



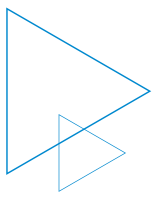
**ANNUAL  
REPORT**

**2021-2022**

THE WORLD'S FASTEST EXCHANGE  
WITH A SPEED OF 6 MICROSECONDS.

“OUR GREATEST ABILITY  
AS HUMANS IS NOT TO  
CHANGE THE WORLD,  
BUT TO CHANGE OURSELVES.”  
**MAHATMA GANDHI**





## COMPOSITION OF COMMITTEES OF THE COMPANY

### AUDIT COMMITTEE

**Prof. Subhasis Chaudhuri – Chairman**

Shri S. S. Mundra – Member  
Shri Umakant Jayaram – Member  
Justice Shiavax Jal Vazifdar – Member  
Shri T. C. Suseel Kumar – Member

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

**Sushri Jayshree Vyas – Chairperson**

Shri Umakant Jayaram – Member  
Shri David Wright – Member  
Justice Shiavax Jal Vazifdar – Member  
Shri T. C. Suseel Kumar – Member  
Shri Ashishkumar Chauhan – Member

### RISK MANAGEMENT COMMITTEE

**Shri David Wright – Chairman**

Shri S. S. Mundra – Member  
Shri Umakant Jayaram – Member  
Sushri Jayshree Vyas – Member  
Justice Shiavax Jal Vazifdar – Member  
Prof. Subhasis Chaudhuri – Member  
Shri Ramabhadran S. Thirumalai – Member (Independent External Person)

### MEMBER COMMITTEE

**Shri S. S. Mundra – Chairman**

Shri Umakant Jayaram – Member  
Sushri Jayshree Vyas – Member  
Shri David Wright – Member  
Shri T.C. Suseel Kumar – Member  
Shri Ashishkumar Chauhan – Member

### REGULATORY OVERSIGHT COMMITTEE

**Shri Umakant Jayaram – Chairman**

Shri S. S. Mundra – Member  
Shri David Wright – Member  
Sushri Jayshree Vyas – Member  
Justice Shiavax Jal Vazifdar – Member  
Prof. Subhasis Chaudhuri – Member  
Dr. D.P. Goyal – Member (Independent External Person)

### EXECUTIVE MANAGEMENT COMMITTEE

Shri Ashishkumar Chauhan – Managing Director & CEO  
Shri Neeraj Kulshrestha – Chief Regulatory Officer  
Shri Nayan Mehta – Chief Financial Officer  
Shri Kersi Tavadia – Chief Information Officer  
Shri Sameer Patil – Chief Business Officer  
Shri Girish Joshi – Chief Trading Operations and Listing Sales

### STATUTORY AUDITOR

M/s. S.R. Batliboi & Co. LLP Chartered Accountants

### STAKEHOLDER RELATIONSHIP / SHARE ALLOTMENT COMMITTEE

**Shri T. C. Suseel Kumar – Chairman**

Shri S. S. Mundra – Member  
Sushri Jayshree Vyas – Member  
Shri David Wright – Member  
Shri Ashishkumar Chauhan – Member

### NOMINATION & REMUNERATION COMMITTEE

**Shri Umakant Jayaram – Chairman**

Shri S. S. Mundra – Member  
Shri David Wright – Member  
Sushri Jayshree Vyas – Member  
Prof. Subhasis Chaudhuri – Member

### DELISTING COMMITTEE

**Justice Shiavax Jal Vazifdar – Chairman**

Shri Umakant Jayaram – Member  
Shri David Wright – Member  
Sushri Jayshree Vyas – Member  
Prof. Subhasis Chaudhuri – Member  
Shri T. C. Suseel Kumar – Member  
Shri Ashishkumar Chauhan – Member  
Shri Ramjibhai B. Mavani – Member (Representative of Investor Association)  
Shri Santosh Kumar – Member (Representative of the Ministry of Corporate Affairs)

### STANDING COMMITTEE ON TECHNOLOGY AND CYBER SECURITY

**Shri David Wright – Chairman**

Shri Umakant Jayaram – Member  
Justice Shiavax Jal Vazifdar – Member  
Prof. Subhasis Chaudhuri – Member  
Shri T. C. Suseel Kumar – Member  
Prof. Sivakumar G – Member (Independent External Person)  
Shri Pravir Vohra – Member (Independent External Person)

### PUBLIC INTEREST DIRECTORS / INDEPENDENT DIRECTORS

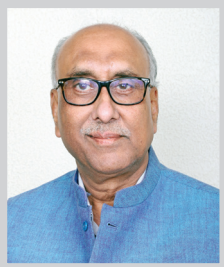
Shri S. S. Mundra – Member  
Shri David Wright – Member  
Shri Umakant Jayaram – Member  
Sushri Jayshree Vyas – Member  
Justice Shiavax Jal Vazifdar – Member  
Prof. Subhasis Chaudhuri – Member

### REGISTRAR AND TRANSFER AGENT

KFin Technologies Limited  
(Formerly known as KFin Technologies Private Limited)  
Unit: BSE Limited, Selenium, Tower - B, Plot no. 31 & 32,  
Gachibowli, Financial District, Nanakramguda,  
Serilingampally, Hyderabad – 500 032  
E-Mail: einward.ris@kfintech.com  
Toll Free No. : 1-800-309-4001



**BOARD OF DIRECTORS**



**Shri S. S. Mundra**  
Public Interest Director



**Shri Ashishkumar Chauhan**  
Managing Director & CEO



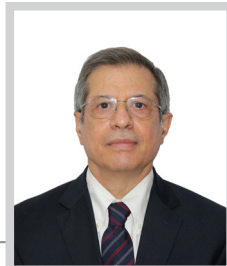
**Shri David Wright**  
Public Interest Director



**Shri Umakant Jayaram**  
Public Interest Director



**Sushri Jayshree Vyas**  
Public Interest Director



**\*Justice Shiavax Jal Vazifdar**  
Public Interest Director



**\*Prof. Subhasis Chaudhuri**  
Public Interest Director



**Shri T. C. Suseel Kumar**  
Shareholder Director

\* Appointed as Public Interest Director on the Board of BSE Limited with effect from May 19, 2022

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## FINANCIAL STATEMENTS

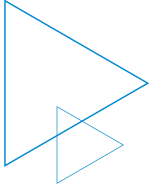
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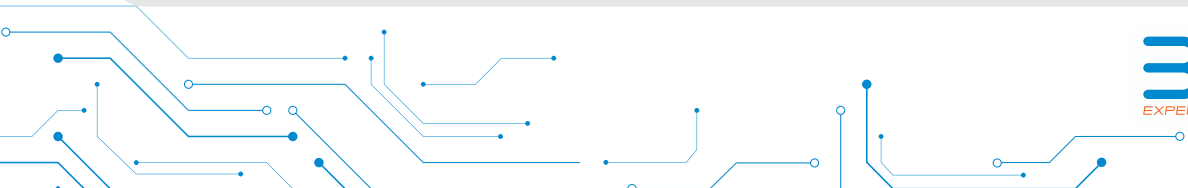
BSE LIMITED

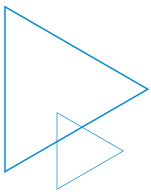


Shri Ashishkumar Chauhan, Chairman, India INX presenting a memento to Smt. Nirmala Sitharaman, Hon'ble Minister of Finance and Corporate Affairs, Govt. of India in the presence of Shri V. Balasubramaniam, MD & CEO, India INX, during her visit to the India INX Office, GIFT City on November 20, 2021.



Shri Ashishkumar Chauhan, MD & CEO, BSE presenting the bull memento to Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry, Consumer Affairs & Food and Public Distribution and Textiles, Govt. of India at the Industry Interaction on Union Budget 2022 on February 5, 2022.





(L-R) Shri V. Balasubramaniam, MD & CEO, India INX; Shri Kanubhai Desai, Hon'ble Finance Minister of Gujarat; Smt. Nirmala Sitharaman, Union Minister for Finance & Corporate Affairs; Shri Pankaj Chaudhary, Minister of State for Finance; Dr. Bhagwat Kishanrao Karad, Minister of State for Finance; and Shri Ashishkumar Chauhan, Chairman, India INX during their visit to India INX Office, GIFT City on November 20, 2021.



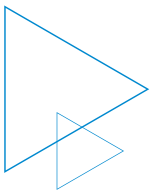
(L-R) Shri Ashishkumar Chauhan, Chairman, India INX; Dr. Bhagwat Kishanrao Karad, Minister of State for Finance; Shri Pankaj Chaudhary, Minister of State for Finance; Shri Kanubhai Desai, Gujarat Finance Minister; Smt. Nirmala Sitharaman, Union Minister for Finance & Corporate Affairs; Shri V. Balasubramaniam, MD & CEO, India INX; Shri Sudhir Mankad, Chairperson, GIFT City; and Shri Tapan Ray, MD & CEO, GIFT City posing with India INX Bull during their visit to India INX Office, GIFT City on November 20, 2021.



Shri Ramdas Athawale, Hon'ble Minister of State for Social Justice and Empowerment, Govt. of India along with Shri Ashishkumar Chauhan, MD & CEO, BSE and others pose with the BSE Bull during his visit to BSE on April 28, 2022.



Shri Ashishkumar Chauhan, MD & CEO, BSE presenting a memento to Shri Bhupendra Rajnikant Patel, Hon'ble Chief Minister of Gujarat at the Listing ceremony of Vadodara Municipal Corporation Bonds on March 30, 2022 at BSE.



Shri Ashishkumar Chauhan, MD & CEO, BSE presenting a memento to Shri Aaditya Thackeray, Hon'ble Minister for Tourism, Environment & Protocol, Govt. of Maharashtra during his visit to BSE on February 10, 2022.



Shri Ashishkumar Chauhan, MD & CEO, BSE presenting a memento to Shri Subhash Desai, Hon'ble Minister for Industries & Mining, Govt. of Maharashtra along with BSE Officials during the 350<sup>th</sup> SME Listing Celebrations on October 13, 2021 at BSE.



# AGM Notice

**NOTICE** is hereby given that the Seventeenth Annual General Meeting (“AGM”) of Shareholders of BSE Limited will be held on Thursday, July 14, 2022 at 3.00 p.m. (IST) through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) to transact the following businesses:

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2022, and the Reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend of ₹ 13.50 per equity share, for the Financial Year ended March 31, 2022.
3. To appoint a Director in place of Shri T. C. Suseel Kumar (DIN:06453310), Shareholder Director, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment, subject to approval of Securities and Exchange Board of India.
4. **Re-appointment of M/s. S.R. Batliboi & Co. LLP as Statutory Auditors:**

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended (“the Act”) and Rule 4(1) of the Companies (Audit and Auditors) Rules, 2014, as amended, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) be and are hereby re-appointed as the Statutory Auditors of the Company for another term of five (5) years and to hold office from the conclusion of the 17<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 22<sup>nd</sup> Annual General Meeting on such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

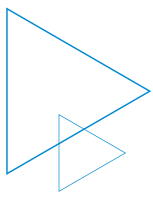
**RESOLVED FURTHER THAT** Managing Director & CEO or the Company Secretary of the Company, be and are hereby authorized to file the relevant forms, documents and returns with the office of the Registrar of Companies as per the applicable provisions of the Act and to do all acts, deeds and things as may be deemed necessary to give effect to the above resolution.”

## SPECIAL BUSINESS

5. **To approve payment of one-time re-compensation to Shri Ashishkumar Chauhan, Managing Director and Chief Executive Officer (‘MD & CEO’) of the Company:**

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to resolution passed by the Nomination and Remuneration Committee and Board of Directors at their meeting held on May 10, 2022 and May 11, 2022 respectively and pursuant to the provisions of Sections 197 and 198 of the Companies Act, 2013 (“the Act”) and other applicable provisions of the Act and the rules made thereunder, if any [including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force], read with Schedule V of the Act, Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations), Regulations, 2018, (“SECC”), Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, applicable provisions of Articles of Association of the Company and in accordance with the terms and conditions of the Employment Contract of MD & CEO, which was also approved by Securities and Exchange Board of India (“SEBI”) vide their letter number MRD/DSA/OW/2017/255/1 dated August 24, 2017 and members vide their ordinary resolution passed on October 16, 2017 and special resolution passed on August 24, 2021, and subject to approval of SEBI, approval of members be and is hereby accorded for payment of re-compensation of ₹ 99,18,750/- (Rupees Ninety Nine Lakhs Eighteen Thousand Seven Hundred Fifty Only), representing the difference in the increment



of 15% payable to him during the year 2020-21 and the capped increment of 2.5% due to COVID-19 pandemic, as a one-time payment, as per the Company's policy applied to all officers, for the year 2021-22, to Shri Ashishkumar Chauhan, Managing Director & CEO (DIN: 00898469), which shall be over and above his existing Cost to Company.

**RESOLVED FURTHER THAT** out of the total compensation of ₹ 99,18,750 (Rupees Ninety Nine Lakhs Eighteen Thousand Seven Hundred Fifty Only), an amount of ₹ 12,39,844/- (Rupees Twelve Lakhs Thirty Nine Thousand Eight Hundred Forty Four Only) representing 50% of his variable pay, shall be deferred for a period of 3 years starting from March 31, 2022, in compliance with the applicable provisions of SECC."

By Order of the Board of Directors

**Vishal Bhat**

Company Secretary and Compliance Officer

Membership No. A41136

Mumbai, May 11, 2022

**NOTES:**

1. Statement pursuant to Section 102(1) of the Companies Act 2013 ("the Act"), in respect of the Special Business to be transacted at the AGM along with details pursuant to Regulations issued by Securities and Exchange Board of India ("SEBI") and other applicable laws are annexed hereto.
2. Pursuant to the General Circular Nos. 20/2020, 02/2021, 19/2021, 21/2021 and 2/2022 issued by the Ministry of Corporate Affairs ("MCA") and Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 issued by SEBI, companies are allowed to hold Annual General Meeting through VC/OAVM up to December 31, 2022, without the physical presence of Members at a common venue. Hence, in compliance with the Circulars, the Seventeenth AGM of the Company is being held through VC. **Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
3. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL"), as the authorized agency for conducting the AGM and providing remote e-Voting and e-Voting facility for/during the AGM of the Company. The instructions for participation by Members are given in the subsequent notes.
4. Since the AGM will be held through VC, the Route Map is not annexed to this Notice. The registered office of the Company shall be deemed to be the venue for the AGM.
5. In compliance with the Circulars, Annual Report along with the Notice of the AGM, and instructions for remote e-Voting/ e-Voting are being sent only through e-mail to those Shareholders whose e-mail addresses are registered with the Company's Registrar and Transfer Agents, KFin Technologies Limited ("RTA")/ Depository Participant(s) ("DP"). The copy of Annual Report along with the Notice is also available on Company's website at [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com) (where the Company is listed) and [www.evotingindia.com](http://www.evotingindia.com) (agency providing e-Voting facility).
6. M/s. N. L. Bhatia and Associates, Practicing Company Secretaries, have been appointed as the Scrutinizer to scrutinize the remote e-Voting/e-Voting process in a fair and transparent manner. The Scrutinizer will submit the report to the Chairman, or any person authorised by him after completion of the scrutiny and the results of voting will be announced after the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM. The result will also be displayed on the website of the Company at [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com) (where the Company is listed) and [www.evotingindia.com](http://www.evotingindia.com) (agency providing e-Voting facility).
7. Members of the Company under the category of Institutional/Corporate Shareholders are encouraged to attend and vote at the AGM through VC. Corporate Members intending to authorize their representatives to participate and vote are requested to send a certified copy of the Board resolution / authorization letter to the Scrutinizer by e-mail at [bhaskar@nlba.in](mailto:bhaskar@nlba.in) and the same should also be uploaded on the VC portal / e-Voting portal of CDSL.
8. **Trading Members or their associates and agents as on cut-off date shall not be eligible to vote on Item No. 3 of the Notice.**

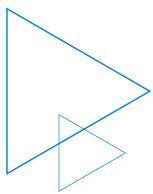
9. Pursuant to Regulation 46 of SECC, the securities of a Recognized Stock Exchange are required to be maintained in Demat mode. Further, in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), securities of listed companies can only be transferred in Demat mode w.e.f. April 1, 2019. In view of the above, Members are advised to dematerialize the shares held in physical mode.
10. The Board of Directors has recommended Final Dividend of ₹ 13.50 per equity share for the Financial Year ended March 31, 2022 which is proposed to be paid on or before Friday, August 12, 2022 to those Members whose names appears in the Register of Members of the Company as on the Record date, i.e, **Friday, June 24, 2022** (close of business hours of record date) subject to the approval of the Shareholders at the AGM.
11. Members whose shareholding is in demat mode are requested to notify any change in address or bank account details to their respective DPs. Members whose shareholding is in physical mode are requested to opt for the Electronic Clearing System ("ECS") mode to receive dividend on time in line with the Circulars. We urge Members to utilize the ECS for receiving dividends. Please refer to point No. 15 for the process to be followed for updating bank account details.
12. The final dividend, once approved by the Members, will be paid electronically through various online transfer modes to those Members who have updated their bank account details. For Members who have not updated their bank account details, dividend warrants / cheques will be sent out to their registered addresses. To avoid delay in receiving dividend, Members are requested to update their email address, Bank details, Postal Address, PAN, Mobile number etc. ("KYC details") with their depositories (where shares are held in demat mode) and with the RTA (where shares are held in physical mode) to receive dividend directly into their bank account.
13. Members who have not yet registered their e-mail addresses are requested to register the same with their DP in case the shares are held by them in demat mode.
14. Members holding shares in physical form are advised to update their KYC details and Nomination details as mandated under SEBI Circular Nos. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021 and SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021 to avoid freezing of their folios on or after April 1, 2023 with RTA.
15. To register e-mail address for all future correspondence and update the bank account details, please follow the below process:
  - a. Members holding shares in Demat mode can get their details registered/updated only by contacting their respective DP.
  - b. Members holding shares in physical mode and who wish to register/change/update their KYC details, can do so by sending the duly filled in Form ISR 1 along with relevant proofs to our RTA, KFin Technologies Limited at Unit: BSE Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 or by mailing the scan copies of the documents, duly e-Signed, from their e-mail id registered with RTA at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). Format of Form ISR 1 is available on the RTA's website at [https://karisma.kfintech.com/downloads/2Form\\_ISR-1.pdf](https://karisma.kfintech.com/downloads/2Form_ISR-1.pdf) and on Companies website at [https://www.bseindia.com/investor\\_relations.html](https://www.bseindia.com/investor_relations.html)
16. SEBI has mandated submission of PAN by every participant in the securities market. Members holding shares in demat mode are, therefore, requested to submit their PAN to their DP. Members holding shares in physical mode are required to submit their PAN details to the RTA.
17. As per the provisions of Section 72 of the Act, the facility for submitting nomination is available for Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same with their DP in case the shares are held by them in demat mode, and to the RTA, in case the shares are held in physical mode.
18. **Tax Deducted at Source ("TDS") on Dividend:**

Pursuant to the provisions of the Finance Act, 2020 dividend income is taxable in the hands of the Shareholders w.e.f. April 1, 2020 and accordingly, the Company would be required to deduct tax at source from the dividend paid to Shareholders, if so approved at the ensuing AGM at the prescribed rates.

The rate of TDS as per the Income Tax Act, 1961 ("IT Act"), would depend upon the status of the recipient and is explained herein below:

**i. Resident Shareholders:**

In case of resident Shareholders, Section 194 of the IT Act provides mandate for withholding tax @ 10% on dividend income. No TDS is required to be deducted, if aggregate dividend distributed or likely to be distributed during the Financial Year to **Individual** Shareholder does not exceed ₹5,000/-. In absence of PAN, TDS rate of 20% will apply. Further, tax may be deducted at double the applicable rate, if any shareholder required to file their return of income has not filed their return of income as required as per



the provisions of Section 206AB of the IT Act. The said requirement will be verified by the Company from the Government enabled online facility.

Resident Shareholders, being individuals, whose total dividend income in a Financial Year exceeds ₹ 5,000/- and who wish to receive dividend without deduction of tax at source may submit a declaration in Form No. 15G (for individuals below the age of 60 years, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form No. 15H (applicable to an individual of the age of 60 years and above with no tax liability on total income), in original to the RTA at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). Format for Form 15G and Form 15H have been uploaded on Company's website as Annexure 1 and Annexure 2 respectively. Where a Shareholder furnishes a valid Nil or lower tax rate deduction certificate under Section 197 of the IT Act, TDS will be applied as per the rates prescribed in such certificate.

Any other entity entitled to exemption from TDS:

- i. **Insurance companies:** Documentary evidence (PAN and registration certificate along with self-declaration in the format is uploaded on Company's website as Annexure 3) that the provisions of Section 194 of the IT Act are not applicable to them (self-attested by the competent authority with affixed stamp).
- ii. **Mutual Funds:** Documentary evidence to prove that the mutual fund is a mutual fund specified under clause (23D) of Section 10 of the IT Act and is covered under Section 196 of the IT Act. (Format of declaration form is uploaded on Company's website as Annexure 3).
- iii. **Alternative Investment Fund (AIF) established in India:** Self- declaration that its dividend income is not chargeable under the head 'Profit and Gains of Business or Profession' and exempt under Section 10(23FBA) of the IT Act and they are established as Category I or Category II AIF under the SEBI regulations. (Format of declaration form is uploaded on Company's website as Annexure 3).
- iv. **Entities Exempt under Section 10 of the IT Act:** In case of resident non-individual Shareholders, if the income is exempt under the IT Act, the authorized signatory shall submit the declaration duly signed with stamp affixed for the purpose of claiming exemption from TDS (Format of declaration form is uploaded on Company's website as Annexure 3);
- v. **Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income** - Documentary evidence that the person is covered under Section 196 of the IT Act.
- vi. **Beneficial ownership:** In case of equity share(s) held in the Company as a beneficiary; and are not subject to TDS under Section 196 of the IT Act, the person shall submit self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card (Format of declaration form is uploaded on Company's website as Annexure 3).
- vii. **Benefit under Rule 37BA:** In case where shares are held by Clearing Members/ Intermediaries/ Stockbrokers and TDS is to be applied by the Company in the PAN of the beneficial Shareholders then intermediaries/ stockbrokers and beneficial Shareholders will have to provide a declaration. (Format of declaration is uploaded on Company's website as Annexure 4 and excel template as Appendix A). This declaration should be submitted within 4 days from the record date to the RTA on [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). Kindly note that no declaration shall be accepted after 4 days from the record date.

Shareholders are requested to note that while submission of original form / documentary evidence is mandatory, they may upload and submit the said documents online on the portal of the RTA at <https://ris.kfintech.com/form15> or e-mail the same at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) on or before Friday, June 24, 2022.

ii. **Non-resident Shareholders (including Foreign Portfolio Investors/ Foreign Institutional Investors ('FPI / FII'))**

In case of non-resident Shareholders other than foreign companies, the IT Act provides mandate for withholding tax at the rate of 20% plus applicable surcharge and health and education cess of 4% on dividend income making effective rate of TDS as under:

Particulars	Surcharge Rate	Effective TDS rate
Dividend Income not exceeding ₹ 50,00,000	Nil	20.80%
Dividend Income exceeds ₹ 50,00,000 but does not exceed ₹ 1,00,00,000	10%	22.88%
Dividend Income exceeding ₹ 1,00,00,000	15%	23.92%

In case of Shareholders, being foreign companies, the IT Act provides mandate for withholding tax at the rate of 20% plus applicable surcharge and health and education cess of 4% on dividend income making effective rate of TDS as under:

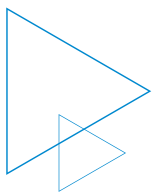
Particulars	Surcharge Rate	Effective TDS rate
Dividend Income not exceeding ₹ 1,00,00,000	Nil	20.80%
Dividend Income exceeds ₹ 1,00,00,000 but does not exceed ₹ 10,00,00,000	2%	21.216%
Dividend Income exceeding ₹ 10,00,00,000	5%	21.84%

In respect of non-resident Shareholders (including foreign companies and including FPI/ FII), the TDS rates mentioned above will be further subject to any benefits available under the Double Taxation Avoidance Agreement (“DTAA”) read with Multilateral Instrument (“MLI”) provisions, if any, between India and the country in which the non-resident is considered resident in terms of such DTAA read with MLI.

In order to claim benefit under DTAA, the non-resident Shareholders would be required to submit the following documents in each Financial Year on or before the record date fixed for determining the Shareholders who are eligible to receive the final dividend, if so, approved at the respective AGMs:

- A. Self-Attested PAN
- B. Tax Residency Certificate (“TRC”) issued by the Tax / Government authority of the country in which the Non-Resident shareholder is a resident of (valid for the relevant financial year).
- C. Form 10F containing therein information to be provided under Section 90(5)/ 90A (5) of the IT Act, if not so covered in TRC (Valid for the relevant financial year)- uploaded on Company’s website as Annexure 5.
- D. Declaration from Shareholders stating the following (template uploaded on Company’s website as Annexure 6):
  - That the shareholder did not at any time during the relevant year have a permanent establishment in India
  - That the shareholder is the beneficial owner of the dividend
  - That the construct and affairs of the shareholder is not arranged with the main or principal purpose of obtaining any tax benefits, directly or indirectly, under the Tax Treaty.
  - That the arrangement of the shareholder is not covered under impermissible avoidance arrangement
- E. The Company will apply at its sole discretion and is not obligated to apply the beneficial DTAA rates for tax deduction on dividend payable to Shareholders. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the Non-Resident Shareholders.
- F. Where a shareholder furnishes valid nil / lower withholding tax certificate under Section 195/ 197 of the IT Act, withholding tax will be applied as per the rates prescribed in such certificate.
- G. Valid self-attested documentary evidence in support of the entity being entitled to exemption from TDS needs to be submitted. Shareholders are requested to note that while submission of original form / documentary evidence is mandatory, they may upload and submit the said documents online on the portal of the RTA at <https://ris.kfintech.com/form15> on or before **Friday, June 24, 2022**.

**Please note:** Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares are held under a PAN will be considered on their entire holding in different accounts.



**Please note that the Company in its sole discretion reserves the right to call for any further information and/or to apply domestic law for TDS.**

Application of TDS rate is subject to necessary due diligence and verification by the Company of the shareholder details as available in register of Members on the Record Date, documents, information available in public domain, etc. In case of ambiguous, incomplete, or conflicting information, or the valid information/documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.

Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is available to you to file the return of income as per the IT Act and claim for a credit / appropriate refund, if eligible. **No claim shall lie against the Company for such taxes deducted.**

Shareholders, whose **valid PAN** is updated, will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal/>

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Member(s), such Member(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co- operation in any appellate proceedings.

**Please note that all the relevant annexures, as mentioned above, can be downloaded from the link : [https://www.bseindia.com/investor\\_relations/annualreport.html](https://www.bseindia.com/investor_relations/annualreport.html)**

**The summary of annexures are as follows:**

1. **Annexure 1** - FORM 15G.
  2. **Annexure 2** - FORM 15H.
  3. **Annexure 3** - Declaration of category of shareholder.
  4. **Annexure 4** - TDS Declaration Format under Rule 37BA\_Pool Account along with excel template in Appendix A.
  5. **Annexure 5** - FORM 10F.
  6. **Annexure 6** – Non-Resident Tax Declaration.
19. Pursuant to the provisions of Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), and relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. The Company had, accordingly, transferred ₹ 1,22,736/- being the unpaid and unclaimed dividend amount pertaining to Final Dividend for Financial Year 2013-14 to the IEPF. The Company has been sending reminders to Members having unpaid/ unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/ unclaimed dividend are also uploaded on the Company's website at [www.bseindia.com](http://www.bseindia.com). Members who have not encashed Final Dividend for the Financial Year 2014-15 or any subsequent dividend declared by the Company, are advised to write to the Company immediately.
20. Pursuant to the provisions of IEPF Rules, all equity shares in respect of which dividend has not been paid or claimed for last seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, 472 equity shares of ₹ 2/- each on which the dividend remained unpaid or unclaimed for last seven consecutive years with reference to the due date of September 3, 2021 were transferred for the Financial Year 2013-14 to the IEPF Account, after following the prescribed procedure. Further, all the Shareholders who have not claimed / encashed their dividends in the last seven consecutive years from Financial Year 2014-15 are advised to claim the same. In case, valid claim is not received, the Company will proceed to transfer the respective equity shares to the IEPF Account in accordance with the procedure prescribed under the IEPF Rules.

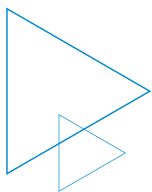
21. **INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM:**

A. **VOTING THROUGH ELECTRONIC MEANS**

- i. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations and applicable circulars, the Members are provided with the facility to cast their vote electronically (through remote e-Voting as well as the e-Voting on the date of the AGM), through the e-Voting services provided by CDSL, on all the resolutions set forth in this Notice.
- ii. The remote e-Voting period commences on **Monday, July 11, 2022 (9.00 A.M. IST)** and ends on **Wednesday, July 13, 2022 (5.00 P.M. IST)**. During this period, Members holding shares either in physical mode or in demat mode, as on **Thursday July 7, 2022** i.e. **cut-off date**, may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter. A person who is not a Member as on the Cut-off date should treat Notice of this Meeting for information purposes only.
- iii. The Members who have cast their vote by remote e-Voting prior to the AGM may attend/ participate in the AGM through VC but shall not be entitled to cast their vote again.
- iv. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e., **Thursday July 7, 2022**
- v. Any person or non-individual Shareholders who acquires shares (in physical mode/ demat mode) of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow the steps mentioned below.
- vi. **Login method for remote e-Voting and e-Voting during the AGM for Individual Shareholders holding securities in demat mode**

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider ("ESP") for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all ESP i.e. CDSL/NSDL/KFin/LINKINTIME, so that the user can visit the ESP website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; E-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>



Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>.</li> <li>2) Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</li> <li>3) Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider-CDSL and you will be re-directed to the CDSL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>5) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a>. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>6) A new screen will open. You will have to enter your User ID (i.e. your 16 digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>7) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider- CDSL and you will be redirected to e-Voting website of CDSL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in Demat mode) login through their <b>Depository Participants</b>	<ol style="list-style-type: none"> <li>1) You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>2) After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>3) Click on Company name or e-Voting service provider name -CDSL and you will be redirected to e-Voting website of CDSL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use “Forget User ID” and “Forget Password” option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

vii. **Login method for remote e-Voting and e-Voting during the AGM for Shareholders holding securities in physical mode and Shareholders other than Individual Shareholders holding securities in demat mode.**

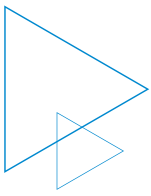
- a) The Shareholders should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com).
- b) Click on “Shareholders” module.



- c) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical mode should enter Folio Number registered with the Company.
- d) Next enter the Image Verification as displayed and Click on Login.
- e) If you are holding shares in Demat mode and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-Voting of any company, then your existing password is to be used.
- f) If you are a first-time user follow the steps given below:

Login type	For Shareholders holding securities in physical mode and Shareholders other than Individual Shareholders holding securities in demat mode.
PAN	Enter your 10-digit alpha-numeric "PAN" issued by Income Tax Department. Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by RTA or contact RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the Company records in order to login. If both the details are not recorded with the depository or the Company, please enter the Member id / folio number in the Dividend Bank details field.

- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) Shareholders holding shares in physical mode will then directly reach the Company selection screen. However, Shareholders holding shares in Demat mode will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat account holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i) For Shareholders holding shares in physical mode, the details can be used only for e-Voting on the resolutions contained in this Notice.
- j) Click on the EVSN for <BSE Limited> on which you choose to vote.
- k) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- m) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- o) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- p) If a Demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot password and enter the details as prompted by the system.
- q) Additional Facility for Non – Individual Shareholders and Custodians –For Remote e-Voting only.
  - Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney ("POA") which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual Shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the e-mail address viz; [bhaskar@nlba.in](mailto:bhaskar@nlba.in), if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

## **B. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC AND E-VOTING DURING THE AGM:**

- i. The procedure for attending AGM and e-Voting on the day of AGM is same as the instructions mentioned above for e-Voting.
- ii. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- iii. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM.
- iv. The link for VC to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.
- v. Shareholders who have voted through remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- vi. Shareholders are encouraged to join the Meeting through Laptops / iPad for better experience.
- vii. Further Shareholders will be required to allow Camera (in case of speakers) and use Internet with a good speed to avoid any disturbance during the AGM.
- viii. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- ix. Members (holding shares as on Cut-off date) who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request, on or before **Monday, July 11, 2022**, from their registered e-mail address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at [bse.shareholders@bseindia.com](mailto:bse.shareholders@bseindia.com). Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- x. Only those Shareholders, who are present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- xi. If any Votes are cast by the Shareholders through the e-Voting available during the AGM and if the same Shareholders have not participated in the meeting through VC facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the Shareholders attending the AGM.
- xii. **Process for those Shareholders whose e-mail/mobile no. are not registered with the company/depositories:**
  - a. For Shareholders holding shares in Physical mode- Please provide necessary details like Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self- attested scanned copy of PAN card), Aadhar (self- attested scanned copy of Aadhar Card) by e-mail to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - b. For Shareholders holding shares in Demat mode- Please update your e-mail id & mobile no. with your respective Depository Participant

- c. For Individual holding shares in Demat mode - Please update your e-mail id & mobile no. with your respective Depository Participant which is mandatory while e-Voting through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

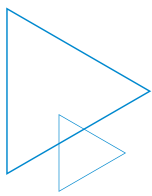
All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

22. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Act and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act, shall be available for inspection during the AGM at e-Voting portal.
23. All documents referred to in the accompanying Notice and the Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an e-mail to [bse.shareholders@bseindia.com](mailto:bse.shareholders@bseindia.com).
24. The term 'Members' or 'Shareholders' has been used to denote Shareholders of BSE Limited.
25. To enable ease of participation of the Members, we are providing below the key details regarding the meeting for your reference.

Sr. No.	Particulars	Details
1	Record date for dividend	Friday, June 24, 2022
2	Cut-off date for e-Voting	Thursday, July 7, 2022
3	For updating E-mail ID & Bank details before the Cut-off date for e-Voting	Refer Point No. 14 <a href="https://www.bseindia.com/investor_relations.html">https://www.bseindia.com/investor_relations.html</a>
4	Time period for remote e-Voting	Commences on Monday, July 11, 2022 (9.00 A.M. IST) and ends on Wednesday, July 13, 2022 (5.00 P.M. IST)
5	Speaker Registration/Post your Queries	Refer Point No. 21 (B) (ix)
6	TDS on Dividend & Link for downloading formats for submission	Refer Point No. 18 <a href="https://www.bseindia.com/investor_relations/annualreport.html">https://www.bseindia.com/investor_relations/annualreport.html</a>

By Order of the Board of Directors

**Vishal Bhat**  
Company Secretary & Compliance Officer  
Mumbai, May 11, 2022

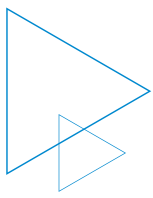


**Details of the Directors seeking re-appointment/variation in terms of remuneration at the AGM (Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings)**

Name of Director	Shri. T.C. Suseel Kumar	Shri Ashishkumar Chauhan
Designation	Shareholder Director	Managing Director and CEO
DIN	06453310	00898469
Date of Appointment	October 22, 2020	November 2, 2012
Date of Reappointment	August 24, 2021	November 2, 2017
Item No.	3	5
Date of Birth (Age)	February 1, 1961 (61 years)	March 16, 1968 (54 Years)
Brief Resume	<p>Shri T.C. Suseel Kumar has retired as Managing Director of Life Insurance Corporation of India in January 2021. A University Rank-holder in Post Graduate, Shri T. C. Suseel Kumar joined the Corporation as a Direct Recruit Officer in 1984. During a span of more than 3 decades in the Corporation, Shri T.C. Suseel Kumar held various distinguished positions in the Corporation pan India and abroad. Holding the senior position as Executive Director at the Corporate Office, Shri T.C. Suseel Kumar has the distinction of working in all major streams that included Marketing, Customer Relationship Management, Personnel, Finance &amp;Accounts, Audit, Corporate Planning, Inspection, Estates, Human Resource Development, Bacassurance and Investments besides heading foreign operations in Mauritius.</p> <p>Quite strong at analytics and interpretation of data, Shri T.C. Suseel Kumar had authored the business strategies of the Corporation aligning the short and long term goals to regain the market share. During his stewardship in Marketing, the LIC has crossed many a milestone with all time high First Year Premium Income and consolidated its market leadership with appreciable growth.</p> <p>He also pioneered the market research program to target the millennial for both new business and agency recruitment. The Corporation, after over a decade, could add more than a Lakh of Agents during the year 2020-21. He was also instrumental in rolling out automated business data compilation and analysis in real time across the Corporation and that enabled the managers to strategies and execute the business plans.</p> <p>With his rich experience and expertise in the field of insurance and finance behind his name, Shri T. C. Suseel Kumar has held position in the Board of many important companies viz. National Mutual Fund- Mauritius, LIC Lanka Limited, LIC HFL AMC Limited, LIC Pension Fund, LIC Mutual Fund Trustee Company, National Insurance Academy. His contribution as Board member was significant as companies derived rich benefits from his cross functional expertise.</p>	<p>Shri Ashishkumar Chauhan, a technocrat from IIT and IIM, is the MD &amp; CEO of BSE Limited ('BSE'), with market capitalization of listed companies more than USD 3.5 trillion.</p> <p>Since 2009, Shri Ashishkumar Chauhan has helped BSE to become the fastest exchange in the world with 6 microseconds response time, completed its IPO, revived its revenues, introduced mobile stock trading to India, diversified in areas such as currency, commodities and equity derivatives, SME, start-ups, Mutual fund distribution, IPO/bond distribution, Insurance distribution, Agri spot market, Power trading, and international exchange at Gift city etc.</p> <p>Shri Ashishkumar Chauhan acted as the CEO of IPL cricket team Mumbai Indians in its formative years and worked as the President and CIO of Reliance group from years 2000 to 2009 in the field of IT, e-commerce, public relations, media, telecom, sports, organized retail, IPO, petrochemicals, refining, oil and gas etc.</p> <p>Shri Ashishkumar Chauhan is one of the founders of NSE (National stock exchange) and is considered the father of modern financial derivatives in India due to his work there from 1993-2000. He is also the creator of Nifty index and was in charge of creating the first screen-based trading. He started his career as a banker with IDBI.</p> <p>Shri Ashishkumar Chauhan is a serial entrepreneur. He is considered amongst the foremost experts in the fields of fintech, market microstructure, transaction processing, corporate governance, finance, regulatory policies, business, technology, cricket, and Indian social issues. He has spoken at conferences organized by UN, WEF, WFE, UNCTAD, OECD, Commonwealth etc. He has been a part of the policy committees of Ministry of finance, Ministry of MSME, CBDT, RBI, SEBI etc. He also headed the South Asia Federation of Exchanges (SAFE), consisting of 20 plus exchanges.</p>

	<p>He has attended various senior management training seminars and that include sessions at Asian Institute of Management, Manila, Indian School of Business, Hyderabad and various Indian Institute of Management.</p> <p>Presently he is on the board of Axis Bank Limited, BSE Limited, Phillips Carbon Black Limited and Lakshmi Machine Works Limited.</p>	<p>He has won several prestigious Indian and International awards over last 3 decades including Digital Icon of the Year, Asian Banker, Top 50 CIOs in the World etc. He serves on the board of prestigious Indian universities including IIMs, AJNIFM, NITs, NIITs etc. amongst his many social activities. He is also acting as the Chancellor of University of Allahabad, UP, India, one of the nationally important universities and the oldest Universities in Asia set up in 1887. He is a distinguished visiting faculty at Ryerson University in Toronto and Honorary Professor at Nottingham University Business School.</p> <p>He has co-authored a book titled on BSE 'A temple of wealth creation'. A book titled 'Sthithpragya - the process of maintaining equilibrium' has been written on his life journey.</p>
Expertise in specific functional area	Marketing, Customer Relationship Management, Personnel, Finance & Accounts, Audit, Corporate Planning, Inspection, Estates, Human Resource Development, Bancassurance, Investments and Foreign operations	Information Technology, Finance, Markets, Microstructure of Markets, Cricket, telecommunications, organized retail, Oil & Gas refining and Indian social issues.
Qualifications	M.A (Economics)	B. Tech (IIT-Bombay) and PDGDM (IIM-Calcutta)
Remuneration last drawn	₹ 19,05,000/- (Sitting Fees)	₹ 9,18,77,302/- for FY 2021-22
Terms and Conditions of appointment/ re-appointment	Liable to retire by rotation	N.A.
Number of Meetings of the Board held and attended during the year	5 of 5	5 of 5
Directorships held in other Company	<ul style="list-style-type: none"> <li>• Axis Bank Limited</li> <li>• Lakshmi Machine Works Limited</li> <li>• Phillips Carbon Black Limited</li> </ul>	<ul style="list-style-type: none"> <li>• BSE Institute Limited</li> <li>• BSE Investments Limited</li> <li>• BSE Technologies Private Limited</li> <li>• BSE Sammaan CSR Limited</li> <li>• India International Clearing Corporation (IFSC) Limited</li> <li>• India International Exchange (IFSC) Limited</li> <li>• ICSI Institute of Insolvency Professionals</li> <li>• IIM Calcutta Innovation Park</li> </ul>
Committee position held in other Companies (Including BSE Limited) *	<p><b>BSE Limited</b></p> <ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Stakeholder Relationship/ Share Allotment Committee</li> </ul> <p><b>Axis Bank</b></p> <ul style="list-style-type: none"> <li>• Audit Committee</li> </ul> <p><b>Phillips Carbon Black Limited</b></p> <ul style="list-style-type: none"> <li>• Audit Committee</li> </ul>	<p><b>BSE Limited</b></p> <ul style="list-style-type: none"> <li>• Stakeholder Relationship/ Share Allotment Committee</li> </ul>
Relationship with other directors	None	None
No. of equity shares held in the Company	NIL	NIL

\*Chairmanship and membership of Audit Committee and Stakeholders' Relationship / Share Allotment Committee have been considered.



**STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

**Item No. 5: To approve payment of one-time re-compensation to Shri Ashishkumar Chauhan, Managing Director and Chief Executive Officer (“MD & CEO”) of the Company**

The Board of Directors at its meeting held on May 21, 2020, discussed performance of all employees during the FY 2019-20. This meeting was held right in middle of the first wave of COVID which hit India from March 2020. There was a lot of uncertainty regarding the likely social and economic impact thereof. There was a fear of the national and global economies getting badly affected. It was also reflected by the manner in which the Indian and global financial markets had reacted. Under such situation, there was fear and uncertainty regarding the likely impact thereof on BSE’s financial performance for the FY 2020-21 and onwards.

In view of the same, all officers, including MD & CEO, were accorded a standard increment of 2.5% in the FY 2020-21 irrespective of their performance ratings during the FY 2019-20. Notwithstanding the economic and other uncertainties, BSE has been able to record good improvement in its financials for FY 2020-21 and FY 2021-22 mainly aided by significantly higher operational revenues. While the improvement in the financial performance is on account of higher participation of retail and other investors in financial market, it may be noted that all employees of BSE worked against all odds over their call of normal duty and overcoming their pandemic related problems at personal end, to ensure that BSE continued to operate seamlessly during the past two years.

While BSE was able to significantly improve financial performance overcoming the uncertainties apprehended earlier and considering the extended efforts made by all employees over the last two years, the cap on increment effected during FY 2020-21 has effectively led to underpayment of salaries as compared to what would have been due to them in normal course.

As a just gesture and to recognize the efforts of employees during the pandemic and considering improved financial performance, it was felt that the amount foregone due to capping of increment for the FY 2020-21 be recompensed.

The re-compensation was proposed for all eligible officers. Therefore, as a policy applicable to all employees, the Board of Directors at their meeting held on May 11, 2022, based on the recommendation of Nomination and Remuneration Committee, approved payment of re-compensation amount to all eligible officers as well as Managing Director & CEO.

The Board of the Company in the said meeting held on May 11, 2022 also noted that Shri Ashishkumar Chauhan, MD & CEO of the Company, had immensely contributed in successfully steering the Company through the pandemic through his skills and dedication.

It may be noted that as per the terms and conditions of the Employment Contract of MD & CEO, which was also approved by SEBI vide its letter dated August 24, 2017 and Shareholders vide ordinary resolution passed on October 16, 2017 and special resolution passed on August 24, 2021, MD & CEO was eligible for 15% increment for the year 2020-21 based on his performance rating. However, his increment was restricted to 2.5% for the said period due to COVID-19 pandemic as a matter of policy. This has resulted in the salary paid to MD & CEO for the year 2020-21 being lower by ₹ 99,18,750/- as per table below –

<b>PAYMENT OF ONE-TIME RECOMPENSATION TO SHRI ASHISHKUMAR CHAUHAN MANAGING DIRECTOR &amp; CEO</b>			
	<b>FIXED PAY (₹)</b>	<b>VARIABLE PAY (₹)</b>	<b>TOTAL CTC (₹)</b>
Salary (as per CTC) for the FY 2019-20 (a)	5,95,12,500	1,98,37,500	7,93,50,000
Increment eligibility for FY 2020-21 (i.e. 15% of salary based on performance rating for 2019-20) (b)	89,26,875	29,75,625	1,19,02,500
Increment allowed for the year 2020-21 @ 2.5% (c)	14,87,813	4,95,937	19,83,750
Re-compensation amount (b)-(c)	74,39,062	24,79,688	99,18,750

Therefore, it is proposed to pay an amount of ₹ 99,18,750/- (Rupees Ninety-Nine Lakhs Eighteen Thousand Seven Hundred Fifty Only), as a one-time payment to Shri Ashishkumar Chauhan, MD & CEO of the Company, subject to approval of SEBI and Shareholders. Further, out of the abovementioned amount, an amount of ₹ 12,39,844/- (Rupees Twelve Lakhs Thirty-Nine Thousand Eight Hundred Forty-Four Only) representing 50% of the variable pay component is proposed to be paid after a period of 3 years starting from March 31, 2022, in accordance with the applicable provisions of SECC.

In view of the above, Shareholders’ approval is being sought for payment of one-time re-compensation of ₹ 99,18,750/- (Rupees Ninety-Nine Lakhs Eighteen Thousand Seven Hundred Fifty Only) which is over and above the remuneration earlier approved by the Shareholders’ for the FY 2021-22.

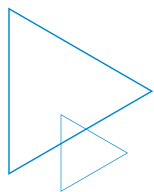
A summary on profile of Shri Ashishkumar Chauhan is mentioned under the table providing details of directors.

Except Shri Ashishkumar Chauhan and his relatives, none of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in the resolution.

Based on the resolution passed by the Board of Directors at their meeting held on May 11, 2022, the said resolution is placed before the Shareholders for their approval.

By Order of the Board of Directors

**Vishal Bhat**  
Company Secretary & Compliance Officer  
Mumbai, May 11, 2022



# Board's Report

The Board of Directors ("Board") present the Seventeenth Annual Report of BSE Limited ("the Company" or "BSE" or "Exchange") together with audited financial statements for the Financial Year ended March 31, 2022.

## 1. STATE OF COMPANY'S AFFAIRS

### A. FINANCIAL SUMMARY AND HIGHLIGHTS:

The financial performance for Financial Year ("FY") 2021-22 is summarised in the following table:

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Total revenue	72,402	56,505	86,353	65,465
Total expenses	46,292	43,453	60,045	53,070
<b>Profit before exceptional items and tax</b>	<b>26,110</b>	13,052	<b>26,308</b>	12,395
Exceptional items (expenses)	-	(1,453)	-	(1,453)
<b>Profit before tax and share of profits of associates</b>	<b>26,110</b>	11,599	<b>26,308</b>	10,942
Share of profits of associates	-	-	6,418	4,315
<b>Profit before tax</b>	<b>26,110</b>	11,599	<b>32,726</b>	15,257
Tax expenses	6,598	1,873	8,233	1,087
<b>Net profit for the year</b>	<b>19,512</b>	9,726	<b>24,493</b>	14,170
Net profit attributable to the Shareholders of the Company	19,512	9,726	25,433	14,490
Net profit attributable to the non-controlling interest	-	-	(940)	(320)
<b>Other comprehensive income</b>	<b>107</b>	277	<b>639</b>	(23)
<b>Total comprehensive income for the year</b>	<b>19,619</b>	10,003	<b>25,132</b>	14,147
Total comprehensive income attributable to the Shareholders of the Company	19,619	10,003	25,895	14,497
Total comprehensive income attributable to the non-controlling interest	-	-	(763)	(350)
Basic and diluted EPS before exceptional items (₹)	14.20	7.77	18.51	11.23
Basic and diluted EPS after exceptional items (₹)	14.20	7.08	18.51	10.54

(₹ in Lakh)

### I. Consolidated Results

The total income of the Company during the Financial Year 2021-22 on a consolidated basis was ₹ 86,353 Lakh reflecting an increase of ₹ 20,888 Lakh (up by 32%) over previous Financial Year. However, the total expenses for the year were higher by ₹ 6,975 Lakh (up by 13 %) at ₹ 60,045 Lakh.

During the Financial Year, the income was higher mainly due to increase in income from securities services (up by 77%); income from corporate services (up by 27%); data dissemination (up by 8%); income from training institute (up by 4%) and income from sale of software licenses, development, customisation & maintenance of software (up by 86%). Increase in expenses are mainly due to increase in employee benefits expense (up by 19%); finance cost (up by 115%); computer technology related expenses (up by 2%); administration and other expenses (up by 19%) and liquidity enhancement scheme expenses (up by 4%).

The net profit after tax was higher by ₹ 10,323 Lakh (up by 73%) to ₹ 24,493 Lakh as against ₹ 14,170 Lakh in the previous Financial Year.

### II. Standalone results

The total income of the Company during the Financial Year 2021-22 on a standalone basis was ₹ 72,402 Lakh reflecting an increase of ₹ 15,897 Lakh (up by 28%) over previous Financial Year. However, the total expenses for the year were higher by ₹ 2,839 Lakh (up by 7%) at ₹ 46,292 Lakh.

During the Financial Year, the income was higher mainly due to increase in income from securities services (up by 73%), income from corporate services (up by 27%) and data dissemination (up by 8%). Increase in expenses are mainly due to Increase in Employee benefits expense (up by 10%), computer technology expenses (up by 10%), administration and other expenses (up by 9%) and liquidity enhancement scheme expenses (up by 14%).



The net profit after tax was higher by ₹ 9,786 Lakh (up by 101%) to ₹ 19,512 Lakh as against ₹ 9,726 Lakh in the previous Financial Year.

## B. DIVIDEND

The Board of the Company, in its meeting held on May 11, 2022, has recommended a final dividend of ₹ 13.50 per equity share of the face value of ₹ 2/- each fully paid up for the financial year ended March 31, 2022, subject to the approval of the Shareholders at the Annual General Meeting (AGM).

The said dividend is in line with the Dividend Distribution Policy of the Company.

The final dividend on equity shares for FY 2021-22, if approved, would result in a cash outflow of approximately ₹ 18,551 Lakh, resulting in a payout of 95% of the standalone profits of the Company.

In view of the changes made under the Income-Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source. For more clarity on deduction of tax, please refer para on 'Tax Deducted at Source ("TDS") on Dividend' as mentioned in the notes to the Notice of Seventeenth Annual General Meeting.

Under Clause 5.3 of the BSE (Corporatisation and Demutualisation) Scheme, 2005, the allotment of equity shares to 11 Trading Members of the erstwhile BSE has been kept in abeyance for various reasons as on March 31, 2022. All corporate benefits including dividend as may be declared by the Company from time to time are being provided for and would be payable on the allotment of these shares. Brief details about the shares being kept in abeyance by the Company are given in 'Share Capital' section.

## C. TRANSFER TO RESERVES

The Company was not required to transfer any amount of profits to general reserves for FY 2021-22 pursuant to provisions of Companies Act, 2013.

## D. INVESTOR RELATIONS

The Company believes in leading from the front with emerging best practices in investor relations and building a relationship of mutual understanding with International and Domestic investors. To this end, the Company continuously strives for excellence in its Investor Relations engagement with investors through physical, video and audio meetings through structured conference-calls and periodic investor/analyst interactions like one-on-one meetings, participation in investor conferences, quarterly earnings calls, and analyst meet from time to time. The Company's leadership team, including the Managing Director, Chief Financial Officer, and Chief Business Officer, spent significant time to interact with investors to communicate the strategic direction of the business in a number of investors meet

organized by reputed Global and Domestic Broking Houses, during the previous financial year. All the four quarterly earnings calls conducted during the year were also well attended by investors and analysts. No unpublished price sensitive information is discussed in these meetings. The Company ensures that critical information about the Company is available to all the investors, by uploading all such information on the Company's website.

## 2. MAJOR EVENTS OCCURRED DURING THE YEAR

### A. MATERIAL CHANGES FROM END OF FINANCIAL YEAR TILL DATE OF REPORT

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

### B. CHANGE IN NATURE OF BUSINESS

During the FY 2021-22, there was no change in the nature of business of the Company.

### C. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

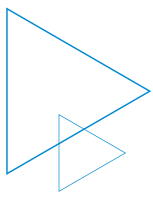
## 3. SHARE CAPITAL

Pursuant to clause 5 of BSE (Corporatisation and Demutualisation) Scheme, 2005 ("BSE Demutualisation Scheme") approved by Securities Exchange Board of India ("SEBI"), vide its notification dated May 20, 2005, every Trading Member having membership right of the Exchange or his nominee, as the case may be, as on record date, decided for the purpose, was entitled to 10,000 equity shares of the face value of ₹ 1/- per share, against membership right of erstwhile BSE. It may be noted that the entitlement against membership rights post consolidation of share capital stands changed to 5,000 equity shares of face value ₹ 2/- per share. As on March 31, 2022, entitlement of 11 Trading Members of erstwhile BSE, against their membership rights, continue to remain in abeyance for various reasons. All corporate benefits including dividend as may be declared by the Company from time to time on the shares which remain in abeyance, are being provided for and would be payable on the allotment of these shares.

### CHANGE IN PAID-UP SHARE CAPITAL

#### i. Allotment of shares in case of Abeyance:

On December 12, 2021, the Company allotted 65,000 equity shares of face value of ₹ 2/- per share, along with corporate benefits accrued thereon to one Trading Member of erstwhile BSE, whose entitlement to shares was kept in abeyance pursuant to BSE Demutualisation Scheme. The allotment of 65,000 equity shares to the said trading member



comprised of 5,000 equity shares towards initial entitlement and 60,000 bonus equity shares issued by the Company in the year 2009.

## ii. Bonus Issue:

The Board of Directors at their meeting held on February 8, 2022, recommended issue of bonus equity shares, in the ratio of 2:1, i.e., 2 (Two) bonus equity shares of ₹ 2/- each for every 1 (One) fully paid-up equity share held. Accordingly, the Shareholders' approved issue of 9,16,08,594 bonus equity shares through postal ballot on March 14, 2022. Subsequently, the company allotted 9,01,78,594 bonus equity shares on March 24, 2022, to the Shareholders holding shares as on March 22, 2022, being the record date fixed for this purpose.

Further, allotment of Bonus equity shares with respect to 14,30,000 equity shares of ₹ 2/- each held by 11 trading members of erstwhile BSE pursuant to BSE Demutualisation Scheme were kept in abeyance along with their accumulated corporate benefits, and the same forms part of issued capital of the Company.

The above share allotments resulted in an increase in paid-up equity share capital of the Company from 4,50,24,297 shares of ₹ 2/- each to 13,52,67,891 shares of ₹ 2/- each as on March 31, 2022.

## 4. INVESTOR EDUCATION AND PROTECTION FUND TRANSFER OF UNCLAIMED/UNPAID DIVIDEND

Pursuant to the provisions of Section 124 of the Companies Act, 2013 ("the Act") read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), and relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government.

The Company had, accordingly transferred the following amount to IEPF during the year under review:

Sr. No.	Type of Dividend	Dividend per share	Date of Declaration	Date of Transfer	Amount Transferred
1.	Final Dividend for FY 2013-14	₹ 4/-	August 1, 2014	September 9, 2021	₹ 122,736/-

## TRANSFER OF SHARES

Pursuant to the provisions of IEPF Rules, all equity shares in respect of which dividend has not been paid or claimed for last seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred.

Accordingly, 472 equity shares of ₹ 2/- each on which the dividend remained unpaid or unclaimed for last seven consecutive years with reference to the due date of September 3, 2021, were transferred during the FY 2021-22 to the IEPF Account, after following the prescribed procedure.

The Company has sent reminders to all such Shareholders who have not claimed their dividends for FY 2014-15 declared by the Company. All equity shares in respect of which dividend has not been paid or claimed for last seven consecutive years shall be transferred by the Company to IEPF Account in accordance with provisions of the Act and IEPF Rules made thereunder. Members who have not encashed Final Dividend for the FY 2014-15 or any subsequent dividend declared by the Company, are advised to write to the Nodal Officer of the Company immediately.

Any Shareholder whose dividend/shares are transferred to IEPF can claim the shares by making an online application in Form IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)).

## Details of Nodal Officer

Name : Shri Vishal Bhat, Company Secretary and Compliance Officer

Email address : [bse.shareholders@bseindia.com](mailto:bse.shareholders@bseindia.com)

## Details of the resultant benefits arising out of shares already transferred to the IEPF:

Sr. No.	Dividend	Financial Year	Cumulative No. of Shares	Amount (₹)
1.	Interim Dividend	2017-18	225	1,125
2.	Thirteenth Final Dividend	2017-18	225	6,975
3.	Interim Dividend	2018-19	448	2,240
4.	Fourteenth Final Dividend	2018-19	448	11,200
5.	Fifteenth Final Dividend	2019-20	760	12,920
6.	Sixteenth Final Dividend	2020-21	1,058	22,218

**Year wise amount of Unpaid/Unclaimed Dividend lying in the unpaid account upto March 31, 2022 and the corresponding shares, which are liable to be transferred to the IEPF, and the due dates for such transfer**

Sr. No.	Date of declaration of Dividend	Number of Shareholders against whom Dividend amount is unpaid	Number of shares against whom Dividend amount is unpaid	Amount Unpaid as on March 31, 2022 (₹)	Due date of transfer of Unpaid and Unclaimed Dividend to IEPF
1.	10 <sup>th</sup> Final Dividend (FY 2014-15) AGM held on September 25, 2015	280	1,10,617	5,53,085	October 27, 2022
2.	Interim Dividend (FY 2015-16) Board Meeting held on February 3, 2016	362	2,40,449	8,41,571.50	March 7, 2023
3.	11 <sup>th</sup> Final Dividend (FY 2015-16) AGM held on June 24, 2016	297	1,09,441	4,37,764	July 24, 2023
4.	Interim Dividend (FY 2016-17) Board Meeting held on February 14, 2017	2,142	82,317	4,11,585	March 16, 2024
5.	12 <sup>th</sup> Final Dividend (FY 2016-17) AGM held on September 4, 2017	2,236	81,467	18,73,741	October 5, 2024
6.	Interim Dividend (FY 2017-18) Board Meeting held on February 2, 2018	3,123	1,87,484	9,37,420	March 6, 2025
7.	13 <sup>th</sup> Final Dividend (FY 2017-18) AGM held on August 2, 2018	2,211	85,327	26,45,137	September 3, 2025
8.	Interim Dividend (FY 2018-19) Board Meeting held on November 30, 2018	2,591	1,03,441	5,17,205	December 30, 2025
9.	14 <sup>th</sup> Final Dividend (FY 2018-19) AGM held on July 15, 2019	1,906	72,212	18,05,300	August 18, 2026
10.	15 <sup>th</sup> Final Dividend (FY 2019-20) AGM held on July 30, 2020	2,067	99,873	15,49,025	August 30, 2027
11.	16 <sup>th</sup> Final Dividend (FY 2020-21) AGM held on August 24, 2021	2,266	1,47,614	28,11,105	September 23, 2028

## 5. MANAGEMENT

### A. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The current strength of Board of the Company is eight. Being a Stock Exchange, the Board comprises of six Public Interest Directors ("PIDs") nominated by SEBI, one Shareholder Director nominated by Life Insurance Corporation of India (LIC) and one Managing Director (considered in the Shareholder Director category).

#### Changes during the year

Shri T. C. Suseel Kumar, Shareholder Director was liable to retire by rotation and being eligible, was re-appointed at the Sixteenth Annual General Meeting (AGM) held on August 24, 2021, and the same was approved by SEBI. Shri T. C. Suseel Kumar, liable to retire by rotation, has offered himself for re-appointment at the Seventeenth AGM.

SEBI approved the extension of tenure of Shri Umakant Jayaram as PID for a further period of three years w.e.f. February 4, 2022.

Smt. Prajakta Powle, ceased to be the Company Secretary and Compliance Officer of the Company w.e.f., March 14, 2022.

Shri Vishal Bhat has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f., March 15, 2022.

### B. DECLARATIONS BY PUBLIC INTEREST DIRECTORS

The Company has received declarations from all the PIDs, under Section 149(7) of the Act that they have met the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further, all PIDs have also given the

declarations that they satisfy "fit and proper" criteria as stipulated under Regulation 20 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ("SECC Regulations"). All PIDs have also complied with Code for Independent Directors prescribed in Schedule IV to the Act. They have also given their annual affirmation on compliance with the Code of Conduct for the Board of Directors and Senior Management of the Company.

Further, there has been no change in the circumstances affecting their status as PIDs of the Company.

### C. DECLARATION BY THE COMPANY

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164 (2) of the Act read with Rule 14 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

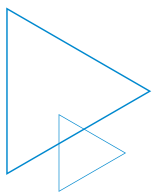
### D. MEETINGS OF THE BOARD

During the FY 2021-22, five meetings of the Board of Directors were held. The details of meetings of the Board, are provided in the Corporate Governance Report forming part of this Annual Report.

Separate meetings of the PIDs were held on May 12, 2021, August 6, 2021, November 12, 2021 and February 7, 2022.

### E. BOARD COMMITTEES

There are various Board constituted Committees as stipulated under the Act and Listing Regulations namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship/ Share Allotment Committee, Risk Management Committee and Corporate Social Responsibility Committee. Brief details pertaining



to composition, terms of reference, meetings held and attendance thereof of these Committees during the year have been enumerated in Corporate Governance Report forming part of this Annual Report.

Additionally, Company being an Exchange, has also constituted other Regulatory Committees as stipulated under SECC Regulations.

## F. AUDIT COMMITTEE RECOMMENDATIONS

All recommendations of Audit Committee were approved by the Board of Directors during the year.

## G. BOARD EVALUATION

Performance of the Board and Board Committees was evaluated on various parameters such as structure, composition, diversity, experience, corporate governance competencies, performance of specific duties and obligations, quality of decision-making and overall Board effectiveness. Performance of individual Directors & Independent External Persons was evaluated on parameters, such as meeting attendance, participation and contribution, engagement with colleagues on the Board, responsibility towards stakeholders and independent judgement. All the Directors were subjected to peer-evaluation.

All the Directors participated in the evaluation process. The results of evaluation were discussed in the Board meeting held in May 2022. The Board discussed the performance evaluation reports of the Board, Board Committees, Individual Directors and Independent External Persons and noted the suggestions / inputs of the Directors. Recommendations arising from this entire process were deliberated upon by the Board to augment its effectiveness and optimize individual strengths of the Directors.

The detailed procedure followed for the performance evaluation of the Board, Committees and individual Directors & Independent External Persons is enumerated in the Corporate Governance Report.

## H. REMUNERATION OF DIRECTORS AND EMPLOYEES

In compliance with the requirements of Section 197(12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SECC Regulations, a statement containing the remuneration details of Directors and employees is annexed as **Annexure A**.

## I. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Act, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable Accounting Standards had been followed along with proper explanation relating to material departures for the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates

that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the financial year ended March 31, 2022;

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## J. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has maintained adequate internal financial controls over financial reporting. These includes policies and procedures –

- (a) pertaining to the maintenance of records that is reasonably detailed, accurately and fairly reflects the transactions and dispositions of the assets of the Company.
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and that receipts and expenditures of the Company are being made only in accordance with authorization of management and Directors of the Company, and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material impact on the financial statements. Such internal financial controls over financial reporting were operating effectively as of March 31, 2022, based on the criteria established in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013.

## K. COMPLIANCE WITH SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards (“SS”) issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review, the Company complied with the Secretarial Standards i.e., SS-1 and SS- 2, relating to “Meetings of the Board of Directors” and “General Meetings”, respectively.

## L. IMPLEMENTATION OF CORPORATE ACTION

During the year under review, the Company has complied with the specified time limit for implementation of Corporate Actions.

## M. ANNUAL RETURN

Annual Return in Form MGT – 7 is available on the website of the Company at [www.bseindia.com/static/investor\\_relations/annualreport.html](http://www.bseindia.com/static/investor_relations/annualreport.html).

## 6. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Details of subsidiaries / associates of the Company are provided in notes to financial statements.

BSE Sammaan CSR Limited, wholly-owned Subsidiary of the Company is under the process of voluntary liquidation pursuant to Special Resolution dated June 11, 2021, passed in the Extra-Ordinary General Meeting of the said Company.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company’s subsidiaries, associates & joint ventures in Form AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company, along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at [www.bseindia.com/static/investor\\_relations/annualreport.html](http://www.bseindia.com/static/investor_relations/annualreport.html).

## 7. PUBLIC DEPOSITS

The Company has not accepted any public deposits during the financial year ended March 31, 2022, and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

## 8. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of investments made by the Company are provided in Note Nos. 7, 8 & 9 of the Notes to the Standalone Financial Statements.

The Company has not provided any guarantee or security to any person or entity and has not made any loans and advances in the nature of loans to firms / companies in which directors of the Company are interested.

## 9. AUDITORS

### A. STATUTORY AUDIT AND STATUTORY AUDITOR’S REPORT

M/s S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005), Mumbai, were appointed as Statutory Auditor for a term of five years till conclusion of Seventeenth AGM.

M/s S.R. Batliboi & Co. LLP, have expressed their willingness for re-appointment and have furnished a certificate of eligibility and consent under Section 139 and 141 of the Act.

The Board, based on the recommendation of the Audit Committee, has recommended re-appointment of M/s S.R. Batliboi & Co. LLP, as the Statutory Auditor of the Company for a further term of five years from the conclusion of Seventeenth AGM till the conclusion of the Twenty Second AGM.

### Statutory Auditor’s Report

The Statutory Auditor’s report dated May 11, 2022, on the financial statements of the Company for FY 2021-22 is unmodified and does not have any reservations, qualifications, or adverse remarks.

### Details in respect of frauds reported by auditors

No fraud has been reported by the Auditors to the Audit Committee or the Board.

## B. SECRETARIAL AUDIT AND SECRETARIAL AUDITOR’S REPORT

The Board appointed M/s Dhruvil M. Shah & Co., Practicing Company Secretaries (CP No.: 8978/ FCS No.: 8021) to conduct Secretarial Audit of the Company for FY 2021-22.

The Secretarial Auditor’s report for the year ended March 31, 2022, as provided by M/s Dhruvil M. Shah & Co., Practicing Company Secretaries is enclosed as **Annexure B**.

The Secretarial Auditor’s report does not contain any qualifications, reservations or adverse remarks.

## C. INTERNAL AUDITOR

Internal Audit for the year ended March 31, 2022, was conducted by M/s S. Panse & Co. LLP and Internal Audit report at periodic intervals were placed before the Audit Committee.

## D. COST RECORDS AND COST AUDIT

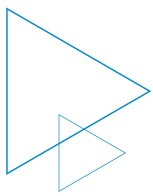
Maintenance of cost records and requirement of Cost Audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

## 10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

### A. CONSERVATION OF ENERGY

#### I. The steps taken and their impact on conservation of energy:

We regularly replace high energy consuming electrical equipment with modern efficient devices such as replacing the induction ballasts with electronic ballasts and the fluorescent lights with LED lights. We



conserve energy by switching off lights & other equipment when they are not required using sensing technology where feasible. Our offices are painted in brighter colours to maximize lighting efficiency besides using natural light in most places. We have coated the glass windows to reduce the heat entering the building which reduces the air-conditioning load. The Company continuously strives to optimize its energy usage and efficiency. We have replaced few AHU coils which has resulted in increase in efficiency and energy savings.

## II. The steps taken by the Company for utilising alternate sources of energy:

Our building has glass windows all around and we also use the ambient light for lighting purposes as much as possible. This reduces the electricity consumption due to lesser need of lighting during the day.

## III. The capital investment on energy conservation equipment:

The Company has not done any capital investment on energy conservation equipment during the year.

## B. TECHNOLOGY ABSORPTION

The global pandemic, COVID-19, continued to impact the socio-economic life in the year 2021-22, besides the challenges it posed on the health system. Companies had to inevitably bring in change in their technology approach and process in order to embrace 'working remotely' and 'increased use of digital medium'.

The Company was agile and implemented various steps in the previous year 2020-21 with the help of which the Company continued its Businesses and Operations non-stop, without a single day of disruption during the entire COVID-19 period in last two years. It was 'Business-as-Usual'.

The Company continued its technology journey and implementation during the year 2021-22, while maintaining the balance between the team working remotely alongside maintaining the team on site.

The key takeaways of the year 2021-22, were

- Maintaining the competitive edge and improving on the market share
- Continuously upgrade and introduce new features in the products and services offered to our Trading community
- Upgrade and/ or migrate existing products to new technology stack
- Acquire newer projects by the technology arm of the Company
- Meeting regulatory requirements, some of them major in terms of technology design

## I. Unified Trading Interface

The Company's trading terminal popularly known as BoltPlus On Web - BOW and BSE Electronic Smart Trader – BEST is designed for both frequent traders as well as beginners. In today's competitive financial environment, to trade effectively is a key part of any trading strategy as well as to ensure that end users experience the best trading platform they deserve. The Company's trading terminals are designed with an edge on the market, equipped with advanced and simple tools to help meet profiles of different types of investors. Both BOW and BEST supports trading on the multiple domestic exchanges, BOW and BEST are the Company's hosted, multi-exchange, multi-segment, multi-tenant scalable and reliable solution offering Order and Trade Management (OMS), Real time order-based Risk Management ("RMS") and Order Routing Services (ORS). These platforms Support trading using leased lines as well as internet. The Company vision is to continually provide solutions that streamline operations so that Trading members can focus their resources on their business growth. These products are offered Free of cost to all our trading members and investing community.

## Value Proposition for Members:

- ✓ Completely Exchange Hosted Application.
- ✓ No IT infrastructure cost to the Member.
- ✓ No BOD and EOD Operations required on the member end.
- ✓ Single Application for all Users Types.
- ✓ Trade commencement in one day.
- ✓ Real time support services.

## Key Features & Benefits

- Trading Capabilities
- A single multi-functional desktop
- Send orders electronically (Multi-Exchange & Multi-segment)
- Track the status of executions
- Advanced trading features (basket trading)
- Technical analysis and charting
- Optimize trading strategy with pre and post-trade analytics

## Market Dissemination

- Top volume, gainers, losers
- Market indices
- Time and Sales
- Daily Lows and Highs
- Market alerts

## Speed and Simplicity

- Optimizes bandwidth management
- Profile based Trading terminal as per trading needs
- Provides one-click access to key features
- Multiple layouts

## Risk Management

- Portfolio risk management – real-time valuation

- Pre-trade risk filters
- Credit limits management at multiple levels (HQ, branch, dealers, clients)

### Security

- 2 FA
- Secure Socket Layer
- IP Based Login Restrictions

### MarketWatch

- Real Time Quotes on ALL Versions i.e. Exe, Browser & Mobile
- User Defined Market Watch
- Formulae Based MWs
- MWs for DPs, Top Gainers /Losers, Value, Volume
- Real Time Charts
- Extremely Low Bandwidth Usage

### Order and Trade Management

- Supports all Exchange Order types
- Customizable Reports – Order, Trade Book
- Order entry from MW, MBP etc
- Multileg Orders

### User Management

- N Tier Hierarchy for Users based on roles
- Support, Multi Admin, Branch Admin
- Dealers, Administrators, Investors

### Integrated Risk Management

- Order Based Risk Management
- Span Margining
- Template based profiles for Dealer, Investor and Admins
- Trading Rights Definitions for All Levels – Exchange / Segment/ User/Security Level
- Access Controls at the Exchange / Segment/User/Security Level
- MTM controls on Risk Management
- Real-time Surveillance with additional features of Square Offs

### Enhancements during the year

#### BOW

BOW new Desktop based Front End: - New Desktop based front end completely rollout in market with new user-friendly interface & memory-based application for faster performance. Provided Fast Order Entry feature for all Exchange-Segments.

Days Net Position Display: - Option of displaying Day's Net position separately in Net position window of Dealer and Admin User.

Enhancement in Risk Control and Risk Management: - Manual collateral & other deposit fields have been added along with existing cash and ad-hoc deposits which helps flexibility in controls. Administrator can also assign deposit preference for their clients at segment-product level.

BOW database load balance: - Change in database architecture to manage transaction and query load which significantly improved the load handling capacity of Application.

BOW Mobile: - Additional security of biometric/pin no. authentication for BOW Mobile Application.

Global Dealer Functionality: - Dealers will have option of view of orders placed by other dealer or to view orders placed by own only.

Upload facility: Flexible upload format for user creation/modification, Activate/Deactivate users so that no changes required in back-office application for members. Reports for uploaded users. Flexible format for Deposits uploads.

### BEST

Replacement of IML with ETI: Migrated to ETI API to connect to BSE Exchange directly instead of IML for BSE Derivatives and BSE Commodities segments. BSE Cash and BSE Currency ETI are in pipeline and will soon be migrated to ETI API.

BOW and BEST being hosted solutions, was instrumental for trading members in addressing their business needs during this pandemic period, as all users were forced to work or operate remotely. The Company saw a surge in the new user requests. The Company ensured 100% uptime to all its stakeholders of BOW and BEST and have been operating and managing all its critical infrastructure and systems. In order to address the continuous change in market and regulatory requirements, the Company's technology team is vigilant and continuously enhancing the features and the service offerings as highlighted above.

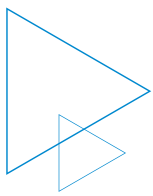
## II. Upgradation of Network Equipment & Technology enhancements

The Company recognises that IT (Information Technology) is not seen as a cost to run businesses, but that IT drives the businesses fact that new era technologies are data-driven business models. The Company understands that certain existing infrastructure has reached a maturity level and they cannot further support or fuel the new business requirements. Therefore, every year the Company undertakes technology upgrades, migration of key infrastructure or software resources. It is equally important to have operational efficiencies as per business needs, customer expectation and support advanced technologies and integration that systems and infrastructure are based on newer technology platforms.

Few key initiatives taken to upgrade infrastructure resources during the year are:

### (a) Implementation of Micro-segmentation on SDN (Software Defined Network)

Software-Defined Networking (SDN) technology has been instrumental in allowing organizations to deploy applications at a faster rate and reduce



the overall cost of deployment. SDN gives network administrators the ability to manage and provision Software-Defined Networking (SDN) technology has been instrumental in allowing organizations to deploy applications at a faster rate and reduce the overall cost of deployment. SDN gives network administrators the ability to manage and provision network services from a centralized location.

The Company has implemented SDN few years back. There has been substantial change in server and application technologies due to widely used cloud technologies, the network technologies too need to be upgraded to meet the need of modern enterprises. SDN like cloud technologies has become all around necessity that can upscale network infrastructure with minimal disruption.

While data centres continue to play a central role, a growing number of workloads are shifting to cloud and hybrid cloud deployment models. As a result of these shifts, micro-segmentation is the first step to implementing a strong and effective security model. Micro-segmentation is the security practice that divides networks into isolated segments so that traffic can be more easily monitored and controlled.

In phased manner, the Company implemented micro-segmentation. Micro-segmentation has given greater relief on primary firewall and Security operations monitoring by avoiding putting greater pressure on IT security teams to detect and prevent lateral movement among heterogeneous data centre infrastructure assets.

#### **(b) Expansion of Co-Location facility**

To meet ongoing demands for an additional co-location facility by members, a new co-location facility has been commissioned. Members have started availing services from February 2022.

#### **(c) Upgrade of Internet trading setup links**

To meet growing demand of traffic on Internet trading environment, the Company have upgraded core internet links at Primary and Disaster Recovery site to two-fold with additional burstable bandwidth on demand option. Capacity is continuously monitored, and necessary augmentations are now on demand.

#### **(d) Upgrades of Network infrastructure**

The Company has initiated process of technology refresh and upgrade of member network WAN routers. Technical evaluation process is in progress. The proposed new network equipment is expected to be compatible with existing baseline infrastructure as well as meet security related requirements.

### **III. Financial ERP solution developed by BSE Technologies Private Limited**

The Company's software development arm, BSE Technologies developed financial ERP solution ("Class ERP") as a substitute to costly third party solutions and thereby save on mammoth AMC (Annual Maintenance Costs). It (BSE Technologies) continued its milestone achievement year

on year. Many enhancements were implemented to keep the products competitive and major modules added during the year.

The suite is now known as EFAS (Enterprise Financial Accounting System), the financial suite implementation for BSE LTD and its group companies. The ingenious developed solution is on the road to establish its own identity in the world of financial accounting system solution.

For the whole year the new solution EFAS was being used by the respective business teams of the Company and its groups.

