(11)	–	76	66
Balance as at March 31, 2020	**5,061**	**6,268**	**7,101**	**33**	**572**	**85**	**19,120**
Accumulated Depreciation							
Balance as at April 01, 2018	**–**	**310**	**2,163**	**36**	**225**	**63**	**2,797**
Additions	–	115	968	5	58	26	1,171
Disposals	–	–	10	1	–	35	46
Balance as at March 31, 2019	**–**	**425**	**3,121**	**40**	**283**	**54**	**3,922**
Additions	–	115	962	2	38	21	1,138
Disposals	–	–	1	11	–	46	58
Balance as at March 31, 2020	**–**	**540**	**4,082**	**31**	**321**	**29**	**5,003**
Net carrying amount							
Balance as at March 31, 2019	**5,061**	**5,843**	**2,866**	**5**	**287**	**63**	**14,125**
Balance as at March 31, 2020	**5,061**	**5,728**	**3,019**	**2**	**251**	**56**	**14,117**

2B. CAPITAL WORK IN PROGRESS

Balance as at March 31, 2019	**–**	**–**	**3**	**–**	**–**	**–**	**3**
Balance as at March 31, 2020	**–**	**–**	**47**	**–**	**–**	**–**	**47**

2C. RIGHT OF USE ASSET

Particulars	Lease of office premises	Total
Recognition on Initial application of Ind AS 116 as at April 01, 2019 (refer note 37)	**99**	**99**
Addition on account of adoption of Ind AS 116 (refer note 37)	174	174
Disposals	–	–
Balance as at March 31, 2020	**273**	**273**
Accumulated Depreciation		
Balance as at April 01, 2019	**–**	**–**

Particulars	Lease of office premises	Total
Additions(Refer Note 37)	53	53
Disposals	–	–
Balance as at March 31, 2020	**53**	**53**
Net carrying amount		
Balance as at March 31, 2020	**220**	**220**

3A INTANGIBLE ASSETS

₹ In Lakh

Particulars	Computer Software	Trademark and Copyright	Total
Gross carrying amount			
Balance as at April 01, 2018	**4,092**	**–**	**4,092**
Additions	1,046	–	1,046
Disposals	95	–	95
Balance as at March 31, 2019	**5,043**	**–**	**5,043**
Additions	440	–	440
Disposals		–	–
Balance as at March 31, 2020	**5,483**	**–**	**5,483**
Accumulated Depreciation			
Balance as at April 01, 2018	**3,137**	**–**	**3,137**
Additions	357	–	357
Disposals	12	–	12
Balance as at March 31, 2019	**3,482**	**–**	**3,482**
Additions	592		592
Disposals			–
Balance as at March 31, 2020	**4,074**	**–**	**4,074**
Net carrying amount			
Balance as at March 31, 2019	**1,561**	**–**	**1,561**
Balance as at March 31, 2020	**1,410**	**–**	**1,410**

3B. INTANGIBLE ASSETS UNDER DEVELOPMENT

Balance as at March 31, 2019	**1,892**	**–**	**1,892**
Balance as at March 31, 2020 (refer note 51)	**2,263**	**–**	**2,263**

4. NON CURRENT INVESTMENTS

Particulars	Face Value	As at March 31, 2020		As at March 31, 2019	
	Per Share	No. of Shares	₹ In Lakh	No. of Shares	₹ In Lakh
A Investments in equity instruments: (unquoted fully paid up):					
(i) **of Subsidiary - FVTOCI**					
Multi Commodity Exchange Clearing Corporation Limited	₹ 10	**239,985,000**	**23,999**	**239,985,000**	**23,999**
(ii) **of Associate - Cost**					
CDSL Commodity Repository Limited	₹ 10	**12,000,000**	**1,200**	**12,000,000**	**1,200**
			25,199		**25,199**

Notes forming part of the Standalone financial statements *(Contd...)*

	Particulars	Face Value	As at March 31, 2020		As at March 31, 2019	
		Per Unit	Units	₹ In Lakh	Units	₹ In Lakh
B	**Investment in Mutual Funds - FVTPL (listed but not quoted)**					
	Aditya Birla Sun Life Fixed Term Plan - Series RA	₹ 10	5,000,000	578	5,000,000	530
	Aditya Birla Sun Life Fixed Term Plan - Series RC	₹ 10	8,000,000	933	8,000,000	852
	Aditya Birla Sunlife FMP Series OG 1146 days - Direct Growth	₹ 10	–	–	6,000,000	693
	Aditya Birla Sunlife FMP Series OI- Direct Growth	₹ 10	–	–	5,000,000	579
	Aditya Birla Sun Life Fixed Term Plan Series PU Direct Growth	₹ 10	5,000,000	601	5,000,000	547
	DSP FMP Series 204 37M - Direct Growth	₹ 10	–	–	10,000,000	1,153
	HDFC Fixed Maturity Plan Oct 2018 (43) 1 Direct Growth	₹ 10	7,000,000	819	7,000,000	745
	HDFC Fixed Maturity Plan Sept 2018 (42) -1-1115 Direct Growth	₹ 10	5,000,000	584	5,000,000	534
	HDFC Fixed Maturity Plan Sept 2018 (42) -1-1381 Direct Growth	₹ 10	8,000,000	947	8,000,000	859
	ICICI Pru FMP Series 80 Growth Plan G - Direct Growth	₹ 10	–	–	10,000,000	1,156
	ICICI Pru FMP Series 80 plan J -Direct Growth	₹ 10	–	–	10,000,000	1,160
	ICICI Pru FMP Series 84 1293 days -Direct Growth	₹ 10	10,000,000	1,179	10,000,000	1,072
	Invesco India Fixed Maturity Plan Series XXXII Direct Growth	₹ 10	5,000,000	587	5,000,000	538
	Kotak FMP Series 200 - 1158 days - Direct Growth	₹ 10	–	–	10,000,000	1,155
	Kotak FMP Series 245 - 1140 days - Direct Growth	₹ 10	8,000,000	928	8,000,000	848
	Kotak FMP Series 247 - 1308 days - Direct Growth	₹ 10	10,000,000	1,177	10,000,000	1,071
	Nippon India FHF XXXIII Series 1 FMP - Direct Growth	₹ 10	–	–	6,000,000	697
	Nippon India FHF XXXIII Series 4 FMP - Direct Growth	₹ 10	–	–	5,000,000	579
	Nippon India FHF 38 Series 6 FMP - Direct Growth	₹ 10	5,000,000	575	5,000,000	533
	Nippon India FHF 39 Series 4 FMP - Direct Growth	₹ 10	7,000,000	829	7,000,000	753
	Nippon India FHF 39 Series 6 FMP - Direct Growth	₹ 10	8,000,000	944	8,000,000	858
	Nippon India FHF 39 Series 9 FMP - Direct Growth	₹ 10	8,000,000	936	8,000,000	851
	SBI Magnum DFS C - 26 -1125 Days Direct Growth	₹ 10	10,000,000	1,164	10,000,000	1,064
	UTI Fixed Term Income Fund Series XXX Plan 5	₹ 10	8,000,000	934	8,000,000	854
	UTI FFTIF Series XXVI - VI - Direct Growth	₹ 10	–	–	5,000,000	577
				13,715		**20,258**
C.	**Investment in Tax Fee Bonds - FVTPL (quoted)**					
	7.19% Indian Railway Finance Corporation Ltd. Tax free bonds (Maturity Date 31 July 2025)	₹ 1,000,000	400	4,259	400	4,161
	7.11% National High Authority of India Tax free bonds (Maturity Date 18 September 2025)	₹ 1,000,000	500	5,313	500	5,182
	7.07% Housing and Urban Development Corporation Ltd.Tax free bonds (Maturity Date 01 October 2025)	₹ 1,000,000	440	4,663	440	4,543
	7.11% NTPC Ltd.Tax free bonds (Maturity Date 05 October 2025)	₹ 1,000	62,457	664	62,457	648
	7.11% Power Housing Finance Corporation Ltd.Tax free bonds (Maturity Date 17 October 2025)	₹ 1,000	25,670	273	25,670	266