All transactions recording, fetching reports, data entry and matching are being done in new solution. All tasks and activities that were performed in third party solution are now performed in new application and the same is being running successfully. The old third-party solution is decommissioned.

### **IV. Agility in DR operations**

The year 2021-22, witnessed numerous guidelines by regulatory authority in the area of DR readiness. These guidelines outlined sea-change directions in terms of DR operations compared to earlier guidelines.

The Company has complied with all regulatory requirements laid down from time to time. Regular live trading were conducted during the year under review. Importantly, during last two years of COVID pandemic, the complete operations and management of DR was performed remotely with very limited number of support team available at DR. For the Company and for all market participants, it was 'business as usual'.

The complete process of switch-over from Primary site to Disaster site and back were conducted using automation tool. All of the DR related tasks and activities were performed remotely. Overall live trading from DR site was seamless with no issues observed. New highs and volatility in trading volumes were observed while live trading from DR site. The infrastructure at DR site was able to sustain the trading volumes and the system performance, responses were normal.

Few of the highlights that the Company demonstrated during the DR switch-over over the year were;

- Unannounced Live trading from DR, when intimated to switch 4 hours in advance.
- Participated in more than 6 Unannounced mock drills invoked by SEBI during the year at an advance intimation of 45 minutes.

All required processes and protocols were followed for unannounced live trading from DR. Communications were done with different stakeholders, mainly trading members, inter-operability participants i.e., other Exchanges and Clearing corporations.



To meet the stringent guideline, the Company continued to optimise the automation tool used for switch-over to DR. Continuous tuning were undertaken and tested during mock trading to improve the RTO values. Strategies were devised to manage switch-over to DR for critical applications.

The Company conducted regular DR drills to continuously monitor, manage and test infrastructure upgrades as well as improvise & check on resiliency testing.

#### V. Data Security

The Company implemented various steps to secured Data at Rest and Data in Transit.

As more and more emphasis is being highlighted on cyber security and data protection, pro-active steps were taken to implement Data encryption technology for few select application initially in phased manner and based on results other applications were included over a period of time.

The in-built features of underlying databases were used to achieve data encryption requirements. By implementing inbuilt features, the Company is saving costs on third party solutions that would have otherwise been required for data encryption.

On similar lines, data encryption was implemented for Hadoop using third party solution. The encryption activity was performed by the Company's own Datawarehouse team, which otherwise would have costed substantial amount.

The implementation of data encryption was done with extreme caution and proper testing in order to avoid any disruption in the production environment.

#### VI. Major Infrastructure upgrades and migration

##### (a) Virtual Desktop Infrastructure (VDI)

During global pandemic period, almost all teams were working remotely. This suddenly created a huge demand for need to provide individual desktops or laptop for team members to work remotely. Providing desktops and laptops to end-users is a perennial IT challenge. Each of those devices requires constant maintenance and support so that end users can remain productive and secure. This involves support staff, hardware, and software purchases that take time and continuous effort to maintain. Therefore, organisations are significantly moving towards VDI based services to be offered to its team. With VDI, the number of days or weeks to deliver a desktop is converted into few minutes or hours.

The Company has started the journey towards adoption of VDI. Different use cases were tested considering how the VDI system and data is accessed from outside for different teams such as infrastructure support,

operations team, business teams, etc considering existing services and applications being used by different teams.

The Company is in process of finalization of the solution and VDI is expected to be implemented by second quarter of FY 2022-23.

#### VII. Single Sign On (SSO) Upgrade

The Company is continuously thriving to use open-source technology. Strategically this helps in the long run by restricting the costs. It also enjoys the technology upgrades and support from open-source forums.

In this direction, the Company migrated its Single Sign On (SSO) from OPENIAM to new version Cymmetri in the year 2020. The final migration was completed in May 2021.

Based on the success of SSO adaptability across different set of applications, the Company plans to provide SSO services as a SaaS (Software as Service) model for BSE and its group companies. The major advantage of SaaS model will be the savings on infrastructure investment and maintenance of the application services.

#### VIII. Newer Business streams ventured and progress in new projects launched in previous year

The Company's fully owned subsidiary and IT arm, BSE Technologies Pvt. Ltd. (BTPL), has been selected for three major and important projects. BTPL provides end-to-end solution comprising of development of software, customization, SOC (Cyber Security Operations Centre) services and managing the infrastructure of these new projects. The domain expertise and skill set that the BTPL team possesses has helped to garner these milestone projects, each one of them diverse in its entirety. Below mentioned projects are awarded to BTPL.

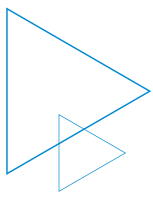
- (a) India International Bullion Exchange (IIBX)
- (b) BSE KRA (KYC Registration Agency)
- (c) Power Exchange titled as Hindustan Power Exchange Limited
- (d) Trade Receivables & Discounting System (TReDS)

##### (a) India International Bullion Exchange (IIBX)

In the Budget 2020, Finance Minister Smt. Nirmala Sitharaman announced that GIFT city would setup an international bullion exchange as an additional option for trade by global market participants.

For the above, the holding company India International Bullion Holding IFSC Limited (IIBH) has setup the Bullion Exchange through its subsidiary, India International Bullion Exchange IFSC Limited (IIBX), encompassing the Bullion Exchange and the Bullion Clearing Corporation.

As part of the project scope, BTPL implemented solutions pertaining to Exchange Trading platform mainly consisting of Matching engine (MAPS), Trading terminal (BOW), and associated solutions. Similarly



on Clearing corporation front, Real-time Risk Management (RTRMS), Clearing & Settlement system and other required solutions were implemented. In addition, BTPL provided additional software to facilitate backoffice & productivity applications to run day-to-day operations and administrations. Maintenance of overall infrastructure of IIBX in addition to software development and upgrades is being managed by BTPL.

In September 2021, production setup was made ready on India INX Data center at GIFT city and the same is Live.

### **(b) KYC KRA (KYC Registration Agency)**

Looking at the immense opportunity that the KRA system offers and the areas that it can grow in future, BTPL took a step in the direction to become a KRA. This additional service will immediately help trading members of the Company as well as their clients.

As a part of the regulatory requirement and obtaining the regulatory clearance, separately, the setup and application working was demonstrated to regulators. The production setup has been made ready.

### **(c) Hindustan Power Exchange (“HPX”)**

HPX (earlier was referred as Pranurja Solutions Limited - PSL) was incorporated in 2018 as a consortium of PTC India (PTC), BSE Investments, and ICICI Bank. In February 2021, the Commission granted registration to HPX to establish and operate a power exchange. It would make HPX the third power exchange in India.

BTPL has developed and provided software applications required for trading, peripheral and clearing and settlement functions. HPX trading platform is expected to run 24x7x365 days. BTPL has been selected as the technology provider and is responsible for setting up the exchange and clearing applications including Trading, Matching, Trading interface, Risk Management, Market Operations, Public information portal (Website) & Clearing and Settlement system etc. BTPL will also provide the Security Operations Centre (SOC) services to HPX.

BTPL with help of its expert team has been developing an in-house trading and matching engine which is core to Power Exchange and completely different than the securities market. The matching logic is very complex and over a period of last 2 years, the matching engine is undergoing continuous change to fine tune its performance and output.

In addition, BTPL has developed web-based Trading interface to all members and its client for order routing. The Risk management and Clearing & Settlement system will be suitably customized to meet the needs of power exchange.

It is expected that the new exchange may go-live in second quarter of FY 2022-23.

### **(d) TReDS (Trade Receivables Discounting System)**

BTPL acquired in-principle approval from the Reserve Bank of India (RBI) to set up and run the Trade Receivables Discounting System (TReDS).

TReDS is an electronic platform for facilitating the financing/discounting of trade receivables of Micro, Small and Medium Enterprises (MSMEs) through multiple financiers. These receivables can be due from corporates and other buyers, including Government Departments and Public Sector Undertakings (PSUs).

The TReDS platform will bring all the aforesaid participants together for facilitating uploading, accepting, discounting, trading and settlement of the invoices, bills of MSMEs. The platform will facilitate MSME to manage their working capital.

The solutions provided by BTPL for TReDS platform are OMRS (Online Membership Registration System) and the Transaction System.

### **IX. BSE designated exchange for India's largest IPO – LIC**

Life Insurance Corporation of India (LIC), India's largest Insurer, came out with one of the mammoth Initial Public Offering (IPO). Prior to start of actual IPO process, various steps were taken by the Company on different front to simulate and manage the load. Continuous testing with various stakeholder involved in IPO process were conducted for months in order to ensure that actual IPO process is conducted seamlessly. During the process of simulation of load and performance, the Company implemented performance tuning and capacity enhancements activities. On continuous basis, prior to actual IPO multiple rounds of testing were performed to maintain the sturdiness of the system.

The LIC IPO process was successfully conducted on BSE platform in the month of May 2022.

### **Cyber Security Technology absorption and certification**

#### **i. Distributed Denial of Service (“DDoS”) Protection replacement**

For protection from continues threats and as a first line of Cyber defence, the Company has DDoS Technology protection enabled. The devices responsible to ensure this were end of life and required replacement and upgrade to support the protection from sophisticated and volumetric attacks evolved over the period. It has capability to protect from sophisticated Volumetric, application layer and Secure Socket Layer (“SSL”) based DDoS attacks. During the year the network throughput capacity of the device have increased from 1Gbps to 3Gbps as the volume of network traffic from internet have increased for the company.

#### **ii. Network Intrusion Prevention System (N-IPS) replacement**

To protect from known and dynamic cyber security threats, the company has implemented Network Intrusion Prevention System which continuously monitors the traffic request and response flowing through the BSE Network and prevents any malicious request or response which is illegitimate and can harm the respective system. The system was replaced as the existing N-IPS technology devices were getting end of its life and considering the attack volume and penetration attempts we receive for companies' technology systems

an advance and proven Network Intrusion Prevention System was placed as a replacement.

### iii. Vulnerability Management System for Technology Systems

Vulnerability is referred to weakness in technology system which can be exploited by a cyber attacker to gain access, harm the system or perform unauthorized action on technology systems. To ensure such disclosed and applicable vulnerabilities are identified, the company have implemented an fully function Vulnerability Management System Technology. It will help to identify and act on applicable vulnerabilities on the company's technology systems. To cover all technology assets a vulnerability management calendar is defined and followed quarterly basis to report all open vulnerabilities and then track closure of the same with respective remediation owners. It is also utilized to ensure any new systems are free from vulnerabilities before placing them in company network.

### iv. Certification

The Company has successfully cleared the Certification and surveillance audit for Year 2021 – 22 for Information security Management System ISO 27001:2013 and Business Continuity Management System ISO 22301:2012.

### Awards & Recognition

The Company's IT initiatives and contributions were recognised in different forums and awards conferred.

- Transformation Icon by Core Media (May 20, 2021)
- CXO Hall of Fame AWARDS 2021 by CXOTV & Techplus Media Group (August 17, 2021)
- IT Genius Award 2021 & CIO CROWN 2021 by CORE (August 19, 2021)
- CIO100 Special Awards by CheckPoint & IDG (November 11, 2021)
- Innovation in Operations by IDC Industry Innovation Awards (IDCIIA) 2021 (December 8 2021)

## I. Disclosures

### i. The efforts made towards technology absorption:

The Company continued with passion looking for path-breaking technologies & adopt them. The year has been challenging and appealing for the Company's technology team to continue its journey in exploring and implementation of newer technologies, however, the Company's technology team was successful in implementing them as planned.

The Company has taken the lead for implementation of;

- Further enhancements in BOW & BEST Trading interface

- Upgradation and enhancements in infrastructure
- Implementation of newer technologies
- Enhancing the security posture across infrastructure and applications
- Improvising the operational capabilities & high availability
- Effective utilisation is made of available indigenous technology team expertise and develop home grown applications.

Needless to mention, the efforts put in by the Company reasserts that it is the fastest Exchange of the World. All departments within the Company are equipped with tech-enabled solutions and applications to deliver best of the services to all its customers.

### ii. the benefits derived like product improvement, cost reduction, product development or import substitution;

The IT strategy and approach adopted by the Company has ensured uninterrupted services and trading facility. The Company thrives to remain competitive and has provided best in class products and services to all its market participants. The market participants are the beneficiaries of technology upgrade and newer rollouts made by the Company during the year. The Company's technology offerings are built as a service model, thereby reducing the cost for its market participants.

### iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Not Applicable

- a) the details of technology imported - Not Applicable
- b) the year of import - Not Applicable
- c) whether the technology been fully absorbed - Not Applicable
- d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof - Not Applicable

### iv. the expenditure incurred on Research and Development - Not Applicable

## C. FOREIGN EXCHANGE EARNING AND OUTGO

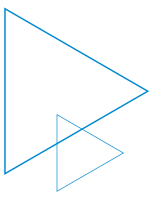
The particulars of Foreign Exchange Earnings and outgo during the year under review are furnished hereunder:

Foreign Exchange Earning: ₹ 3,110 Lakh (Previous Year: ₹ 2,953 Lakh)

Foreign Exchange Outgo: ₹ 163 Lakh (Previous Year: ₹ 1,657 Lakh)

## 11. RISK MANAGEMENT AND COMPLIANCE

Risk Management is one of the critical elements of operating framework at BSE. Enterprise Risk Management ("ERM") framework encompasses practices relating to the identification, evaluation, mitigation and monitoring of strategic, operational, financial, compliance risks and



emerging risks to achieve key business objectives and to minimise the adverse impact of risks.

The Board of Directors of the Company has formed a Risk Management Committee (“RMC”) to oversee the ERM Framework, mitigation and monitoring the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls.

BSE’s Management identifies key risks (existing as well as emerging) and prioritises the mitigation actions based on the potential adverse impact on operations and/or shareholder value. As we operate in a dynamic environment, these risks are reviewed regularly and assessed for their potential impact/ exposure. Every quarter, a detailed update on ERM is presented and deliberated upon in the meetings of the RMC of the Board.

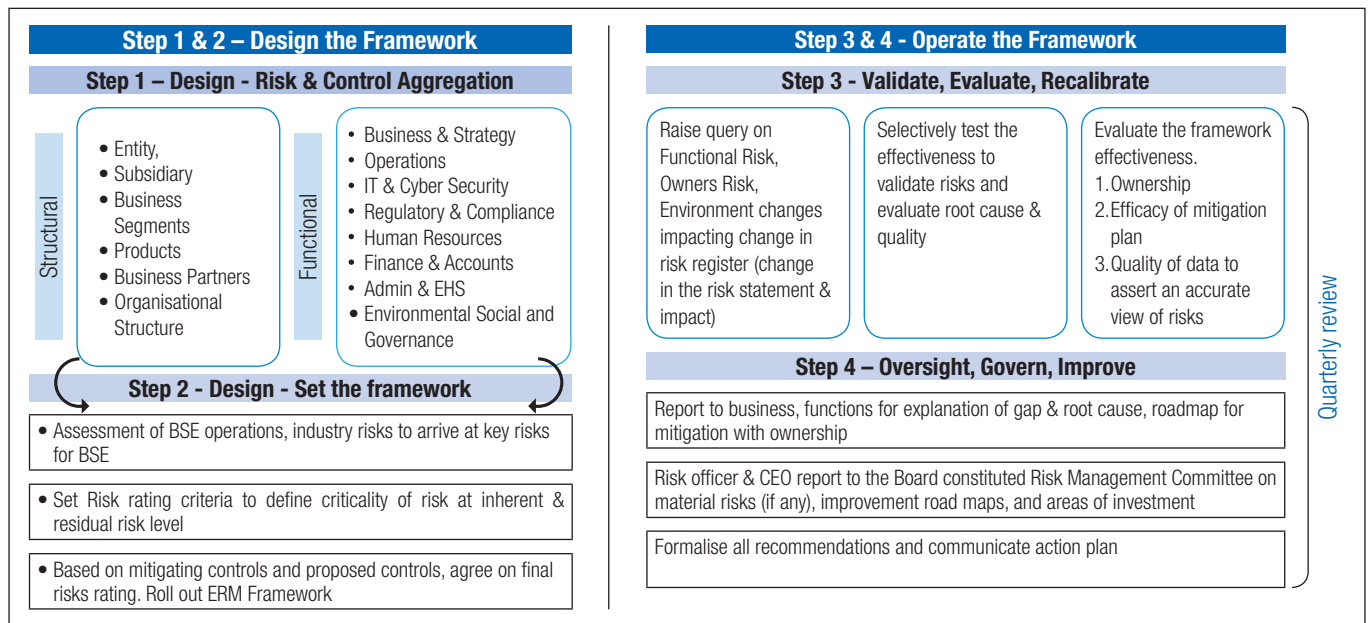
**OVERVIEW**

Risk Management is an enterprise-wide function at BSE which covers major business and functional objectives including Strategy, Operations, Technology and Compliance. The Enterprise Risk Management (ERM)

enables the achievement of strategic objective by identifying, analysing, assessing, mitigating, monitoring and governing any risk or potential threat to these objectives. Several risks can impact the achievement of a particular business objective. Similarly, a single risk can impact the achievement of several business objectives. The focus of risk management is to assess risks, deploy mitigation measures and review them including risk management policy on a periodic basis along with the top key risk indicators of the organisation. This is done through periodic review meetings of the Risk Management Committee comprising of the Board members.

The risks in relation to internal control over financial recording and reporting is reviewed by the Audit Committee. The Company’s internal control systems commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested and certified by Statutory as well as Internal Auditor. The Audit Committee reviews adequacy and effectiveness of the Company’s internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company’s financial risk management policies and systems.

**KEY COMPONENTS OF BSE’S RISK MANAGEMENT FRAMEWORK**

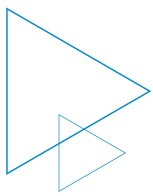


**RISK MANAGEMENT ORGANIZATION STRUCTURE**



The key roles and responsibility regarding risk management in the Company are summarized as follows:

Level	Key roles and responsibility
Risk Management Committee	<ul style="list-style-type: none"> <li>✓ Comprises of six Directors and one Independent External Expert : <ul style="list-style-type: none"> <li>• Shri David Wright, Chairman</li> <li>• Justice Vikramajit Sen – Member</li> <li>• Shri S. S. Mundra – Member</li> <li>• Shri Sumit Bose – Member</li> <li>• Shri Umakant Jayaram – Member</li> <li>• Sushri Jayshree Vyas – Member</li> <li>• Shri Ramabhadran S. Thirumalai – Independent External Expert</li> </ul> </li> <li>✓ To formulate a detailed risk management policy.</li> <li>✓ To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.</li> <li>✓ To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.</li> <li>✓ To periodically review the risk management policy.</li> <li>✓ To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.</li> <li>✓ To review the Annual plan for Risk Management Presentations by various departments.</li> <li>✓ To review the action taken report of Risk Management committee meetings.</li> </ul>
Role of Risk and Control Owners	<ul style="list-style-type: none"> <li>✓ Risk and Control Owners monitors their areas for new risks/events or assess changes in risk exposure.</li> <li>✓ Implementing prescribed risk mitigation actions and Risk Management measures.</li> <li>✓ Reviewing the effectiveness of Risk Management Process.</li> </ul>
Chief Risk Officer	<ul style="list-style-type: none"> <li>✓ Be part of the ERM Framework design process to have understanding of the framework from its inception.</li> <li>✓ Assess the risk framework i.e. operationalized in terms of its effectiveness and the method of risk updation and testing.</li> <li>✓ Ensure any key risk with immediate impact or developing risk situation is escalated to right authority without delay and mitigation plan is put in place.</li> <li>✓ Ensure all key risks are reported to Risk Committee to ensure full disclosure.</li> <li>✓ Identifying and putting emphasis on the potential impact of weaknesses in the risk management system.</li> </ul>



## RISK CATEGORIES

The Company's risk management framework is broadly categorized as risk pertaining to (a) Business and Strategy, (b) Information Technology & Cyber Security, (c) Regulatory and Compliance, (d) Finance, (e) Operations, (f) Human Resources and (g) Admin and Environmental Health & Safety (EHS) (h) Environmental Social and Governance (ESG).

Risks arising out of the choices we have made in defining our business and strategy and the risks to the successful execution of these strategies are covered in this category – for e.g., risk inherent to our industry and competitiveness are analysed and mitigated through strategic choices of target markets, the Company's market offerings, business models and talent base. Potential risk to the long-term scalability and sustainability of the organization are also analysed and mitigation plans are actioned. We periodically assess risks to the successful execution of our strategy such as the effectiveness of strategic programs that are being executed, the momentum in new initiatives, the impact of strategy on financial performance, leveraging of inorganic strategies, effectiveness of organisation structure and processes, retention and development of high performing talent and leadership.

Risks arising out of internal and external factors affecting the policies, procedures, people and systems in our support functions thereby impacting services delivery, compromises our core values or not in accordance with generally accepted business practice or impacting the client's operations are covered in this Operations, IT and Cyber Security Risks. For e.g. risks of business activity disruption due to natural calamities, terrorist attacks or war or regional conflicts, Geo-political changes, or disruption in telecommunications, systems failures, virus attacks or breach of cyber security.

Risks arising out of threats posed to our financial, organisational, or reputational standing resulting from violations or non-conformance with laws, regulations, codes of conducts or organisational prescribed practices or contractual compliances are covered in Regulatory & Compliance Risks. For e.g. risks of potential litigations, breach of contractual agreements, non-compliances to regulations, potential risk arising out of major regulatory changes.

## RISK MANAGEMENT PROCEDURE

### Risk Identification

Risk Management is a continuous interplay of actions that permeate the Company. It is brought in to effect by the Company's RMC, management and other personnel. The risk management process of the Company aims at providing reasonable assurance regarding achievement of the Company's objectives.

In order to provide reasonable assurance, the Company's risk management process endeavours to help:

- Identify, assess and escalate new risks impacting the objectives of the Company,

- Define mitigation actions to respond to the new risks effectively,
- Monitor effectiveness of existing risk management mitigation actions and
- Report risks and risk management mitigation actions to the Risk Management Committee on a periodic basis.

The risk analysis and evaluation is carried out using scenario based assessments to decide the potential impact, likelihood of occurrence and in some cases, the detectability of the risk.

### Risk Assessment

Each risk is assessed for impact (materiality of the risk if it occurs) and likelihood (at an agreed level of impact, the probability of the event taking place). This shall provide the inherent risk of the particular risk activity. Based on the impact and likelihood the risk exposure is categorized into categories based on defined matrix.

Residual Risk is derived after assessing the impact of the mitigation plan.

### Risk Mitigation Measures

Mitigation actions are prepared and finalised, owners are identified and the progress of mitigation actions are monitored and reviewed. The Risk Management Committee periodically reviews and monitors the mitigation actions, its effectiveness and provides its advice and insights to the mitigation teams.

The management along risk and control owners remain vigilant in mitigating the risks that may come with changes in internal and external environment.

### Risk Reporting

The top risk from the risk registers, its mitigation plans, periodic review of processes and new risks emanating from such reviews, a detailed update on ERM is presented and deliberated upon in the meetings of the RMC on a quarterly basis.

The risks identified by risk management function or roles at different levels in the organization are presented at appropriate level of governance structure. Critical risks or cross functional risks at each level are escalated to the next level in the governance structure. Critical risks under different categories of risks at group level are reviewed by Chief Risk Officer, Chief Executive Officer, Chief Financial Officer, Chief of Business Operations, Chief Information Officer and Chief Regulatory Officer.

## RISK MANAGEMENT FRAMEWORK FOR THE YEAR

During the year, as a part of monitoring the key risks, the risk management office:

- Reviewed the risk management practices, which were primarily focused on the effectiveness of strategic programs in improving our competitive position and differentiation in market segments.

- b) Reviewed the momentum of new initiatives to achieve our long-term business aspirations, our preparedness to address any incident that may cause business disruptions to our physical and technological infrastructure, strengthening operational and internal controls to detect fraudulent activity, leadership development and succession, planning and monitoring possible impact of changes in our regulatory environment.
- c) Reviewed Technology, Information security risks including cyber-attacks and threat intelligence and continue to monitor the progress of mitigation actions. In addition to this, mitigation plan is executed for data access, its preservation and monitoring measures for internal users is implemented.
- d) Reviewed key operational risks and actions based on inputs from internal risk register, external assessment, internal audit findings and incidents.
- e) Reviewed operational risk areas including client service level standards, retentions and engagement of employees, reskilling of employees, brand attractiveness, women's safety, physical securities, adequacy of insurance coverage, succession planning, and business continuity management.
- f) Monitoring by regulatory department, the key developments in the regulatory environment.
- g) Reviewed the risk management practices with distinct focus on impact of COVID – 19 on the organisational performance, physical security, trading operations, cyber and information security and key measures taken for employee well – being,.

Due to the inherent risks in the Company's business activities, it is vital that BSE keeps improving risk management practices to strengthen the organisation through informed strategic and business decisions.

BSE's strategic vision for the ERM function is to embed ERM across processes, business strategy and key decision making to add significant and strategic organisational value.

## 12. COMPANY'S POLICIES

### A. POLICY ON NOMINATION AND REMUNERATION

The Company's policy on Nomination and Remuneration includes criteria for determining qualifications, positive attributes and independence of a Director.

The Nomination and Remuneration Policy of the Company is performance driven and is designed to motivate employees, recognize their achievements and promote excellence in performance.

The Policy provides guidance on:

- (1) Selection and nomination of Directors to the Board of the Company;
- (2) Appointment of the Senior Management Personnel of the Company; and
- (3) Remuneration of Directors, Key Managerial Personnel and other employees.

The said policy is available on the website of the Company at <https://www.bseindia.com/downloads1/nrcpolicy.pdf>

### B. POLICY ON CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Company has constituted a CSR Committee in accordance with Section 135 of the Act.

The Annual Report on CSR activities as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been annexed to this Report as **Annexure C**.

The Company primarily works through BSE CSR Integrated Foundation towards supporting the projects in the areas of health, sanitation, technology incubators, eradicating hunger and poverty and various sectors covered under Schedule VII of the Act.

The CSR policy is available on the website of the Company at [https://www.bseindia.com/downloads1/Corporate\\_Social\\_Responsibility\\_Policy.pdf](https://www.bseindia.com/downloads1/Corporate_Social_Responsibility_Policy.pdf)

### C. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has formulated a Vigil Mechanism / Whistle Blower Policy pursuant to Regulation 22 of the Listing Regulations and Section 177(10) of the Act, enabling stakeholders to report any concern of unethical behaviour, suspected fraud or violation.

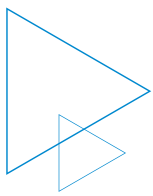
The said policy *inter alia* provides safeguard against victimization of the Whistle Blower. Stakeholders including directors and employees have access to the Managing Director & CEO and Chairperson of the Audit Committee.

During the year under review, no stakeholder was denied access to the Chairperson of the Audit Committee.

The said policy is available on the website of the Company at [https://www.bseindia.com/downloads1/Whistle\\_Blower\\_policy.pdf](https://www.bseindia.com/downloads1/Whistle_Blower_policy.pdf)

### D. POLICY ON RELATED PARTIES TRANSACTIONS

All Related Party Transactions that were entered during the financial year were on arm's length basis and in the ordinary course of business and is in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant



Related Party Transactions made by the Company during the year that required Shareholders' approval under Regulation 23 of the Listing Regulations. None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC 2 is not applicable to the Company for FY 2021-22 and hence does not form part of this report.

The Policy on Related Party Transactions is available on the website of the Company at <https://www.bseindia.com/downloads/1/13b0fdbf-fa4e-4b4d-9d9b-bedade5e70c2.pdf>

## E. POLICY ON MATERIAL SUBSIDIARY

As required under Regulation 16(1)(c) of Listing Regulations, the Company has formulated and adopted a policy for determining 'Material' Subsidiaries.

For FY 2021-22, Indian Clearing Corporation Limited ("ICCL") is the material subsidiary of the Company. As per Regulation 24A of Listing Regulations, the Secretarial Audit Report of ICCL is annexed as **Annexure D**.

The policy on Material Subsidiary is available on the website of the Company at [https://www.bseindia.com/downloads/1/Policy\\_on\\_Material\\_Subsiidiaries.pdf](https://www.bseindia.com/downloads/1/Policy_on_Material_Subsiidiaries.pdf)

## F. INSIDER TRADING REGULATIONS

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has formulated a Code of Conduct for Prevention of Insider Trading ("Insider Trading Code") and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information ("UPSI").

The Code of Practices and Procedures for fair disclosure of UPSI is available on the website of the Company at [https://www.bseindia.com/downloads/1/Code\\_of\\_fair\\_disclosure\\_of\\_UPSI.pdf](https://www.bseindia.com/downloads/1/Code_of_fair_disclosure_of_UPSI.pdf)

## G. DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy containing the requirements of Regulation 43A of Listing Regulations is annexed as **Annexure E** and is also available on the website of the Company at [https://www.bseindia.com/downloads/1/BSE\\_Dividend\\_Distribution\\_Policy.pdf](https://www.bseindia.com/downloads/1/BSE_Dividend_Distribution_Policy.pdf)

## 13. DISCLOSURE AS REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has adopted a policy on Prevention of Sexual Harassment at Workplace which aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour. An Internal Complaints Committee ("ICC") is already in place wherein the senior management (with women employees constituting the majority) personnel are its members. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

During the financial year ended March 31, 2022, no complaints pertaining to sexual harassment have been received.

## 14. RESOURCES COMMITTED TOWARDS STRENGTHENING REGULATORY FUNCTIONS AND TOWARDS ENSURING COMPLIANCE WITH APPLICABLE REGULATORY REQUIREMENTS

The Company being a recognised Stock Exchange is governed by SEBI. SEBI from time to time has issued various regulations and guidelines applicable to the Company. The Company ensures compliances with the same and aims to remain at the forefront by creating a precedent for others to follow, in terms of compliance by implementing the best governance practices and disclosures.

During the year under review, the Company's regulatory division comprised of departments, taking care of various critical aspects of regulatory compliances, as under:

- A) Listing Compliance
- B) Member Compliance
- C) Surveillance
- D) Inspection
- E) Investor Services
- F) Financial Surveillance
- G) Legal Regulatory
- H) Regulatory Correspondence

There are 149 resources in these functions at various designations. Each such department is headed by a senior official of the Company, reporting to the Chief Regulatory Officer, who in turn reports to the Managing Director & CEO and Regulatory Oversight Committee.

The Company has ensured to make disclosures of various mandatory regulatory requirements along with reporting of the same to various regulatory authorities in addition to informing the same to the Board of Directors and Committee members.

For the financial year ending on March 31, 2022, BSE incurred direct and indirect expenses amounting to ₹ 1,965 Lakh as per activity-based accounting methodology towards strengthening regulatory functions and towards ensuring compliance with regulatory requirements.





## 15. MARKETING AND COMMUNICATIONS

The company used all possible mediums to reach out to members, investors and general public. Information on latest product offerings, services, regulations and investor education were disseminated on a regular basis. With things slowly getting back to normal, the Company once again started hosting physical events, following all health protocols. The SME platform achieving 350 listings, the World Investor Week, the total number of registered investors (UCC) crossing 10 crores and the record number of transactions of StAR MF platform were some of the key milestones that got prominent coverage in all leading national and regional dailies, television channels and social media.

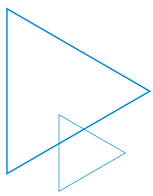
During the course of the year, the Company hosted several dignitaries across various sectors:

- Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry, Consumer Affairs & Food & Public Distribution and Textiles, Govt. of India
- Shri Ramdas Athawale, Hon'ble Minister of State for Social Justice and Empowerment, Govt. of India
- Shri Arvind Sawant, Member of Parliament, Lok Sabha
- Shri Hemant Patil, Member of Parliament, Hingoli, Maharashtra
- Shri Manoj Kotak, Member of Parliament, Lok Sabha
- Shri Bhupendra Rajnikant Patel, Hon'ble Chief Minister of Gujarat
- Shri Aaditya Thackeray, Hon'ble Minister for Tourism, Environment & Protocol, Govt. of Maharashtra
- Shri Subhash Desai, Hon'ble Minister for Industries & Mining, Govt. of Maharashtra
- Smt. Shakuntala Rawat, Industry, State Enterprises, Devasthan Cabinet Minister Govt. of Rajasthan
- Shri Keyur Rokadia, Hon'ble Mayor of Vadodara
- Shri Shekhar Chaudhary, Director, Ministry of Finance
- Shri J.P.Gupta, Secretary Finance, Govt. of Gujarat
- Smt. Neelam Rani, Senior IFS Officer
- Shri Armstrong Pame, IAS Officer
- Smt. Shalini Agrawal (IAS), Commissioner, Vadodara Municipal Corporation
- Dr. Ashwani Mahajan, Governor, Council for International Economic Understanding
- Shri G.P Garg, Executive Director, SEBI
- Ms. Shyamala Gopinath, Former Deputy Governor of RBI
- Smt. Kishori Pednekar, Former Mayor, Brihanmumbai Municipal Corporation (BMC)
- Shri Ajit Kumbhar Jt. Commissioner, Brihanmumbai Municipal Corporation (BMC)
- Dr. Sudhir Goyal, Former Additional Chief Secretary, Agriculture and Marketing, Govt. of Maharashtra
- Dr. Saurabh Garg, CEO, UIDAI
- Shri Dinesh Kumar Khara, Chairman, SBI
- Shri Anand Rathi, Founder and Chairman, Anand Rathi Wealth Limited
- Shri Vijay Kedia, MD, Kedia Securities
- Shri Vijay Shekhar Sharma, Founder and CEO, Paytm
- Shri Swami Ramdev, Non - Executive Director, Ruchi Soya Industries Limited
- Shri Acharya Balkrishna, Chairman, Ruchi Soya Industries Limited
- Mr. David J. Ranz, Consul General of USA
- Mr. Kobbi Shoshani, Consul General of Israel
- Ms. Anna Lekvall, Consul General of Sweden in Mumbai
- Mr. Cheong Ming Foong, Consul General of Singapore Consulate in Mumbai
- Mr. Othmar Hardegger, Consul General, Consulate General of Switzerland in Mumbai
- Mr. Peter Truswell, Australian Consul General, Mumbai
- Mr. Agus P. Saptono, Consul General of Indonesia Mumbai
- Mr. Alexei V. Surovtsev, Consul General of the Russian Federation
- Mr. Hugo Gobbi, Argentina's Ambassador
- Dr. Ralf Heckner Ambassador of Switzerland
- Mr. Naor Gilon, Israel's Ambassador to India
- H.E. Ms. Mariana Pacheco Montes, Ambassador of Colombia
- Mr. Burkhard Balz, Member of the Executive Board of the Bundesbank
- Ms. Maria Ariza, CEO, BIVA the Institutional Stock Exchange in Mexico
- Ms. Bhagyashree Patwardhan, Actress
- Shri Shailesh Lodha, Actor
- Shri Pragyan Ojha, Former Indian Cricketer

## 16. OTHER DISCLOSURES

### A. MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to Regulation 34(2)(e) of the Listing Regulations, the Management Discussion and Analysis Report forms part of this Annual Report.



## B. BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report forms part of this Annual Report.

## C. CORPORATE GOVERNANCE

Pursuant to the SECC Regulations, Listing Regulations and the Act, report on Corporate Governance as on March 31, 2022, forms part of this Annual Report. A Certificate from Practicing Company Secretary, confirming status of compliances of the conditions of Corporate Governance is annexed to the Corporate Governance Report.

## D. INVESTOR PROTECTION FUND (“IPF”)

The Company, through its IPF, regularly conducts Investor Awareness Programmes (“IAPs”) throughout the country. IPF was instrumental in conducting 11585 IAPs during FY 2021-22. Out of this, 4506 IAPs were conducted through the IPF while 7079 IAPs were conducted through the Investors Services Fund (“ISF”). During the year, IPF conducted 19 Regional Investor Seminars exclusively with SEBI across different parts of the country. IPF also periodically publishes TV, print and online advertisements regarding Do’s and Don’ts for investors, in order to educate them and enable them to safeguard their interests. During the year, several educational and other capital market awareness events were sponsored by IPF to raise awareness about corporate best practices, also. IPF is currently managing 27 Investor Service Centres across India covering all the major state capitals, including Mumbai.

### Major Initiatives:

#### World Investor Week (WIW) 2021:

World Investor Week (“WIW”) was a week-long global campaign promoted by the International Organization of Securities Commissions (“IOSCO”) to raise awareness about the importance of investor education and protection and highlight the various initiatives of securities regulators in these two critical areas. In India, SEBI had chosen the week of November 22 – 28, 2021 to celebrate this week. BSE Investors Protection Fund (“BSE IPF”) had taken the initiative under the guidance of SEBI and the aegis of IOSCO to launch investor focused communications, initiatives, promoting contests to increase investor awareness and education and conducting pan India Investor Awareness Programs, including some with SEBI.

BSE IPF undertook some unique initiatives this year such as:

- 1) Bell Ringing Ceremony at BSE’s iconic International Convention Hall where the SEBI Executive Director Shri G P Garg and his senior team attended, where certain new initiatives given below were launched.
- 2) Launch of a “Market Simulation Package” [www.virtualmarketlab.com](http://www.virtualmarketlab.com) - a simulation module created especially for teaching

students/investors the mechanics of trading, margining, settlement.

- 3) Launch of a “Certificate Program on Basics of Capital Market” – this was executed jointly with BSE Institute Ltd (BIL) - one of India’s leading capital market institutes. The Certificate Program is targeted at college students.
- 4) For 5 days starting from November 22, 2021, to November 26, 2021 a general nationwide Investor Quiz was conducted.
- 5) To spread awareness about Commodity Derivatives, a Quiz program was conducted on November 26, 2021, exclusively on questions based on the Commodity Derivatives Segment.
- 6) Considering the increasing number of new women investors and the overall increasing participation of women in the Stock Market, BSE IPF decided to conduct a Quiz exclusively for Women on November 23, 2021, as part of the WIW.
- 7) On November 27, 2021, an all-women panel discussion featuring financial experts, was arranged in co-ordination with one of the Bengaluru based resource person affiliated with BSE IPF.
- 8) Keeping the importance of governance and knowledge of regulations in mind, a special nation-wide Quiz was conducted for students of the Institute of Company Secretaries of India (ICSI), in coordination with ICSI, on November 28, 2021.
- 9) Holding interesting Webinars & Web based IAPs etc. for our investors.
- 10) Historic and iconic BSE building illumination and display of WIW banner on building, was one of the highlights of celebration of WIW.

#### a) Webinars:

To spread the knowledge and education about the investing in securities market by observing the qualities of a prudent investor, BSE IPF conducted various IAPs covering investors from pan India. Total 943 IAPs were conducted by the BSE IPF during the WIW 2021, including 7 IAPs conducted jointly with SEBI and CDSL, 20 IAPs in partnership with CDSL and balance 916 conducted by various resource persons affiliated with BSE IPF/ISF.