Notes forming part of the Standalone financial statements *(Contd...)*

Particulars	Face Value	As at March 31, 2020		As at March 31, 2019	
	Per Unit	Units	₹ In Lakh	Units	₹ In Lakh
7.35% National High Authority of India Tax free bonds (Maturity Date 11 January 2031)	₹ 1,000	108,849	1,226	108,849	1,172
7.49% Indain Renewable Energy Development Agency Ltd. Tax free bonds (Maturity Date 21 January 2031)	₹ 1,000	136,241	1,544	136,241	1,483
7.39% Housing and Urban Development Corporation Ltd.Tax free bonds (Maturity Date 15 March 2031)	₹ 1,000	130,244	1,471	130,244	1,406
7.35% Indian Railway Finance Corporation Ltd. Tax free bonds (Maturity Date 22 March 2031)	₹ 1,000	150,000	1,691	150,000	1,616
7.35% National Bank For Agriculture And Rural Development Tax free bonds (Maturity Date 23 March 2031)	₹ 1,000	495,649	5,597	495,649	5,342
7.38% India Infrastructure Finance Company Ltd. Tax free bonds (Maturity Date 15 Nov 2027)	₹ 1,000,000	50	548	50	531
8.20% Housing And Urban Development Corporation Ltd. Tax free bonds (Maturity Date 05 March 2027)	₹ 1,000	50,000	567	50,000	555
			27,817		**26,905**
D. Investment in PSU Bank Bonds - Amortised cost (quoted)					
Bank of Baroda 9.14% (Perpetual Series VII Basel III Tier I) C 22-Mar-2022	₹ 1,000,000	50	500	–	–
Bank of Baroda 08.60% (Perpetual Basel III Tier I ATI Series VIII) C 01-Aug-2022	₹ 1,000,000	150	1,502	–	–
State Bank Of India Perp AT 1 8.75% (Series 1) 30-Aug-24 (CALL)	₹ 1,000,000	150	1,515	–	–
Bank of Baroda 08.70% (Perpetual Basel III Tier I ATI Series X) C 28-Nov-2024	₹ 1,000,000	450	4,508	–	–
SBI 08.50% Series II Perpetual AT1 Bonds Basel- III 22-Nov-2024 (Call)	₹ 1,000,000	550	5,583	–	–
			13,608		**–**
E. Investment in ETF Bonds - FVTPL (quoted)					
BHARAT Bond FOF - April 2023 - Dir - Growth	₹ 1,000	300,000	3,060	–	–
			3,060		**–**
Total			**83,399**		**72,362**
Aggregate amount of listed and quoted investments at fair value			44,485		26,905
Aggregate amount of listed and quoted investments at cost			42,958		26,345
Aggregate amount of listed but not quoted investments at fair value			13,715		20,258
Aggregate amount of listed but not quoted investments at cost			11,700		18,400
Aggregate amount of unquoted investments at fair value			25,199		25,199
Aggregate amount of unquoted investments at cost			25,199		25,199

₹ In Lakh

	Particulars		As at March 31, 2020	As at March 31, 2019
5.	**OTHER NON-CURRENT FINANCIAL ASSETS**			
	Security deposits		1,067	1,096
	Bank deposits with more than 12 months maturity (Refer note 11)		94	–
	Interest accrued but not due on fixed deposits		4	–
		Total	**1,165**	**1,096**
6.	**INCOME TAX ASSETS (NET)**			
	Advance income tax [net of provisions ₹ 76,525 lakh (as at March 31, 2019 ₹ 73,867 lakh)		4,685	5,149
		Total	**4,685**	**5,149**
7.	**OTHER NON-CURRENT ASSETS**			
	Capital advances		–	18
	Advances other than capital advances			
	Advances for supply of services		725	488
	Others			
	Prepaid expenses		135	59
		Total	**860**	**565**

8. CURRENT INVESTMENTS

	Particulars	Face Value	As at March 31, 2020		As at March 31, 2019	
		Per Share	No. of Shares	₹ In Lakh	No. of Shares	₹ In Lakh
A	**Investments in equity instruments: (Unquoted fully paid-up)**					
	of other Entities - FVTOCI	₹ 10	**2,758,941**	**239**	**6,500,000**	**528**
	Metropolitan Clearing corporation of India Limited (formerly Known as MCX SX Clearing Corporation Limited)					
	Metropolitan Stock Exchange of India Limited (Formerly Known as MCX Stock Exchange Limited)	₹ 1	**331,777,008**	**1,692**	**331,777,008**	**1,957**
				1,931		**2,485**

	Particulars	Face Value	As at March 31, 2020		As at March 31, 2019	
		Per Unit	Units	₹ In Lakh	Units	₹ In Lakh
B	**Investment in Mutual Funds - FVTPL Listed but not quoted**					
	Aditya Birla Sunlife FMP Series OG 1146 days - Direct Growth	₹ 10	60,00,000	744	-	-
	Aditya Birla Sunlife FMP Series OI- Direct Growth	₹ 10	50,00,000	622	-	-
	DSP FMP Series 204 37M - Direct Growth	₹ 10	1,00,00,000	1,239	-	-
	ICICI Pru FMP Series 80 Growth Plan G - Direct Growth	₹ 10	1,00,00,000	1,240	-	-
	ICICI Pru FMP Series 80 plan J -Direct Growth	₹ 10	1,00,00,000	1,248	-	-
	Kotak FMP Series 200 - 1158 days - Direct Growth	₹ 10	1,00,00,000	1,242	-	-
	Nippon India FHF XXXIII Series 1 FMP - Direct Growth	₹ 10	60,00,000	752	-	-
	Nippon India FHF XXXIII Series 4 FMP - Direct Growth	₹ 10	50,00,000	626	-	-
	UTI FFTIF Series XXVI - VI - Direct Growth	₹ 10	50,00,000	621	-	-
	SBI Debt Fund Series - B - 29 (1200 days) - Direct Growth	₹ 10	-	-	50,00,000	644

Notes forming part of the Standalone financial statements *(Contd...)*

Particulars	Face Value	As at March 31, 2020		As at March 31, 2019	
	Per Unit	Units	₹ In Lakh	Units	₹ In Lakh
Unquoted					
Aditya Birla Sunlife Cash Plus Direct Growth	₹ 100	-	-	5,78,619	1,738
Aditya Birla Sun Life Liquid Fund - Direct - Growth*	₹ 100	19,468	62	-	-
Axis Short Term Fund Direct Growth	₹ 10	52,36,370	1,224	52,36,370	1,111
Axis Liquid Fund Direct Growth	₹ 1,000	54,665	1,205	-	-
Axis Liquid Fund Direct Growth*	₹ 1,000	2,297	51	-	-
Axis Banking & PSU Debt Fund Direct Growth	₹ 1,000	60,260	1,170	60,260	1,066
DSP Liquidity Fund Direct Growth	₹ 1,000	12,077	343	-	-
DSP Overnight Fund Direct Growth	₹ 1,000	1,40,415	1,501	-	-
DSP Short Term Fund - Direct - Growth	₹ 10	51,09,777	1,836	51,09,777	1,680
HDFC Corporate Bond Fund Direct Growth	₹ 10	-	-	59,65,110	1,249
HDFC Low Duration Fund Direct Growth	₹ 10	33,57,861	1,484	33,57,861	1,372
HDFC Medium Term Debt Fund Direct Growth	₹ 10	-	-	57,79,286	2,207
HDFC Short Term Debt Fund Direct Growth	₹ 10	50,21,996	1,149	50,21,996	1,046
ICICI Prudential Bond Fund Direct Growth	₹ 10	2,59,86,965	7,666	2,59,86,965	6,866
ICICI Prudential Short Term Direct Growth	₹ 10	26,15,792	1,161	26,15,792	1,055
ICICI Prudential Money Market Fund Direct Growth	₹ 100	-	-	1,54,695	402
ICICI Pru Banking & PSU Debt Fund Direct Growth	₹ 1,000	51,95,885	1,228	51,95,885	1,120
IDFC Corporate Bond Fund Direct Growth	₹ 10	5,44,90,469	7,608	5,44,90,469	7,008
Invesco India Short Term Fund - Direct - Growth	₹ 1,000	21,334	600	21,334	546
Kotak Bond Short Term Plan - Direct - Growth	₹ 10	90,82,190	3,643	90,82,190	3,313
Kotak Banking and PSU Debt Fund - Direct - Growth	₹ 10	39,27,851	1,871	39,27,851	1,688
Kotak Corporate Bond Fund - Direct - Growth	₹ 1,000	89,285	2,465	89,285	2,256
Kotak Dynamic Bond Fund Direct Growth	₹ 10	90,80,288	2,551	90,80,288	2,289
L&T Liquid Fund Direct Growth	₹ 1,000	1,16,288	3,165	-	-
L&T Triple Ace Bond Fund - Direct - Growth	₹ 10	23,22,638	1,284	23,22,638	1,125
LIC MF Bond Fund Direct Growth	₹ 10	-	-	65,62,527	3,310
Nippon India Banking & PSU Debt Fund Direct Growth	₹ 10	1,40,55,549	2,120	1,74,68,775	2,376
Nippon India Floating Rate Fund Direct Growth	₹ 10	-	-	37,91,410	1,142
Nippon India Prime Debt Fund Direct Growth	₹ 10	-	-	13,05,268	524
Nippon India Liquid Fund Direct Growth	₹ 1,000	-	-	14,263	651
Nippon India Overnight Fund Direct Growth	₹ 100	7,37,586	791	-	-
Tata Liquid Fund Direct Growth	₹ 1,000	59,338	1,858	-	-
UTI Ultra Short Term Fund Direct Dr	₹ 1,000	-	-	34,065	1,069
UTI Short Term Income Fund Direct Growth	₹ 10	-	-	23,45,601	544
UTI-Liquid Cash Plan -Direct- Growth	₹ 1,000	-	-	31,309	957
UTI-Liquid Cash Plan -Direct- Growth *	₹ 1,000	11,405	371	-	-
			56,741		**50,354**
Total			**58,672**		**52,839**

* Earmarked towards the Investor Service Fund - aggregrate value ₹ 484 lakh (as at 31 March 2019 : ₹ NIL)

	As at March 31, 2020	As at March 31, 2019
Aggregate amount of listed but not quoted investments at fair value	8,334	644
Aggregate amount of listed but not quoted investments at cost	6,700	500
Aggregate amount of not listed not quoted investments at fair value	48,407	49,710
Aggregate amount of not listed not quoted investments at cost	40,462	44,521
Aggregate amount of unquoted investments at fair value	1,931	2,485
Aggregate amount of unquoted investments at cost	6,713	7,087

₹ In Lakh

	Particulars	As at March 31, 2020	As at March 31, 2019
9.	**TRADE RECEIVABLES**		
	Secured, considered good *	87	304
	Unsecured, considered good	606	604
	Doubtful	186	208
		879	1,116
	Less: Provision for doubtful trade receivables	(186)	(208)
	Total	**693**	**908**
	* secured by bank guarantees / fixed deposit receipts from members.		
10.	**CASH AND CASH EQUIVALENTS**		
	Balances with banks		
	– in current accounts	383	473
	– in current accounts (earmarked)*	1	–
	Total	**384**	**473**
	* The above mentioned cash and bank balances are restricted cash and bank balances which are to be used for specified purposes. All other cash and bank balances are available for the operating activities.		
11.	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**		
	Bank deposits	1,274	3,152
	Less :Bank deposits with more than 12 months maturity	(94)	–
	Bank deposits with less than 12 months maturity	1,180	3,152
	In earmarked accounts		
	– unpaid dividend accounts	64	65
	Total	**1,244**	**3,217**
12.	**LOANS**		
	Loans and advances to employees	20	21
	Total	**20**	**21**
13.	**OTHER CURRENT FINANCIAL ASSETS**		
	Security deposits	–	300
	Secured, considered good		
	Unbilled revenue*	3,241	2,581
	Unsecured, considered good		
	Other Receivables	714	500
	Interest accrued but not due on fixed deposits	57	475
	Interest accrued but not due on Tax free Bonds	1,487	1,016
	Total	**5,499**	**4,872**
	* secured by bank guarantees / fixed deposit receipts from members.		
14.	**OTHER CURRENT ASSETS**		
	a) Unsecured, considered good (unless stated otherwise)		
	Prepaid expenses	437	1,360
	Balance with government authorities	132	815
	Advances for supply of services other than capital advances	448	738
	Other advances	23	21
		1,040	2,934

₹ In Lakh

	Particulars	As at March 31, 2020	As at March 31, 2019
b)	**Unsecured, considered doubtful**		
	Other advances	–	–
	Other recoverable	282	282
	Less : Provision	(282)	(282)
	Total	**1,040**	**2,934**

15. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ In Lakh	No. of shares	₹ In Lakh
Authorized				
Equity shares of ₹ 10/- each	70,000,000	7,000	70,000,000	7,000
Issued				
Equity shares of ₹ 10/- each	50,998,369	5,100	50,998,369	5,100
Subscribed and Paid-Up				
Equity shares of ₹ 10/- each	50,998,369	5,100	50,998,369	5,100
	50,998,369	**5,100**	**50,998,369**	**5,100**

a. Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting year :

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ In Lakh	No. of shares	₹ In Lakh
Opening Balance at the beginning of the year	50,998,369	5,100	50,998,369	5,100
Add: Shares issued during the year	–	–	–	–
Closing balance at the end of the year	**50,998,369**	**5,100**	**50,998,369**	**5,100**

b. Rights, preferences and restrictions attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing annual general meeting, except in the case of interim dividend. 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 in the proportion of equity shares held.

c. Details of shares held by each shareholder holding more than 5% Shares:

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	% of holding	Number of Shares	% of holding
Kotak Mahindra Bank Limited	7,649,755	15%	7,649,755	15%

d. For particulars of options granted under Employee Stock Option Schemes, refer note no.41 on ESOP.

16. OTHER EQUITY

₹ In Lakh

Particulars	Other Equity					Total other equity
	Reserves and Surplus				Other Comprehensive Income	
	Securities Premium	Retained Earnings	ESOP Compensation Reserve	General Reserve		
Balance as at April 01,2018	**21,684**	**97,104**	**456**	**16,449**	**(3,166)**	**132,527**
Profit for the year	–	13,650	–	–	–	13,650
Dividend	–	(8,670)	–	–	–	(8,670)
Dividend distribution tax	–	(1,782)	–	–	–	(1,782)
Transfer from/(to) Settlement Guarantee Fund	–	5,634	–	–	–	5,634
Equity instruments through other comprehensive income	–	–	–	–	(183)	(183)
Reclassified to retained earning from ESOP Reserve	–	314	(314)	–	–	–
Reclassified to retained earning on disposal	–	98	–	–	(98)	–
ESOP Compensation Reserve	–	–	10	–	–	10
Re-measurement of employee benefits obligation and others	–	–	–	–	(3)	(3)
Balance as at March 31, 2019	**21,684**	**106,347**	**152**	**16,449**	**(3,450)**	**141,185**
Profit for the year	–	20,852	–	–	–	20,852
Dividend	–	(10,200)	–	–	–	(10,200)
Dividend distribution tax	–	(2,097)	–	–	–	(2,097)
Transfer from/(to) Settlement Guarantee Fund	–	–	–	–	–	–
Equity instruments through other comprehensive income	–	–	–	–	(146)	(146)
Reclassified to retained earning from ESOP Reserve(refer note 41)	–	152	(152)	–	–	–
Reclassified to retained earning on disposal	–	–	–	–	–	–
ESOP Compensation Reserve	–	–	–	–	–	–
Re-measurement of employee benefits obligation and others	–	–	–	–	(41)	(41)
Balance as at March 31, 2020	**21,684**	**115,055**	**–**	**16,449**	**(3,637)**	**149,552**

Note:

i) Equity instruments through other comprehensive income - This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

ii) ESOP Compensation Reserve - Refer Note 41

₹ In Lakh

	Particulars	As at March 31, 2020	As at March 31, 2019
17.	**SETTLEMENT GUARANTEE FUND (SGF)**		
	Opening balance (cash component)	–	18,060
	Add/(Less): Base minimum capital (BMC)	–	154
	Add: Settlement related penalties (Net of Tax)	–	5
	Add : Appropriation of dues of defaulting members	–	–
	Add: Income from earmarked investments (Net of Tax)	–	120
	On transfer of Clearing and settlement activity to MCXCCL:		
	Less : Transfer of Base Minimum Capital to other Non Current Financial Liabilities	–	(3,541)
	Less : Transferred to MCXCCL SGF	–	(9,164)
	Less :Balance transfer to retained earnings	–	(5,634)
	Total	**–**	**–**
18.	**OTHER NON CURRENT FINANCIAL LIABILITIES**		
	Trade / Security deposits from		
	– Members*	4,442	4,005
	Employee benefits payable	613	–
	Lease Liability	153	–
	Total	**5,208**	**4,005**

*includes Base Minimum Capital from members ; in addition to the cash component of Base Minimum Capital, the amount of bank guarantees/fixed deposits receipts (Non cash component) forming part of base minimum capital as on March 31, 2020 ₹ 6,127 lakhs on March 31, 2019 is ₹ 5,739 lakh

	Particulars	As at March 31, 2020	As at March 31, 2019
19.	**NON CURRENT PROVISIONS**		
	Provision for Compensated absences (Refer note 40)	152	117
	Total	**152**	**117**
20.	**TRADE PAYABLES**		
	Total outstanding dues of micro enterprises and small enterprises (Refer note. 47)	9	3
	Total outstanding dues of creditors other than micro enterprises and small enterprises	3,010	3,449
	Total	**3,019**	**3,452**
21.	**OTHER CURRENT FINANCIAL LIABILITIES**		
	Advance received from members and applicants towards		
	– Member's Security Deposits	374	505
	– Application Money (pending admission)	48	48
	SEBI regulatory fund	6	5
	Lease Liability	72	–
	Employee benefits payable	769	373
	Payable to employees	18	13
	Payable for purchase of fixed assets	40	737
	Unclaimed dividends *	64	65
	Total	**1,450**	**1,800**

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

₹ In Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
22. OTHER CURRENT LIABILITIES		
Statutory remittances	7,857	2,184
Payable to Multi Commodity Exchange Investor Protection Fund (IPF)	484	350
Investor Services Fund (ISF)#	578	333
Payable to Settlement Guarantee Fund	–	
Networking Equipment Deposits	2	4
Advance received from members and applicants	1,361	752
Income received in advance	113	109
Total	**10,395**	**3,732**

SEBI vide its circular CIR/CDMRD/DEICE/CIR/P/2017/53 dated June 13,2017 has mandated to set up Investor Service Fund (ISF) for providing basic minimum facilities at various Investor Service Centers. Accordingly, Contribution during the year ₹ 353 lakh and utilized ₹ 134 Lakh (previous year ended March 31, 2019 ₹ 405 lakh and ₹ 75 lakh respectively)

Particulars	As at March 31, 2020	As at March 31, 2019
23. CURRENT PROVISIONS		
Provision for Compensated absences (Refer note.40)	25	21
Provision for Gratuity (Refer note. 40)	125	153
Total	**150**	**174**
24. INCOME TAX LIABILITIES (NET)		
Provision for tax [net of advance tax ₹ 2,354 lakh (as on March 31, 2019 ₹ 296 lakh)	1,630	2,841
Total	**1,630**	**2,841**

₹ In Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
25. REVENUE FROM OPERATIONS		
Sale of Services		
Transaction fees	35,303	28,331
Annual subscription fees	206	269
Membership admission fees	203	–
Terminal charges	39	48
	35,751	28,647
Other operating revenues		
Connectivity Income	662	650
Other recoveries from members		
– Others	180	135
Data feed Income	451	342
Warehouse Income	–	63
	1,293	1,188
Total	**37,044**	**29,835**