#### b) Dedicated microsite:

IPF had also placed a Banner on BSE website at a prominent place with click thru to a specially created microsite showcasing all events of WIW on BSE IPF website. Also links to SEBI Chairman’s message on

the occasion of WIW were made available on this page on both BSE and BSE-IPF websites.

#### c) Ringing of Opening Bell:

To mark the beginning of World Investor Week (WIW) celebrations, a Bell Ringing Ceremony was held on November 22, 2021 in BSE's International Convention Hall with Shri G P Garg, Executive Director, SEBI, as the Chief Guest. Shri Ashishkumar Chauhan, MD & CEO, BSE, Chief Regulatory Officer and BSE IPF Trustee Shri Neeraj Kulshrestha and Shri Khushro Bulsara, Chief General Manager BSE and Head – IPF, welcomed several senior dignitaries from SEBI and leading investor associations.

#### d) General Quiz Contest:

Starting from November 22, 2021, to November 26, 2021 a general nationwide Investor Quiz was conducted with 20 questions on capital markets selected at random from a database, for each User logging in and participating. The participation was free of cost and every registered participant was provided with a "Referral Guidebook". Top 10 winners were selected for each day and were awarded with cash prize of ₹ 2000/- each in the form of Amazon Gift Vouchers. In addition to these daily prizes, the top two winners from all the 5 days' quizzes put together were awarded with a special "Quiz Ka Badshah" title with the winner of this title getting an Amazon Gift voucher of ₹ 10,000/- and the runner-up an Amazon Gift voucher of ₹ 5,000/-. The overall accuracy rate was more than 64% and 75 participants answered all the questions on all the 5 days correctly.

#### e) Quiz program exclusively for Women:

Considering the increasing participation of women in the Stock Market, BSE IPF decided to conduct a Quiz exclusively for Women on November 23, 2021, which was similar to the above 5 day Quiz program. Total 390 women participants registered for the Quiz and 161 played the Quiz. Top 5 winners were awarded with cash prize of ₹5000/- each and all the participants were given Participation Certificate and winners were given Winners Certificate.

#### f) National level Quiz for students at Institute of Company Secretaries of India (ICSI)

Keeping the importance of governance and knowledge of regulations in mind, a special nation-wide Quiz was conducted for students of Institute of Company Secretaries of India (ICSI) in coordination with ICSI on November 28, 2021 where the majority of questions were based on the regulatory framework governing listed securities and specifically Listing Regulations. All the procedure and rules of 5-day Quiz program were applicable to this Quiz also. Total 2474 students registered for the Quiz where the Top 10 winners were awarded with ₹ 3000/- each through Amazon Gift voucher. All the participants were given participation certificate and winners were given winners

certificate. The overall accuracy of all the participants was more than 63%.

#### g) Special Quiz program on Commodity Derivatives Segment:

To spread awareness about Commodity Derivatives, a Quiz program was conducted on November 26, 2021, exclusively on questions based on the Commodity Derivatives Segment. All the procedure and rules of 5-day Quiz program were applicable to this Quiz also. Top 10 winners were awarded with cash prize of ₹ 2000/- each. All the participants were given participation certificates and winners were given winners certificate. The overall accuracy of these participants was more than 67%.

#### h) Social media campaign:

BSE IPF created 6 new videos on investors' awareness covering messages on 6 different topics. These videos were uploaded on YouTube and the link was sent out to all social media handles of BSE i.e., Facebook, LinkedIn, Twitter and Instagram during the entire length of the WIW.

#### i) Exclusive Panel Discussion by Women for Women:

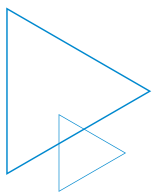
On November 27, 2021, an all-women panel discussion featuring financial experts, was arranged in co-ordination with a Bengaluru based resource person affiliated with BSE IPF. Eminent panellists from industry, deliberated on important topics such as how women investors see today's financial services landscape, the challenges they face, what are the women's expectations and what challenges do women face in the financial services industry etc.

#### j) Special Investors' Awareness Program (IAP) exclusively for the blind trainers associated with National Association of Blind (NAB) and faculty members.

This was a unique initiative taken by BSE IPF whereby a special IAP for the blind trainers and faculty members of the National Association for the Blind (NAB) was conducted on November 26, 2021. The program was conducted in online mode through webinar and the speakers guided the attendees on the various topics such as importance of saving, how to convert savings into investments, effect of compounding, various aspects of investing in securities market, what precautions to be taken, Do's and Dont's to be followed by investors etc.

#### k) Global Money Week initiatives

Global Money Week (GMW), an OECD initiative, is an annual global awareness campaign organised under the aegis of OECD International Network on Financial Education (OECD/ INFE). It was celebrated in



India from March 22 – 27, 2022. SEBI was the national coordinator for the celebrations of GMW – 2022 in India and the week witnessed a range of awareness activities conducted across the country.

BSE IPF conducted 137 IAPs through its network of resource persons across the country addressing the audience of youth on the theme provided by SEBI of Learn. Save. Earn. In addition to these IAPs we are pleased to inform that following special initiatives were also taken by us.

#### Financial Literacy Rally -

A resource person empanelled with BSE IPF has organized a **Financial Literacy Rally** in the city of Mumbai (Locality Bandra) in association with MMK College of Commerce and Economics, where students of the college carried posters/banners/slogans on the theme of **LEARN, SAVE and EARN** which is the current theme of the 'Global Money Week'22' in order to create awareness amongst the public at large. The rally was conducted on Friday, 25<sup>th</sup> March (8am) starting from Smt. MMK College, Jyoti Kundnani Chowk, Bandra towards Bandra Station and back. Approx. 200 students participated in the rally and few students performed a short skit conveying the message about saving and investment. BSE IPF was associate partner for the event and supported it. Our representative also attended this rally.

#### Art Competition for students of IBCS College, Bhubaneswar

Under this special event, BSE IPF had conducted a competition on March 25, 2022, wherein students between the age of 18-30 participated. Students were required to create any Art based on the subjects "Investing in Indian Capital Market". The students were provided Do's and Don'ts of investing in capital market to derive an idea for creating the arts. The event was very successful wherein 70 students participated in the competition and 3 were declared as winners and awarded with Winner's certificate and Trophy.

#### I) Celebration of Azadi Ka Amrit Mahotsav

SEBI is celebrating Azadi ka Amrit Mahotsav (AKAM) to commemorate 75 years of India's Independence. As a part of this celebration, SEBI in coordination with Dept. of Economic Affairs, Ministry of Finance, Govt. of India has lined up various activities till August 2022 like Quiz contest and Essay competitions in association with NISM. Further, SEBI has also planned to conduct various Investors' Awareness Programs in physical mode in different parts of the country, in association with various MIIs.

Accordingly, during the F. Y. 2021-22, BSE IPF has successfully conducted 13 Investors' Awareness Programs in various cities across the country. Further, BSE IPF has also created a microsite for AKAM accessible through its website, to disseminate the information about AKAM programs.

#### m) Launch of unique initiative of Pledge Certificate for Financial Independence

In keeping with our 75<sup>th</sup> year of Independence, BSE IPF launched a unique initiative whereby investors in India and all over the world, can create personalised Certificate of Pledge through a website [www.pledgecertificate.com](http://www.pledgecertificate.com). Investors pledge to adopt qualities of a prudent investor and achieve financial independence. This was launched at the first Investors' Awareness Program held at Chennai, under the AKAM series on October 16, 2021, at the hands of erstwhile WTM SEBI Shri G Mahalingam. It is heartening to see that this initiative has been received very well and over 12 Lakh investors have already taken the Pledge and are sharing their Certificates on various social media.

#### E. GREEN INITIATIVE

The Company disseminates all agenda items of Board and Committee meetings electronically on a real time basis, by uploading them on a secured online application specifically designed for this purpose, thereby eliminating circulation of printed agenda papers.

#### F. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

During the year, no proceedings has been initiated under Insolvency and Bankruptcy Code for default in payment of debt. Further, Company has also not initiated any proceedings against the defaulting entities. However, it had lodged its claim with the resolution professional/ liquidator appointed for defaulting listed companies.

#### G. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONETIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

During the period under review, Company has not taken any loans from the banks or financial institutions. Accordingly, there has been no onetime settlement or valuation done for this purpose.

## 17. ACKNOWLEDGEMENTS

The Board sincerely thanks the Government of India, SEBI, RBI, IRDA, GIFT City Ltd., CERC, the Government of Maharashtra, other State Governments and various government agencies for their continued support, co-operation and advice.

The Board is grateful to the members of various committees for their continued support during the year.

The Board also acknowledges the support extended by trading members, issuers, investors in the capital market and other market intermediaries and associates.

The Board expresses sincere thanks to all its business associates, consultants, bankers, vendors, auditors, solicitors and lawyers for their continued partnership and confidence in the Company.

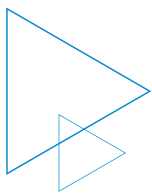
The Board members also wish to place on record their appreciation for the dedication and contribution made by the employees at all levels and look forward for their support in future as well. The Board members are also deeply touched by the efforts, sincerity and loyalty displayed by the employees without whom the growth of the Company is unattainable

Further, the Board expresses its gratitude to you as Shareholders for the confidence reposed in the management of the Company.

For and on behalf of the Board of Directors

**Date:** Mumbai  
**Place:** May 11, 2022

**Justice Vikramajit Sen**  
Chairman



**INFORMATION REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

**A. RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF ALL THE EMPLOYEES OF YOUR COMPANY FOR THE FINANCIAL YEAR 2021-22 IS AS FOLLOWS:**

<b>Name of Director</b>	<b>Ratio of the remuneration of Director to median remuneration</b>
Justice Vikramajit Sen	2.81
Shri Sumit Bose	3.36
Shri S.S Mundra	2.92
Shri David Wright	3.14
Shri Umakant Jayaram	3.41
Sushri Jayshree Vyas	3.02
Shri T. C. Suseel Kumar	2.55
Shri Ashishkumar Chauhan <sup>1</sup>	122.87

1. Total remuneration considered stated above is excluding 50% of variable pay to be paid on deferred basis after 3 years and including variable pay of prior years' which has been paid during the financial year 2021-22 as per Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018.

**B. DETAILS OF PERCENTAGE INCREASE IN THE REMUNERATION OF EACH DIRECTOR, CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY IN THE FINANCIAL YEAR 2021-22 ARE AS FOLLOWS:**

**Remuneration paid to Managing Director and Chief Executive Officer:**

<b>Name</b>	<b>% increase in remuneration in the Financial Year<sup>1 &amp; 2</sup></b>
Shri Ashishkumar Chauhan	9%

1. Including payment of deferred variable pay representing 50% of the variable pay of prior year (along with interest thereon) on completion of 3 years as per Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018.

2. Excludes 50% of the variable pay to be paid on deferred basis after 3 years as per the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018

**Remuneration paid to Non-Executive Independent Directors:**

<b>Name</b>	<b>% increase / (decrease) in remuneration in the Financial Year</b>
Justice Vikramajit Sen	(5%)
Shri Sumit Bose	13%
Shri S. S. Mundra	1%
Shri David Wright	28%
Shri Umakant Jayaram	10%
Sushri Jayshree Vyas	14%

**Remuneration paid to Non-Executive Non-Independent Shareholder Directors:**

<b>Name</b>	<b>% increase in remuneration in the Financial Year</b>
Shri T. C. Suseel Kumar	157%

**Remuneration paid to Key Managerial Personnel (KMP):**

<b>Name</b>	<b>Designation</b>	<b>% increase in remuneration in the Financial Year</b>
Shri Nayan Mehta	Chief Financial Officer <sup>1</sup>	12%
Smt. Prajakta Powle	Company Secretary and Compliance Officer <sup>1&amp;2</sup>	39%
Shri Vishal Bhat	Company Secretary and Compliance Officer <sup>2</sup>	NA

1. Including payment of deferred variable pay representing 50% of the variable pay of prior year (along with interest thereon) on completion of 3 years as per Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018. It excludes 50% of the variable pay to be paid on deferred basis after 3 years as per the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018

2. Smt. Prajakta Powle ceased to be the Company Secretary and Compliance Officer w.e.f. March 14, 2022, and Shri Vishal Bhat was appointed as the Company Secretary and Compliance Officer w.e.f. March 15, 2022.



**C. PERCENTAGE DECREASE IN THE MEDIAN REMUNERATION OF EMPLOYEES IN THE FINANCIAL YEAR 2021-22:** 4%

**D. NUMBER OF PERMANENT EMPLOYEES ON THE ROLLS OF THE COMPANY AS ON MARCH 31, 2022:** 451

**E. AVERAGE PERCENTILE INCREASE ALREADY MADE IN THE SALARIES OF EMPLOYEES OTHER THAN THE MANAGERIAL PERSONNEL IN THE LAST FINANCIAL YEAR AND ITS COMPARISON WITH THE PERCENTILE INCREASE IN THE MANAGERIAL REMUNERATION AND JUSTIFICATION THEREOF AND POINT OUT IF THERE ARE ANY EXCEPTIONAL CIRCUMSTANCES FOR INCREASE IN THE MANAGERIAL REMUNERATION:**

The average percentile decrease in the salaries of employees other than the managerial personnel in the last Financial Year is 1%. The average percentile increase in the salaries of managerial personnel is 9%.

**F. IT IS HEREBY AFFIRMED THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY**

**INFORMATION REQUIRED UNDER REGULATION 27(5) & (6) OF THE SECURITIES CONTRACTS (REGULATION) (STOCK EXCHANGES AND CLEARING CORPORATIONS) REGULATIONS, 2018, FOR THE PERIOD FROM APRIL 1, 2021 TO MARCH 31, 2022**

Sr. No.	Name of Key Management Personnel	Designation	Compensation* (amount in ₹)	Ratio of the Compensation of Key Management Personal to median Compensation
1.	Shri Ashishkumar Chauhan <sup>@</sup>	Managing Director & Chief Executive Officer	9,18,77,302	122.87
2.	Shri Nayan Mehta <sup>@</sup>	Chief Financial Officer	1,90,22,920	25.44
3.	Shri Neeraj Kulshrestha <sup>@</sup>	Chief Regulatory officer	1,80,44,704	24.13
4.	Shri Kersi Tavadia <sup>@</sup>	Chief Information Officer	1,77,03,598	23.68
5.	Shri Sameer Patil	Chief Business Officer	1,35,39,979	18.11
6.	Shri Girish B Joshi	Chief Trading Operations & Listing Sales	1,03,45,975	13.84
7.	Shri Gopalkrishnan Iyer	Chief General Manager	1,01,91,072	13.63
8.	Shri Khushro Bulsara	Head - IPF	96,16,142	12.86
9.	Shri Shankar Jadhav	Senior General Manager	94,90,006	12.69
10.	Shri Rajesh Saraf	Chief General Manager	92,66,818	12.39
11.	Shri Shivkumar Pandey	Senior General Manager	83,21,936	11.13
12.	Shri Rahul Sharma	Senior General Manager	79,43,049	10.62
13.	Shri Mahendra S Tawde	Senior General Manager	76,84,769	10.28
14.	Shri Ajaykumar Thakur	General Manager	75,84,574	10.14
15.	Shri Vivek Kumar Garg	Senior General Manager	69,13,428	9.25
16.	Shri Purushottam Saraf	General Manager	41,16,143	5.50
17.	Ms. Usha Ramawatar Sharma	General Manager	66,82,204	8.94
18.	Shri Bhushan Ashok Mokashi	General Manager	65,70,559	8.79
19.	Shri Ketan Jantre	Senior General Manager	63,39,468	8.48
20.	Shri Rajendra Sharma	General Manager	62,24,337	8.32
21.	Shri Vijukumar Pillai	Senior General Manager	54,55,865	7.30
22.	Shri Shekhar Avinash Jain	General Manager	27,65,426	3.70
23.	Shri Jayesh Shah	Financial Controller	46,11,500	6.17
24.	Shri Devendra Prabhakar Kulkarni	Additional General Manager	44,41,613	5.94
25.	Ms. Snehal Ajay Dixit	General Manager	26,07,052	3.49
26.	Shri Dev Singh Kamal Singh Bhul	Head - Internal Control & Compliance and Chief Vigilance Officer w.e.f. October 14, 2021	9,03,616	1.21
27.	Shri Vishal Kamalaksha Bhat	Company Secretary w.e.f. March 15, 2022	67,473	0.09
28.	Ms. Prajakta Powle	Company Secretary till March 14, 2022	46,88,362	6.27
29.	Ms. Neelam Patel	Head - Internal Control & Compliance and Chief Vigilance Officer till October 13, 2021	19,11,508	2.56

\* Total remuneration stated above is excluding 50% of variable pay to be paid on deferred basis after 3 years and including variable pay of prior year's which has been paid during the financial year 2021-22 as per Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018.

<sup>@</sup> Employed on contractual basis in accordance with the employment terms and conditions and service rules.

**INFORMATION REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND THE SECURITIES CONTRACTS (REGULATION) (STOCK EXCHANGES AND CLEARING CORPORATIONS) REGULATIONS, 2018, FOR THE PERIOD FROM APRIL 1, 2021 TO MARCH 31, 2022**

Sr. No.	Name	Age (Yrs.)	Date of Joining	Total Remuneration in ₹	Designation / Nature of Duties*	Educational Qualifications	Experience in years	Previous Employment
1.	Shri Ashishkumar Chauhan <sup>@</sup>	54	22-Sep-09	9,18,77,302	Managing Director & CEO	B.Tech (Mechanical, IIT Bombay), PGDM (IIM Calcutta)	31	President and Group Chief Information Officer (CIO) - Reliance Industries Limited.
2.	Shri Nayan Mehta <sup>@</sup>	55	19-Jan-12	1,90,22,920	Chief Financial Officer	B. Com, ACMA, FCA	30	Joint General Manager (Accounts) - Credit Analysis & Research Ltd.
3.	Shri Neeraj Kulshrestha <sup>@</sup>	56	5-May-15	1,80,44,704	Chief Regulatory Officer	B.Sc. (Computer), MBA (Finance).	34	Executive Director at Morgan Stanley India
4.	Shri Kersi Tavadia <sup>@</sup>	59	25-Oct-10	1,77,03,598	Chief Information Officer	B.Sc, PGDCS, MFM, CISM	39	Chief Technology Office-HSBC Invest Direct Securities.
5.	Shri Sameer Patil	48	7-Jul-15	1,35,39,979	Chief Business Officer	B.Sc., MBA, DMM	23	Senior Vice President at MCX
6.	Shri Girish B Joshi <sup>#</sup>	54	6-Aug-10	1,03,45,975	Chief Trading Operations and Listing Sales	B. Com, A.C.A, ACMA	31	Asst. General Manager at ICICI Bank
7.	Shri Gopalkrishnan Iyer	55	1-Jan-98	1,01,91,072	Chief General Manager	B. Com, FCA and CFA from ICFAI	32	Sr. Manager at Nucleus Securities Limited
8.	Shri Khushro Bulsara	56	3-Jun-96	96,16,142	Head IPF	B.Com., ACA, ACMA, ACS, LL.B.	32	DSJ Finance Corporation Limited.
9.	Shri Shankar Jadhav	55	15-Nov-12	94,90,006	Senior General Manager	B. Tech (IIT Bombay), PGDM (IIM Ahmedabad)	31	President at Quantum Project Infra
10.	Shri Rajesh Saraf	52	30-May-11	92,66,818	Chief General Manager	BR (Elect), MMS (Finance)	28	Sr. Consultant at Tata Consultancy Services

\* Total remuneration stated above is excluding 50% of variable pay to be paid on deferred basis after 3 years and including variable pay of prior year's which has been paid during the financial year 2021-22 as per Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018

<sup>@</sup> Employed on contractual basis in accordance with the employment terms and conditions and service rules

<sup>#</sup> Shri Girish B Joshi is holding 18 shares of the Company

**Notes:**

1. Remuneration as shown above includes salary, allowances, ex-gratia, leave encashment, contribution to Provident Fund, Performance Linked Bonus and other taxable value of perquisites.
2. None of the employees named above is relative of any Director of the Company.
3. Except Shri Girish Joshi, none of the employees named above hold any equity shares in the Company.
4. The Company does not have any Employees Stock Option Plan (ESOP) Scheme for its employees.

For and on behalf of the Board of Directors

**Date :** May 11, 2022  
**Place :** Mumbai

**Justice Vikramajit Sen**  
Chairman



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel Rules, 2014)]

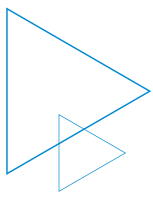
To,  
The Members,  
**BSE LIMITED**  
**25th Floor, P. J. Towers**  
**Dalal Street, Mumbai - 400 001**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BSE LIMITED** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **March 31, 2022** according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under.
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under.
- iii) The Depositories Act, 1996 and the Regulations and Bye laws framed there under.
- iv) Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment.
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - **Not Applicable**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - **Not Applicable**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2019; - **Not Applicable**
  - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; - **Not Applicable**
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - j. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:-
- a. Securities and Exchange Board of India Act, 1992 & Circulars, Master Circulars and Regulations issued by SEBI and applicable to the Company.
  - b. Securities Contracts (Regulation) (Stock Exchanges & Clearing Corporations) Regulations 2018.
  - c. Prevention of Money Laundering Act, 2002.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

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

**I further report that:**

- the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Public Interest Directors (Independent Directors) and Woman Directors. No change in the composition of the Board of Directors took place during the period under review.
- adequate notices is given to all Directors to schedule Board Meetings. Agenda and detailed notes on agenda were sent seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meetings duly recorded and signed by the Chairman, all decisions at Board and Committees meetings were carried out unanimously, as recorded in the minutes of the Board and Committee meetings.
- There are adequate systems and processes exist in place in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were following specific events/ action reported having major bearing on company's operations:

The Shareholders' approved issue of 9,16,08,594 bonus equity shares through postal ballot on March 14, 2022 in the proportion of 2 (Two) new fully paid-up equity share of ₹ 2/- each for every 1 (One) existing fully paid-up equity share of ₹ 2/- each. Accordingly, the company allotted 9,01,78,594 bonus equity shares of ₹ 2/- each to the equity shareholders in proportion to their shareholdings as on record date. Further, 14,30,000 equity shares shall be kept in abeyance pursuant to clause 5 of BSE (Corporatisation and Demutualisation) Scheme, 2005.

For **Dhrumil M Shah & Co.**  
UDIN: F008021D000286959

**Dhrumil M Shah**  
Practising Company Secretary  
C.P. No. 8978 & FCS No. 8021  
PR No. 995/2020

**Place:** Mumbai

**Date:** May 11, 2022

*This Report is to be read with my letter of even date which is annexed as **Annexure- I** and forms an integral part of this report.*

**ANNEXURE I  
(TO THE SECRETARIAL AUDIT REPORT)**

To,  
The Members,  
**BSE LIMITED**

My report of even date is to be read along with this letter:

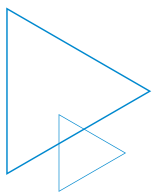
- 1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Dhrumil M Shah & Co.**  
UDIN: F008021D000286959

**Dhrumil M Shah**  
Practising Company Secretary  
C.P. No. 8978 & FCS No. 8021  
PR No. 995/2020

**Place:** Mumbai

**Date:** May 11, 2022



**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES**

**1. BRIEF OUTLINE OF THE COMPANY’S CSR POLICY**

The purpose of the CSR Policy is to support initiatives in areas that would maximise social welfare. The CSR Policy is aligned to BSE's tradition of facilitating educational & financial inclusion and job creation. The CSR Policy has put in place a framework to identify the areas of focus to achieve the purposes, as stated above.

The focus areas as identified in the CSR Policy inter-alia include:

- i. Promoting education and employment enhancing vocation skills among various social and demographic groups, including, children, women, elderly and the differently abled.;
- ii. Disaster relief in form of medical aid to promote health care, food supply to eradicate hunger, poverty and malnutrition & supply of clear water to promote sanitation and making available safe drinking water and
- iii. Promoting technology incubators, including those set up as non-academic Technology Business Incubators, as permitted under Companies Act, 2013 (“the Act”) and various guidelines issued thereunder.

Any other CSR activity as allowed under Section 135 of Companies Act, 2013.

The detailed CSR Policy of BSE is publicly available at the weblink [https://www.bseindia.com/downloads1/Corporate\\_Social\\_Responsibility\\_Policy.pdf](https://www.bseindia.com/downloads1/Corporate_Social_Responsibility_Policy.pdf).

BSE and some of its group companies have established a section 8 company namely “BSE CSR Integrated Foundation” to carry out the CSR activities on their behalf.

**2. COMPOSITION OF CSR COMMITTEE:**

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sushri Jayshree Vyas	Chairperson / Public Interest Director	5	5
2.	Shri Umakant Jayaram	Member / Public Interest Director	5	5
3.	Justice Vikramajit Sen	Member / Public Interest Director	5	5
4.	Shri David Wright	Member / Public Interest Director	5	5
5.	Shri T. C. Suseel Kumar	Member / Shareholder Director	5	5
6.	Shri Ashishkumar Chauhan	Member / Managing Director & CEO	5	5

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

The details are disclosed on the Company's website at [https://www.bseindia.com/static/investor\\_relations/corporatesocialrespons.html](https://www.bseindia.com/static/investor_relations/corporatesocialrespons.html).

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).** Not Applicable



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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

6. Average net profit of the Company as per section 135(5): ₹ 8,325.58 Lakh

7. (a) Two percent of average net profit of the company as per section 135(5) (two percent of ₹ 8,325.58 Lakh): ₹ 166.51 Lakh  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil  
 (c) Amount required to be set off for the financial year, if any: Nil  
 (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 166.51 Lakh

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

Total amount spent for the financial year. (in ₹ Lakh.)	Amount Unspent (in ₹)				
	Total amount transferred to unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of Fund	Amount	Date of Transfer
166.51	Not Applicable		Not Applicable		

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

Sr. No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location of project		Project Duration
				State	District	
Not Applicable						

Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to unspent CSR Account for the project as per section 135(6) (in ₹)	Mode of implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				Name	CSR Registration Number
Not Applicable					

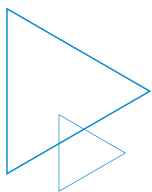
(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount spent for the project (in ₹ Lakh)	Mode of implementation – Direct (Yes/NO)	Mode of implementation – Through Implementing agency	
				State	District			Name	CSR Registration Number
1.	BIL-Ryerson Technology Startup Incubator Foundation	(ix) (a)	Yes	Maharashtra	Mumbai	166.51	No	BSE CSR Integrated Foundation	CSRO0001916

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable - Nil

(f) Total amount spent for the financial year (8b+8c+8d+8e) – ₹ 166.51 Lakh



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

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	166.51
(ii)	Total amount spent for the financial year	166.51
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sr. No.	Preceding financial year	Amount transferred to unspent CSR Account under section 135(6) (in ₹)	Amount spent in the recording financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

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

Sr. No.	Project ID	Name of the project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial year (in ₹)	Cumulative amount spent at the end of reporting financial year. (in ₹)	Status of the project - Completed /Ongoing.
Not Applicable								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** Not Applicable.

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable.

**Place:** Mumbai

**Date:** May 11, 2022

**Ashishkumar Chauhan**

Managing Director & CEO

**Jayshree Vyas**

Chairperson

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel Rules, 2014)]

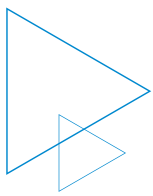
To,  
The Members,  
**Indian Clearing Corporation Limited,**  
**25<sup>th</sup> Floor, P. J. Towers,**  
**Dalal Street, Mumbai 400001.**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDIAN CLEARING CORPORATION LIMITED** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **March 31, 2022** according to the provisions of:

- i) The Companies Act, 2013 (the 'Act') and the rules made there under.
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under.
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- iv) Foreign Exchange Management Act, 1999 ('FEMA') and the rules and regulations made there under to the extent of Foreign Direct Investment and overseas Direct Investment and External Commercial borrowings.
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - (Not applicable to the Company during the year under review)
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - (Not applicable to the Company during the year under review)
  - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - (Not applicable to the Company during the year under review)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - (Not applicable to the Company during the year under review)
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - (Not applicable to the Company during the year under review)
  - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; - (Not applicable to the Company during the year under review) and



- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; to the extent applicable to recognized Clearing Corporations pursuant to Securities Contract (Regulation) (Stock Exchange and Clearing Corporation) Regulations, 2018;
- vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company: -
  - a. Securities and Exchange Board of India Act, 1992 & Circulars, Master Circulars and Regulations issued by SEBI and applicable to the Company;
  - b. Securities Contracts (Regulation) (Stock Exchanges & Clearing Corporations) Regulations 2018; and
  - c. Prevention of Money Laundering Act, 2002.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

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

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Public Interest Directors (Independent Directors) and Woman Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices are given to all Directors to schedule Board Meetings. Agenda and detailed notes on agenda were sent seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board and Committees meetings are carried out unanimously, as recorded in the minutes of the Board and Committee meetings.
- There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The following event has occurred during the year which has a major bearing on the company's affairs in pursuance of the Laws, Rules, Regulations, Guidelines Standards etc. referred to above.

- a) The Company at their Extra Ordinary General Meeting held on January 6, 2022 has approved Increase in Borrowing Limits under Section 180(c) of the Companies Act, 2013, from ₹ 2,000 Crores to ₹ 4,600 Crores.

For **Dhruvil M Shah & Co.**  
UDIN: F008021D000259052

**Dhruvil M Shah**  
Practicing Company Secretary  
FCS 8021; CP 8978  
PR 995/2020

**Place:** Mumbai

**Date:** April 28, 2022

**Note:** This Report is to be read with my letter of even date which is annexed as **Annexure - I** and forms an integral part of this report.



**ANNEXURE I**

(To the Secretarial Audit Report)

To,  
The Members,  
**Indian Clearing Corporation Limited,**  
**25<sup>th</sup> Floor, P. J. Towers,**  
**Dalal Street, Mumbai 400001.**

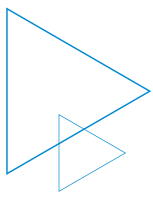
My report of even date is to be read along with this letter:

- 1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Dhruvil M Shah & Co.**  
UDIN: F008021D000259052

**Place:** Mumbai  
**Date:** April 28, 2022

**Dhruvil M Shah**  
Practicing Company Secretary  
FCS 8021; CP 8978  
PR 995/2020



### **DIVIDEND DISTRIBUTION POLICY**

The Board of Directors (the "**Board**") of BSE Limited (the "**Company**") has adopted this dividend distribution policy ("**Policy**") formulated in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This progressive Policy reflects the intent of the Company to maintain or grow the dividend each year, while recognizing that some earnings fluctuations are to be expected and that the dividend declared by the Board will reflect its view of the earnings prospects over the entirety of the investment cycle.

The Board, while considering the decision of dividend pay-out or retention of a certain amount or entire profits of the Company, shall, as far as possible, continue to strike a balance between the interests of the business, our financial creditors and our shareholders.

This updated Policy has been adopted by the Board with effect from Financial Year 2017-18.

#### **Guidelines for Dividend Declaration**

The Board shall consider the following factors while declaring / recommending dividend:

1. Circumstances under which Shareholders can expect Dividend: Dividend will generally be paid once a year. Dividends for any financial year will generally be paid out of net profit earned during the said year. However, in special circumstances which include maintaining dividend rate, the Board may at its discretion, declare interim dividends and also declare dividend out of retained earnings.
2. Financial Factors: The dividend, if any, will depend on a number of factors, including but not limited to the Company's result of operations, earnings, capital requirements and surplus, quantum of profits, current and future cash flow requirements, providing for unforeseen events and contingencies, and general financial conditions as the Board may deem fit.
3. Other Internal / External Factors: Internal factors include business expansion plan, investment plans, contractual restrictions or other strategic priorities as may be considered prudent by the Board. External factors include market conditions, competition intensity, applicable legal restrictions, adherence to requirements stipulated under the regulations formulated by the Securities and Exchange Board of India, the Companies Act and rules thereunder, as amended from time to time, taxation and other factors considered relevant by our Board.
4. Utilization of Retained Earnings: Retained earnings will generally be used to strengthen the financial position of the Company and will be used for declaration of dividends in special circumstances including maintenance of dividend rate.
5. The Company currently has only one class of shares, viz. equity, for which this Policy is applicable. This Policy is subject to review if and when the Company issues different classes of shares.

Dividend will continue to be accrued and payable with respect to shares held in abeyance.

The Policy shall be published in the annual report of the Company and available on the Company's website.

The adequacy of this Policy shall be reviewed and reassessed periodically and updated by the Board based on the changes that may be brought about due to any regulatory amendments or otherwise.

# Management Discussion & Analysis

## 1 ECONOMIC OUTLOOK

### A. ECONOMIC ENVIRONMENT

As per World Economic Outlook April 2022, global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. The post-COVID-19 pandemic recovery is being hit by a potentially huge global supply shock that is expected to reduce growth prospects and push up inflation. Additionally, the global economic prospects have been severely set back, largely because of Russia's invasion of Ukraine. This crisis unfolds even as the global economy has not yet fully recovered from the pandemic. Even before the war, inflation in many countries had been rising due to supply-demand imbalances and policy support during the pandemic, prompting a tightening of monetary policy. The latest lockdowns in People's Republic of China ("China") could cause new bottlenecks in global supply chains.

The Russia's invasion of Ukraine worsened the global geopolitical uncertainty. Additionally, it shook the commodity and financial markets- and this amid a global pandemic. Fortunately, COVID-19's Omicron variant has had a milder impact than other variants and progress on vaccination has allowed economies across the world to remain more open than in previous COVID-19 waves. However, these escalating geopolitical tensions could impede trade and production, and stoke inflationary pressures. Aggressive monetary policy tightening in the United States may lead to financial instability. And COVID-19 remains a threat: the current Omicron outbreaks in the China could endanger regional growth and supply chains, and more deadly variants could still emerge.

Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies. The ongoing retrenchment of China's real estate sector and slower-than-expected recovery of private consumption also have limited growth prospects.

Risks to the global baseline are tilted to the downside. The emergence of new COVID-19 variants could prolong the pandemic and induce renewed economic disruptions. Moreover, supply chain disruptions, energy price volatility, and localized wage pressures mean uncertainty around inflation and policy paths is high. As advanced economies lift policy rates, risks to financial stability and emerging market and developing economies' capital flows, currencies, and fiscal positions especially with debt levels having increased significantly in the past two years may emerge. Other global risks may crystallize as geopolitical tensions remain high, and the ongoing climate emergency means that the probability of major natural disasters remains elevated.

With the pandemic continuing to maintain its grip, the emphasis on an effective global health strategy is more salient than ever. Worldwide

access to vaccines, tests, and treatments is essential to reduce the risk of further dangerous COVID-19 variants. This requires increased production of supplies, as well as better in-country delivery systems and fairer international distribution. Monetary policy in many countries will need to continue a tightening path to curb inflation pressures, while fiscal policy-operating with more limited space than earlier in the pandemic-will need to prioritize health and social spending while focusing support on the worst affected. In this context, international co-operation will be essential to preserve access to liquidity and expedite orderly debt restructurings where needed. Investing in climate policies remains imperative to reduce the risk of catastrophic climate change.

#### • War in Ukraine

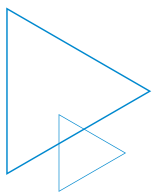
The invasion and resulting sanctions on Russia will have important consequences for the global economy. The baseline forecast assumes that the theater of conflict remains limited to Ukraine and that sanctions on Russia (along with European plans to become independent of Russian energy) do not tighten beyond those announced by March 31 and remain in place over the forecast horizon. The effects of conflict and sanctions will hit Ukraine, Russia, and Belarus directly. But international spillovers via global commodity prices, trade and financial linkages, labor supply, and humanitarian impacts will spread the effects more widely-notably in Europe.

#### • Monetary tightening and financial market volatility

Even before the war, inflation had risen significantly, and many central banks tightened monetary policy. This contributed to a rapid increase in nominal interest rates across advanced economy sovereign borrowers. In



Shri Bhupendra Rajnikant Patel, Chief Minister of Gujarat; Shri V. Balasubramaniam, MD & CEO, India INX and Shri Tapan Ray, MD & CEO, GIFT City, along with other dignitaries posing with India INX Bull at India INX, GIFT City, Gandhinagar on November 30, 2021.



Shri Bhupendra Rajnikant Patel, Chief Minister of Gujarat and Shri V. Balasubramaniam, MD & CEO, India INX along with other dignitaries at India INX, GIFT City, Gandhinagar on November 30, 2021.

the months ahead, policy rates are generally expected to rise further, and record-high central bank balance sheets will begin to unwind, most notably in advanced economies. In emerging market and developing economies, several central banks also tightened policy, adding to those that had already done so in 2021. One exception is China, where inflation remains low, and the central bank cut policy rates in January 2022 to support the recovery. Expectations of tighter policy and worries about the war have contributed to financial market volatility and risk repricing. In particular, the war and related sanctions have tightened global financial conditions, lowered risk appetite, and induced flight-to-quality flows. In Russia, the sanctions and the impairment of domestic financial intermediation have led to large increases in its sovereign and credit default swap spreads. Emerging market economies in the region, as well as Caucasus, Central Asia, and North Africa, have also seen their sovereign spreads widen. Emerging markets capital outflows in early March were as large and fast as those seen early in the pandemic, albeit concentrated among a few economies. Since mid-March, though, the situation has stabilized, with slow-but-steady capital inflows reversing around one quarter of initial losses. Overall, markets have so far differentiated across emerging market securities based on geographic proximity, trade linkages, and commodity exposures to Russia and Ukraine.

#### • Fiscal withdrawal

Policy space in many countries has been eroded by necessary higher COVID-related spending and lower tax revenue in 2020–21. Faced with rising borrowing costs, governments are increasingly challenged by the imperative to rebuild buffers. Fiscal support is set to generally decline in 2022 and 2023-particularly in advanced economies-as emergency measures to cushion the impact of the pandemic are wound down.

#### • China's slowdown

Slowing growth in China's economy has wider ramifications for Asia and for commodity exporters. The combination of more transmissible variants and a zero-COVID strategy entail the prospect of more frequent lockdowns, with attendant effects on private consumption in China. Moreover, the

continued tight stance toward highly leveraged property developers means that real estate investment remains subdued.

#### • Pandemic and vaccine access

Worker shortages and mobility restrictions compounded supply disruptions and bottlenecks early in 2022, constraining activity and adding to inflation. Restrictions have begun to ease as the peak of the Omicron wave passes and global weekly COVID deaths decline. The risk of infection leading to severe illness or death appears lower for the dominant Omicron strain than for others-especially for the vaccinated and boosted. The baseline assumes that the health and economic impacts of the virus start to fade in the second quarter of 2022 and that hospitalizations and deaths are brought to low levels in most countries by the end of the year. A key assumption in the baseline is that the virus does not mutate into new strains requiring further restrictions. The baseline assumes that most countries will not attain the target of 70 percent full vaccination in 2022. Given vaccination shortfalls in low-income countries, the possibility of renewed outbreaks is factored into the baseline. Yet their impact on activity is assumed to be less than in earlier waves. Adaptation has improved, effective therapeutics are more readily available, and immunity due to previous infection or vaccination has increased.