₹ In Lakh

	Particulars		Year ended March 31, 2020	Year ended March 31, 2019
26.	**OTHER INCOME**			
	Dividend income from mutual funds		63	194
	Interest income:			
	– on bank deposits		154	653
	– on Tax Free Bonds/PSU Bonds		2,114	2,082
	– from Others#		21	0
	Net gain on sale of :			
	– current investments		1,955	997
	– Bonds		–	23
	Gain/(loss) on fair valuation			
	Gain/(loss) on fair valuation of Mutual Funds		4,651	4,453
	Gain/(loss) on fair valuation of ETF		60	–
	Gain/(loss) on fair valuation of Tax free Bonds		913	(666)
	Rental income from operating lease		245	139
	Provisions/Liability no longer required written back		–	354
	Net gain on foreign currency transactions and translations		2	–
	Income from sale of fixed assets		2	–
	Miscellaneous income		955	407
		Total	**11,133**	**8,637**
	#0 represents ₹ 0.25 lakh			
27.	**EMPLOYEE BENEFITS EXPENSE**			
	Salaries and wages		6,133	6,034
	Contribution to provident and other funds		308	306
	Staff welfare expenses		147	167
	Share based payment to employee		–	10
		Total	**6,588**	**6,517**
28.	**CLEARING AND SETTLEMENT FEES**			
	– Clearing and Settlement Fees (Refer note 39)		4,413	2,142
		Total	**4,413**	**2,142**
29.	**FINANCE COSTS**			
	Interest expenses on :			
	– Interest on Lease liabilities (Refer Note 37)		16	–
	– Others		4	3
		Total	**20**	**3**
30.	**SOFTWARE SUPPORT CHARGES AND PRODUCT LICENSE FEES**			
	Software support charges		3,481	3,617
	Product License fees		1,699	1,635
		Total	**5,180**	**5,252**
31.	**COMPUTER TECHNOLOGY AND COMMUNICATION EXPENSES**			
	Computer Technology expenses		1,218	1,454
	Communication expenses		358	394
		Total	**1,576**	**1,848**

₹ In Lakh

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
32.	**OTHER EXPENSES**		
	Advertisement	377	187
	Electricity charges	315	295
	Rent	70	140
	Repairs and maintenance - others	258	210
	Insurance	37	45
	Rates and taxes	26	23
	Travelling and conveyance	283	293
	Printing and stationery	31	19
	Business promotion	251	261
	CSR related expenses (Note No. 43)	333	252
	Legal and Professional Charges	539	839
	Sponsorships and Seminar expenses	82	58
	Membership fees and subscriptions	104	100
	Security service charges	124	111
	Provision for doubtful trade receivables	50	–
	SEBI - Exchange regulatory fees	189	436
	Payment to the auditors		
	– For audit	24	20
	– For taxation matters	3	3
	– For other services	1	3
	– Reimbursement of out of pocket expenses	1	–
		29	25
	Contribution to Multi Commodity Exchange Investor Protection Fund (IPF)	372	465
	Contribution to Investor Service Fund	353	405
	Contribution to Settlement Gurantee Fund	406	65
	Net loss on foreign currency transactions and translations	–	16
	Loss on fixed assets sold/scrapped	–	4
	Directors Sitting fees	161	159
	Office expenses	254	255
	Miscellaneous expenses	113	153
	Total	**4,757**	**4,816**

₹ In Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
33. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)		
Contingent liabilities :		
Claims against the Company not acknowledged as debts :		
– Income tax demands against which the Company is in appeals (including interest upto date of order) (Refer note 46) (Net of rectification order)	11,677	10,928
– Service tax (CENVAT credit)	–	26
– Others (excluding interest)	74	30
Bank guarantee given*	–	1,127
Capital Commitments:		
The estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	871	675

* Bank guarantee as on 31.03.2019 includes, Expired BG amounting to ₹ 762 Lakh (expired on 11-01-2019)

In addition to the matters as specified in contingent liabilities above, the Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business the impact of which is unascertainable. The Company's management does not expect that the legal actions, when ultimately concluded and determined, will have adverse effect on the Company's financial statements.

Other Commitments:

The Company has commitments to pay for the services related to (i) maintenance of core network equipment and (ii) technology support and managed services based on long-term agreements, the cancellation of which may entail monetary compensation.

34. TAXATION

The Major component of tax expenses for the year are as under :

₹ In Lakh

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Current income tax (MAT)	3,505	2308
Deferred Tax	(278)	92
Minimum Alternate Tax (MAT) credit entitlement	(402)	(2,065)
Minimum Alternate Tax (MAT) credit Utilised	182	–
Total Income Tax Expense	**3007**	**335**

Reconciliation:

₹ In Lakh (as otherwise stated)

Particulars	Year ended	
	March 31, 2020	**March 31, 2019**
Profit / (loss) before tax	23,859	13,985
Applicable tax rate	29.12%	34.944%
Computed expected tax expense	6,948	4,887
Add:		
Expenses disallowed	731	709
Income not considered in Profit & Loss Account	–	430
Long Term Capital gain on Tax Free Bond		876
Income from other Source	128	–
Less:		
IND AS Impact (Net)	(1,649)	(492)
Expenses allowed	(679)	(796)
Exempt income/Other income offered seperately	(1,254)	(1,807)
Contribution to SGF	–	(2,751)
Deduction Under Section 80G	(58)	–
Normal Income Tax Liability	4,166	1,055
MAT-Income Tax Liability	3,984	2,690
Excess provision for tax relating to prior year	(479)	(382)
Income tax expense per Profit & Loss Account	**3,505**	**2,308**
Effective Tax Rate	**14.69%**	**16.50%**

Deferred tax relates to the following:

₹ In Lakh

Particulars	Balance Sheet	
	As at March 31, 2020	**As at March 31, 2019**
Expenses allowable on payment basis	132	126
Other items giving rise to temporary differences (including impact on fair value of investments)	(285)	(486)
Difference between WDV of Property, Plant and Equipment as per books of accounts & Income Tax	(1,125)	(1,315)
Difference between WDV of Right of Use Assets as per books of accounts & Income Tax	(135)	–
Lease Liability	66	–
Minimum Alternate Tax (MAT) credit entitlement	220	2065
Minimum Alternate Tax (MAT) credit entitlement Reversed	2,065	–
Deferred tax asset / (liability)	**938**	**389**

Reconciliation of deferred tax assets / (liabilities) net:

₹ In Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	389	(1,705)
Tax income / (expense) during the period recognized in profit & loss account	295	(92)
Differences on other comprehensive income	35	121
Minimum Alternate Tax (MAT) credit entitlement	220	2065
Minimum Alternate Tax (MAT) credit entitlement Reversed	–	–
Closing Balance	**938**	**389**

35. SEGMENT REPORTING

IND AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services, and geographical areas.Based on the risks and returns identified, organizational structure and the internal financial reporting system, the business segment is the primary segment for the Company and accordingly "business of facilitating trading in commodities and incidental activities thereto" is considered as the only Primary Reportable business segment. Further, since the Company renders services only in the domestic market in India and there is no geographical segment.

36. FOREIGN CURRENCY TRANSACTIONS

₹ In Lakh

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Expenditure in Foreign Currency		
– License Fees	1,702	1,635
– Membership and Subscription	57	27
– Professional Charges	7	5
– Computer Technology and Communication expenses	53	46
– Registration Fees	–	7
– Seminar & conference expenses	–	6
– Software License Fees Exp A/c.	6	3
– Loss from exchange rate fluctuation*	0	2
– Advertisement expenses-Sales	–	2
– Honorarium Charges	3	1
– Sponsorship Expenses	–	1
– Bank charges	2	2
– Courier charges#	–	0
Earnings in Foreign Exchange		
– Data feed income	146	91

* represents ₹ 0.01 Lakh in FY 2019-20
# represents ₹ 0.02 Lakh in FY 2018-19

37. TRANSITION TO IND AS 116 'LEASES'

The Ministry of Corporate Affairs ("MCA) through the Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified IND AS 116 Leases ('IND AS 116') which replaces the existing Lease Standard, IND AS 17 Leases. IND AS 116 sets out the principle for recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective 1st April 2019, the Company has adopted IND AS 116 - 'Leases' and applied the Standards to all lease contracts existing on on April 1, 2019 using the modified retrospective method. The Company has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet ass on March 31, 2019. There is no impact on retained earnings as on April 1, 2019

₹ In Lakh

	Particulars	Amount
a)	**The movement in lease liabilities during the year:**	
	Lease liabilities as on 01.04.2019 (on adoption of IND AS 116 - Leases)	**99**
	Additions during FY 2019-20	174
	Finance costs incurred during the year	16
	Payment of lease laibilities	(64)
	Lease liabilities as on 31.03.2020	**225**
b)	**The carrying value of the Right of use and depreciation charged during the year**	
	Recognition on Initial application of Ind AS 116 as at April 01, 2019	**99**
	Additions during FY 2019-20	174
	Depreciation charged during the year	53
	Right to use asset as on 31.03.2020	**220**
c)	**Amounts recognised in statement of profit or loss:**	
	Depreciation on Right of use asset	53
	Finance costs incurred during the year	16
	Rent expense	(64)
	Total amounts recognised in profit or loss	**5**
d)	**Maturity analysis of lease liabilities**	
	Maturity analysis of contractual undiscounted cash flows	
	Less than one year	91
	One to five years	158
	More than five years	28
	Total undiscounted lease liability	
	Non-current lease liability	153
	Current lease liability	72
	Total lease liability	**225**

38. EARNINGS PER SHARE

The following is a reconciliation of the equity shares used in the computation of Basic and Diluted Earnings per Equity Share:

Particulars	Year ended	
	March 31, 2020	**March 31, 2019**
Weighted Average Shares Outstanding - Basic	50,883,335	50,867,930
Effect of dilutive securities on account of ESOP	3,693	(27,249)
Weighted Average Shares Outstanding - Diluted	50,887,028	50,840,681

Net Profit available to equity shareholders of the company used in the Basic and Diluted Earnings per Equity Share was determined as follows:

₹ In Lakh, except EPS

Particulars	Year ended	
	March 31, 2020	**March 31, 2019**
Earnings available to equity shareholders	20,852	13,650
Earnings available for equity shareholders for diluted earnings per share	20,852	13,650
Basic Earnings per Share	40.98	26.83
Diluted Earning per Share	40.98	26.83

39. RELATED PARTY INFORMATION

Names of related parties and nature of relationship:

Nature of relationship	Name of Related Party
Subsidiary Company	Multi Commodity Exchange Clearing Corporation Limited (MCX CCL)
Associate Company	CDSL Commodity Repository Limited
Shareholders' Directors	Mr. Amit Goela (w.e.f. 04.02.2016)
	Ms. Madhu Vadera Jayakumar (w.e.f. 04.02.2016)
	Ms. Padma Raghunathan* (w.e.f. 04.02.2016)
	Mr. Hemang Raja (w.e.f. 30.06.2016)
	Mr. Chengalath Jayaram (w.e.f. 25.11.2016)
	* Sitting fees are paid directly to the nominee institutions
Independent Directors	Mr. Saurabh Chandra (w.e.f. 03.07.2016)
	Mr. Prithvi Haldea (upto 03.09.2019)
	Mr. Shankar Aggarwal (w.e.f. 01.10.2017)
	Ms. Pravin Tripathi (w.e.f 17.09.2019)
	Mr. Basant Seth (w.e.f 19.05.2018)
	Mr. Bhartendu Kumar Gairola (w.e.f 17.09.2019)
	Dr. Deepali Pant Joshi (w.e.f 08.08.2018)
	Mr. Arun Bhargava (upto 06.03.2019)
	Mr. Arun Kumar Nanda (upto 18.05.2018)
	Dr. Govinda Marapalli Rao (upto 07.08.2018)
	Mr. Subrata Kumar Mitra (upto 18.05.2018)
Key Managerial Personnel (KMP)	Mr. P.S. Reddy, MD & CEO (w.e.f. 10.05.2019)
	Mr. Mrugank Paranjape, MD & CEO (upto 09.05.2019)
	Mr. Ajay Puri, Company Secretary (w.e.f. 07.12.2018)
	Mr. Sanjay Wadhwa, Chief Financial Officer (upto 06.12.2019)
	Mr. Ashwin Patel, Company Secretary (upto 06.11.2018)
	Others:
	Mr. Pareshnath Paul Chief Information Officer, Technology (w.e.f. 11.02.2019)
	Mr. Rahi Racharla, Chief Information Officer, Technology (upto 17.08.2018)
	Mr. Sanjay Golecha, Chief Regulatory Officer (W.e.f.18.09.2019)
	Mr. Girish Dev, Chief Regulatory Officer (upto 17.09.2019)
	Mr. Praveen Dalvani Ganapathi#
	Mr. Chittaranjan Rege#
	Mr. Shivanshu Mehta#
	Mr. Rishi Nathany#
	Mr. Venkatachalam Shunmugam (upto 31.03.2020)

Nature of relationship	Name of Related Party
	Mr. Rajendra Gogate# (upto 29.02.2020)
	Mr. Deepak Mehta (upto 10.01.2020)
	Mr. Sudeendra Venkatesh Nadager(upto 16.11.2018)
	Mr. Himanshu Ashar#
	Mr. Sanjay Gakhar#
	Mrs. Neetu Juneja#
	Mr. Arvind Sharma#
	Mr. Chandrakant Upadhyay#
	Mr. Sunil Kurup#
	Mr. Pravin Gade##(w.e.f 01.04.2019)
	Mr. Radheshyam Yadav## (w.e.f 01.04.2019)
	Mr. Satyajeet Bolar##*(w.e.f 09.04.2019)
	Mr. Jayaprakash Menon (upto 06.02.2020)
Others	–
Relatives of KMPs or company in which KMP is interested and where transaction exists	
Company in which Director is interested and where transaction exists	Prime Database Company Private Limited (Mr. Prithvi Haldea is a director in the company)
	Hotel Queen Road Private Limited (Mr.Shankar Aggrawal is a director in the company)
Employee Welfare Trust	MCX ESOP Trust

@ CDSL Commodity Repository Limited is considered as an Associate w.e.f. 26.10.2018 being date of appointment of MCX director Mr. Hemang Raja on it's board.
# Identified as KMP's under SECC Regulations, 2018 by the Nomination and Remuneration Committee, in its meeting held on November 16, 2018, hence transactions with them considered from Oct-Dec'18 quarter onwards.
Identified as KMP's under SECC Regulations, 2018 from their date of Joining
* was given interim charge of the Finance function, now appointed as CFO w.e.f. May 30, 2020.

Transactions with related parties:

The details of transactions with related parties for year ended March 31, 2020 are as follows:

₹ In Lakh

	As at March 31, 2020							
Particulars	**Subsidiary**	**Associate**	**Others**					**Total**
	MCX CCL	**CDSL Commodity Repository Limited**	**MCX ESOP Trust**	**Shareholder's Directors**	**Independent Directors**	**Company in which Director is interested and where transaction exists**	**KMPs**	
Transactions								
Re-imbursements charged to the company	0	–	–	–	5	–	13	17
MCX contibution towards SGF transfer	406	–	–	–	–	–	–	406
Recoveries charged by the company	67	–	6	–	–	–	–	74
Clearing & settlement fees	4,413	–	–	–	–	–	–	4,413
Annual Subsription fees	1	–	–	–	–	–	–	1
Rent Deposit	2	–	–	–	–	–	–	2
Rent Income	240	–	–	–	–	–	–	240
IT and other infrastructure Income	2,471	–	–	–	–	–	–	2,471
Status report-processing charges Recovery	1	–	–	–	–	–	–	1
Membership Transfer Fees shared	1	–	–	–	–	–	–	1
Regulatory Fees,Transactions charges,Fines & penalties and other collections by MCXCCL on behalf of MCX	125,048	–	–	–	–	–	–	125,048

₹ In Lakh

Particulars	As at March 31, 2020							
	Subsidiary	Associate	Others					Total
	MCX CCL	CDSL Commodity Repository Limited	MCX ESOP Trust	Shareholder's Directors	Independent Directors	Company in which Director is interested and where transaction exists	KMPs	
Other deposits given for appointment of shareholder director	1	–	–	–	–	–	–	1
Sitting Fees Paid	–	–	–	54	107	–	–	161
Trustee Sitting Fees Paid	–	–	–	–	1	–	–	1
Dividend paid	–	–	26	–	–	–	4	30
Plough back money to IPF for Co-Sponsorship fees Prime Database	–	–	–	–	–	19	–	19
Seminar Expenses*	–	–	–	–	–	0	–	0
Balances as at March 31, 2020								
Outstanding Balance receivable / (payable)	814	–	–	–	–		–	814

* Represents ₹ 0.38 lakhs

The details of transactions with related parties for year ended March 31, 2019 are as follows:

₹ In Lakh

Particulars	Subsidiary	Associate	Others					Total
	MCX CCL	CDSL Commodity Repository Limited	MCX ESOP Trust	Shareholder's Directors	Independent Directors	Company in which Director is interested and where transaction exists	KMPs	
Transactions								
Re-imbursements charged to the company	-	–	–	–	6	–	21	27
Purchase consideration under Business Transfer Agreement	33,132	–	–	–	–	–	–	33,132
MCX contibution towards SGF transfer	7,938	–	–	–	–	–	–	7,938
Recoveries charged by the company	19	–	1	–	–	–	–	20
Clearing & settlement fees	2,142	–	–	–	–	–	–	2,142
Annual Subsription fees	60	–	–	–	–	–	–	60
Rent Deposit	59	–	–	–	–	–	–	59
Rent Income	137	–	–	–	–	–	–	137
IT and other infrastructure Income	1,273	–	–	–	–	–	–	1,273
Sitting Fees Paid	–	–	–	48	110	–	–	159
Dividend paid	–	–	22	–	–	–	–	22
Loans	1,685	–	–	–	–	–	–	1,685
Interest receivable on loans & advances	10	–	–	–	–	–	–	10
Balances as at March 31, 2019								
Investments	23,999	1,200	–	–	–	–	–	25,199
Outstanding Balance receivable / (payable)	821	–	–	–	–	–	–	821

For FY 2018-19, Reimbursement of expenses are as per the omnibus approval obtained in board meeting dated April 28,2018 and same does not include Regulatory Fees,Transactions charges,Fines & penalties and other tax collections by MCX CCL on behalf of MCX.

Terms and conditions of transactions with related parties

The services provided to and received from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured, interest free and will be settled in cash. There have been no guarantees received or provided for any related party receivables or payable.