#### • Omicron's less severe health impact, coupled with increased immunity, allowed global economy to remain relatively open in early 2022

Because of this, regional economies fared better during the Omicron wave than previous COVID-19 outbreaks. Manufacturing and services continued to expand in January and February, albeit at a slightly slower pace than in the fourth quarter of last year in some economies. A partial exception is the China, where factory output contracted slightly in January on stringent containment measures to curb sporadic COVID-19 outbreaks.

#### • Several downside risks cloud global outlook

Escalating global geopolitical tensions arising from the Russian invasion of Ukraine could spill over to the region, particularly via sharper-than-expected increases in commodity prices and heightened financial stability risks. Aggressive monetary policy tightening in the US may trigger financial market volatility, rapid capital outflows, and sharp currency depreciations. COVID-19 remains a threat, as more deadly variants could still emerge, and the PRC's current Omicron outbreaks could jeopardize regional growth and supply chains. In the medium-term, scarring from the pandemic poses significant risks, including learning losses from continued school closures that could further exacerbate economic inequality.

#### • Impact on Global Trade

Reflecting the significant slowdown in overall activity, global trade growth is expected to decline notably in 2022. Global goods demand is expected to moderate because of the war as extraordinary policy support is withdrawn and as demand rebalances back toward services. Cross-border services trade-especially tourism-is however expected to remain subdued because

of the war and lingering effects of the pandemic. Overall, global trade growth is projected to slow from an estimated 10.1 percent in 2021 to 5 percent in 2022 and further to 4.4 percent in 2023 (1 and 0.5 percentage points lower than in the January forecast). Over the medium term, trade growth is expected to decline to about 3.5 percent.

• **Impact on Commodity Markets**

War-related interruptions to production, sanctions, and strongly impaired access to cross-border payment systems will disrupt trade flows, notably for energy and food. The magnitude of these changes depends not only on the decline in exports because of the conflict and sanctions, but also on the elasticity of global supply and demand. Although the price of oil has risen sharply, spare capacity in other countries and the release of petroleum reserves will likely mean that these increases will be contained over the medium term. In contrast, the relatively inflexible infrastructure needed to transport gas (pipelines are more important for gas than for oil, for example) means that global supply can adjust less easily, raising the prospect of higher prices for longer. Prices of agricultural commodities are likely to rise further-particularly wheat (together, Russia and Ukraine account for close to 30 percent of global wheat exports) and, to a lesser extent, corn. These changes will add to already soaring prices of staple foods and mean that disruptions to Russian exports may be windfalls for other commodity exporters.

• **Global Equity Markets Outlook**

- Russia's invasion of Ukraine creates near-term risks for global markets, but also casts a shadow over the longer-term outlook, according to Russel Investments. The immediate threat comes from high energy prices, rising food prices and disrupted supply chains, as highlighted earlier. The longer-term issues are a new cold war between Russia and the West, increased military spending and a further threat to globalization. The war is a defining moment for Europe, which now needs to unwind decades of Russian energy dependence, accelerate its sustainable energy transition, and rebuild military capability.
- The U.S. is expected to be among the most resilient economies to the conflict globally, given its energy independence and lower share of commodity consumption in Gross Domestic Product ("GDP"). In addition, with interest-rate hikes now priced for every remaining U.S. Federal Reserve (Fed) meeting in 2022, a maturing risk factor to markets is anticipated.
- In Europe, the invasion of Ukraine has created significant uncertainty, with the main risk coming from energy prices-due to the region's dependency on Russian natural gas and oil. A decision by Russia to shut down energy exports to Europe, or by European governments to boycott Russian energy, could trigger a recession. A short-lived shock to energy prices could lead to a recovery in European economies during the second half of 2022. This outlook

would likely allow European Economic and Monetary Union-to recover.

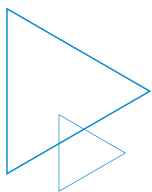
- The UK economy began the year with strong momentum, but it is likely to slow due to Bank of England tightening, high energy prices from Russia's invasion of Ukraine and a planned national insurance levy increase (effectively a tax hike) to help fund the National Health Service. Despite economic concerns, the FTSE 100 Index has been one of the better performing equities markets this year. The index has high exposure to commodity prices and financial stocks that benefit from higher interest rates, and almost no exposure to under-pressure technology stocks.
- In China, the government recently announced an above-expectations 5.5% GDP growth target for 2022. The country's economy, however, continues to face pressures, and more stimulus is expected to be required to get close to the growth target. In addition, COVID-19 still poses a challenge to the Chinese economy, mainly due to the government's zero-tolerance approach.

**Key Factors that may impact Global Equity Markets:**

- Fed rate hikes - Markets are expecting six more Fed rate hikes this year, as it is expected that Fed will keep hiking policy rates back toward a neutral setting of around 2.25%.
- China stimulus - More easing measures from the People's Bank of China in 2022, including an interest rate cut, and more fiscal spending in the form of infrastructure spending is expected.
- ECB monetary policy - European Central Bank is expected to focus on growth risks more than inflation this year. While markets anticipate two rate hikes in 2022, it's likely that rates will remain unchanged or only rise once as higher energy prices slow economic growth.



Shri Ashishkumar Chauhan, MD & CEO, BSE presenting a memento to Shri Arvind Sawant, MP, Lok Sabha at the 'Inauguration of Mission Financial Literacy Program and Books unveiling' event held on April 11, 2022 at BSE.



Shri Ashishkumar Chauhan, MD & CEO, BSE presenting a memento to Shri G. P. Garg, Executive Director, SEBI in presence of Shri Khushro Bulsara, Head – BSE IPF during 'World Investor Week' on November 22, 2021 at BSE.

## Commodity Market Outlook

Commodity prices is the most important indirect channel that could affect several developed and developing energy importing economies. Rapidly surging global inflation, Rate Hikes and Geopolitical Risk are now emerging as the three major themes dominating and driving the financial and commodity markets.

Oil prices soared above US\$ 130 a barrel to hit their highest level in a decade. While Gold extended its parabolic rally from just under US\$ 1,800 an ounce to a high of US\$ 2,070 an ounce - just \$5 short of an all-time high reached in August 2020. The bullish momentum also split over into other commodities with Aluminium, Copper, Lithium, Platinum, Palladium, Uranium, Zinc, Coffee, Wheat and Lumber prices blasting through all-time highs.

Similarly, U.S. Natural Gas prices have almost doubled in Q1 2022 and expected for its strongest rally since 2009. Meanwhile, European Natural Gas prices have skyrocketed 90% to post their biggest monthly rise ever.

Energy prices are likely to remain higher over the coming months compared with Q1 2022. Agricultural commodity prices will potentially rise further in the coming months given Russia, Ukraine, and Belarus's major role in food commodity and fertilizer production. The World Food Program cites inventories are already tight globally, and weather events hampered last year's plantation season, so much so that now the upcoming harvest looks bleak.

## B. INDIAN OUTLOOK

### I. Economic Performance in FY 2021-22

While risks on account of COVID-19 pandemic very much remain on fore, the escalation of geopolitical stress with the ongoing Russia Ukraine conflict has significantly added to the uncertainty levels. Right when the global economy seemed to be at the cusp of witnessing green shoots of recovery after leaving the worst of the COVID-19 pandemic behind

(despite uncertainties associated with subsequent waves of infection and rising global inflationary pressures), the Russia-Ukraine crisis escalated. Consequently, prices of crude oil and gas, food grains such as wheat and corn, and several other commodities have shot up. Understandably, the crisis has clouded India's growth outlook as well. Crude oil prices are lingering above US\$100 per barrel. India also partly meets its fertilizer needs from the region. For India, which has been battling inflation for a while now, this situation is making matters worse. Higher fuel and fertilizer prices will reduce government revenues and increase subsidy costs. Furthermore, capital outflows and rising import bills will weigh on the current account balance and currency valuation.

GDP grew by 5.4% during October–December 2021 (Q3 FY 2021–22). On the back of these factors, it is expected that India will grow at 8.3–8.8% during FY 2021–22. Growth in the July–September quarter was revised up to 8.4%. The uneven recovery in a few sectors, especially agricultural, manufacturing, and contact-intensive services sectors, weighed on the overall growth.

Median GDP growth is estimated at 4.7 percent and 13.8 percent for the fourth quarter of 2021-22 and first quarter of 2022-23 respectively. However, it may be noted that downside risks to growth remain escalated. While the threat from the pandemic remains on fore, the continuation of Russia -Ukraine conflict is posing a significant challenge to global recovery. Even though the direct impact on India will be limited, the skyrocketing commodity prices – including crude oil, industrial inputs, food - is having an adverse impact, especially on commodity importing nations. India being energy dependent is facing the consequence. Also, sectors including automobile, pharmaceuticals, gems & jewellery, fertilizers are facing a brunt to some extent through trade linkages with Russia/Ukraine.

On the expenditure front, although festive demand and reduced infections boosted private consumption, growth momentum slowed compared to previous quarters. Slower-than-expected demand growth and lower capacity utilization weighed on the momentum in gross fixed capital formation growth. Even government expenditure declined this quarter. However, exports maintained a strong momentum, pushing the overall growth upward.

Consumer price inflation (CPI) breached the upper band of the Reserve Bank of India's (RBI's) comfort zone (of 4%+2%) and grew by 6% in January 2022 as against 5.7% in the previous month. Wholesale price inflation also jumped to a decadal high of 12.96%. Prices rose primarily because of logistics and supply chain disruption as the number of infections increased and regional lockdowns were imposed. Prices of food commodities—led by vegetables, edible oils, and poultry products—witnessed sharp increases.

There was, however, a visible growth in credit uptake in FY 2021–22, with agricultural and industrial sectors and personal loans driving the uptick. Falling Gross Non-Performing Asset (GNPA) ratios in the industry sector

(by 7.6% in three years) contributed to a significant rise in lending to this sector. Credit growth in the services sector, meanwhile, remained muted while the GNPA ratio remained higher than pre-pandemic levels. Banks and nonbanking financial companies (NBFCs) have healthier balance sheets and provisions compared to the levels seen in 2018. They are in a better position to lend and remain resilient in case of rising stress in the financial sector due to sanctions on Russia.

## Union Budget for FY 2022-23

The Budget goals for FY 2022-23 aim to further India's aspirations in Amrit Kaal, as it moves towards its 100<sup>th</sup> year post independence.

- Focus on growth and all-inclusive welfare
- Promoting technology-enabled development, energy transition and climate action
- Virtuous cycle starting from private investment, crowded in by public capital investment

The Union Budget for FY 2022-23 this year aims to strengthen the infrastructure with its focus on four priorities of:

- PM GatiShakti
- Inclusive Development
- Productivity Enhancement & Investment, Sunrise opportunities, Energy Transition, and Climate Action
- Financing of investments

## Key Highlights:

- India's economic growth is predicted to be the highest among all large economies, at 9.2%.
- Under the productivity-linked incentive scheme (PLI scheme), 6 million new jobs will be created in 14 different industries.
- PLI Schemes have the potential to generate an additional ₹ 30,00,000 crore (US\$ 401.24 billion) in revenue.
- The 'One Station-One Product' concept will be adopted in the railway sector to assist local businesses and supply chains.
- The government wants to promote a digital economy, fintech, technology-enabled development, energy transition, and climate action.
- Green Bonds will be issued by the government to raise funds for green infrastructure. The proceeds will be used to fund public-sector programmes that reduce the economy's carbon intensity.

- The government is pushing the blending of fuel by levying additional differential excise duty on unblended fuel.
- The government plans to rely on a virtuous cycle starting from private investment, and the help of public capital investment to crowd-in private investment.

## MSME:

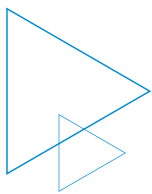
- The portals of Udyam, e-shram, NCS, and ASEEM will be linked.
- Emergency Financing Linked Guarantee Scheme (ECLGS) provided additional credit to 13 million MSMEs. ECLGS would be extended until March 2023.
- The ECLGS guarantee cover will be increased by ₹ 50000 crore (US\$ 6.68 billion), bringing the total protection to ₹ 5 Lakh crore (US\$ 66.84 billion).
- The Loans Guarantee Trust for Micro and Small Enterprises will facilitate ₹ 2 Lakh crore (US\$ 26.73 billion) in extra credit for Micro and Small Enterprises (CGTMSE).
- The Raising and Accelerating MSME Performance (RAMP) programme would be implemented with a budget of ₹ 6000 crore (US\$ 802.1 million).

## Public Capital Investment:

- In 2022-23, public investment will continue to boost private investment and demand.
- Capital expenditures increased by 35.4% to ₹ 7.50 Lakh crore (US\$ 100.26 billion) in 2022-23, up from ₹ 5.54 Lakh crore (US\$ 70.05 billion) this fiscal year.



Shri Hemant Patil, Member of Parliament, Hingoli, Maharashtra and Shri Ashishkumar Chauhan, MD & CEO, BSE along with BSE officials during the MoU signing ceremony for increasing participation of FPOs from Nanded region on BSE Turmeric futures contract on June 3, 2021 at BSE.



Shri Ashishkumar Chauhan, MD & CEO, BSE presenting a Bull memento to Shri Sajjan Jindal, Chairman and MD, JSW Group along with Shri Nikunj Turakhia, President, JSW Steel and other Senior Officials from JSW, BSE & SUFI during the Launch of Steel Futures on July 22, 2021.

- In 2022-23, the outlay will be 2.9% of GDP.
- The Central Government's 'Effective Capital Expenditure' is expected to be ₹ 10.68 Lakh crore (US\$ 142.77 billion), or around 4.1% of GDP.

### Mobilizing Resources:

- Data centres and energy storage systems will be designated as infrastructure.
- Last year, Venture Capital and Private Equity invested over ₹ 5.5 Lakh crore (US\$ 73.52 billion), enabling one of the most significant startup and growth ecosystems in the world.
- Measures will be made to make this investment scale up.
- For sunrise sectors, blended funds will be pushed.
- Sovereign Green Bonds will be issued to help fund green infrastructure projects.

### Digital Rupee:

- The Reserve Bank of India will introduce the Digital Rupee in 2022-23.

## II. Economic Prospects for FY 2022-23

According to FICCI's Economic Outlook Survey, India is expected to grow at 7.4 percent in 2022-23, - with a minimum and maximum growth estimate of 6.0 percent and 7.8 percent respectively. The median growth forecast for agriculture and allied activities has been put at 3.3 percent for 2022-

23. On the other hand, industry and services sector are anticipated to grow by 5.9 percent and 8.5 percent respectively during the fiscal year.

Going ahead, the existing external situation can be a dampener and impede domestic prospects. It remains important that we continue with the massive capex plan laid out by the government in the Union Budget 2022-23 and continue to give due consideration to growth in the monetary policy.

Despite the challenges, India has the potential to remain among fastest growing major economies in the world and remains well placed over the medium term. The results of growth-enhancing policies and schemes (such as production-linked incentives and government's push toward self-reliance) and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and more efficiency—all leading to accelerated economic growth. Furthermore, the emphasis on manufacturing in India, various government incentives such as lower taxes, and rising services exports on the back of stronger digitization and technology transformation drive across the world will aid in growth. Also, several spillover effects of geopolitical conflicts could enhance India's status as a preferred alternate investment destination. Global in-house centers and multinationals, for instance, may prefer India over Eastern European markets (especially those that border Ukraine) to shift their current operations or open new facilities. On the health front, a large, vaccinated population will likely help contain the impact of subsequent infections waves, if any.

### Bank Credit

Bank credit is forecasted to grow by 8.5 percent in 2022-23, with a minimum and maximum range of 7.0 percent and 10.0 percent respectively. Moreover, while normalization of monetary policy is underway, the repo rate is anticipated to remain unchanged at 4.0 percent in the first quarter of 2022-23.

### Inflation

Wholesale inflation has been at double digit levels since April 2021 in sync with the already surging commodity prices. The current conflict between Russia and Ukraine is expected to further aggravate the price rise through imported commodities. The estimate for average wholesale-based inflation in Q4 of 2021-22 has been put at 12.6 percent. However, some respite is expected further ahead in the year. The assessment for wholesale price index-based inflation rate for 2022-23 is forecasted at 6.7 percent.

CPI based inflation has a median forecast of 5.3 percent for 2022-23, with a minimum and maximum range of 5.0 percent and 5.7 percent respectively. Retail prices are projected at 6.0 percent in Q4 2021-22 and 5.5 percent in Q1 2022-23. CPI based inflation has been trading above the targeted range of the RBI in January/February 2022 and should see some respite in the forthcoming fiscal year. The unsustainably high international commodity prices hopefully should level off going forward.



### Fiscal Deficit

The median fiscal deficit to GDP ratio is expected at 6.4 percent for the fiscal year 2022-23 - with a minimum and maximum range of 6.2 percent and 6.4 percent respectively. This is line with the budgeted fiscal deficit for 2022-23 – which has also been estimated at 6.4 percent earlier this year.

### Risks to Growth:

- India will not remain unscathed from the consequences of the ongoing conflict and economic repercussions. Given that India remains a net importer to meet its energy requirements, the sharp rise in crude prices represents a significant shock to India's macro-economic framework.
- The demand situation is yet to move back to pre-pandemic levels and any escalation in the conflict situation could worsen global economic situation further.
- Trade is being disrupted by a relapse in supply side leakages and stress on already high global commodity prices has also aggravated.

Rising international commodity prices are the biggest risk emanating from the ongoing conflict. Nonetheless, it is expected that global inflation is likely to peak out in the first half of 2022 and could moderate thereafter. The easing in price levels in the second part of the year is expected to be backed by a slowing in Chinese economy and overall slowdown in global growth momentum, waning pent up demand, and monetary policy normalization/rate hikes by the United States Federal Reserve.

## 2. INDUSTRY STRUCTURE AND DEVELOPMENTS

### A. CAPITAL MARKET

Stock Exchanges in India continued to remain among the most resilient globally, being fully operational. Indian Capital Markets demonstrated tremendous growth despite the challenges posed by the COVID-19 pandemic. Stock Exchanges and all associated market infrastructure institutions in India were fully functional, on back of government and regulatory support, meticulous planning, and technological advances, thus ensuring uninterrupted business continuity for market participants. Its role in the economy is vital to ensure India remains among the top destinations for domestic and global businesses to expand and invest. India's exchanges have shown extraordinary strength to bounce back with greater stability and sustainability in wake of any crisis and remain confident that they will emerge stronger from the COVID-19 pandemic. Raising capital is a strategic priority in this current scenario, and the frontiers of Indian capital markets are not only increasing but has assumed far greater importance and urgency.

Exchanges are organized markets designed to provide centralized facilities for the listing and trading of financial instruments, including securities issued by companies, sovereigns, and other entities to raise capital. Exchanges are crucial market intermediaries and are supervised by the SEBI. In certain cases, exchanges may also act as a self-regulatory organization responsible for supervising their members, corporates, and

market participants. To give an overview of the dimension of the capital markets in India, as of FY 2021-22 there were 3 Stock Exchanges in the Equity Cash, Equity derivatives and Currency Derivatives Segment and 5 in the Commodities Derivatives Segment, 5 clearing corporations, 2 depositories, 10,529 Foreign Portfolio Investors (FPIs), and 17 custodians, with a market capitalization of all listed companies at ₹ 264 trillion.

A stock exchange is a catalyst for nation building and not just a trading platform. A vibrant capital market is a large job creator with the number of intermediaries required to support each trade. The Exchange ecosystem supports various intermediaries' including brokers, sub brokers, corporates, banks, depositories, depository participants, custodians, and investors. The Stock Exchange industry in India has evolved rapidly in the past few years and spans multi asset classes – equities, equity derivatives, currency derivatives, commodity derivatives, ETF, mutual funds, debt, interest rate derivatives and power trading.

### B. MAJOR POLICY DEVELOPMENTS FOR FY 2021-22

The year saw the regulator tightening the norms for Initial Public Offers (IPOs), disclosures and compliances among other things while also giving its go-ahead on various products, segments and reforms including silver Exchange Traded Funds (ETFs), shorter settlement cycle, gold exchange and a social stock exchange as well.

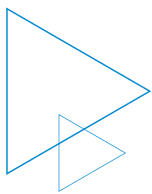
#### Primary market:

A slew of announcements related to tightening of norms for IPOs were undoubtedly among the most important ones.

Capping of IPO proceeds for inorganic growth: To promote the growing need of companies including that of new-age technology companies to have enough liquidity to consider acquisitions and consolidation of businesses which may be strategic, SEBI has permitted companies flexibility to utilize a maximum of 35% of the fresh issue proceeds (with a cap of 25% towards an unidentified acquisition) in an IPO. Previously, there was no regulatory



Senior officials from SEBI, CDSL and BSE during the celebrations of 7 Core UCC Investor accounts on July 30, 2021 at BSE BKC.



Shri Ashishkumar Chauhan, MD & CEO, BSE and Mr. Kobbi Shoshani, Consul General of Israel ringing the BSE Bell during his visit to BSE on August 5, 2021.

cap in the nature presently proposed, although there were regulatory checks and the regulator exercised flexibility.

**Lock-in norms for anchor investors:** From April 1, 2022, 50% of the anchor investors in an IPO will be locked-in for a period of 90 days, whilst the remaining 50% will be locked in for 30 days. Considering there is discretionary allocation to anchor investors, the process and manner in which different lock-ins are to be made applicable to anchor investors is to be seen. Whilst the intention maybe to have investors stay longer in the company, hopefully, companies will have a quarter from listing and be able to ensure that anchor investor remain invested. Else this regulatory intervention may not meet its intended result.

**Allocation method to non-institutional investors:** SEBI has prescribed a revised allocation method to non-institutional investors (i.e., investors investing more than ₹ 2 Lakhs in an IPO) i.e., 1/3<sup>rd</sup> of the non-institutional investors portion is to be reserved for applicants investing more than ₹ 2 Lakhs and up to ₹ 10 Lakhs and 2/3<sup>rd</sup> of the non-institutional investors portion is to be reserved for applicants investing more than ₹ 10 Lakhs. Further, allotment to non-institutional investors shall be through a draw of lots – like retail investors which ensures transparency in the allotment of shares in an IPO and potentially ensures there is sufficient allocation to the 'smaller' non institutional investors.

## Processes

**F&O margin rule implementation:** SEBI on February 24, 2022 issued an updated circular wherein it has extended the deadline to implement the new systems of compliance pertaining to segregation and monitoring of collateral at client level. As per the original notice issued on July 20, 2021, the new compliance framework was supposed to come in force from December 01, 2021, but it had to be postponed. On November 23, 2021, SEBI had set the date of February 28, 2022, for implementation to happen but the regulator has decided to postpone it once again citing requests

from various stakeholders for the postponement of the same. The new date for implementation has now been fixed as May 02, 2022. Clearing corporations are to specify a reporting mechanism that will provide visibility of client-wise collateral, covering both cash and non-cash, at both the broker and clearing corporation level. It had also specified that mechanism should capture disaggregated information on both the segment and asset type of each client collateral.

**T+1 Settlement:** SEBI, on September 7, 2021, permitted the exchanges to introduce the T+1 settlement cycle from January 1 on any security available in the equity segment on an optional basis. Under the T+1 settlement cycle, a buy transaction will see the shares credited in the demat account just a day after the trade day. In the case of a sale transaction, the money would be credited the next day. The existing settlement cycle of T+2 was introduced in April 2003, prior to which the stock market operated on a T+3 cycle.

India's stock exchanges decided to jointly introduce the T+1 settlement cycle in phases from February 25, 2022, beginning with the bottom 100 stocks by market capitalisation. From March 2022, on the last Friday (or the immediate next trading day) of every month, the next 500 stocks from the bottom will be subject to T+1 settlement. Securities such as preference shares, warrants, right entitlements, partly paid shares, and securities issued under differential voting rights (DVR) will be transitioned to T+1 settlement along with the stock of the parent company.

## New Segments:

**Social stock exchanges:** In the spirit of financial inclusion, the SEBI approved the creation of Social Stock Exchanges (SSE) on September 28, 2021. These entities shall encompass non-profit organizations & for-profit companies under their ambit of social enterprises (SE). Such organizations struggle for sufficient fund support. This idea of SSE prioritizing impact investment and social returns was first floated in India in the 2019 – 2020 budget.

**Spot Gold Exchange:** The SEBI approved guidelines for spot gold exchanges at its board meeting on September 28, 2021. The benefits of such an exchange, according to a SEBI statement, would include efficient price discovery, liquidity, and assurance in the quality of gold. It is also expected to create a national pricing structure for gold. The instruments representing gold that will be traded on the exchange will be called Electronic Gold Receipts (EGR). Any recognised stock exchange is allowed to launch trading in EGRs in a separate segment. EGR is initially created when physical gold is deposited with Vault Managers after assuring the quality of the gold. They are credited to the demat account of the beneficiary. EGRs can be held for as long as intended since they carry perpetual validity. And finally, an EGR holder can withdraw the underlying gold from the vaults by surrendering the EGRs.

**Silver ETF:** The SEBI issued operating norms for the introduction of silver exchange traded funds (ETFs) in the country, a move that will expand the options available for investing in commodities through exchanges. This comes after the market regulator earlier this month amended mutual



funds regulations to have mechanism for silver ETFs. SEBI mandated that a silver ETF scheme by mutual funds have to invest at least 95% of the net assets in silver and silver related instruments. This regulation is similar to gold ETFs, where asset management companies have to hold 95% of their assets in gold, gold bullion, and gold-related securities.

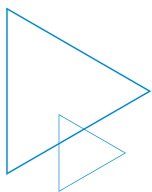
#### Other Major Announcements by SEBI:

Date	Details of SEBI Circular
31-Mar-22	Discontinuation of usage of pool accounts for transactions in the units of Mutual Funds, Two Factor Authentication ('2FA') for redemption and other related requirements: Extension of timeline
30-Mar-22	Timelines for Rebalancing of Portfolios of Mutual Fund Schemes
29-Mar-22	Operational guidelines for 'Security and Covenant Monitoring' using Distributed Ledger Technology (DLT)
28-Mar-22	Circular on Calculation of investment concentration norm for Category III AIFs
28-Mar-22	Circular on Product Specifications pertaining to EGR Segment in India
24-Mar-22	Introduction of Options on Commodity Indices - Product Design and Risk Management Framework
23-Mar-22	Change in control of Sponsor and/or Manager of Alternative Investment Fund involving scheme of arrangement under Companies Act, 2013
22-Mar-22	Standardisation of industry classification - Revision in Chapter - XIV of Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper
17-Mar-22	Revision in Orders Per Second limit for algorithmic trading in Commodity Derivatives Segment of the Stock Exchange
15-Mar-22	Discontinuation of usage of pool accounts for transactions in the units of Mutual Funds: Clarifications with respect to Circulars dated October 4, 2021
8-Mar-22	Change in UPI limits - Revision to Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper
7-Mar-22	Automation of disclosure requirements under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011-System Driven Disclosures - Ease of doing business.
25-Feb-22	Approach to securities market data access and terms of usage of data provided by data sources in Indian securities market
14-Feb-22	Standard Operating Guidelines for the Vault Managers and Depositories - Electronic Gold Receipts (EGR) segment
9-Feb-22	Circular on Audit Committee of Asset Management Companies (AMCs)

Date	Details of SEBI Circular
9-Feb-22	Conversion of Private Unlisted InvIT into Private Listed InvIT
9-Feb-22	Framework for conversion of Private Listed InvIT into Public InvIT
27-Jan-22	Introduction of Special Situation Funds as a sub-category under Category I AIFs
10-Jan-22	Framework for operationalizing the Gold Exchange in India
3-Jan-22	Options on Commodity Futures – Modification in Exercise Mechanism
21-Dec-21	Investment Advisory Services for Accredited Investors
21-Dec-21	Portfolio Management Services for Accredited Investors
10-Dec-21	Circular on Mutual Funds
9-Dec-21	Transaction in Corporate Bonds through Request for Quote platform by Portfolio Management Services (PMS)
24-Nov-21	Norms for Silver Exchange Traded Funds (Silver ETFs) and Gold Exchange Traded Funds (Gold ETFs)
16-Nov-21	Framework for Regulatory Sandbox
8-Nov-21	Write-off of debt securities held by FPIs who intend to surrender their registration
28-Oct-21	Maintenance of current accounts in multiple banks by Stockbrokers
27-Oct-21	Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes
14-Oct-21	Streamlining of issuance of SCORES Authentication
6-Oct-21	Circular on Minimum percentage of trades carried out by mutual funds through RFQ platform
4-Oct-21	Discontinuation of usage of pool accounts for transactions in units of Mutual Funds on the Stock Exchange Platforms
29-Sep-21	Circular on Swing pricing framework for mutual fund schemes



Shri Ashishkumar Chauhan, MD & CEO, BSE along with the brokers during the Sensex 60000 Celebrations on September 24, 2021 at BSE.



Actress Bhagyashree Patwardhan and Shri Ashishkumar Chauhan, MD & CEO, BSE along with the brokers ringing BSE Bell during Diwali Muhurat Trading on November 4, 2021 at BSE.

Date	Details of SEBI Circular
27-Sep-21	Risk Management Framework (RMF) for Mutual Funds
7-Sep-21	Introduction of T+1 rolling settlement on an optional basis
7-Sep-21	Position Limits for Currency Derivatives Contracts
1-Sep-21	Revised guidelines for Liquidity Enhancement Scheme in the Equity Cash and Equity Derivatives Segments
31-Aug-21	Disclosure of risk-o-meter of scheme, benchmark, and portfolio details to the investors
26-Aug-21	Circular on Modalities for implementation of the framework for Accredited Investors
17-Aug-21	Penalty for Repeated Delivery Default
13-Aug-21	'Security and Covenant Monitoring' using Distributed Ledger Technology
13-Aug-21	Guidelines on issuance of non-convertible debt instruments along with warrants ('NCDs with Warrants') in terms of Chapter VI – Qualified Institutions Placement of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018
10-Aug-21	Operational Circular for issue and listing of Non-Convertible Securities (NCS), Securitised Debt Instruments (SDI), Security Receipts (SR), Municipal Debt Securities and Commercial Paper (CP)
9-Aug-21	Calendar Spread margin benefit in commodity futures contracts
4-Aug-21	Requirement of minimum number and holding of unit holders for unlisted Infrastructure Investment Trusts (InvITs)
4-Aug-21	Maintenance of Current Accounts in multiple banks by Mutual Funds
4-Aug-21	Modification in Operational Guidelines for FPIs and DDPs pursuant to amendment in SEBI (Foreign Portfolio Investors) Regulations, 2019
3-Aug-21	Permitting non-scheduled Payments Banks to register as Bankers to an Issue

Date	Details of SEBI Circular
30-Jul-21	Circular on Intra-day Net Asset Value (NAV) for transactions in units of Exchange Traded Funds directly with Asset Management Companies
30-Jul-21	Deployment of unclaimed redemption and dividend amounts and Instant Access Facility in Overnight Funds
30-Jul-21	Relaxation in timelines for compliance with regulatory requirements
26-Jul-21	Circular on RTA inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests
23-Jul-21	Circular on Timelines related to processing of scheme related applications filed by AMCs
23-Jul-21	Nomination for Eligible Trading and Demat Accounts
20-Jul-21	Segregation and Monitoring of Collateral at Client Level
16-Jul-21	Introduction of Expected Loss (EL) based Rating Scale and Standardisation of Rating Scales Used by Credit Rating Agencies
16-Jul-21	Block Mechanism in demat account of clients undertaking sale transactions
9-Jul-21	Valuation of securities with multiple put options present ab-initio
6-Jul-21	Standard Operating Procedure for listed subsidiary company desirous of getting delisted through a Scheme of Arrangement wherein the listed parent holding company and the listed subsidiary are in the same line of business
5-Jul-21	Standard Operating Procedure for handling of technical glitches by Market Infrastructure Institutions (MIIs) and payment of "Financial Disincentives" thereof
5-Jul-21	Issue of No Objection Certificate for release of 1% of Issue amount
29-Jun-21	Cross Margin in Commodity Index Futures and its underlying constituent futures or its variants
25-Jun-21	Alignment of interest of Key Employees of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes
25-Jun-21	Circular on Prudential norms for liquidity risk management for open ended debt schemes
18-Jun-21	Norms for investment and disclosure by Mutual Funds in Derivatives
18-Jun-21	Framework for administration and supervision of Investment Advisers under the SEBI (Investment Advisers) Regulations, 2013
16-Jun-21	Settlement of Running Account of Client's Funds lying with Trading Member (TM)
14-Jun-21	Revised Framework for Regulatory Sandbox
7-Jun-21	Circular on Potential Risk Class Matrix for debt schemes based on Interest Rate Risk and Credit Risk



Date	Details of SEBI Circular
4-Jun-21	Centralized Database for Corporate Bonds/ Debentures
3-Jun-21	Circular on Enhancement of Overseas Investment Limits
2-Jun-21	Streamlining the process of IPOs with UPI in ASBA and redressal of investors grievances
1-Jun-21	'Off-market' transfer of securities by FPI
31-May-21	Disclosure of the following only w.r.t schemes which are subscribed by the investor: a. risk-o-meter of the scheme and the benchmark along with the performance disclosure of the scheme vis-a-vis benchmark and b. Details of the portfolio
31-May-21	Format of compliance report on Corporate Governance by Listed Entities
21-May-21	Enhancement of overall limit for overseas investment by Alternative Investment Funds (AIFs)/Venture Capital Funds (VCFs)
14-May-21	Relaxation from compliance to REITs and InvITs due to the COVID -19 virus pandemic
12-May-21	Procedure for seeking prior approval for change in control of SEBI registered Portfolio Managers
10-May-21	Business responsibility and sustainability reporting by listed entities
3-May-21	Relaxation in timelines for compliance with regulatory requirements by Debenture Trustees due to the CoVID-19 pandemic
28-Apr-21	Alignment of interest of Key Employees of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes
27-Apr-21	Standardizing and Strengthening Policies on Provisional Rating by Credit Rating Agencies (CRAs) for Debt Instruments
16-Apr-21	Circular on Guidelines for warehousing norms for Agricultural and Agri-processed goods and non-agricultural goods (only base and industrial metals)
12-Apr-21	Circular on Reporting Formats for Mutual Funds
7-Apr-21	Circular on Regulatory Reporting by AIFs
6-Apr-21	Setting up of Limited Purpose Clearing Corporation (LPCC) by Asset Management Companies (AMCs) of Mutual Funds

### C. INDIAN CAPITAL MARKETS PERFORMANCE

The Indian equity market gave solid returns in financial year 2022, despite geopolitical turmoil playing spoilsport in the last quarter of FY 2022. The financial year was marred with challenges starting from state-wise lockdowns during the second and more devastating wave of COVID-19 to headwinds from global markets. The war in Ukraine also posed a major challenge for stock markets and businesses across the world. However, Indian indices emerged to be the best performing index among global peers with over 18 percent rise.

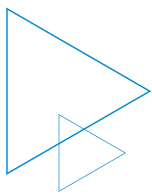
For FY 2021-22, the S&P BSE Sensex jumped 9,059.36 points or 18.29 percent, where the index rose to 58,568.51 points from 49,509.15 at the end of FY 2021. The benchmark index showed robust performance even amidst global challenges, Covid disruptions and geopolitical crisis. The performance comes in the back of a ragging war between Russia and Ukraine that has spooked stock markets globally, forcing investors to move to safe haven assets. This clearly indicates the strength and resilience shown by domestic investors amid a slew of headwinds from the global markets. The numbers assume significance here as the indices gave good returns at a time when foreign investors withdrew from domestic markets for major parts of the year.

#### Sensex major milestones in FY 2022

- June 22: Reaches 53,000-mark in intra-day trade.
- July 7: Closes above the 53,000-mark for the first time
- August 4: Goes past 54,000 mark in intra-day trade and closes above this level
- August 13: Rallies above 55,000 for the first time and closes above this level
- August 18: Goes past 56,000-mark for the first time in intra-day
- August 27: Closes above 56,000-mark for the first time
- August 31: Goes past 57,000-mark in intra-day trade and closes above this level
- September 3: Scales 58,000-mark in intra-day trade and closes above this feat
- September 16: Hits 59,000-mark for the first time both in intra-day and at close of trade
- September 24: Reaches the 60,000-mark both in intra-day and at close of trade



Smt. Shakuntala Rawat, Industry, State Enterprises, Devasthan Cabinet Minister, Govt. of Rajasthan along with Senior BSE officials ringing the BSE Bell during her visit to BSE on December 8, 2021.



Shri Ashishkumar Chauhan, MD & CEO, BSE presenting the BSE Coffee Table Book to Australian Consulate General, Mr. Peter Truswell during his visit to BSE on December 17, 2021.

### Sensex major milestones in FY 2022

October 14: Goes past 61,000-mark for the first time ever both in intra-day and at close of trade

October 19: Sensex goes past 62,000-mark in intra-day trade; touches all-time high of 62245.43

March 16: Crosses 10 crore registered investor mark

The buoyant trend in S&P BSE Sensex helped investors gain over ₹ 59.75 Lakh crore in the FY 2021-22. The market capitalisation of BSE-listed firms rallied from ₹ 204.3 Lakh crore at the beginning of this fiscal to ₹ 264 Lakh crore by end of FY 2022. The market capitalization of all BSE listed entities had jumped to an all-time high of over ₹ 280 Lakh crore on January 17 of 2022.

Following the escalation of the Russia-Ukraine conflict, foreign institutional investors (FIIs) sold Indian equities as crude oil-led macro and micro impact made Indian stocks less attractive. Nonetheless, domestic institutional investors (DIIs) continued to buy. DII flows into equities in FY 2022 were the highest ever at US\$ 26.8 billion compared to outflows of US\$ 18.4 billion in FY21, while FIIs witnessed equity outflows of US\$ 17.1 billion after five consecutive years of inflows.

### Capital Market Outlook:

Going into FY 2023, corporate earnings would be key among the many factors that will decide the market growth. The March quarter numbers for FY 22, will throw light on the impact of the Russia-Ukraine crisis on the margins of companies relying on crude-based raw materials. According to experts, easing of restrictions, strong vaccination drives and less severe COVID waves abated concerns regarding the pandemic. Besides, equities mirrored optimism despite worries related to geopolitical tension, inflation concerns and FII selling.