Compensation of key managerial personnel of the company

(₹ In Lakh)

Particulars	2019-20	2018-19
Short-term employment benefits	1,479	946
Post-employment benefits	20	33
Termination benefits		–
Share-based payments	–	–

Transactions with Key Managerial Personnel :

(₹ In Lakh except as otherwise stated)

Nature of Transactions	Year ended	
	March 31, 2020	March 31, 2019
1. Salary and Allowances Paid/payable to KMPs*:		
Mr. P.S. Reddy	205	–
Mr. Mrugank Paranjape	30	229
Mr. Ajay Puri	71	21
Mr. Sanjay Wadhwa	61	82
Mr. Ashwin Patel	–	19
Others	1,112	594
2. Dividend paid to KMPs:		
Others	4	–
3. Employee Stock Options (ESOP Scheme 2008):	**In Numbers**	**In Numbers**
Opening Balance at the beginning of year		–
ESOPs held by KMPs identified as per SECC	–	3,640
Add: Options granted during the year	–	–
Less: Options Cancelled/ forfeited	–	(3,640)
Less : Exercised during the year	–	–
Closing Balance at the end of the year	–	–

* Excludes gratuity and long term compensated absences which are actuarially valued at Company level and where separate amounts are not identifiable.

Notes :

1. There are no amounts written off or written back during the year in respect of debts due from or to related parties.
2. KMPs as on the respective dates are considered.
3. Amount paid to Ex-employee who were erstwhile KMP's are not included above.

40. EMPLOYEE BENEFIT PLANS:

1. a) Post employment defined benefit plans :

The Company makes annual contributions to the Employee's Group Gratuity Assurance Scheme administered by the Life Insurance Corporation of India ('LIC'), a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

The following tables set out the funded status of the gratuity plans and the amounts recognized in the Group's financial statements as at March 31, 2020 and March 31, 2019.

₹ In Lakh

Particulars	**Year ended**	
	March 31, 2020	**March 31, 2019**
Change in benefit obligations		
Present Value of Benefit obligation at the beginning of the year	590	628
Interest Cost	46	49
Current Service Cost	80	93
Liability transferred in/Acquisitions	7	–
Liability transferred out/Disinvestment	(2)	(121)
Benefits paid from the Fund	(55)	(58)
Actuarial (Gains)/Losses on obligations - due to change in financial assumptions	77	(1)
Actuarial (Gains)/Losses on obligations - due to experience*	(25)	(0)
Present Value of Benefit obligations at the end of the year	**717**	**590**

₹ In Lakh

Particulars	**Year ended**	
	March 31, 2020	**March 31, 2019**
Change in plan assets		
Fair value of plan assets at the beginning of the year	437	565
Interest Income	34	44
Assets Transferred in/ acquisitions	7	–
Assets Transferred out/ disinvestment	(2)	(121)
Return on plan assets excluding interest income	(6)	(6)
Contributions by the employer	178	12
Benefits paid from the fund	(55)	(58)
Fair value of plan assets at the end of the year	**592**	**437**
Net (liability)/ asset recognised in the Balance Sheet	**(125)**	**(153)**

*0 represents ₹ -0.16 lakh in FY 2018-19

Amount for the year ended March 31, 2020 and March 31, 2019 recognized in the Statement of Profit and Loss under employee benefits expenses.

₹ In Lakh

Recognized in Profit and Loss	**Year ended**	
	March 31, 2020	**March 31, 2019**
Current Service Cost	80	93
Net Interest Cost	12	5
Expenses Recognized	**92**	**98**

Amount for the year ended March 31, 2020 and March 31, 2019 recognized in statement of other comprehensive income:

₹ In Lakh

Recognized in Other Comprehensive Income	**Year ended**	
	March 31, 2020	**March 31, 2019**
Actuarial (gains) / losses on obligation for the year	52	(1)
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	6	6
Net (Income)/Expense for the year recognized in OCI	**58**	**5**

The weighted-average assumptions used to determine benefit obligations as at March 31, 2020 and March 31, 2019 are set out below:

Weighted Average Actuarial Assumptions	**As at March 31, 2020**	**As at March 31, 2019**
Discount rate	6.89%	7.79%
Weighted average rate of increase in compensation levels	7.50%	7.50%
Weighted average duration of defined projected benefit obligation	15	15

Sensitivity Analysis	**As at March 31, 2020**	**As at March 31, 2019**
Projected Benefit Obligation on Current Assumptions	717	590
Delta Effect of +1% change in rate of Discounting	(84)	(68)
Delta Effect of -1% change in rate of Discounting	101	81
Delta Effect of +1% change in rate of Salary Increase	99	80
Delta Effect of -1% change in rate of Salary Increase	(85)	(69)
Delta Effect of +1% change in rate of Employee Turnover*	(6)	0
Delta Effect of -1% change in rate of Employee Turnover#	7	(0)

*represents ₹ 0.16 lakh for FY 2018-19

#represents ₹ -0.40 lakh for FY 2018-19

Additional Details :

Methodology adopted for Valuation is Projected Unit Credit Method.

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Since investment is with insurance company, Assets are considered to be secured.

Assumptions regarding future mortality experience are set in accordance with the Indian Assured Lives Mortality (2006-08)

Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by LIC, since the fund is managed by LIC.

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.

The Company expects to contribute Rs.125 lakhs to the plan assets during financial year 2020-21.

Actuarial Gains/Losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation

Maturity profile of projected benefit obligation: ₹ In Lakh

Projected Benefits Payable in Future Years from the Date of Reporting	March 31, 2020	March 31, 2019
Within 1 year	20	30
1-2 year	15	13
2-3 year	20	18
3-4 year	35	18
4-5 year	25	32
5-10 years	191	128
11 years and above	1,705	1,669

1. b) Defined Contribution Plans :

Amounts recognised as expenses towards contributions to Provident and Family Pension Fund, Employee State Insurance Corporation and other funds by the Company are ₹ 216 Lakhs (Previous Year ₹ 224 Lakh) Refer Note No. 27

₹ In Lakh

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Contribution to Provident and Family Pension Fund	214	206
Contribution to Employees State Insurance Scheme (ESIC)*	0	0
Contribution to Labour Welfare Fund#	0	16
Contribution to Employees Deposit Linked Insurance (EDLI)	2	2

*represents Rs.0.001 lakh for FY 2019-20 and Rs.0.39 lakh for FY 2018-19
#represents Rs.0.12 lakh for FY 2019-20

2) Other Long term employee benefits

Privilege Leave and Sick Leave assumptions

The liability towards compensated absences (Privilege leave and Sick leave) for the year ended March 31, 2020 based on actuarial valuation carried out by using Projected Accrual Benefit method resulted in increase in liability by ₹ 38 lakh. (Previous year - decreased by ₹ 38 lakh)

a) Financial assumptions

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	6.89 % p.a.	7.79 % p.a.
Salary escalation rate	7.50 % p.a.	7.50 % p.a.

b) Demographic assumptions

Particulars	As at March 31, 2020	As at March 31, 2019
Employee turnover		
For service 4 years and below	10.00 % p.a.	10.00 % p.a.
For service 5 years and above	2.00 % p.a.	2.00 % p.a.
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate	

41. EMPLOYEE STOCK OPTION PLAN (ESOP):

During the year ended 31 March 2009, the shareholders of the Company approved the 'Employee Stock Options Plan 2008 ('ESOP – 2008'). Under the said scheme, 1,625,000 Equity Shares of ₹ 10 each have been allotted to ESOP Trust who will administer the ESOP Scheme on behalf of the Company. Out of which ESOP Trust has granted (a) 1,313,250 number of options convertible into 1,313,250 equity shares of ₹ 10 each to eligible employees on 2 July 2008 and 23 August 2008 in aggregate; (b) 331,750 (including the lapsed options available for reissuance) numbers of options convertible into 331,750 equity shares of ₹ 10 each to eligible employees on 24 October 2011; (c) 10,000 numbers of options convertible into 10,000 equity shares of ₹ 10 each to an eligible employee on 3 October 2012;(d) 25,300 numbers of options convertible into 25,300 equity shares of ₹ 10 each to eligible employees on 19 April 2013 ; (e) 10,000 numbers of options convertible into 10,000 equity shares of ₹ 10 each to an eligible employee on 19 February 2014 and (f) 172,600 numbers of options convertible into 172,600 equity shares of ₹ 10 each to eligible employees on November 11, 2014.

Details of the Options granted by the ESOP Trust is as under :

Vesting period	No. of Options granted	Exercise Price	Grant Date
2 July 2008 to 2 July 2009	391,725	₹ 144.00	2-Jul-08
2 July 2008 to 2 July 2010	391,725	₹ 144.00	
2 July 2008 to 2 July 2011	522,300	₹ 144.00	
23 August 2008 to 23 August 2009	2,250	₹ 144.00	23-Aug-08
23 August 2008 to 23 August 2010	2,250	₹ 144.00	
23 August 2008 to 23 August 2011	3,000	₹ 144.00	
24 October 2011 to 24 October 2012	99,525	₹ 390.00	24-Oct-11
24 October 2011 to 24 October 2013	99,525	₹ 390.00	
24 October 2011 to 24 October 2014	132,700	₹ 390.00	
3 October 2012 to 3 October 2013	3,000	₹ 1,282.75	03-Oct-12
3 October 2012 to 3 October 2014	3,000	₹ 1,282.75	
3 October 2012 to 3 October 2015	4,000	₹ 1,282.75	
19 April 2013 to 19 April 2014	7,590	₹ 855.70	19-Apr-13
19 April 2013 to 19 April 2015	7,590	₹ 855.70	
19 April 2013 to 19 April 2016	10,120	₹ 855.70	
19 Feb 2014 to 19 Feb 2015	1,000	₹ 516.50	19-Feb-14
19 Feb 2014 to 19 Feb 2016	2,000	₹ 516.50	
19 Feb 2014 to 19 Feb 2017	3,000	₹ 516.50	
19 Feb 2014 to 19 Feb 2018	4,000	₹ 516.50	
11 Nov 2014 to 11 Nov 2015	17,260	₹ 851.10	11-Nov-14
11 Nov 2014 to 11 Nov 2016	34,520	₹ 851.10	
11 Nov 2014 to 11 Nov 2017	51,780	₹ 851.10	
11 Nov 2014 to 11 Nov 2018	69,040	₹ 851.10	

Each option entitles the holder to exercise the right to apply and seek allotment of one equity share of Rs. 10 each. Exercise period for each option granted on 2 July 2008 and 23 August 2008 is three years from the date of their respective vesting. Exercise period for each option granted on 24 October 2011, 3 October 2012, 19 April 2013 and 19 February 2014 and 11 November 2014 is one year from the date of their respective vesting.