Other than the response to the COVID-19 pandemic, major factors to impact Indian capital markets in the coming year include resurrection in consumption demand, growth led by policy reforms, move towards digitization and monetary stance of central banks of major economies, and economic and trade policies. Coupled with strong demographic dividend and economic growth, consumer demand conditions in the country will remain strong for a long period. Additionally, stable fiscal situation, moderate inflation rate, exports growth, rising FDI inflows point towards fundamental stability in the economy, which augurs well for the capital markets.

It is widely expected that the equity markets to remain vibrant as the country remains one among the top investment destinations. Among financial assets, majority of household savings in India are still concentrated in the form of cash deposits, gold, and real estate. This is in sharp contrast to developed economies where households rely on a mix of equities, pension products, insurance, and other financial products. As financial literacy levels improve and per capita savings increase, the allocation of savings into more financial products such as insurance, mutual funds and equities is expected to further increase.

## 3. CAPITAL MARKETS

### A. OVERVIEW

BSE is the world's fastest Stock Exchange and the largest stock exchange in terms of number of companies listed. As of March 31, 2022, BSE is ranked #8 by market capitalization among global stock exchanges, and the largest in India. As of As of March 31, 2021, BSE was ranked #9 globally.

### B. PRIMARY MARKET

The total number of companies listed on BSE as on March 31, 2022 was 5,350 as compared to 5,477 as on March 31, 2021.

In FY 2021-22, Indian Investors showed faith in investing funds in Indian corporate sector primarily via the BSE fund raising platforms. ₹ 18.43 Lakh crores (USD 237.55 bn) worth of funds was mobilized through listing of Equity, Bonds, REITs, InvITs and Commercial Papers, a marginal decline of 0.7% over FY 2020-21.

During FY 2021-22, 51 companies tapped the market through the IPO process to get listed on the Mainboard of BSE. The amount raised through Mainboard IPOs in FY 2021-22 was ₹ 1,11,610 crore as against ₹ 45,814 crore in FY 2020-21.

In addition to 51 IPOs on the Mainboard, 34 companies raised ₹ 428 crore through BSE SME platform in FY 2021-22 and 5 companies raised ₹ 27 crore through the SME Start-up in FY 2021-22.

Two companies also raised ₹ 12,781 through InvITs in FY 2021-22.

With respect to debt capital the total amount mobilized through Privately Placed Debt Instruments ("PPDI") at BSE in FY 2021-22 was ₹ 3,88,020

crore as against ₹ 5,50,060 crore in FY 2020-21. During FY 2021-22, there were 28 public issues of bonds, which mobilized ₹ 11,589 crore as against ₹ 10,588 crore in the FY 2020-21. Out of these 28 public issues, 19 issues (68%) were exclusively listed on BSE and the average bids garnered through BSE's Internet based Book Building Software ("iBBS") platform for these debt public issuances was 95.26%.

The total amount mobilized through Commercial Paper ("CP") at BSE in FY 2021-22 was ₹ 12,61,956 crore.

### I. Mutual Fund Segment

The BSE StAR MF platform continues to be India's largest mutual fund distribution Infrastructure with close to 85% of market share amongst exchange-based platforms in mutual fund industry. In FY 2021-22, BSE StAR MF crossed 18.47 Crore transactions witnessing 97% growth as compared to 9.38 Crore transactions in FY 2020-21. The platform also registered 2898 new members on a platform, taking the total network to over 72,000 distributors in India. BSE StAR MF App (StAR MF Mobility) has processed over 37.50 Lakh transactions, amounting to ₹ 9,314 crore in FY2021-22.

#### SIP Book Size:

- StAR MF registered 2.72 cr SIPs as on March 31, 2022
- StAR MF's total active SIP book size stands at 1.20 crore as on March 31, 2022.
- For March 2022 the platform registered 10.89 Lakh new SIPs amounting to ₹ 250 crore

41 AMCs, accounting for more than 99.99% of total AUM in Indian Mutual Fund Industry pay a service charge on a per transaction basis, processed at BSE's StAR MF platform. This enables BSE to provide even better services and additional resources to all investors in mutual funds bringing in further automation and certainty to the mutual funds investment process in India.

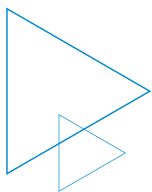
#### Innovations and unique features of BSE StAR MF

- The technology Infrastructure provided by BSE has created a super highway, which has boosted the mutual funds distribution for traditional distributors as well as new age e-commerce network of IFAs, Banks, Fintech platforms, brokers, broker branches and associates in over 3,000 towns across India.
- It is the only platform in Indian Mutual Funds Industry that supports all modes and type such as: Regular as well as Direct mutual funds schemes, Demat as well as Non demat mode of holding of mutual funds units, Funds and Mutual Funds units Settlement via Broker Pool (Mutual Funds Intermediary (MFI)) as well as Direct with Investors for Mutual Funds Distributors (MFD)/ Registered Investment Advisers (RIA).

- 24X7 order acceptance is available on BSE StAR MF Platform, along with continuous settlement of orders.
- New Value-added services Offering:
  - Portfolio Software Services
  - Phygital Initiatives
  - EKYC
  - Corp Direct
  - SIP Pause
  - Smart Switch and Smart STP
- Overnight Investment framework facilitates BSE StAR MF Registered Investors:
  - To route idle monies as overnight investments, monies can be invested even for single day i.e. overnight.
  - Subscription and redemption can happen simultaneously on the same day.
- Only Infrastructure in India that supports 2 modes via Systematic Investment Plan ("SIPs"), which can be initiated as under:
  - Paperless SIP: Wherein the link for payment is created for 1<sup>st</sup> Instalment as well as subsequent Instalment, only available with BSE.
  - X-SIP/ National Automated Clearing House ("NACH" & "eNach") based SIP Facility: Under this product, a single mandate can be used for investing in SIPs across all schemes and all Asset Management Companies ("AMCs") registered with StAR MF. The SIP administration and the cost of administration is borne by BSE and the money is debited



Shri Ashishkumar Chauhan, MD & CEO, BSE along with the delegation from University of Mizoram during their visit to BSE on December 17, 2021.



Shri Ashishkumar Chauhan, MD & CEO, BSE along with Senior officials from BSE and other dignitaries ringing the BSE Bell to mark 10 Years of BSE SME platform celebrations on March 12, 2022 at BSE.

to the client's bank account directly instead of debiting the member pool account.

- X-SIP Facility with First order today flexibility: Enabling BSE StAR MF members to start SIP within couple of minutes instead of waiting for a month.
- Any day Systematic Transfer Plan (“STP”) and Systematic Switch Plan (“SWP”), with “First order today” facility.
  - Completely digital and real time onboarding of investors.
  - Connectivity: Multi mode platform access;
  - Web – browser with CO-BRANDING facility,
  - APIs over leased lines,
  - WEB Services - APIs over internet.
  - Multi-ARN facility, useful when settlement of trades can be done for other AMFI registration no. (“ARNs”) of same group company or otherwise, only available on BSE.
  - Mobile App for distributors

## II. Municipal Bonds and Green Bonds

The total amount mobilized through Municipal Bonds at BSE in FY 2021-22 was ₹ 250 Crore as against ₹ 200 Crore in FY 2020-21. Ghaziabad Nagar Nigam raised bonds aggregating to ₹ 150 Crore and Vadodara Municipal Corporation raised bonds aggregating to ₹ 100 Crore in FY 2021-22.

The total amount mobilized through Green Bonds at BSE in FY 2021-22 was ₹ 2,827 Crore.

## III. Sovereign Gold Bonds

With Stock Exchanges being allowed to act as a receiving office for Sovereign Gold Bond (“SGB”) Scheme, BSE has become a significant platform for accepting retail bids in this product. BSE aggregates application from its vast network of brokers and distributors and channels the same to RBI. Please find below table on SGB bids received on BSE in the respective Tranches for FY 2021-22.

With Stock Exchanges being allowed to act as a receiving office for Sovereign Gold Bond (“SGB”) Scheme, BSE has become a significant platform for accepting retail bids in this product. BSE aggregates application from its vast network of brokers and distributors and channels the same to RBI. During the FY 2021-22 RBI has issued tranche series from SGB212201 to SGB212209, BSE has received collection of 4845.00 kgs and value of ₹ 2295.42 crores for the period mentioned.

## C. SECONDARY MARKET

### I. Equity Cash Segment (“ECM”)

The S&P BSE SENSEX ended FY 2021-22 at 58,568.51 compared to 49,509.15 at year end of FY 2020-21, an increase of 18.3% over the year. The average daily value of equity turnover on BSE in FY 2021-22 was ₹ 5,396 Crore, a y-o-y Increase of about 28.6% from ₹ 4,197 Crore in FY 2020-21. The turnover for year stood at ₹ 13.4 Lakh crore, which was the highest achieved on the BSE platform since FY 2010.

### II. Equity Derivatives Segment (“EDX”)

In EDX, the daily average value was ₹ 2,66,445 Crore in FY 2021-22 as compared to ₹ 1,40,804 Crore in FY in FY 2020-21. BSE Derivatives has recorded highest turnover of 3,36,36 crore during the year.

### III. Currency Derivatives Segment (“CDX”)

In CDX, the daily average turnover was ₹ 26,672 Crore for FY 2021-22 as compared to ₹ 20,913 Crore for FY in FY 2020-21, representing a growth of 28 percent. The average daily traded value for the month of March 2022 was ₹ 34,599 Crore, which was the highest since October 2018.

### IV. Interest Rate Derivatives (“IRD”)

In IRD, the daily average turnover was ₹ 178 Crore for FY 2021-22 as compared to ₹ 172 Crore for FY in FY 2020-21.

### V. Commodity Derivatives

On 1 October 2018, BSE became India's first universal exchange by adding commodity derivatives to its portfolio. The first contracts to be launched was Gold futures (1 KG), and subsequently variety of gold contracts and more commodities in the Bullion, Metals, Energy and Agri Ecosystem were subsequently launched.

- Total Commodities offered for trade: 6
- Total Contracts offered for trade: 13





- Precious Metals: Gold and Silver
- Base Metals: Steel
- Agri: Cotton, Turmeric and Almond

With a view to further widen and deepen the commodity derivatives markets, on the suggestion of BSE, framework to introduce 'options on spot' prices of commodities instead of futures prices was permitted. BSE launched the first 'options in goods' contracts on Gold mini and Silver kg based on spot prices from June 1, 2020. This led to the deepening and expansion of the bullion derivatives markets by permitting participants to give or take delivery of the underlying without getting into the futures contract at the time of expiry, a move aimed at for the benefit of small and medium sized jewelers, traders, and bullion dealers. Key highlights of the commodity segment include:

- First and Only Exchange to have Almond Futures Contract in the World
- First Exchange to have Negative Price Settlement Mechanism
- First Exchange to launch "Options in Goods"
- First Exchange to Introduce BIS Standard Gold & Silver
- First Exchange to make delivery in "Options in Goods" - both of Gold & Silver
- First Exchange to deliver BIS Standard Gold
- Exclusively launched Cotton J34 contract which is a North India based contract
- Launch of SUFI Steel Futures Contract

Deliveries constitute an integral part of commodity segment at BSE. BSE became India's first exchange to comply by India Good Delivery Standard on its commodity platform by adopting Bureau of Indian standard (BIS) notified standards - IS 17278: 2019, for delivery of gold and silver. This was in line with Prime Minister's vision of "Make in India" and "Atmanirbhar Bharat" of a self-reliant nation. With this step, BSE wished to highlight its commitment and priority towards own Good Delivery Standard and emerge as the price-setter instead of a price-taker in bullion trade.

Commodity	Category	Unit	Physical quantity of delivery
GOLD	Future	KG	7
GOLD	Option	KG	5
GOLDM	Option	GRAM	19,100
SILVER	Future	KG	7,320
SILVER	Option	KG	150
GUARSEED	Future	MT	8,740
GUARGUM	Future	MT	60
CHANA	Future	MT	240

Commodity	Category	Unit	Physical quantity of delivery
TURMERIC	Future	MT	770
STEEL	Future	MT	360
ALMOND	Future	KG	2,28,000
COTTON	Future	BALES	1,100
COTTON J34	Future	BALES	175
<b>TOTAL</b>			<b>2,66,027</b>

## New Segment, Products and Features

### SUFI Steel Futures

As the price of steel is a major component of total cost in many infra-projects, physical market participants find it difficult to manage the volatility in steel prices in absence of an appropriate hedging platform. The logistical and supply inefficiencies have made steel and its raw material prices extremely volatile posing challenges to the entire value chain participants.

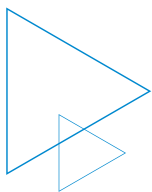
Accordingly, BSE launched SUFI Steel billets futures contracts, which was launched by Shri Sajjan Jindal, Chairman and Managing Director of JSW Group on July 22, 2021. Steel billets are the second stage product produced during the time process of making steel bars. The SUFI Steel billets futures contract offers market participants an additional avenue to all stakeholders' effective risk hedging instruments using the latest technology and risk management framework.

## VI. BSE SME Platform

The framework for SME Platforms to serve small and medium-sized enterprises on stock exchanges were established by SEBI vide its circular dated May 18, 2010. The BSE SME platform received the final approval of SEBI on September 27, 2011 and was launched on March 13, 2012. BSE SME IPO Index was launched on December 14, 2012 with 100 as the base.



Shri Shekhar Chaudhary, Department of Economic Affairs, Ministry of Finance along with Shri Ashishkumar Chauhan, MD & CEO, BSE ringing the BSE Bell during his visit to BSE on February 24, 2022.



Mr. Ashishkumar Chauhan, MD & CEO, BSE presenting a Bull memento to H.E. Mr. Naor Gilon, Ambassador of Israel in India in presence of Mr. Kobbi Shoshani, Consul General of Israel during their visit to BSE on February 17, 2022.

On March 31, 2022 the value of this index reached 1,3675.49. Additionally, the total market capitalization of all the 367 companies listed on BSE SME Platform reached ₹ 48,481.84 Crore. During FY 2021-22 the SME platform continued to be a front-runner with a market share of 61%.

During FY 2021-22, 34 companies raised ₹ 428 Crore from the market (including 1 FPO of ₹ 15 Crore).

### Migration to Main Board

As Per ICDR Guidelines for SME Platform, the company may opt to migrate from SME board to the main board once the company's post issue face value capital crosses ₹ 10 Crore. The company must compulsorily migrate to Main board in case the post-issue face value capital crosses ₹ 25 Crore.

During FY 2021-22, 35 BSE SME companies have migrated to the BSE Main Board.

### VII. Debt Market Segment ("DMS")

BSE witnessed reporting of Over the Counter ("OTC") trades in Corporate Bonds on New Debt Segment – Reporting, Settlement and Trading (NDS-RST) platform worth ₹ 6,67,730 Crore in FY 2021-22 as against ₹ 6,60,788 Crore in FY 2020-21. The Company has market share of 32% in FY 2021-22 as compared to 34% in FY 2020-21 for Corporate Bonds Reporting. In case of Statutory Liquidity Ratio ("SLR") securities i.e. Government Securities and Treasury Bills, trades worth ₹ 4,23,975 Crore were reported on ICDM in FY 2021-22 as against ₹ 3,75,552 Crore in FY 2020-21. BSE's market share in reporting of Government securities is 58% in FY 2021-22 as compared to 60% in FY 2020-21.

Trading in Non-Convertible Debentures ("NCDs") and Bonds on 'F' group of BSE's equity platform saw volume of ₹ 4,852 Crore in FY 2021-22 as against ₹ 4,905 Crore in FY 2020-21. BSE has its market share of 67%

in FY 2021-22 as compared to 69% in FY 2020-21 for the retail trading of Corporate Bonds.

The settlement volume for corporate bonds witnessed business of ₹ 1,69,869 Crore in FY 2021-22 as against ₹ 1,60,158 Crore in FY 2020-21. BSE has its market share of 10% in FY 2021-22 as compared to 11% in FY 2020-21 for corporate bond settlement.

BSE Launched Request for Quote (RFQ) platform for execution and settlement of trades in NDS-RST system after receiving the markets regulator SEBI's approval w.e.f. February 3, 2020. Total Volume in RFQ platform of BSE was ₹ 8,543.79 Crores for FY 2021-22 compared to ₹ 4318.40 Crores for FY 2020-21.

### VIII. Non – Competitive Bidding ("NCB-GSec")

BSE has launched Non – Competitive Bidding in Government Securities (G-Sec), State Development Loans (SDL) and Treasury Bills (T-Bills) which allows retail investors to purchase G-Sec, SDL and T-Bills. The Company has received approval from the RBI and SEBI for acting as facilitator for non-competitive bidding (NCB) under RBI Auction in G-Sec, SDL and T-Bills.

BSE also launched a mobile app called "BSE Direct" as well as a Web based platform for Individual Investors to participate directly in the auction of G-Sec, SDL and T-Bill issued by the Government of India.

For the FY 2021-22, BSE has received bids worth ₹ 467.698 crore through its various bidding platform while in FY 2020-21, bids worth ₹ 327.643 Crore were received.

### IX. Exchange Traded Funds ("ETF")

As on March 31, 2022, BSE had 83 ETFs listed on its platform, as compared with 73 as on March 31, 2021. During FY 2021-22, the average daily turnover in ETF is ₹ 33 Crore compared with ₹ 20 Crore in FY 2020-21.

### X. Offer for Sale ("OFS") & Offer to Buy ("OTB")

Offer for Sale (OFS) is a secondary market mechanism used by existing listed companies wherein existing shareholders tender their shares to public investors on stock exchanges' trading window. During FY 2021-2022, there were 20 OFS issues out of which BSE was appointed as the Designated Stock Exchange in 15 issues (75%). Out of the 20 OFS issues, 5 issues were conducted exclusively on the BSE platform, the total amount raised through OFS issues on BSE platform was ₹ 14,360 Crore.

Similarly Offer to Buy (OTB) is also a secondary market mechanism wherein existing shareholders tender their shares on trading window to the Company in case of Buy-back, Acquirer in case of takeover or to the Promoter in case of delisting of securities. During FY 2021-2022, there were 117 such OTB issues, of which BSE was appointed as the Designated Stock Exchange in 105 issues (90%). Out of the 117 OTB issues, 100 issues were conducted exclusively on BSE platform, the total subscription through OTB issues was ₹ 43,907 Crores.



### XI. Securities Lending & Borrowing (“SLB”)

The SLB turnover at ICCL decreased by 16.11% from ₹ 7,380 Crore in FY 2020-21 to ₹ 6191 Crore in FY 2021-22. The lending fees decreased by 44.96% from ₹ 18.66 Crore to ₹ 10.27 Crore during this period.

Segment	FY 2021-22 (₹ Crore)	FY 2020-21 (₹ Crore)
Turnover for the period - 1 <sup>st</sup> Leg of SLB transactions	6191	7,380
Lending fees	10.27	18.66

### XII. Dissemination Board

SEBI issued a circular in October 2016, requiring all exclusively listed companies of Regional Stock Exchanges which are derecognized and are on Dissemination Boards of Nationwide Stock Exchanges to either list on a nationwide stock exchange or to provide exit to its investors. Following this, BSE has reached out to over 1,500 such companies admitted to BSE’s Dissemination Board. BSE is working closely with SEBI to ensure smooth and proper exit to investors in such companies. During FY 2021-22, BSE reversed action initiated against Promoters / Directors of 13 exclusively listed companies, which were found to be compliant with SEBI circular dated October 10, 2016 and August 01, 2017 and consequently these companies were removed from the BSE’s Dissemination Board. As on March 31, 2022 there are 681 companies on the Dissemination Board of BSE.

### XIII. Startups platform

BSE launched the Startups platform on 22<sup>nd</sup> December 2018, for companies seeking listing in the sector of IT, ITES, Bio-technology and Life Science, 3D Printing, Space technology, E-Commerce, Hi- Tech Defense, Drones, Nano Technologies, Artificial Intelligence, E-gaming etc. The criteria for listing is:

1. The company should be registered as start-up with DPIIT. In case the company is not registered as Start-up with DPIIT then the company’s paid-up capital should be minimum ₹ 1 crore.
2. The company or the partnership / proprietorship / LLP firm or the firm which have been converted into the company should have a combined track record of at least 2 years at the time of filing the prospectus with BSE. There should be preferably investment by QIB investors (as defined under SEBI ICDR Regulations, 2009) / Angel Investors/Accredited Investors for a minimum period of 2 years at the time of filing of draft prospectus with BSE.
3. The company should have positive net worth.

During FY 2021-22, 5 companies raised ₹ 27 Crore from the market. On March 31, 2022 the total market capitalization of all the 14 companies listed on BSE Startups Platform reached ₹ 338.15 Crore. During FY 2021-22, the Startups platform continued to be a front-runner with a market share of 100%.

### D. INDIA INTERNATIONAL EXCHANGE (IFSC) LIMITED (INDIA INX)

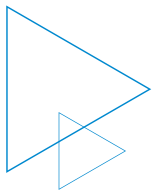
BSE has made strategic investments in India International Exchange (IFSC) Limited (India INX) and India International Clearing Corporation (IFSC) Limited (India ICC) looking at the long term growth potential of these ventures. The total investments made till date is ₹ 145.545 crores in India INX and ₹ 80 crores in India ICC. The focus of the government and the regulators is to make IFSC a successful international financial centre in the coming years, which augurs well for India INX and India ICC. Various regulatory measures have been put in place and others are in the pipeline to have a vibrant cash and derivatives markets at IFSC. BSE is ready to dilute its share, subject to regulatory requirements and onboard new investors as strategic partners who share BSE’s vision for the IFSC. ICICI Bank Limited and State Bank of India have already joined as a strategic partners in these ventures. Ongoing discussions are taking place with other potential strategic investors.

International Financial Services Centres (IFSC) Authority, the unified regulator for IFSC, now regulates all financial services in IFSC, comprising banking, securities, insurance, and pension markets. The IFSC Authority, as a unified regulator, plays a pivotal role in inter-regulatory coordination and harmonizing regulations of various inter-related markets, leading to improvement in the regulatory regime and ease of doing business at IFSC. As a dedicated regulator for the IFSC, headquartered at GIFT City IFSC, Gandhinagar, the authority plays a very significant role in ushering in rapid development and growth of the IFSC as envisioned by the government of India.

India INX continues to position itself as a preferred offshore platform, open 22 hours a day for trading and become the financial gateway of choice for both inbound and outbound investors. The derivatives trading volumes at India INX has grown significantly since inception. The notional trading turnover on INDIA INX’s derivatives increased by 46.19% to USD 2,624.28 billion in FY 2021-22 from USD 1,795.14 billion in the



Shri Ashishkumar Chauhan, MD & CEO, BSE along with Consul General David J. Ranz, Consul General of the United States of America in Mumbai, India ringing the BSE Bell during his visit to BSE on August 5, 2021.



Shri Ashishkumar Chauhan, MD & CEO, BSE presenting a memento to Smt. Kishori Pednekar, Former Mayor of Mumbai at the 'Inauguration of Mission Financial Literacy Program and Books unveiling' event held on April 11, 2022 at BSE.

previous financial year FY 2020-21. India INX is poised to achieve further growth in its turnover, and it now successfully competes with Singapore Exchange and Dubai Gold & Commodities Exchange in some of the India dedicated products such as index and currencies. This has laid the foundation for India INX to become the preferred offshore gateway to India through innovative product offerings, cutting edge technology, competitive regulatory framework, attractive tax structure, easy access to markets and outstanding customer service. India INX continues to innovate and place emphasis on reaching out to global investors through its trading members to improve the liquidity and depth of the markets. Depending on regulatory approvals, India INX proposes to introduce new and innovative products in future to compete with other international exchanges and cater to the needs of investors across the globe.

One of the primary goals of India INX is to help companies raise funds from the capital markets which can be deployed for the growth and development needs of the company, leading to employment generation and overall economic development. Keeping this in mind India INX launched the Global Securities Market Platform, which is a pioneering concept in India, offering issuers an efficient and transparent method to raise capital. The platform offers a debt listing framework at par with other global listing venues such as London, Luxembourg, Singapore etc. Till date, Global Securities Market has established USD 62+ billion in MTN programmes and more than USD 44+ billion of bonds issued. As on date, leading issuers like Asian Development Bank, State Bank of India, EXIM Bank, PFC, ONGC, REC, IRFC, Adani Green Energy UP Ltd., Adani International Container

Terminal Private Limited, Adani Ports and Special Economic Zone Limited, Reliance Industries Limited, JSW Infrastructure, HDFC Bank, Axis Bank etc. have established their MTN programmes, alongside drawdowns and/or standalone issuances, which are a healthy mix of masala, Formosa, dollar denominated, green, social and sustainability-linked bonds. India INX is also the first introducer of the Green Securities Platform for issuance of green bonds. India International Exchange (India INX) has memorandum of understanding with Luxembourg Stock Exchange for development and promotion of ESG and green finance in the local market. In November 2021, via this MoU the Exchange enabled listing of USD 650 Million Green bonds of State Bank of India on Luxembourg Stock Exchange.

The IFSC would be the venue where various innovations and new initiatives are expected to materialize in the coming years. BSE would be keen to explore these new initiatives and seek investment opportunities in IFSC, such as the International Bullion Exchange wherein BSE has 20% stake, through its two subsidiary companies in IFSC, India INX & India ICC, each having 10% stake.

## KEY MILESTONES ACHIEVED, MAJOR EVENTS AND GROWTH STRATEGY OF INDIA INX

Following is a summary of key milestones achieved, major events along with an analysis of the growth strategy during FY 2021-22:

### I. Markets Business Performance

#### Growth in the core business segment – India INX Derivatives

India INX's core business of Derivatives has achieved remarkable growth since its launch in January 2017.

- During the FY 2021-22, India INX was the largest exchange at GIFT IFSC with an overall market share<sup>[1]</sup> of 91.53% based on the notional Trading Turnover for Derivatives. India INX's market share at GIFT IFSC increased to 96.38% in March 2022
- INDIA INX is the leading Exchange at GIFT IFSC for Equity Index Futures and Options with market share<sup>[1]</sup> of 91.53% during FY 2021-22. INDIA INX's market share increased to 96.34% in March 2022.
- India INX's Gold Futures market share<sup>[2]</sup> as compared to equivalent Gold Futures traded in Dubai was 77.79% during FY 2021-22.
- India INX's INDIA50 Index Futures and Options market share<sup>[3]</sup> as compared to similar India-based equity index derivatives traded in Singapore was 74.65% during FY 2021-22.

<sup>[1]</sup> Market share calculated based on the notional trading turnover of the Futures and Options

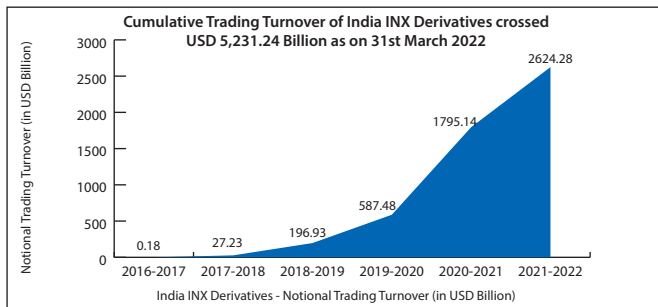
<sup>[2]</sup> Market share for Gold Futures is based on the estimated notional trading turnover of similar contracts in Dubai-based Exchanges Exchanges

<sup>[3]</sup> Market share for Index Futures and Options is based on the estimated notional trading turnover of similar contracts in Singapore-based Exchange

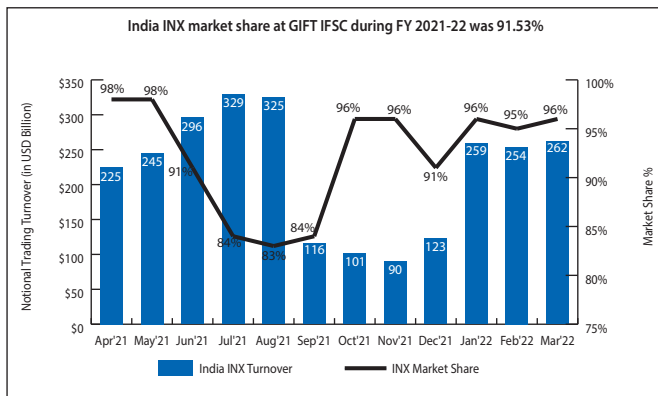
### Secondary Markets – India INX’s Derivatives Business Performance

India INX delivered an exponentially increasing growth in trading volume and trading turnover during FY 2021-22 as compared to the previous financial year. The notional trading turnover on INDIA INX’s derivatives increased by 46.19% from USD 1,795.14 billion in the previous financial year FY 2020-21 to USD 2,624.28 billion in FY 2021-22. During the same period, trading volume increased from 1,264.19 Lakh contracts (FY 2020-21) to 1,514.72 Lakh contracts (FY 2021-22).

### Growth in India INX Derivatives Trading Turnover



### Market share of India INX Derivatives at GIFT IFSC



### INDIA INX’S PRIMARY MARKET PLATFORM - GLOBAL SECURITIES MARKETS

India INX set up India’s first international primary markets platform, the Global Securities Market to cater to the needs of Indian and foreign issuers to raise funds from global investors. The maiden listing of debt securities on Global Securities Market was on December 22, 2017. Ever since, has emerged as the leading primary markets platform at GIFT IFSC for raising capital through issuance with 100% market share in MTN establishment and 98% market share in listed bonds in GIFT IFSC.

### Growth in Listings Business – India INX Global Securities Market

During FY 2021-22, the cumulative MTN established on Global Securities Market increased by 23% to USD 62.07 billion as compared to USD 50.57 billion till financial year FY 2020-21. Similarly, during FY 2021-22, cumulative listing of debt securities increased by 66% to USD 44.59 billion as compared to USD 26.83 billion till financial year FY 2020-21 with the number of issuances increasing by 72% from 67 ISINs to 115 ISINs.

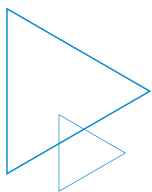
During FY 2021-22, approx. 81% of the funds raised by Indian issuers was listed on India INX’s Global Securities Market, this being a marked escalation from 53% of Indian issuers who listed on GSM platform in FY 2020-21. In the current fiscal, several esteemed issuers have forayed into GIFT IFSC with listing on India INX such as Reliance Industries Limited, JSW Infrastructure, HDFC Bank, Axis Bank etc. have established / updated MTNs and/or listed debt securities on the Global Securities Market.

For the period April 1, 2021 to March 31, 2022 total value of bond listed on GSM Platform is USD 17,763 against the relevant Established or Updated MTN / Standalone Programme is given below:

Sr. No.	Name of Issuer	MTN / Standalone Programme established / updated (USD Million)	Debt Securities (Bonds) Listed (USD Million)
1	Adani Electricity Mumbai Limited	2,000	300
2	Adani Green Energy Limited	-	750
3	Adani Ports and Special Economic Zone Limited	-	750
4	Axis Bank Limited	-	600
5	Export-Import Bank of India	10,000	-
6	HDFC Bank Limited (Listing of 1 <sup>st</sup> perpetual foreign currency bond exclusively in IFSC.)	-	1,100
7	Indian Railway Finance Corporation Limited	-	500
8	Indian Oil Corporation Limited	-	1,697



Shri Ashishkumar Chauhan, MD & CEO, BSE presenting a memento to Shri Ajit Kumbhar, Jr. Commissioner, BMC at the 'Inauguration of Mission Financial Literacy Program and Books unveiling' event held on April 11, 2022 at BSE.



Shri Sameer Patil, Chief Business Officer, BSE presenting a Bull memento to Shri Pragyant Ojha, Former Indian Cricketer during his visit to BSE on April 5, 2022.

**India INX GA's vision is to become the leading provider of financial services by offering centralized access to international financial markets for the benefit of India INX's members from GIFT IFSC and resident Indians under the LRS route.**

### Access to International Exchanges

India INX GA, provides a platform for trading in global stocks, including shares from major US-listed companies. It offers stocks from the US, Canada, UK, Europe, Australia, and Japan, covering a significant percent of the investing universe. With access to over 135 exchanges across 33 countries with 23 currencies worldwide covering global exchanges in America, Europe, Asia Pacific and Africa, India INX Global Access is emerging as the preferred platform for India investors to trade in international securities. Some of the exchanges offered are NYSE, Nasdaq, LSE, Canadian Securities Exchange, Toronto Stock Exchange, BATs Europe, Euronext France and Tokyo Stock Exchange.

India INX GA has now tied up with international brokerages viz. Interactive Brokers LLC, EDF Man Capital & others to provide access to international exchanges. India INX GA had earlier offered access to international exchanges such as the CME Group of Exchanges, London Metal Exchange (LME), Intercontinental Exchange (ICE) Futures US, ICE Futures Europe, Eurex and Euronext N.V. through Marex Spectron group, which is a Futures Commission Merchant (Clearing Member) of CME Group exchanges.

Further, India INX Global Access has also tied up with multiple banks to bring down the cost of remittance of funds for resident Indian investors under LRS. During the year 2021-22 India INX Global Access has entered into agreement with ICICI Bank, Kotak Bank & IndusInd Bank for lower remittance fee for its clients.

## II. Key Regulatory Developments

### i) UNION BUDGET 2022-23: Gifts Galore for GIFT IFSC:

The Union Budget 2022-23 has provided new impetus to cementing the GIFT IFSC's position as a jurisdiction providing financial services and products comparative with the global financial markets. For ensuring ease of doing business, one of the key enablers is providing efficient and effective dispute resolution. To enable the same, the budget has paved way for an autonomous dispute resolution mechanism by announcing to set-up an **International Arbitration Centre** in the GIFT City for timely settlement of disputes under international jurisprudence, which will result in boosting investors' confidence.

To further promote the IFSC as a 'Global Financial Hub', the budget has proposed **tax exemptions for income of nonresidents from offshore derivative instruments and income received from portfolio management services in IFSC**. This will not only boost the trading but also liquidity on the recognized stock exchanges in IFSC. Other tax exemptions for over the counter (OTC) derivatives issued by an offshore banking units and income from royalty and interest on account of lease will

Sr. No.	Name of Issuer	MTN / Standalone Programme established / updated (USD Million)	Debt Securities (Bonds) Listed (USD Million)
9	JSW Infrastructure Limited (Exclusive listing on INX)		400
10	Power Finance Corporation Limited	8,000	352
11	REC Limited	7,000	400
12	Reliance Industries Limited	-	7,050
13	ReNew Power Private Limited (Exclusive listing on INX)	-	400
14	ReNew Wind Energy Delhi Private Limited (along with 9 other group companies)(Exclusive listing on INX)	-	585
15	Shriram Transport Finance Company Limited	3,500	2,579
16	State Bank of India (Listing of First Formosa bonds in the country on INX)	10,000	300
<b>Total</b>			<b>17,763</b>

### India INX Global Access (IFSC) Limited ("India INX GA" or "Global Access")

India INX GA is a pioneering venture and a 100% wholly-owned subsidiary India INX, India's first international exchange located at International Financial Services Centre in the Gujarat International Finance Tec-City (GIFT IFSC), the first of its kind from India and GIFT IFSC. The entity is regulated by International Financial Services centers Authority (IFSCA).

boost the IFSC as a one stop destination for all businesses within the IFSC ecosystem. Emphasis was also placed in the budget regarding issuance of sovereign Green Bonds for mobilizing resources for green infrastructure. Further, in the past few months, India INX witnessed listing of many prominent companies, who have listed their green bonds on the Exchange. The budget proposals to facilitate sustainable and green finance in the country, through GIFT IFSC, is going to provide further thrust for **'Green Finance'** at the IFSC.

It is essential that the right talent is easily available for the success of business ecosystem at the IFSC. The budget proposed **setting up of world-class foreign universities and institutions in the GIFT IFSC to offer courses in Financial Management, FinTech, etc. free from domestic regulations**, except those by IFSCA. The move is expected to facilitate availability of high-end human resources for financial services and technology at GIFT IFSC and cement the IFSC as a world class 'fintech hub.'

**ii) India INX – True Knowledge Contributor towards Building IFSC:**

India INX has been actively engaging with its stakeholders to enhance the global reach of GIFT-IFSC. The Exchange is working with its regulator, IFSCA, the unified regulator for GIFT IFSC, in various exercises to enhance the global reach of GIFT IFSC and thereby fulfil the objective of Government of India of positioning GIFT IFSC at par with any other benchmark IFSCs globally. As a part of that exercise, India INX is glad that Mr. V. Balasubramaniam, MD & CEO of the Exchange, is a member of various IFSCA constituted committees such as **Committee on positioning IFSC as a hub for offshore trading in INR, Committee of Experts on Sustainable Finance, Expert Committee on Investment Funds in IFSC and Implementation task force for setting up the Bullion Exchange in IFSC**. The mandate of IFSCA is to create a world class financial ecosystem supported by an efficient and facilitative regulatory system comparable with the best jurisdictions in the world with the goal of developing IFSC as a preferred global hub for financial services.

The committee on positioning IFSC as a hub for offshore trading in INR, in line with its mandate, after undertaking detailed examination of global best practices in the areas of financial market infrastructure and financial market regulations submitted the report to IFSCA on June 18, 2021. The Exchange is glad to note that several of its suggestions were considered by the committee.

As a true knowledge partner, not limiting to this, India INX is actively involved in various committees/taskforce set up by Government of India, Confederation of Indian Industry (CII), etc. related to financial services and pertaining to IFSC in enhancing its role in growth and development of Indian economy.

<https://ifsc.gov.in/IFSCACommittees#>

**III. Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman Visits India INX at GIFT City:**

The Hon'ble Finance Minister, Smt. Nirmala Sitharaman, during her visit to GIFT City on November 20, 2021, visited India INX along with Ministers of State for Finance, Dr. Bhagwat Kishanrao Karad and Shri Pankaj Chaudhary and State Finance Minister, Mr. Kanu Desai. The finance minister along with the delegation, comprising of Shri Ajay Seth, Secretary, Economic Affairs, Shri Tuhin Pandey, Secretary, Ministry of Corporate Affairs, Shri Tarun Bajaj, Revenue Secretary, Shri Devashish Panda, Secretary, Financial Services and Shri Anand Mohan Bajaj, Additional Secretary to the Finance Minister, were given a detailed presentation on the developments at the Exchange and its future plans and provided a tour of the Exchange.

Smt. Sitharaman exhorted officials to look at various ways in which more companies can get listed at GIFT IFSC, more transactions can happen here, more funds can be raised from here by companies, and how the bond market activities at GIFT IFSC can be improved, deepened and widened.<sup>1</sup>

**IV. Gujarat Chief Minister Shri Bhupendra Rajnikant Patel Visited India INX:**

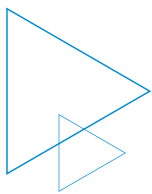
Gujarat's Chief Minister, Shri Bhupendra Rajnikant Patel and the Chief Secretary made a maiden visit to India INX on November 30, 2021, wherein they got a first-hand feel of the operations and business of the Exchange, which operates for 22 hours, providing non-stop trading at GIFT IFSC.