The following table exhibits the net compensation expenses arising from share based payment transaction:

₹ In Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Expense arising from equity settled share based payment transactions	–	10

The activity in the 2008 Plan for equity-settled share based payment transactions during the year ended March 31, 2020 is set out below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
2008 Plan: Employee Stock Options (ESOPs)				
Outstanding at the beginning of year	41,028	851.10	76,785	851.10
Granted during the year				
Forfeited and lapsed during the year	6,140	851.10	35,757	851.10
Exercised during the year	34,888	851.10	–	
Outstanding at the end of year	**–**		**41,028**	**851.10**
Exercisable at the end of year			**41,028**	

'During the year FY 2018-19, Parent company (MCX) had transferred 61 employees to its subsidiary company (MCXCCL) on September 01, 2018. Outstanding ESOP pertaining to transferred employees were 3690 on the date of transfer. Subsequently, 6660 ESOP got vested on November 11, 2018 (4th Tranche), out of which 1760 Esop's of identified KMP's of MCXCCL were cancelled/forfeited. Outstanding ESOP as on March 31, 2019 of MCXCCL employees were 4900.

There were no such transfer during the current financial year.

Lapsed options available for reissuance are 95,551 (As at March 31, 2019: 89,411) shares.

Since the options were lapsed, the unutilised balance lying in the ESOP Compensation Reserve has been transferred to Retained Earnings.

The following table summarizes information about options exercised and granted during the year and about options outstanding and their remaining contractual life as at March 31, 2020:

Particulars	**Options outstanding**			**Options Exercised**	
	Number of share options	**Weighted average remaining contractual life (in years-)**	**Weighted average exercise price**	**Number of share options**	**Weighted average fair value**
2-Jul-08	–	–	–	–	–
23-Aug-08	–	–	–	–	–
24-Oct-11	–	–	–	–	–
03-Oct-12	–	–	–	–	–
19-Apr-13	–	–	–	–	–
19-Feb-14	–	–	–	–	–
11-Nov-14	–	–	–	34,888	851.10

For options granted on 2 July 2008 and 23 August 2008 under ESOP 2008 Scheme; the intrinsic value of each option is Nil. The estimated fair value of each option is ₹ 15.64 and ₹ 16.62 for options granted on 2 July 2008 and 23 August 2008 respectively. The weighted average fair values have been determined using the Binomial Option Pricing Model considering the following parameters:

Particulars	**For options granted in**	
Grant date	**2-Jul-08**	**23-Aug-08**
Weighted average share price on the date of grant	₹ 90	₹ 90
Weighted average Exercise price on the date of grant	₹ 90	₹ 90
Expected volatility (%)	1%	1%
Expected life of the option (years)	3.5 years	3.5 years
Expected dividends (%)	25%	25%
Risk-free interest rate (%)	9.14%	9.13%
Weighted average fair value as on grant date	₹ 85	₹ 85

Each option granted represents a right to the option grantee but not an obligation to apply for 1 fully paid up Equity Share of ₹ 10 each of the Company at duly adjusted exercise price after consolidation of share and bonus issue i.e. ₹144 pursuant to the corporate action during the year ended March 31, 2011.

For options granted on October 24, 2011, October 3, 2012, April 19, 2013, February 19, 2014 and November 11, 2014 under ESOP 2008 Schemes; the intrinsic value of each option is Nil. The estimated fair value of each option is ₹ 324.99, ₹ 342.64, ₹ Rs. 202.34, ₹ 181.47 and ₹ 363.18 for options granted on October 24, 2011, October 3, 2012, April 19, 2013, February 19, 2014 and November 11, 2014 respectively. The weighted average fair values have been determined using the Black Schole Formula considering the following parameters:

Particulars	**For options granted in**				
	24-Oct-11	**03-Oct-12**	**19-Apr-13**	**19-Feb-14**	**11-Nov-14**
Weighted average share price on the date of grant	₹ 390	₹ 1282.75	₹ 855.70	₹ 516.50	₹ 851.10
Weighted average Exercise price on the date of grant	₹ 390	₹ 1282.75	₹ 855.70	₹ 516.50	₹ 851.10

Particulars	For options granted in				
	24-Oct-11	03-Oct-12	19-Apr-13	19-Feb-14	11-Nov-14
Expected volatility (%)	2.26%	34.35%	32.75%	52.37%	52.22%
Expected life of the option (years)	1.5 Years	2.6 Years	2.6 Years	3.5 Years	3.5 Years
Expected dividends (%)	Not Considered	Based on dividend declared prior to the date of grant	Based on dividend declared prior to the date of grant	Based on dividend declared prior to the date of grant	Based on dividend declared prior to the date of grant
Dividend yield (%)	–	1.87%	2.80%	4.65%	1.17%
Risk-free interest rate (%)	8.60%	8.12%	7.49%	8.86%	8.26%
Weighted average fair value as on grant date	₹ 385	₹ 1282.75	₹ 855.70	₹ 516.50	₹ 851.10

42. FINANCIAL INSTRUMENTS

(a) Financial instruments by category

The fair values of the 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:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The carrying value and fair value of financial instruments by categories as at March 31, 2020 were as follows:

₹ In Lakh

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying value	Fair value	Carrying value	Fair value
Financial Assets at amortized cost:				
Cash and cash equivalents (Refer Note No 10)	384	384	473	473
Bank Balances (Refer Note No. 11)	1,244	1,244	3,217	3,217
Bank deposits with original maturity of more than twelve months (Refer Note No 5)	94	94	–	–
Unbilled Revenue (Refer Note No 13)	3,242	3,242	2,581	2,581
Trade receivables (Refer Note No 9)	693	693	908	908
Loans (Refer Note No 12)	20	20	21	21
Other financial assets (Refer Note No 5 & 13)	3,329	3,329	1,455	1,455
Investment in PSU Bank Bonds	13,608	13,608	–	–
Financial Liabilities at amortized cost:				
Trade payables (Refer Note No 20)	3,019	3,019	3,452	3,452
Other financial liabilities (Refer Note No 18 & 21)	6,658	6,658	5,726	5,726
Fair value through profit or loss:				
Investments (Refer Note No 4 & 8)				
Tax free bonds	27,818	27,818	26,905	26,905
Mutual Funds	70,456	70,456	70,612	70,612
ETF Bond	3,060	3,060	–	–

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying value	Fair value	Carrying value	Fair value
Fair value through OCI:				
Investments in unquoted equity shares of subsidiary	23,999	23,999	23,999	23,999
Investments in unquoted equity shares of other entities	1,931	1,931	2,485	2,485

Notes :

1. Investment in equity instrument are not held for trading. The Company has chosen to measure these at FVTOCI irrevocably as the management believes that presently fair value gains and/or losses relating to these investments in the Statement of Profit and Loss may not be indicative of the performance of the Company.
2. The fair value of mutual funds is based on quoted price. The fair value of tax free bonds is based on quoted prices and market observable inputs.
3. The fair value of warrants & equity securities is based on the valuation provided by the certified valuers.

(b) Fair Value Measurement

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2020:

₹ In Lakh

Particulars	As at March 31, 2020	As at March 31, 2019	Level	Hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Financial Assets				
Investments in Mutual Funds (FVTPL)	70,456	70,612	1 & 2	1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Investments in tax free bonds (FVTPL)	27,818	26,905	1 & 2	1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Investments in equity instruments (FVTOCI)	25,929	26,484	3	Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)
Investments in ETF (FVTPL)	3,060	-	1	1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

* The carrying amount of financial asset measured at FVTOCI in the financial statements are a reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(c) Financial risk management

1. Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the company's management.

2. Market risk

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

3. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Since the Company has no borrowings, exposure to risk of change in market interest rate is nil.

4. Foreign currency risk

The company periodically transacts internationally and few of the transactions are conducted in different currencies. As the volume of the transactions are few, the company has not entered in foreign exchange forward exchange contracts.

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

₹ In Lakh

Particulars	As at March 31, 2020		As at March 31, 2019	
	₹ In Lakh	Amount in Foreign Currency	₹ In Lakh	Amount in Foreign Currency
Trade receivables				
In USD	8	11,421	17	23,971
Trade Payables				
In USD	517	687,513	3	4,553
In GBP	0	192	130	144,112

5. Sensitivity Analysis

A Change of 5% in Foreign currency would have following impact on Profit before tax ₹ In Lakh

Particulars	2019-20		2018-19	
	5% Increase	5% decrease	5% Increase	5% decrease
Trade receivables				
USD	0	(0)	1	(1)
Trade Payables				
USD	26	(26)	0	(0)
GBP	(0)	0	(7)	7

6. Derivative financial instruments

The company has not entered into any forward exchange contract being derivative instruments.

7. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 879 lakhs and ₹ 1,116 lakhs as at March 31, 2020 and March 31, 2019 respectively and unbilled revenue amounting to ₹.3,242 lakhs and ₹ 2,581 lakhs as at March 31, 2020 and March 31, 2019 respectively.

Where receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Investment in mutual fund & bonds is with financial institutions with high credit rating assigned by the international credit rating agencies.

Ageing of Account receivables ₹ In Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables		
Less than 6 months	733	908
More than 6 months	146	208
Total	**879**	**1,116**

Movement in provisions of doubtful debts ₹ In Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Opening provision	208	421
Add: Additional provision made	–	11
Less: Provision reversed	13	80
Less: Bad debt written off	9	144
Closing provision	**186**	**208**

8. Liquidity risk:

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

(i) Financial Arrangements

Following are the unutilized sanctioned bank overdraft limits as at the respective year end.

₹ In Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Expiring within one year (bank overdraft)	–	935

(ii) Maturity patterns of other Financial liabilities

₹ In Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payable		
Less than 6 months	3,014	3,445
More than 6 months	5	7
Total	**3,019**	**3,452**

9. Capital Risk Management

(a) Risk Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

10. Regulatory risk

The Company requires a number of regulatory approvals, licenses, registrations and permissions to operate our business For example, the Company have licenses from SEBI in relation to, among others, introducing derivatives contracts on various commodities The Company's operations are subject to continued review and the governing regulations changes. The Company's regulatory team constantly monitors the compliance with these rules and regulations. The Company's regulatory team keeps a track regarding the amendments in SEBI circulars/regulations pertaining to the functioning of the Company.

43. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

The CSR activities of the Company are generally carried out through charitable organisations, where funds are allocated by the Company. These organisations carry out the CSR activities as specified in the Schedule VII of the Companies Act, 2013 on behalf of the Company.

₹ In Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Amount required to be spent as per Section 135 of the Act	273	270
Amount spent during the year on:		
(i) Construction / acquisition of an asset	–	–
(ii) On purpose other than (i) above	333	252
Total	**333**	**252**

44. Exceptional items

During the financial year FY 2018-19, the Company had a portfolio of tax free bonds, with a cost base of ₹ 30,836 Lakh. The Company had valued the said portfolio of tax free bonds on Security Level Valuation (SLV) approach which seeks to capture the fair valuation on daily basis by computing the present value of all future cash flows instead of valuation approach prescribed by FIMMDA hitherto followed by the Company. The present value under SLV approach was calculated by discounting the future cash flows, factoring yield from the specific yield curve as applicable for the respective tenor of each security. The SLV approach was widely accepted by Market Participants such as Mutual funds, Insurance Companies, FII's and Corporates. Fair value loss during for financial year 2018-19, amounting to ₹ 2,380 Lakh attributable to change in approach was disclosed as an exceptional item.

45. In accordance with the guidance note issued by the Institute of Chartered Accountants of India on "Accounting for credit available in respect of MAT under the Income Tax Act, 1961", the Company can recognize MAT credit as an asset only when and to the extent there is convincing evidence that the Company will be liable to pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recongnised as an asset, the said assets is created by way of a credit to the statement of profit and loss. The company reviews the same at each balance sheet date and write down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal income-tax during the specified period.

Accordingly, the Company had recognized MAT credit entitlement of ₹ 2,065 Lakh in Financial year 18-19 and in current year 19-20 short MAT Credit entitlement relating to previous year of ₹ 402 lakhs has been recognized.

46. During the year, Hon'ble Supreme Court has stayed assessment proceedings on the request of the Company for AY 2010-11,AY 2011-12 and AY 2014-15 and the Hon'ble High Court Mumbai had earlier admitted the matter for AY 2012-13 and AY 2013-14. Further during the year, on the basis of Special Audit Report, Assessing officer has passed assessment order u/s 143(3) r.w.s. 142(2A) and 144C(3) of the Income Tax Act, 1961 for AY 2015-16 determining demand of ₹ 644 lakh (including interest of ₹ 242 lakh). The Company is contesting the above demands, in addition to demands raised in previous years for AY 2010-11 – ₹ 5,160 lakh (Interest ₹ 2,731 lakh), for AY 2014-15 - ₹ 3,331 lakh (Interest ₹ 1,314 lakh) and for 2013-14 - ₹ 2,774 lakh (interest ₹ 868 lakh). In the opinion the legal counsel the Company has strong case on merit, accordingly management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operation. Accordingly, no provision has been made as on 31st March 2020 and the above amounts are shown under contingent liabilities.

47. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2019-20, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

₹ In Lakh

Particulars		**As at 31.03.2020**	**As at 31.03.2019**
(i)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
	Principal amount due to micro and small enterprise	9	3
	Interest due on above	–	–
(ii)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	–	–
(iii)	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 interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	–	–
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
(v)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	–	–

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors

48. (A) Disclosure as per Regulation 53(f) of SEBI(Listing Obligation and Disclosure Requirements) Regulations:

Loans and Advances in the nature of loans given to subsidiaries, associates and others and investments in shares of the Company by such parties:

₹ In Lakh

Name of Party and Relationship	**Amount outstanding at March 31, 2020**	**Amount outstanding at March 31, 2019**	**Maximum balance outstanding during the year March 31, 2020**	**Maximum balance outstanding during the year March 31, 2019**
Multi Commodity Exchange Clearing Corporation of India Limited (MCXCCL) – Wholly Owned Subsidiary Company	–	–	–	1,250

The above loans was given to the subsidiary for its business activities.

(B) Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 are as follows:

(i) Details of Investments made are given in Note 4.

(ii) During the financial year 2018-19 amount of ₹ 1,685 Lakh has been given as loans to Multi Commodity Exchange Clearing Corporation of India Limited (MCXCCL) a Wholly Owned Subsidiary Company with interest rate of 7.5%.

(iii) There are no loans or guarantees issued in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder.

49. During the financial year 2018-19, Multi Commodity Exchange Clearing Corporation Limited (MCXCCL), a wholly owned subsidiary for the Company, had been granted approval by SEBI to act as a Clearing Corporation vide letter no. SEBI/HO/CDMRD/DEA/OW/P/2018/21541/1 dated August 01, 2018. Therefore, the clearing and settlement division of the Multi Commodity Exchange of India Ltd (MCX) was transferred to MCXCCL by executing a Business Transfer Agreement with MCX. The said transfer; on a Slump Sale basis, was effective September 01, 2018. Post this transfer, MCXCCL commenced clearing and settlement operations.

Further pursuant to the agreement following assets & liabilities had been transferred to MCXCCL by MCX:

₹ In Lakh

Particulars	Assets	Liabilities
Clearing Banks Deposit	–	1,900
WSP Deposit	–	116
Initial Margin	–	26,645
Member's obligation for transaction fees	–	77
Trading Member Cash Deposit	–	239
Margin shortfall block amount	–	2
Leave Encashment	–	33
Motor Cars	21	–
E-warehousing Software	82	–
Total	**103**	**29,012**

50. EVENT OCCURRING AFTER BALANCE SHEET DATE

The Board of Directors has recommended Equity dividend of ₹ 30/- per share (Previous year ₹ 20/-) for the financial year 2019-20.

₹ In Lakh except equity shares

Particulars	As at March 31, 2020	As at March 31, 2019
Equity shares	50,998,369	50,998,369
Final dividend for the year ended March 31, 2020 of ₹ 30/- (March 31, 2019 - ₹ 20/-) per fully paid share	15,300	10,200
Dividends not recognized at the end of the reporting period	15,300	10,200

51. The Company had entered into an agreement in August 2018 with a software vendor to develop a trading system for the spot market. As per the milestones, payments were made to the said software vendor from time to time. The Company has incurred amount of ₹1880 lakhs on the said project. On account of non-fulfillment of the scope of the Project within the time lines, the Board constituted an empowered Committee to evaluate the financial and technical aspects of the said System developed by the said vendors. Appropriate decisions would be taken by the Company after evaluating report of the empowered Committee. Pending technical evaluation no impact has been considered in the financial statements.

52. On account of COVID- 19, the Government of India has declared nation-wide lockdown from March 25, 2020 onwards. In the nation-wide lockdown, some essential services including commodity markets were allowed to operate and were exempted from the lockdown. However for the period from March 30, 2020 to April 22, 2020, the commodity market hours were restricted between 9.am to 5.p.m. There- after from April 23, 2020, the normal market hours .i.e. from 9 am to 11.30 p.m. have been restored. The management has assessed the potential impact of the COVID-19 on the Company. Based on the assessment, the management is of the view that impact of the COVID-19 on the operations of the Company and the carrying value of its assets and liabilities is not material.

53. Previous year figures have been regrouped/reclassified wherever necessary to conform to current year figures.

54. The Financial Statements were approved by the Audit Committee and Board of Directors on May 30, 2020.

For and on behalf of the Board of Directors

P.S.Reddy
Managing Director & CEO
DIN : 01064530

Saurabh Chandra
Chairman
DIN : 02726077

Shankar Aggarwal
Director
DIN : 02116442

Ajay Puri
Company Secretary

Satyajeet Bolar*
VP-Finance and Accounts

Place: Mumbai/Delhi
Date: May 30 ,2020

*subsequently redesignated as CFO