**V. MoU with Luxembourg Stock Exchange to facilitate fund raising and listing of green and ESG finance projects:**

In pursuance to the commitment to sustainable development the Exchange launched, in August 2019, an exclusive Global Securities Market **Green platform** for listing of green, social and sustainable financing bonds, aligned to ICMA's principles. On November 19, 2020, BSE's international arm, India International Exchange (India INX), announced its memorandum



Shri Nayan Mehta, Chief Financial Officer, BSE along with Ms. Maria Ariza, CEO, BIVA MX - The Institutional Stock Exchange in Mexico ringing the BSE Bell on April 1, 2022 at BSE.



Shri Ashishkumar Chauhan, MD & CEO, BSE presenting a memento to Shri Keyur Rokadia, Hon'ble Mayor of Vadodara during the 'Listing ceremony of Vadodara Municipal Corporation Bonds' on March 30, 2022 at BSE.

of understanding with Luxembourg Stock Exchange for development and promotion of ESG and green finance in the local market.

This pact is a non-binding agreement with Luxembourg Stock Exchange and can provide the issuers and investors with an opportunity to list and trade green bonds on India INXs platform, GSM Green with opportunity to dual list with Luxembourg Stock Exchange which is the largest green bond listing platform with exceptional governance standards. It is envisaged that this pact may be benefitting not only issuers listing on India INX and Luxembourg Stock Exchange but strengthening ties between the two countries also. It is one of the few initiatives the two Exchanges have deliberated on to encourage more green funding, which is in line with the Government of India initiative of sustainable development.

In November 2021, via this MoU the Exchange enabled listing of USD 650 Million Green bonds of State Bank of India on Luxembourg Stock Exchange.

During her first visit to Gujarat in December 2021, Her Excellency Ms. Peggy Frantzen, The Ambassador of the Grand Duchy of Luxembourg, accompanied by the Consul, Mr. Jean Marc Reding and the Embassy's Business developer, Mr. Abhishek Wadehra, met the MD & CEO of India International Exchange (India INX), Mr. V. Balasubramaniam, who was accompanied by the Head-Business Operations & Technology, Mr. Arunkumar Ganesan to discuss the growing cooperation of Luxembourg Stock Exchange (LuxSE) with India INX in sustainable finance & green bonds as well as the upcoming planned activities.

<https://links.comgouv.lu/nl2/98kr/57ym.html?hl=fr>

## VI. India INX successfully completed live trading session from Disaster Recovery site:

India INX has successfully completed live trading session from the Disaster Recovery (DR) site, running the operations seamlessly for 22 hours for five days from 27<sup>th</sup> to 31<sup>st</sup> December 2021. The average daily turnover during this session was USD 4.13 billion. India INX is the first Market

Infrastructure Institution (MII) in International Financial Services Centre (IFSC) to have successfully conducted the DR live session.

The live trading session from DR site has been conducted pursuant to International Financial Services Centers Authority (IFSCA) circular on June 22, 2021, clarifying "Status of transactions executed at Disaster Recovery (DR) Site of the MIIs" wherein it was mentioned that IFSCA Regulations, as adopted from Securities and Exchange Board of India (SEBI), require the Stock Exchanges to schedule live trading sessions from their Disaster Recovery (DR) sites located in a different seismic zone, from that of the data centre, for at least two consecutive days every six months. **The circular further clarified that the trades executed from the DR site (site located outside GIFT-IFSC) of the stock exchanges in GIFT-IFSC, due to the afore-mentioned regulatory requirement, shall be deemed to have been executed at GIFT-IFSC.**

(\* <https://ifsc.gov.in/Viewer/Index/185>)

## 4. BUSINESS OPERATION REVIEW

### A. MEMBERSHIP

During FY 2021-2022, 33 Deposit Based Membership ("DBM") applications were received at BSE. Since launch of new DBM scheme in April 2010, BSE has received a total of 991 DBM applications, as on March 31, 2022.

### B. CORPORATE SERVICES (LISTING),

The Corporate Services segment of BSE registered revenue growth in FY 2021-22. Annual Listing Fees (equity, debt and MF) increased by 3% to ₹ 164 Crore compared to ₹ 159 Crore in FY 2020-21. BSE also provides other services to corporates such as book building software, buy-back facilities, reverse book building software, etc. Fees earned from such services were ₹ 53 Crore in FY 2021-22 as compared to ₹ 34 Crore in FY 2020-21, a rise of 56% from the previous year on account of IPO, Rights Issues, OTB/OFS issues etc.

### C. DATA INFORMATION PRODUCTS

BSE and Deutsche Boerse have entered into a partnership in October, 2013 under which Deutsche Boerse would act as the licensor of BSE market data and information to all international clients. The business for sales and marketing of BSE market data products to International customers by Deutsche Boerse commenced from April, 2014. Under the co-operation, Deutsche Boerse is responsible for sales and marketing of BSE's all market data products to customers outside India, while BSE continues to serve its domestic clients. Deutsche Boerse also shares the joint responsibility along with BSE for product development and innovation, which includes extending its existing infrastructure and creation of new market data solutions to support BSE's product offerings.

The total revenue from the sale of market data and information products was ₹ 36.00 Crore in FY 2021-22 as compared to ₹ 33.36 Crore in FY 2020-21. The increase in revenue was on account of addition of domestic and international customers, revision in pricing for Corporate Actions data



through SWIFT, increase in international pricing by DBAG & higher audit revenue from DBAG.

#### D. INDEX

Asia Index Private Limited ("AIPL") is a joint venture between S&P Dow Jones Indices LLC and BSE Limited.

AIPL's Total Revenue increased from ₹ 3,699 lakh in FY 2020-21 to ₹ 4,561 lakh in FY 2021-22, which is a growth of 23%. The Profit before Tax increased from ₹ 896 lakh in FY 2020-21 to ₹ 1,187 lakh in FY 2021-22, which is a growth of 32%. The profit margins have also grown to 26% which is higher than the previous year. An Operating Revenue CAGR growth of 13.25% and Net Profit CAGR growth of 28.27% over 5 years with net profit improvement from 14% to 25.17% in last 5 years.

In 2021-22, we saw an increase in demand for issuance of Market Linked Debentures on the S&P BSE SENSEX. There was growth in Data Subscription and Passive Product issuances for S&P BSE Indices.

#### 5. SIGNIFICANT DEVELOPMENTS

##### A. SEGREGATION AND MONITORING OF COLLATERAL AT CLIENT LEVEL

With an objective to strengthen the mechanism of protection of client collateral from misappropriation / misuse by the trading members (TM) and default of TM /CM and /or clients, SEBI has mandated a framework for segregation of collateral at client level and monitoring thereof. The salient features of the framework are :

- To providing visibility of client-wise collateral (for each client) at all levels, viz., TM, CM and Clearing Corporation (CC), a reporting mechanism, covering both cash and non-cash collateral, is required to be specified by the CCs.

TMs are required to report disaggregated information on collaterals up to the level of its clients to the CM whereas CM is required to report disaggregated information on collaterals up to the level of clients of TM and proprietary collaterals of the TMs to the Stock Exchanges (SEs) and CCs in respect of each segment. The aforementioned information is required to be reported on a daily basis.

A web based portal is required to be provided by the SEs/CCs to the clients for accessing the aforementioned disaggregated collateral reporting by their respective TM/CM. CCs will also be required to provide a facility to the TMs to view such collateral allocation to their respective clients by the CM.

##### B. BLOCK MECHANISM IN DEMAT ACCOUNT OF CLIENTS UNDERTAKING SALE TRANSACTIONS

Block Mechanism in demat account of clients undertaking sale transactions has been introduced to do away the movement of securities in early pay-in scenario where the securities transferred from the client's demat account to Clearing Corporation and back to the client if the transaction is not

executed. The Block Mechanism framework provides that in the event of a client intending to make a sale transaction, the securities will remain in his account and will be blocked in favour of Clearing Corporation and in case of sale transaction not being executed, the same shall be unblocked at the end of the T Day.

Also, if securities are blocked in favor of CC, then it will considered as all Margins payable by the respective client, deemed to have been collected and penalty for short/non-collection of margins including other margins shall not be applicable.

#### 6. SECONDARY MARKET POLICY DEVELOPMENTS

##### A. DEALING WITH UNSOLICITED MESSAGES

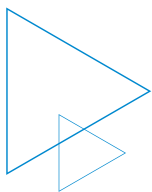
SEBI / the Company noticed that unsolicited messages are being sent to investors, via., bulk SMSs, websites and social media platforms like WhatsApp, Telegram, etc., inducing them to trade in the stocks & equity derivatives, indicating target prices and/or potentially misleading information. In view of the same, the Company, has been sending advisory messages to the investors on a periodic basis cautioning them to take an informed decision while dealing in stocks & equity derivatives and beware of unsolicited tips/recommendations. Further, based on joint discussions by SEBI with Exchanges, a detailed notices nos. 20220325-56 dated March 25, 2022 and 20220328-53 dated March 28, 2022 were issued to the market participants, inter alia, informing details of actions applicable while dealing in stocks & equity derivative under the said framework.

##### B. QUARTERLY REPORTING OF STATUS OF THE SURVEILLANCE ALERTS BY THE TRADING MEMBER

The Company, in order to facilitate effective surveillance mechanisms at the Member's end, downloads certain transactional alerts to trading members. This facilitates trading members to effectively monitor trading activity of their clients. In this regard, company issued notice no. 20210701-30



Mr. Burkhard Balz, Member of the Executive Board of the Deutsche Bundesbank along with Shri Ashishkumar Chauhan, MD & CEO, BSE pose with the BSE Bull on March 25, 2022 at BSE.



Mr. Agus P. Saptono, Consul General of Indonesia in India along with Shri Ashishkumar Chauhan, MD & CEO, BSE ringing the Bell during their visit to BSE on March 16, 2022.

dated July 30, 2021, giving detailed guidelines on surveillance obligation for trading members, inter alia, covering following –

- Broad parameters to frame surveillance policy for processing of alerts
- Indicative themes for generating alerts at their end
- Due diligence to be carried out on an ongoing basis
- Timely processing of alerts for taking appropriate action
- Quarterly reporting of status of alerts generated at their end effective from quarter ended on September 2021

Graded monetary penalty for non-compliance with reporting requirements

### C. ADD ON PRICE BAND

In continuation with the Company's endeavor to maintain market integrity and curb excessive price movement in securities listed exclusively on the Company's Trading Platform, a need was felt to further strengthen the extant surveillance measures for the securities which are subjected to other extant surveillance frameworks from time to time but witnessing sustained price variation over a longer time period. Accordingly, a new surveillance framework viz. Add-on Price Band Framework has been unilaterally introduced by the Exchange for shortlisted securities listed exclusively on the Company's Trading Platform in August 2021.

The securities are shortlisted based on the pre-defined objective criteria. Further, the framework works in addition to daily fixed price band framework applied on such shortlisted securities. The shortlisted securities are subjected to additional price bands over a longer period i.e. 6 monthly, yearly, 2 yearly, 3 yearly price bands, in addition to their daily price band.

As on March 31, 2022, 42 companies have been identified to be a part of Add-on Price Band framework.

## 7. REGULATORY

### A. SURVEILLANCE & INVESTIGATION

#### I. Statistics for FY 2021-22

As part of market monitoring activities during FY 2021-22; 58,465 surveillance alerts were generated, of which 579 alerts were taken up for snap investigations. Subsequently till March 31, 2022, 108 cases were taken up for preliminary/ detailed investigations, of which 75 preliminary/ investigation reports have been forwarded to SEBI.

#### II. Broker Supervision

427 inspections of members were conducted during FY 2021-22, which include 375 routine inspections. Further, 52 out of 427 inspections were jointly conducted with SEBI, other Exchanges and Depositories during FY 2021-22 which was selected by SEBI for joint inspection for the FY 2021-22.

#### III. Investor Services

The Investor Services Cell provides the following services:

Redressal of complaints against trading members and Redressal of complaints against listed companies on BSE.

#### Redressal of complaints against trading members

The Company redresses investor complaints against trading members by taking prompt action upon receiving the complaints. Investor complaints against trading members are received through the SEBI Complaints Redressal System ("SCORES") of SEBI, a web-based system where investors can lodge their complaints online. The Company in turn communicates the complaints to the trading members electronically through the BSE Electronic Filing System ("BEFS"), thereby reducing the communication time resulting in expeditious resolution of investor complaints. The trading members sends its reply through "BEFS". The investors can also lodge complaints directly with the Exchange through email, physical document form or through online e-Complaint registration on BSE website (e-Complaint Registration). The complaints against trading members are redressed through conciliation process by Grievances Redressal Committees ("GRC") wherein the GRC is also empowered to decide the claim value.

The Company provides GRC as well as arbitration/ appellate arbitration services from its 24 Regional Investor Service Centers located at Ahmedabad, Bangalore, Bhubaneshwar, Chandigarh, Chennai, Dehradun, Delhi, Guwahati, Jaipur, Jammu, Hyderabad, Indore, Kanpur, Kochi, Kolkata, Lucknow, Mumbai, Panaji, Pune, Patna, Raipur, Ranchi, Vadodara and Shimla. Thus, the Company currently provides GRC and arbitration services from 24 investor services centres located at different parts of the country. The Company also conducts orientation program for Arbitrators and GRC Members in association with NISM. During the year the company has conducted 5 such online programs for GRC and Arbitrators covering GRC members and Arbitrators of all 24 centres.

### Redressal of complaints against listed companies

The Company redresses investor complaints against listed entities by taking prompt action upon receiving the complaints. Investor complaints against listed entities are received through various modes such as through emails, physical documents, online e-Complaint registration on BSE website and through SCORES. The Company takes up the complaint with respective listed entity for resolution.

## B. LISTING COMPLIANCE

### I. Update on eXtensible Business Reporting Language (“XBRL”)

BSE is the first Exchange in India to introduce the globally accepted reporting format XBRL as it is more popularly known, for certain critical disclosures required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”). The Company had earlier enabled XBRL based filing for Shareholding Pattern, Corporate Governance Report, Voting Results, Financial Results, Share Capital Audit report, Disclosure of Insider Trading under Prohibition of Insider Trading, Unit Holding Pattern for Mutual funds, Financial Results for Insurance Companies and NBFCs and filing of companies’ Annual Reports (based on MCA Taxonomy).

The Committee on Corporate Governance (Kotak Committee) in its report had recommended filing of disclosures to Exchange in XBRL format. Accordingly, SEBI had directed the Exchanges to implement XBRL based filing for the disclosures. Since BSE had made significant progress on this front, it was recommended by SEBI that the other nation-wide Exchanges also adopt the BSE Taxonomy and the same may be the common taxonomy for these regulations, across India. In the previous year, other Exchanges had commenced integration of the BSE XBRL taxonomy for these filings and listed companies are now able to use a common file for filing at all Exchanges.

All new XBRL based developments are now being jointly developed by the exchanges with BSE being largely responsible for the development of Taxonomy and the Excel utility used for filing.

During the current year, filing for Annual Secretarial Compliance Report, Related Party Transactions, Record Date for Debt Listed Entities and Centralized Database Statement (Credit Rating, Interest Payment, Redemption Payment and Default History Information) were introduced in XBRL. Further, the Company is working with other MIs for introducing XBRL facility for receiving filing under various regulations of SEBI (LODR) Regulations, 2015 in XBRL format.

### II. Compulsory Delisting

Trading in the securities of certain listed companies had been suspended for a long period of time on account of non-compliance with the critical clauses / regulations of the erstwhile Listing Agreement/SEBI(LODR) Regulations.

BSE under the guidance of SEBI, had advised companies that had been under suspension for a period of six months or more, to expedite the

completion of all formalities for revocation or else be compulsorily delisted from the Exchange, as per the provisions of the SEBI (Delisting of Equity Shares) Regulations, 2009 / 2021.

Under SEBI (Delisting of Equity Shares) Regulations, 2009, the Exchange has delisted 1112 companies from April 1, 2016 till March 31, 2022, which have been suspended for a period of more than 6 months for non-compliance with the erstwhile Listing Agreement/ SEBI (LODR) Regulations, 2015 and which have not completed formalities for revocation within stipulated timelines.

SEBI has included this provision in its circular on Standard Operating Procedure (SOP) for suspension and revocation. The Exchange accordingly sends advisory letters to companies suspended pursuant to the provisions of SEBI SOP circular, informing about the consequences of not initiating formalities for revocation of suspension of trading.

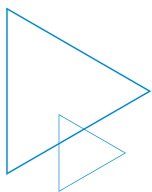
### III. Corporate Announcement Filing System (“CAFS”)

The Company has been making continual efforts to improve on the turnaround time for disseminating critical information received from listed companies to the shareholders and the public at large, on its website, without compromising on the quality and timely dissemination of the information.

Towards this objective, the Exchange introduced the Corporate Announcement Filing System (“CAFS”) with effect from March 1, 2017, in beta mode. The system provides for seamless dissemination of filings/ disclosures by listed companies directly on the Exchange website without any pre-verification by the Exchange. This is done using security measures such as Two Factor Authentication (“TFA”) and has ensured almost instantaneous dissemination of price sensitive information to the investors. The system makes companies responsible and accountable for



Mr. Ashishkumar Chauhan, MD & CEO, BSE presenting a Bull memento to H.E. Ms. Mariana Pacheco Montes, Ambassador of Colombia on March 15, 2022 at BSE.



Shri Swami Ramdev, Non - Executive Director, Ruchi Soya Industries Limited and Shri Ashishkumar Chauhan, MD & CEO, BSE during the Listing of Ruchi Soya Industries Limited on April 8, 2022 at BSE.

their filings, which leads to much faster, efficient and informed decisions by investors and the public at large.

During the current year, the system has been periodically enhanced to include additional disclosures under the seamless mode as well as enhancing the security features in line with the regulatory requirements. Filing through CAFS which was available for Equity listed companies has now been extended to other segments like, debt, mutual funds and commercial papers as well. In the FY 2021-22, the Exchange has received 11,71,916 filings by companies using the CAFS system.

## 8. COMPETITIVE STRENGTHS AND OPPORTUNITIES

### A. STRENGTHS

#### I. Strong brand recognition

Established in 1875, BSE is Asia's oldest Stock Exchange and one of the most identifiable brand names in India with high levels of recognition among investors, intermediaries, and the public. In fact, today BSE is the world's fastest exchange with a speed of 6 microseconds.

The BSE building is a symbol of the Indian growth story and is one of the most recognizable icons of India. It is one of the few structures in India that has been trademarked.

In addition, the benchmark index, the S&P BSE SENSEX, an index based on 30 BSE-listed large, well-established, and financially sound companies across key sectors of the Indian economy, serves as the primary global barometer for India's financial markets and is comparable in recognition to other global indices such as the S&P 500, the Dow Jones Industrial Average, the FTSE 100, the DAX, and the Hang Seng Index. Since it was first compiled in 1986, the Sensex has come to be known as the market bellwether.

BSE brand is further strengthened due to over four thousand seminars/ education sessions conducted every year. These events are investor

awareness programmes that are conducted in association with BSE IPF (Investor Protection Fund), or events organized with industry associations like FICCI, CII, Assocham, PHD Chamber of Commerce & Industry, BSE Brokers Forum etc.

### II. Sound corporate governance and regulatory framework

As a Stock Exchange, we are subject to a high level of regulatory oversight. We are committed to working with national and international Regulators, Exchanges, Clearing Corporations, Depositories and Market Participants to ensure an orderly, informed and fair market for the benefit of investors. We are also committed to strong and effective internal governance and regulation and believe that regulatory integrity benefits investors, strengthens our brand and attracts companies seeking to list securities on our markets.

In furtherance of these goals, we have a dedicated surveillance department to keep a close and daily watch on the price movement of securities, detect market manipulation, monitor abnormal prices and volumes which are not consistent with normal trading patterns and monitor our members' exposure levels to ensure that defaults do not occur.

### III. Technological Prowess

#### Inspiring the capabilities of Big Data

The Company has strengthened its position as a market leader in implementation of Big Data and leveraging the benefits of implementation of RegTech initiatives by use of Artificial Intelligence (AI) and Machine Learning (ML) in certain key areas of surveillance and monitoring.

While the journey has to continue, however, Exchange as a self-regulatory organisation is limited to making use of AI and ML in select areas of operational and business requirements.

Automation and Customer service are projected areas where AI and ML can be put to use.

On daily basis as part of Exchange trading and settlement process, tons of data are required to be processed and all of these are time bound activity. AI facilitates 'thinking' and Automation facilitates 'doing'. By processing daily data 'intelligently' with use of AI, it can ease the human element for need to intervene and instead augment decision making process.

The Company has also implemented AI in form of chatbot on its popular website, [www.bseindia.com](http://www.bseindia.com). The initiative helps customers get all the information they that is available on website, personalised service and the curation of real-time information.

#### Use of Open source technologies

The Company's core Trading system and other mission critical systems are based on open source technologies.

Strategically the Company has been careful in selection of open source technologies and its applicability. Every year the adoption has been

growing, given the fact the opportunity open source technologies offers both in terms of technology flexibility and cost effectiveness. With use of open source technologies, the application development is faster and highly customisable, that gives a competitive edge.

### Cloud Initiatives

The Company has adopted a mix of cloud initiatives by investing in on-premises cloud infrastructure and seek the public cloud on need basis. The Company has successfully implemented hybrid cloud in its Primary as well as at its Disaster Recovery site.

During the year, the Company has started leveraging the benefits of cloud adoption in its Data Center. As an opportunity as well as to effectively use available resources, the Company has started implementation of SaaS model for certain applications used by the Company and its group companies.

Implementation of micro-segmentation is another area that the Company has started implementation that will help in effectively manage the user and application traffic across various applications and reduce the load of monitoring from the core firewall. Implementation of micro-segmentation also helps in faster deployment of applications.

Over last few years, the Company has taken multiple initiatives to implement future ready technologies, especially supporting Cloud initiatives. The foundation is already laid down to take another leap in terms of Application modernisation. The Company is now in the transition phase to adopt newer practices in software development, automation, deployment mainly by adoption of DevSecOps. In the process, the application architecture is expected to be modular, scalable and de-risk the major roll-out challenges.

### Solutions developed by Subsidiary Company BSE Technologies Private Limited (BTPL)

The Company's subsidiary, BSE Technologies Private Limited (formerly, Marketplace Technologies Private Limited), primarily into development of IT solutions & products, continued its efforts to develop more and more applications that is best suitable for use of the Company and, to leverage the knowledge of business and IT. Further, many enhancements were implemented to keep the products competitive.

The Company witnessed the surge in number of users for the trading terminal solution it offers as a hosted solution in form of BOW and BEST. In case of financial ERP solution, enhancements continued in form of additions of more modules that was developed and implemented during previous year, in response to third party expensive product. The EFAS boasts of flexibility and customization it offers and it's at par to any leading third party solution. The Company's IT development team continued to roll out enhanced applications to remain abreast of the competition.

BTPL continued to venture in new areas of business streams and newer projects it acquired in the competitive bidding process.

The Company's IT development arm continues to explore newer technologies, enhance its skills sets and looking for opportunities to embark upon.

## B. OPPORTUNITIES

### I. Gold Spot Exchange - International Zone

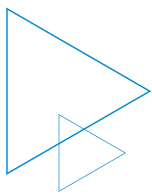
The Hon'ble Union Finance Minister Smt. Nirmala Sitharaman said while presenting the Budget for FY 2020-21 proposed to set up an international bullion exchange at IFSC in GIFT City, which will lead to better price discovery of gold, create more jobs and enhance India's position in such market. "With the approval of the regulator, GIFT City would set up an International Bullion Exchange(s) in GIFT-IFSC as an additional option for trade by global market participants", she said.

Subsequently, the Government of India (GoI) established International Financial Services Centres Authority (IFSCA) on April 27, 2020, to regulate all financial services in International Financial Services Centres (IFSCs) with headquarters in Gandhinagar (Gujarat). The GoI on the recommendations of the IFSCA, had on August 31, 2020, notified the bullion spot delivery contract and bullion depository receipt (with bullion as underlying) as Financial Products and related services as Financial Services under the IFSCA Act, 2019. On October 27, 2020, the board of the IFSCA approved draft bullion exchange regulations, paving the way for setting up the entire ecosystem for bullion trading, including bullion exchange, depository, clearing house and vaults.

In December 2020, the International Financial Services Centres Authority (IFSCA) notified the IFSCA (Bullion Exchange) Regulations 2020 paving the way for setting up the entire ecosystems for bullion trading, including bullion exchange, depository, clearing house and vaults. In October 2021, the Government of India had notified a Bullion Spot contract and Bullion Depository receipt under the IFSCA Act, 2019.



(L-R) Shri Manish Daga, MD & CEO, Cotton Guru; Shri Ashishkumar Chauhan, MD & CEO, BSE and Shri Sameer Patil, Chief Business officer, BSE at the MoU Signing ceremony between BSE – Cotton Maha Guru FPO participation in Cotton Futures contract on February 24, 2022 at BSE.



Shri V. Balasubramaniam, MD & CEO, India INX presenting a memento to Shri PK Sharma, Dy. Secretary to Govt. of India, Ministry of Finance during his visit to India INX office, GIFT City on March 10, 2022.

BSE subsidiary India INX International Exchange and India International Clearing Corporation, National Stock Exchange of India, Multi Commodity Exchange, National Securities Depository and Central Depository Services have joined hands for setting up Market Infrastructure Institutions comprising International Bullion Exchange, Clearing Corporation and Depository at Gujarat International Finance Tec-City (GIFT). This is in accordance with the International Financial Services Centres Authority (Bullion Exchange) Regulations, 2020 and other applicable Laws. India INX and India ICC have invested ₹ 6.75 crores each in India International Bullion Holding IFSCA Limited - Holding Company for setting up and operationalizing the International Bullion Exchange, for its 10% stake each. BSE's wholly owned subsidiary – BSE Technologies is the Technology Solutions provider for the International Bullion Exchange at GIFT City.

This move is in line with the government's objective to make India a price-setter in bullion trade through GIFT International Finance Service Centre. The move will help in efficient price discovery in domestic market given the fact that India is the second largest consumer of Gold.

The proposed exchange would present an opportunity for all stakeholders including BSE to expand their scope of business.

## II. Gold Spot Exchange – Domestic Zone

The Government of India in the budget 2021-22 announced the setting of a gold spot exchange and that Securities and Exchange Board of India (SEBI) will be the designated regulator for the proposed gold exchanges. Subsequently, SEBI in its board meeting held on 28 September 2021 proposed the framework for Gold Exchange and SEBI (Vault Managers) Regulations, 2021. SEBI further notified that the instrument representing gold will be called 'Electronic Gold Receipt' (EGR) and it will be notified as "securities" under Securities Contracts (Regulation) Act, 1956. The "SEBI Framework for operationalizing the Gold Exchange in India" prescribed that Stock Exchange/s desirous of trading in electronic gold receipts (EGR) may apply to SEBI for approval for trading of EGR in a new segment.

In view of this, BSE has also sought regulatory approval to launch Electronic Gold Receipts (EGR) as a new segment, which will enable the trading of spot gold in India. BSE aims to leverage the existing strengths accrued in the commodity derivatives segment and can benefit by launching a Spot market platform for the growth and development of Bullion market, as an extension of our commodity derivatives segment. BSE is confident of playing a transformative role in developing a vibrant gold spot exchange via the trading of EGR by ensuring maximum participation from across the country.

## III. Insurance Distribution Platform

India with a population of 1.3 billion people is on the cusp of an explosive growth in the Fintech space since the past 3-4 years. With a population of 300m+ people in the middle class and upper middle class across the 200 odd cities coupled with the fact that a major proportion of the population is young, the demand for innovative Fintech solutions across India is phenomenally high. This has fueled steady development in the Fintech space in financial products like mutual fund and Insurance.

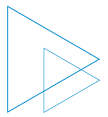
BSE-Ebix Insurance Broking Company Private Limited (BSE-Ebix), a joint venture (JV) between BSE Investments Ltd and Ebix Fincorp, a subsidiary of Ebix Inc, the largest Insurance Exchange in the world, has commenced operations for insurance distribution. BSE Ebix Insurance Broking, a joint venture of BSE and Ebix Fincorp Exchange, is now present in all the three key Insurance verticals – Auto, Health and Life. BSE holds equity stake of 40% through its subsidiary BSE Investments Limited.

BSE-Ebix seeks to widen distribution outlets, wealth management advisors, Point of Sales Persons (PoSPs) to sell life and non-life insurance products.

## IV. Power Exchange

India's power demand is expected to grow with the government's focus of providing "24x7" clean and affordable power for all. Of around 1,200 billion units (bu) of electricity generated in India, the short-term market accounts for around 130-150bu. This trade volume has grown by around 10% annually and is valued at around ₹ 22,124 Crore. This short-term power market is serviced by power exchanges, which function on the lines of commodity exchanges and provides a platform for buyers, sellers, and traders of electricity to enter spot contracts that are for the same day, next day, and on a weekly basis. It also provides a payment security mechanism to buyers and sellers. India currently has two operating power exchanges—Power Exchange of India (PXIL) and India Energy Exchange (IEX).

There is a need to deepen existing exchanges through more evolved products, clarity on cross border trading along with institutional mechanisms to deal with forward contracts of varying durations. In this regard, Pranurja Solutions Limited (Consortium of BSE Investments Limited, along with PTC India Limited and ICICI Bank Limited), filed a petition with the power market regulator, CERC (Central Electricity Regulatory Commission) on September 7, 2018, for grant of license for setting up a new power exchange.



CERC has granted registration on 12<sup>th</sup> May 2021 to Pranurja Solutions Ltd. to establish and operate a power exchange. The Company name was changed from Pranurja Solutions Limited to Hindustan Power Exchange Limited in November 2021, to brand itself as a power exchange. Subject to Regulatory approvals, the Company proposes to commence live operations in financial year 2022-23. BSE has a stake of 22.61% in the proposed power exchange through its wholly owned subsidiary, BSE Investments Limited.

#### V. Spot Platform for Agriculture and Other Commodities

BSE launched an electronic spot platform for agricultural commodities - BSE E-Agricultural Markets Ltd. (BEAM), as a national level, institutionalized, electronic, transparent commodity spot trading platform. This was in line with the Prime Minister's vision to create a "single market". BEAM commenced beta operations from 11 December 2020 and witnessed trading of 2 tons of imported Almond in Shell worth value of more than ₹ 6 Lakhs on the day of its launch.

Frontier Agriculture Platforms Private Limited (FAPL), a company with expertise in agri markets acquired 40% in BEAM on March 5, 2021, with an aim to drive innovation in agriculture markets. Subsequently, the BEAM platform received regulatory approval to launch non-agri commodities on its platform for spot trade, and now working with industry participants to offer the same.

BEAM continues its market outreach and responding to market participants to create robust e-platform despite COVID-19 restrictions. It facilitates spot agricultural commodities transactions across value chain consisting of producers, intermediaries, ancillary services, and consumers. BEAM platform aims to reduce cost of intermediation, improve procurement efficiency, and eliminate bottlenecks associated with procurement and trading of all commodities.

### 9. THREATS

#### A. INDUSTRY ACTIVITY LEVELS DECLINE

The Company's performance is dependent upon the volume and value of trades executed on its trading platform, the number of new/ further listings and the amount of capital raised through such issues, the number of active traders in the market, etc. While the Company's efforts can influence these activity levels, many factors that can have an impact on these are beyond the control of the Company. Adverse macro-economic developments and political uncertainty may dampen the sentiments of the capital markets and negatively affect the business.

#### B. REGULATORY CHANGES IMPACTS OUR ABILITY TO COMPETE

The competitive landscape for the securities transactions business in India continues to be challenging. The Company's ability to compete in this environment and ensure that regulations continue to allow competition on a level playing field, will be a major factor. In ensuring sustained growth and profitability. Regulatory decisions relating to the BSE ownership structure, the ownership structure of its subsidiaries and associate companies,

compensation policies and restrictions on how Exchanges distribute their profit will continue to impact competitiveness.

#### C. CYBERSECURITY THREATS

Financial organizations have bolstered their defense against cyberattacks, however they always remain a focused target for cybercriminals due to the money involved in the financial sector. That's why, cyber-attacks cost financial sector 300 times more than any other industry. Any successful breach in financial organization can cause business losses in multifold as such breach impacts brand image, customer trust and investors interest in the company.

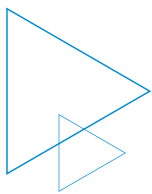
The Company, therefore, continually invests in new advanced and niche cybersecurity technologies. Also, a continuous improvement in cybersecurity policies and procedures is undertaken by the Company.

Some of the types of cyber threats that the Company could face:

- Distributed Denial of Services (DDoS) – Hackers use these techniques to slowdown or completely shut down the company networks and services by sending more requests than the actual capacity of the Company network and systems, rendering them unreachable to its genuine users / customers.
- Phishing Attack - Phishing is a method of social engineering used to trick people into divulging sensitive or confidential information, often via email. Not always easy to distinguish from genuine messages, these scams can inflict enormous damage on Company.
- Malware – A type of attack to using a file or program intended to harm or disrupt a computer. It includes



Shri Ashishkumar Chauhan, MD & CEO, BSE along with the dignitaries at CLO Summit India 2021 on December 10, 2021 at BSE.



Shri V. Balasubramaniam, MD & CEO, India INX presenting a memento to His Excellency Dr. Ralf Heckner, The Ambassador of Switzerland to India, during his visit to India INX, GIFT City on March 21, 2022.

- RAT's (Remote Access Trojans) - RATs (remote-access Trojans) are malware that installs backdoors on targeted systems to give remote access and/or administrative control to malicious users.
- Spyware - Spyware is a form of malware used to illicitly monitor a user's computer activity and harvest personal information.
- Viruses - A computer virus is a piece of malicious code that is installed without the user's knowledge. Viruses can replicate and spread to other computers by attaching themselves to other computer files.
- Worms - Worms are like viruses in that they are self-replicating. However, they do not need to attach themselves to another program to do so.
- Botnet Software - Botnet software is designed to infect large numbers of Internet-connected devices. Some botnets comprise millions of compromised machines, each using a relatively small amount of processing power. This means it can be difficult to detect this type of malware, even when the botnet is running.
- Rootkits - Rootkits comprise several malicious payloads, such as keyloggers, RATs and viruses, allowing attackers remote access to targeted machines.
- Bootkits - Bootkits are a type of rootkit that can infect start-up code – the software that loads before the operating system.

- Drive-by Attack - In a drive-by attack, a hacker embeds malicious code into an insecure website. When a user visits the site, the script is automatically executed on their computer, infecting it. The designation "drive by" comes from the fact that the victim only has to "drive by" the site by visiting it to get infected. There is no need to click on anything on the site or enter any information.
- AI-Enhanced Cyberthreats – AI capabilities are used by hackers to launch sophisticated cyberattacks in the form of complex and adaptive malicious software. AI fuzzing and Machine Learning poisoning are the next generation threats.
- Cryptojacking - It is a trend that involves cyber criminals hijacking third-party home or work computers to "mine" for cryptocurrency. Cryptojacked systems can cause serious performance issues and costly down time as IT works to track down and resolve the issue.
- Social engineering - Hackers are continually becoming more and more sophisticated not only in their use of technology, but also psychology. Social engineering is the use of deception to manipulate individuals into divulging confidential or personal information that may be used for fraudulent purposes.
- A Severe Shortage of Cybersecurity Professionals — The cybercrime epidemic has escalated rapidly in recent years, while companies and governments have struggled to hire enough qualified professionals to safeguard against the growing threat.
- Ransomware - Ransomware has been at the heart of attacks that have threatened to take down cities as large as Baltimore and New Orleans in 2019. Healthcare providers and school districts have faced ransomware threats, as well. These entities often have no choice but to pay the ransom to keep vital services running.
- Confidential Data Theft - Customer accounts can be the most vulnerable point of entry to financial systems. The hackers use stolen privileged credentials to steal from their account.

Advanced Persistent Threat - A stealthy computer network threat actor which gains unauthorized access to a computer network and remains undetected for an extended period.

## 10. KEY STRATEGIES

### INDIA INTERNATIONAL EXCHANGE (IFSC) LIMITED

#### I. Solidify the Pole position in Secondary Market within IFSC through product diversification & innovation

India INX continues to position itself as a preferred offshore platform, open 22 hours a day for trading and become the financial gateway of choice for both inbound and outbound investors. We intend to strengthen our position as a preferred exchange in GIFT IFSC and expand our cross-border reach by forming strategic alliances.



Depending on regulatory approvals, India INX proposes to diversify product offerings by introducing new and innovative products in future to compete with other international exchanges and cater to the needs of investors across the globe.

## II. Be the preferred outbound gateway

India Inx Global Access intends to constantly strive to augment its services to clients through geographical diversification and extending competitive services. Global Access would look to further widen the spectrum of coverage of exchanges for its clients by tapping developing markets either through new associations or with the existing associated international brokerages. It would seek to continually attract market participants and clients and capture the significant revenue potential that comes with a broader product line.

## III. Go Green and endorse ESG initiatives

India INX to bolster relationship with existing strategic partners such as Luxembourg Green Exchange and forge new alliances to further consolidate its leadership position in Green Finance thereby promoting ESG (environment, social and governance) standards through GSM Green Platform and exhibit its commitment to 'sustainable finance'.

Issuance of 'Sovereign Green Bonds' for mobilizing resources for green infrastructure as announced in the Union Budget 2022-23 is bound to throw new business opportunities and India INX is well positioned to tap these upcoming opportunities and make a mark for itself in this "green corridor" space.

## IV. Continued Focus on listing of new products in Primary Markets

India INX would like to grow from strength to strength through novel listing practices that appeals to both global and domestic investors and accentuate itself as the primary capital raising avenue. In a post-pandemic landscape, globally, investors are actively looking out for suitable quality investment and long-term financial benefits. This bodes well for the prospects of REITs and InvITs, which has evoked significant interest among investor fraternity globally and India INX through GSM, its primary market platform, is well positioned to harness such business opportunities.

## Diversify our product and service offerings and maintain new product innovation and development

BSE currently operates in a wide array of segment and offers a bouquet of products including equity, debt, derivatives in equity, currency, commodity and interest rate, mutual fund, insurance, SME, and start-ups segment. In addition to our ongoing strength in service offering, we intend to target the investors' needs for all financial products through innovative product and service offerings.

## Focus on increasing our market share of derivative products

We actively evaluate products and asset classes outside our traditional focus areas to diversify our revenue sources. By doing so, we seek to continually attract market participants and issuers and capture the significant revenue potential that comes with a broader product line. These

initiatives have yielded us positive results, evident in our increasing market share in the equity futures and options, commodity derivatives and Interest rate options. With the introduction of 'options in goods and other unique products in commodity derivatives segment, BSE has become one of the leading commodity exchanges in a short span. We have launched futures and options contracts on equity derivatives with a differentiated expiry, which has helped gain market-share.

## Use of Open Source Technologies

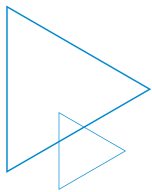
Open source technologies are gateway to continuous research and development, providing edge to proprietary technologies. Everyone contributes in open source technologies. Adaptability is easy and therefore IT team's first choice is open source technologies., because the software selection and screening process is simple and lengthy consultations are eliminated. As a foundation, generally IT team often prefer to use open source software.

Developing and deploying an open source software strategy has become imperative. Every year the Company has been exploring use of open source in newer areas. Most of the new era technologies are build on open source technologies. That choice therefore allows the rapid roll-out and adoption of innovative applications. In addition to improving the speed to market, using open source software also prevents vendor lock-in and, thus, reduced costs.

The Company has adopted as an strategy to extensively develop and migrate to open source platform. Over the years, major mission critical and newer applications are running on open source platform. The learning and experience of this is being extended to other relevant needs of the Company. Use of Artificial Intelligence (AI) and Machine Learning (ML) is extensively used in Big Data platform. Another solution developed by inhouse IT development team on open source platform is, log management of all systems and applications in a form of intuitive feature rich Dashboard to monitor health status. This is extensively used by different teams internally. The product is being marketed as an commercial product.



Shri V. Balasubramaniam, MD & CEO, India INX greeting Ms. Diedrah Kelly, The Consul General of Canada to India, during her visit to India INX Office, GIFT City on March 24, 2022.



Shri V. Balasubramaniam, MD & CEO, India INX greeting Her Excellency Ms. Peggy Frantzen, The Ambassador of the Grand Duchy of Luxembourg, during her visit to India INX, GIFT City on December 1, 2021.

The Company now has its Trading system, Databases, Identity and Access Management, Business Intelligence, Log Management and Analysis, Infrastructure monitoring and several other systems/ applications built on open source. These systems are highly flexible, robust and scalable.

### Cyber Security

The company is running its business on technology systems which is internet connected to remain functional and available to the market. Thus, it is imperative to protect these systems from all known and unknown threat vectors to possible extent. To achieve the same, the Company has strategically implemented 365 Days 24X7 Next Generation Cybersecurity Operation Centre which comprises state of the art tools and technologies including cognitive and machine learning technologies to make the exchange ecosystem cyber resilient. Similarly, the company has also setup 365 Days 24X7 Member Security Operations Centre (MSOC) for Member and Brokers.

The Company, via its extended broker network, serves millions of investors every day, for which a secure and trustworthy information and data security ecosystem is vital. With ever increasing threat landscape, the information and data continues to be the most sought-after information asset globally. It is therefore imperative to protect it from the risk of unauthorized usage, data theft and tampering.

Regulators and governments globally and in India have either set out regulations or are in the process of formalizing data protection bills. To ensure meeting the regulatory requirements and protection of data and information, the Company is committed towards confidentiality and integrity of investor and customer data. The Company has created and implemented an Information Security program covering data security and data privacy. The Company is in the process of streamlining all major business processes to fundamentally embed zero trust

architecture to meet local and international data privacy requirements. In order to achieve this some of the existing technological investments will be leveraged and appropriate changes will be made.

Cyber Security is not always an investment that yields profit but prevents loss. In other words, when you invest in security, you expect to reduce the risks threatening your assets. As part of our commitment to protect the technological setup, the Company has been investing on a range of security products and services and have also partnered with some of the leading names in the security industry to support in this endeavor to provide the right and quantitative assessment of return towards security investment, the Company will evolve a value at risk model. This model will be based on security Key Performance Indicators (KPIs) which will help project the reduction in potential financial impact by way of implementing the security measures to protect against these adverse impacts. This assessment will help us optimize our efforts towards securing the Company assets. The initial KPIs have been established and the Company expect the model to evolve over the course of the year. This is done in addition of the reporting and dashboarding done for the regulators, which is done to demonstrate the effectiveness of the security protocol.

In addition to this, the Company plan to further secure its digital assets, i.e. its applications and underlying infrastructure with state-of-the-art monitoring and control tools with custom rule continuously developed for fraud and anomaly detection. The Company have implemented an array of steps to secure the access to its network and ensure authenticity while in progress. The Company has been open regarding the process it has in place and have continuously trained their employees regarding the best approach towards keeping the Company secured. Moving forward, the Company will have automated advanced training system for the important operations support staff so that it minimizes human errors which could lead to any large-scale impact to the entity.

The Company is also enabling its business, cyber security and IT strategy to enable the business and functions run uninterrupted with new norm for working in pandemic situation and implementing controls and solutions to enable users work from home with zero trust, data and information security and Cyber Security controls in place.

Cyber Security is one of the key strategic components to meet the Company's objective and to improve the overall business resiliency.

## 11. RISKS AND CONCERNS

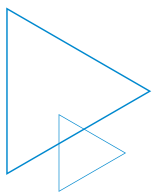
### A. BUSINESS RISKS

- Our performance relies upon the volume and value of trades executed on the trading platform, number of orders processed on the Mutual Fund Distribution platform, the number of active investors in the market, the number of new/further listings and the amount of capital raised through such listings.

- Adverse economic conditions could negatively affect our business, financial condition and result of operations.
- Our industry is highly competitive, and we compete globally with a broad range of market participants for listings, clearing, trading and settlement volumes, and distribution of financial products.
- We operate in a business environment that continues to experience significant and rapid technological change.
- We operate in a highly regulated industry and may be subject to censures, fines, and other legal proceedings if we fail to comply with our legal and regulatory obligations. Changes in government policies could adversely affect trading volumes of instruments traded on BSE.
- The continuation or recurrence of systemic events such as the global economic crisis, changes in economic policies and the political situation in India or globally may adversely affect our performance.
- Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition. Although the exchange is fully prepared for business continuity, meeting all obligations, and ensuring safety of our staff, it is possible that our ability to deliver satisfactory services to our customers may be affected.
- Our business, financial condition and result of operations are highly dependent upon the levels of activity on the exchange; and in particular upon the volume of financial assets traded, the number of listed securities, the number of new listings and subsequent issuances, and volume of financial products distributed. Moreover, they are dependent on, liquidity and similar factors that affect, either directly or indirectly, the trading, listing, clearing and settlement transaction-based fees.
- Integral to our growth is the relative attractiveness of the financial assets traded on the exchange; and the relative attractiveness of the exchange as a market on which to trade these financial assets. All of these variables are primarily influenced by economic, political and market conditions in India as well as, to a lesser degree, the rest of Asia, the United States, Europe and elsewhere in the world.
- Weak economic conditions of the country may adversely affect listing, trading, clearing and settlement volumes as well as the demand for market data. If the return on investments in Indian companies are generally lower than the return on investments in companies based in other countries, we may be unsuccessful in attracting foreign and local investors to our markets.
- Bullion, Base metals and Energy products are linked to international market, currency and government duties etc.
- Agri commodities are linked to crop production, monsoon, demand, and Government policies.
- Other factors beyond our control, that may materially adversely affect our business, financial condition and result of operations include:
  - broad trends in business and finance, including industry-specific circumstances, capital market trends and the mergers and acquisitions environment.
  - social and civil unrest, terrorism and war.
  - concerns over inflation and the level of institutional or retail confidence.
  - changes in government monetary policy and foreign currency exchange rates.
  - the availability of short-term and long-term funding and capital.
  - the availability of alternative investment opportunities.
  - changes and volatility in the prices of securities.
  - changes in tax policy (including transaction tax) and tax treaties between India and other countries.
  - the level and volatility of interest rates.
  - legislative and regulatory changes, including the potential for regulatory arbitrage among regulated and unregulated markets, if significant policy differences emerge among markets.
  - the perceived attractiveness, or lack of attractiveness, of Indian capital markets; and
  - unforeseen market closures or other disruptions in trading.



Shri Injeti Srinivas, Chairman, IFSCA placing an order during IIBX pilot launch ceremony on August 18, 2021.



Shri Injeti Srinivas, Chairman IFSCA lighting the lamp in the presence of Shri V. Balasubramaniam, MD & CEO, India INX, during IIBX pilot launch ceremony on August 18, 2021.

We operate in a business environment that has undergone, and continues to experience, significant and rapid technological change. To remain competitive, we must continue to enhance and improve the responsiveness, functionality, capacity, accessibility, and features of our trading and clearing platforms, software, systems and technologies. Our success will depend, in part, on our ability to:

- develop and license leading technologies.
- enhance existing trading and clearing platforms and services.
- anticipate the demand for new services and respond to customer demands, technological advances and emerging industry standards and practices on a cost-effective and timely basis.
- continue to attract and retain a workforce highly skilled in technology and to develop and maintain existing technology; and
- respond and adapt to competition from and opportunities of emerging technologies such as Fintech innovation.

## B. REGULATORY & COMPLIANCE

BSE operates in a highly regulated industry and may be subject to regulatory proceedings including censures and fines, for non-compliance with its regulatory obligations. Changes in government policies and regulations could adversely affect trading on BSE on account of various factors like increase in operating costs, higher regulatory requirements, lower trading limits, higher margins etc. on market participants.

Furthermore, challenges related to COVID-19 pandemic continued in the year 2021-22 leading to imposition of lockdowns and other restrictions on public as well as businesses. However, these restrictions did not impact the functioning of Stock Exchanges since the Government of India exempted

capital and debt market services as notified by SEBI from the said closure.

Despite the challenges, the Exchange has not compromised on any of its Regulatory function either in terms of monitoring or surveillance or enforcement or in terms of its service levels. The markets continued to witness high volatility which resulted in additional scrutiny and closer monitoring of markets in relation to trading and risk management, with the objective of ensuring orderly functioning and integrity of the markets.

The regulatory teams of BSE has worked closely with SEBI on variety of new market wide initiatives to introduce, enhance, revise various regulatory frameworks and measures with a view to protect interest of the investors and ensure orderly compliance by listed companies and market participants. BSE also introduced various unilateral measures with a view to further strengthen market safety such as introduction of add-on price band framework.

Further, for the benefit of investors, listed companies and market participants, BSE has gone the extra mile and organized webinars, investor knowledge seminars and training programs on various topics of interest during this period, free of cost. These have been widely appreciated.

## C. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company identifies risk based internal audit scope; and assesses the inherent risk in the processes and activities of all departments to ensure that appropriate risk management limits, control mechanisms and mitigation strategies are in place. The Internal Auditors report observations relating to the deficiencies / non-compliance of various audit areas and give suggestions / recommendations and control directives to mitigate the shortcomings and make the process, procedure, systems and functions more robust, accountable, reliable and compliant. The observations made by the Internal Auditors and the compliances thereof are placed before the Audit Committee.

The Company has implemented the Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Accordingly, the COSO based procedures and process manuals for major functions have been prepared to establish interlinkages between departments, to define responsibility, accountability and reporting matrix, to define control framework of each process and activity and to identify the risks. Internal Auditors refer to COSO based process and procedures while performing the internal audit functions.

The Company has further implemented pre-audit of vendor payments based on a set criteria. It strives to put in checks and controls like internal approvals, budgetary controls, documentary controls, compliance to statutory requirements, etc.

The Company conducts in-house monitoring of the important applicable statutory and regulatory compliances. The status of compliances and the monitoring thereof are regularly placed before the Audit Committee and Board.

The processes and quality management systems of the Company are ISO 9001:2015 certified by S & A Certifications having European accreditation of Euro Cert. The Company conducts the audits of the processes as required under ISO 9001:2015, and has successfully obtained certification valid upto 9<sup>th</sup> June 2022.

The Company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Committee reviews audit reports submitted by the Internal Auditors. Suggestions for improvement are considered and the Committee follows up on the implementation of corrective actions. The Committee also meets the Statutory Auditors to ascertain, inter alia, their views on the adequacy of internal control systems.

The coronavirus pandemic that the world currently facing countless challenges. One of these challenges is to safeguard the officials while at the same time maintaining continuity in audit activities. During this crisis which resulted into periodic nation / state -wide lockdown, however the audit functions have been carried out successfully as per schedule, in a secure and remote environment.

## 12. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

### A. HUMAN CAPITAL

Human Resources (“HR”) organizations that invest in human capital invest in the future. At BSE, the focus has been on making the right investments in human capital to take the Company and all its employees to the next level of competence and expertise. The Company has always believed that motivated employees are the core source of competitive advantage and hence there is continuous investments in training and development programs along with various other HR initiatives. The Company has aligned the compensation packages of management and successfully revamped many outdated HR policies to make benefits and compensation more transparent and employee friendly. Also, the organizational structure of the Company has undergone significant restructuring to enhance accountability and efficiency with a view to aligning performance management and reward strategies. As of March 31, 2022, the Company had 378 management cadre employees and 106 staff level employees.

Human Resource function continues to be a strategic business partner and change catalyst. It plays a pivotal role in change management and creates triggers for unlocking human potential which results in organization transformation and success. With change and transformation characterized by ambiguity and complexity, we in BSE have a two prolonged approach successfully leveraging the experiential wisdom of our tenured employees as well as infusing high quality talent who bring in multiplicity of experience.

During the COVID-19 pandemic, BSE taken various initiatives to keep our employee wellness levels high. These initiatives have resulted in a vibrant, productive and enjoyable work environment. A structured approach to career development, leadership development, internal job rotations, and

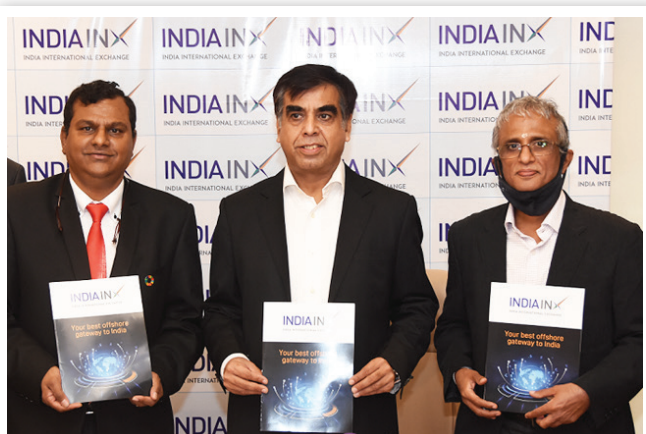
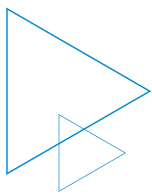
mentoring helps employees grow their career and realize employee's potential. We have built a talent pool of around 378 professionals in the officer's category with an ideal mix of experience and youth. The focus was not limited to the development of employees, but also importance was given to rewarding those who have been significantly participating in the seamless functioning of the exchange.

Some of the most important initiatives are mentioned below.

- **Health Index Form:** Tracking our employees' health has been one of the most important criteria's of ever increasing COVID cases during the entire pandemic period. Since the last 2 years, at a group company level we have been continuously tracking the health of our employees and their family members on a daily basis. The app is updated as & when there is a change in the government guidelines. The data allows us to report the as on date / dynamic data pertaining to the Health of our employees.
- **COVID-19 testing camps:** We have continuously conducted the Antigen & RTPCR Testing Camp which were organized jointly with Brihanmumbai Municipal Corporation (BMC). The testing was extended to employees across the group level along with all the associates in our eco system. Approx. 3800 persons got tested in these camps.
- **Support to employees & their families for Hospitalization:** BSE has been offering continuous support to all its group company employees and their family members for hospitalization. With constant struggle for beds in hospital & quarantine centres our team has been constantly working towards supporting employees in getting hospital admission.
- **Health Insurance Coverage:** Our employees are adequately covered under various Insurance Policies including Group Hospitalisation which covers the pandemic like COVID-19 also.



Shri Injeti Srinivas, Chairman, IFSCA and Shri V. Balasubramaniam, MD & CEO, India INX along with the consortium members during IIBX pilot launch ceremony on August 18, 2021.



(L-R) Shri V. Balasubramaniam, MD & CEO, India INX; Shri Manoj Kumar, ED, IFSCA; and Shri K Raghuraman, Head of Banking & Chief Vigilance Officer, IFSCA inaugurating World Investor Week, 'Sustainable Finance' & releasing India INX brochure on November 22, 2021.

- COVID Vaccination for BSE Employees: Free of cost vaccination drives were arranged by BSE for its group company employee. In addition to this, we also tied up with leading hospital for giving COVID Vaccine to all employees & their immediate family members. Recently vaccination for employees' children between the age groups of 15-18 was also initiated by the BSE's management. All this has resulted 100% vaccination with both the dozes at the group level.

## B. TRAINING & DEVELOPMENT:

During the prevailing pandemic situation, to engage and to entertain our employees we have adopted new methods of training & development. We continued to organize virtual mode of activities for BSE and its group companies. Along with engagement there was also a focus on the employees' wellness, physical & mental fitness of our employees. In FY 2021-22, the company conducted webinars on a continuous basis on topics including Yoga for Mindfulness and Meditation, Diet for Building Immunity, Ayurveda and its uses, Ergonomics, Eyecare, Breathing & Stretching Workouts etc. In addition to this, we ensured that employees are at their productive best by continuing to work on simplifying internal processes through a collaborative effort with various teams. The collaborative deliberations and decisions of the organization leadership, supported by the stakeholders and enabled by the people managers, have resulted in various new initiatives having been implemented towards enabling change and transformation as well as enhancing a positive performance and learning culture.

## 13. RECENT GLOBAL INITIATIVES BY BSE IN ESG AND SUSTAINABILITY SPACE

- In June 2021, BSE in collaboration with Legasis Private Limited hosted a virtual event on "World Environment Day". BSE made some noteworthy contributions on "Increasing prominence of Ecosystem and Sustainability in Corporate Boardrooms".

- BSE and GRI's MoU on steering joint initiatives in the sustainability space kickstarted FY 2021-22 with BSE being one of the key contributors for the niche dialogue hosted by GRI with the Aditya Birla Leadership Group themed on sustainability reporting in April 2021. In July 2021, BSE participated in a profiled knowledge sharing session hosted by GRI, where BSE shared its initiatives in the of Sustainability space & its reporting practices with other Asian stock exchanges like Dhaka Stock Exchange and Colombo Stock Exchange. Similarly, in December 2021, BSE participated in "3<sup>rd</sup> Asian Roundtable with the Stock Exchanges and Regulators" hosted by GRI. BSE's focus area was mainly on encouraging capacity building program for listed companies in ensuring better quality of disclosures, enabling new initiatives to improve the ESG quality.

- BSE believes in accelerating the shift of businesses towards Business Responsibility and Sustainability with the SDGs at the core. To further its effort in this, in February 2022, BSE was one of the key contributors at a forum hosted by GRI, themed "Unlocking Corporate Sustainability Reporting to Track Progress on the SDGs. The collaboration(s) of BSE and GRI have always amplified the objective of providing opportunities of knowledge-sharing, expert guidance, peer learning with a multi stakeholder approach on SDG Reporting & Action.

- BSE takes pride in nurturing the success of its listed corporates and augmenting stakeholder benefits by embedding faith in Companies to adapt crisp governance practices. To further this cause, the Corporate Governance Scorecard launched (in 2016) as an initiative of the Bombay Stock Exchange Limited (BSE) and International Finance Corporation (IFC), Institutional Investor Advisory Services India Limited (IIAS) being the technical for the same. Furthering this initiative as one of the flag bearers, in February 2022, BSE participated in the launch of sixth report on the Indian Corporate Governance Scorecard themed "CORPORATE GOVERNANCE SCORES Immunity Through Strong Boards"

- In March 2022, on International Women's Day, BSE joined hands with UN Women and hosted a symbolic opening bell ringing ceremony to raise awareness about gender equality and women empowerment. This is a global initiative & year on year BSE actively collaborates with international forums like UNGC, WFE, SSE, UN Women, IFC and few others. One of the key focus areas for this year's event was "Investing in women leaders for a sustainable future".

## 14. FINANCIAL PERFORMANCE

### A. SOURCES OF FUNDS

#### I. Equity Share Capital

BSE has one class of shares - equity shares at a face value of ₹ 2 each. The Authorised Share Capital is ₹ 30,000 Lakh represented by



1,50,00,00,000 equity shares of ₹ 2 each. The Issued Equity Share Capital stood at ₹ 2,748 Lakh as at March 31, 2022 (₹ 916 Lakh as at March 31, 2021) represented by 13,74,12,891 equity shares of ₹ 2 each (4,58,04,297 equity shares of ₹ 2 each as at March 31, 2021). Pursuant to the approval of the shareholders through postal ballot, the Company had allotted 9,16,08,594 (including 14,30,000 shares against shares which kept in abeyance) Bonus Equity Shares of ₹ 2/- each in ratio of 2 (Two) Equity Bonus shares for 1 (one) Equity Share held (2:1 to the Equity Shareholder(s) whose names appeared in the Register of Members on March 22, 2022 i.e., the "Record Date").

Consequently, the subscribed and paid-up equity share capital as on March 31, 2022 was ₹ 2,705 Lakh divided into 13,52,67,891 Equity Shares of ₹ 2/- each.

Out of the total 4,77,75,000 equity shares of ₹ 2/- (including 4,41,00,000 bonus shares of ₹ 2/- each) issuable to the card-based Members, the Exchange has allotted 4,70,60,000 equity shares (4,69,95,000 equity shares as on March 31, 2021) upon implementation of the BSE (Corporatisation and Demutualisation) Scheme, 2005 ("The Scheme"). The allotment of 7,15,000 equity shares (7,80,000 equity shares as on March 31, 2021) of ₹ 2/- each have been kept in abeyance for specific reasons pursuant to the provisions of the Scheme. However, all corporate benefits as declared from time to time, including dividend and bonus are accrued to all the 4,77,75,000 equity shares, as per the provisions of the Scheme.

## II. Other Equity

**Capital Reserve:** Pursuant to the BSE (Corporatisation & Demutualisation) Scheme, 2005, the balance in Contribution by Members, Forfeiture of Members Application Money, Technology Reserve, Stock Exchange building, Seth Chunnilal Motilal Library, Charity, Income and Expenditure Account as at August 19, 2005 as appearing in the Company are transferred to Capital Reserve being reserves which shall not be used for purposes other than the operations of the Company. On a standalone as well as consolidated basis, the balance as at March 31, 2022 amounted to ₹ 66,179 Lakh, which is the same as the previous year.

**General Reserve:** The General Reserve created from time to time through transfer profits from Retained Earnings for appropriation purposes. As the General Reserve created by a transfer from one component of equity to another and is not an item of Other Comprehensive Income, items included in General Reserve will not be reclassified to the Statement of Profit and Loss. The balance of General Reserve as on March 31, 2022 was ₹ 42,828 Lakh as compared to ₹ 44,457 Lakh as on March 31, 2021 on a standalone basis and ₹ 43,883 Lakh as at March 31, 2022 as compared to ₹ 45,512 Lakh as at March 31, 2021 on a consolidated basis. The reduction is mainly on account of utilization of reserve towards issue of bonus shares.

**Capital reserve on business combination:** The balance of Capital Reserve on Business Combination as on March 31, 2022 stood at ₹ 10,530 Lakh on a standalone and consolidated basis, which is the same as the previous year.

**Retained Earnings:** On a standalone basis, the balance in the Retained Earnings as at March 31, 2022 was ₹ 1,06,474 Lakh, as compared to ₹ 96,474 Lakh in the previous year. Retained Earnings as at March 31, 2022 includes balance of ₹ 213 Lakh (₹ 106 Lakh as on March 31, 2021) pertaining Other Comprehensive Income (OCI) which is mainly on account of remeasurement gains/losses on our defined employee benefit plans (net of taxes).

On a consolidated basis, the balance in Retained Earnings as at March 31, 2022 was ₹ 1,42,147 Lakh as compared to ₹ 1,25,922 Lakh in the previous year. Retained Earnings as at March 31, 2022 includes profit of ₹ 1,434 Lakh (₹ 999 Lakh as on March 31, 2021) pertaining to Other Comprehensive Income (OCI) which is mainly on account of remeasurement gains/losses on our defined employee benefit plans (net of taxes) and foreign currency translation reserve being exchange differences on translating the financial statements of International Financial Services Centre (IFSC) operation.

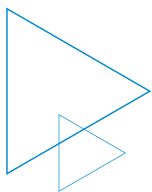
## III. Other Reserves:

(₹ in Lakh)

Sr. Particulars No.	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
a) Share application money pending allotment	0 <sup>^</sup>	1
b) Capital redemption reserve	-	176
<b>Total</b>	<b>0<sup>^</sup></b>	<b>177</b>



Shri Dinesh Kumar Khara, Chairman, SBI and Shri Ashishkumar Chauhan, Chairman, India INX along with the dignitaries at the listing ceremony of SBI's USD 300 Million Formosa bonds on India INX (India International Exchange (IFSC) Limited) on January 28, 2022.



Shri V. Balasubramaniam, MD & CEO, India INX presenting a memento to Shri Atul Chaturvedi, Director Finance ONGC Ltd., during his visit to India INX Office, GIFT City on March 11, 2022.

(₹ in Lakh)

Sr. Particulars No.	As at March 31, 2022	As at March 31, 2021
<b>Consolidated:</b>		
a) Share application money pending allotment	0 <sup>^</sup>	1
b) Capital redemption reserve	-	176
c) Liquidity enhancement scheme (LES) reserve	8	22
<b>Total</b>	<b>8</b>	<b>199</b>

<sup>^</sup> less than ₹ 50,000/-

Capital redemption reserve of ₹ 176 Lakh has been utilised towards issue of bonus shares, the same has been created representing the nominal value of equity shares bought back.

Pursuant to SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2017/95 dated August 10, 2017 (INDIA INX Circular no-20171017-1, dated October 17, 2017), the Subsidiary Company India INX had launched Liquidity Enhancement Scheme (LES) to enhance liquidity in INDIA INX's derivatives contracts traded. LES was launched on November 01, 2017 and which was further extended and amended from time to time. An expense of ₹ 1,327 Lakh (Previous year: ₹ 1,455 Lakh has been incurred towards the Scheme for the year ended March 31, 2022).

Further Pursuant to SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2017/95 dated August 10, 2017, during the year ended March 31, 2022, The Subsidiary Company India INX has created additional LES reserve of ₹ 1,313 Lakh and incurred an expense of ₹ 1,327 Lakh during the year ended March 31, 2022, and accordingly LES reserve balance as on March 31, 2022 is ₹ 8 Lakh (Previous year: ₹ 22 Lakh). The LES reserve as on March 31, 2022 will not form part of net worth of the Exchange.

INDIA INX has created LES reserve as tabled below:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	22	39
Add: Transfer from Retained Earning	1,313	1,438
Less: LES expenditure incurred during the year	(1,327)	(1,455)
<b>Closing Balance</b>	<b>8</b>	<b>22</b>

**IV. Other Comprehensive Income:**

(₹ in Lakh)

Sr. Particulars No.	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
a) Remeasurements gain / (loss) on the defined employee benefit plans	213	106
<b>Total</b>	<b>213</b>	<b>106</b>
<b>Consolidated:</b>		
a) Remeasurements gain / (loss) on the defined employee benefit plans	(63)	29
b) Foreign Currency Translation Reserve	1,497	1,028
<b>Total</b>	<b>1,434</b>	<b>999</b>

**Total Equity:** The Total Equity attributable to the shareholders of the Company on a consolidated basis increased to ₹ 2,65,452 Lakh as on March 31, 2022 from ₹ 2,49,242 Lakh as on March 31, 2021. The book value per equity shares on consolidated basis increased to ₹ 196 as at March 31, 2022 as compared to ₹ 185 as at March 31, 2021.

The Total Equity on standalone basis increased to ₹ 2,28,716 Lakh as on March 31, 2022 from ₹ 2,18,717 Lakh as on March 31, 2021. The book value per equity shares on standalone basis increased to ₹ 169 as at March 31, 2022 as compared to ₹ 162 as at March 31, 2021.

**Non-Controlling Interest:** Investors had taken minority stake in India INX; India ICC and BSE E-Agricultural, due to which non-controlling interest generated as at March 31, 2022 was ₹ 13,519 Lakh as compared to ₹ 2,351 Lakh as on March 31, 2021.



**Share Application Money Pending Allotment:** On a consolidated basis, the India INX and India ICC has received share application money of ₹ 1,417 Lakh for which allotment is pending as at March 31, 2021. The same has been allotted in the financial year ended March 31, 2022.

**Core Settlement Guarantee Fund:** On a consolidated basis, the balance of Core Settlement Guarantee Fund as at March 31, 2022 increased by ₹ 10,175 Lakh to ₹ 64,089 Lakh, as compared to ₹ 53,914 Lakh as at March 31, 2021.

## B. APPLICATION OF FUNDS:

### I. Property Plant & Equipment and Investment Property:

**Additions to Gross Block - Standalone:** During the year, the Company capitalised ₹ 1,340 Lakh to the gross block comprising of ₹ 7 Lakh in Plant and Equipments, ₹ 11 Lakh in Electrical Installations, ₹ 1,254 Lakh in Computer Equipments, ₹ 2 Lakh in Furniture and Fixtures and ₹ 66 Lakh in Office Equipments.

During the previous year, the Company capitalised ₹ 2,792 Lakh to the gross block comprising of ₹ 171 Lakh in Plant and Equipments, ₹ 196 Lakh in Electrical Installations, ₹ 2,408 Lakh in Computer Equipments, ₹ 1 Lakh in Furniture and Fixtures and ₹ 16 Lakh in Office Equipments.

**Additions to Gross Block - Consolidated:** During the year, the Company capitalised ₹ 1,642 Lakh to the gross block comprising ₹ 7 Lakh in Plant and Equipments, ₹ 11 Lakh in Electrical Installations, ₹ 1,554 Lakh in Computer Equipments, ₹ 3 Lakh in Furniture and Fixtures and ₹ 67 Lakh in Office Equipments.

During the previous year, the Company capitalised ₹ 3,003 Lakh to the gross block comprising of ₹ 16 Lakh in Leasehold Buildings, ₹ 213 Lakh in Plant and Equipments, ₹ 205 Lakh in Electrical Installations, ₹ 2,545 Lakh in Computer Equipments, ₹ 4 Lakh in Furniture and Fixtures and ₹ 20 Lakh in Office Equipments.

**Deductions from Gross Block - Standalone:** During the year, the Company disposed of various assets with a gross block of ₹ 3,784 Lakh comprising of ₹ 18 Lakh in Plant and Equipments, ₹ 3 Lakh in Electrical Installations, ₹ 3,732 Lakh in Computer Equipments, ₹ 17 Lakh in Furniture and Fixtures and ₹ 14 Lakh in Office Equipments.

During the previous year, the Company disposed of various assets with a gross block of ₹ 53 Lakh comprising of ₹ 7 Lakh in Electrical Installations, ₹ 39 Lakh in Computer Equipments and ₹ 7 Lakh in Office Equipments.

**Deductions from Gross Block - Consolidated:** During the year the Company disposed of various assets with a gross block of ₹ 3,787 Lakh comprising of ₹ 18 Lakh in Plant and Equipments, ₹ 3 Lakh in Electrical Installations, ₹ 3,733 Lakh in Computer Equipments, ₹ 17 Lakh in Furniture and Fixtures and ₹ 16 Lakh in Office Equipments

During the previous year, the Company disposed of various assets with a gross block of ₹ 53 Lakh comprising of ₹ 7 Lakh in Electrical Installations, ₹ 39 Lakh in Computer Equipments and ₹ 7 Lakh in Office Equipments.

**Goodwill and Other Intangible Assets - Standalone:** During the year, the Company capitalised ₹ 859 Lakh in Software as compared to ₹ 2,243 Lakh in previous year.

**Goodwill and Other Intangible Assets – Consolidated:** The carrying value of Goodwill was unchanged at ₹ 3,742 Lakh as at March 31, 2022 as compared to previous year. During the year, the Company capitalised ₹ 872 Lakh in Software as compared to ₹ 2,220 Lakh during previous year.

**Capital Work in Progress and Intangible under development (CWIP) - Standalone:** The carrying value of CWIP was ₹ 440 Lakh as at March 31, 2022 as compared to ₹ 380 Lakh as at March 31, 2021.

**Capital Work in Progress and Intangible under development (CWIP) - Consolidated:** The carrying value of CWIP was ₹ 1,002 Lakh as at March 31, 2022 as compared to ₹ 379 Lakh as at March 31, 2021.

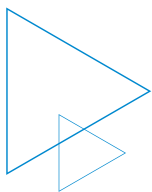
**Capital Expenditure Commitments:** The estimated value of contracts remaining to be executed on capital account and not provided for are mentioned in below table:

(₹ in Lakh)

Sr. Particulars No.	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
a) Towards Tangible assets	3,146	545
b) Towards Intangible assets	3,042	72
<b>Total</b>	<b>6,188</b>	<b>617</b>



(L-R) Shri Simardeep Singh, Manager REC Ltd.; Shri Arunkumar Ganesan, Head Business Operations and Listings; Shri V. Balasubramaniam, MD & CEO India INX; Shri Ajoy Chaudhury, Director Finance REC Ltd.; Shri Sanjay Kumar, Executive Director REC Ltd.; and Smt. Hetal Kotak, DGM Listings, during their visit to India INX Office, GIFT City on March 10, 2022.



Shri V. Balasubramaniam, MD & CEO, India INX with Shri M. Taj Mukarrum, Director Finance and Other Senior Officials from Power Grid Corporation of India posing with India INX Bull on March 10, 2022.

(₹ in Lakh)

Sr. Particulars No.	As at March 31, 2022	As at March 31, 2021
<b>Consolidated:</b>		
a) Towards Tangible assets	3,146	545
b) Towards Intangible assets	3,042	72
c) Towards Investments	65	96
<b>Total</b>	<b>6,253</b>	<b>713</b>

**II. Financial Assets:**

**Investments:**

**Investment in Subsidiaries and associate:**

(₹ in Lakh)

Sr. Particulars No.	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
a) Investment in Subsidiaries	72,355	71,505
b) Investment in Associates	4,723	4,723
<b>Total</b>	<b>77,078</b>	<b>76,228</b>
<b>Consolidated:</b>		
a) Investment in Subsidiaries	2	2
b) Investment in Associates	48,811	42,202
<b>Total</b>	<b>48,813</b>	<b>42,204</b>

During the year, the company infused further equity in to the following subsidiaries:

(₹ in Lakh)

Sr. Name of subsidiary No.	Amount of additional investment during FY 2021-22
1) BSE Investments Limited	750
2) BSE Administration and Supervision Limited	100
<b>Total investments in subsidiaries during FY 2021-22</b>	<b>850</b>

The details of share of profits / loss of associates:

(₹ in Lakh)

Sr. Name of Associate No.	FY 2021-22	FY 2020-21
1. Asia Index Private Limited	442	339
2. CDSL Commodity Repository Limited	(1)	9
3. BSE EBIX Insuretech Private Limited	6	1
4. BSE EBIX Insurance Broking Private Limited	(40)	(23)
5. Hindustan Power Exchange Limited (Formerly Pranurja Solutions Limited)	(70)	(13)
6. India international Bullion Holding IFSC Limited	(98)	-
7. Central Depository Services (India) Limited	6,195	4,005
<b>Total</b>	<b>6,434</b>	<b>4,318</b>

**Other Investments:**

(₹ in Lakh)

Sr. Particulars No.	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
i. Bonds and Non-Convertible Debentures	5,233	3,202
ii. Exchange traded funds through asset management company	4,655	1,047



(₹ in Lakh)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
iii.	Growth oriented debt schemes of mutual funds	1,07,365	1,11,274
iv.	Less: Provision for diminution	(1,700)	(1,700)
v.	Earmarked Investments	3,230	7,648
vi.	Accrued Interest	126	64
	<b>Total</b>	<b>1,18,909</b>	<b>1,21,535</b>
<b>Consolidated:</b>			
i.	Investment in Equity	842	60
ii.	Bonds; Non-Convertible Debentures and G Sec	7,259	5,227
iii.	Exchange traded funds through asset management company	4,655	1,047
iv.	Dividend oriented debt schemes of mutual funds	2,345	2,514
v.	Growth oriented debt schemes of mutual funds	1,12,453	1,14,864
vi.	Less: Provision for diminution	(1,700)	(1,700)
vii.	Earmarked Investments	21,450	19,714
viii.	Interest accrued	695	467
	<b>Total</b>	<b>1,47,999</b>	<b>1,42,193</b>

All the investments made by the Company comprise of mutual fund units (including investment in fixed maturity plan securities) and quoted and unquoted debt securities (including investment in bonds, non-convertible debentures and government securities).

**Trade Receivables:** On a standalone basis, trade receivables amounted to ₹ 5,254 Lakh as at March 31, 2022 as compared to ₹ 5,575 Lakh as at March 31, 2021. Average collection period was 32.56 days as compared to 46.37 days in the previous year.

On a consolidated basis, trade receivables amounted to ₹ 6,339 Lakh as at March 31, 2022 as compared to ₹ 8,732 Lakh as at March 31, 2021. Average collection period was 37.01 days as compared to 49.63 days in the previous year.

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The Company has used a practical

expedient by computing the expected credit loss allowance for trade receivable based on a detailed analysis of trade receivable by individual departments. ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/ expense in the Statement of Profit and Loss. ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The movement of impairment allowance is shown below:

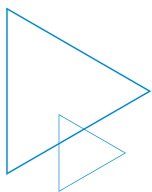
(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
Opening Balance of Impairment Loss	5,153	3,447
Additional Provision during the Year	(652)	1,706
Closing Balance of Impairment Loss	4,501	5,153
<b>Consolidated:</b>		
Opening Balance of Impairment Loss	5,168	3,453
Additional Provision during the Year	(363)	1,715
<b>Closing Balance of Impairment Loss</b>	<b>4,805</b>	<b>5,168</b>

**Cash and Cash equivalents and other bank balances:** On a standalone basis, balance in current accounts and deposit accounts including accrued interest stood at ₹ 76,050 Lakh as at March 31, 2022, as compared to ₹ 50,808 Lakh as at March 31, 2021. On a consolidated basis, balance in current accounts and deposit accounts including accrued interest stood at ₹ 3,51,166 Lakh as at March 31, 2022 as compared to ₹ 1,92,687 Lakh as at March 31, 2021.



(L-R) Shri V. Balasubramaniam, MD & CEO India INX; Shri R.S. Dhillon, Chairman and MD, Power Finance Corporation Ltd.; Shri PK Sharma, Dy secretary to GOI – Ministry of Finance; Ms. Jasneet Guram – Sr. General Manager (Finance) Power Finance Corporation Ltd.; and Smt. Hetal Kotak – DGM Listings, during their visit to India INX Office, GIFT City on March 10, 2022.



Shri R Muthuraj, ITS, Development Commissioner of GIFT SEZ and his delegation at India INX on November 24, 2021.

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
In Current Accounts – Own	253	1,200
In Deposit Accounts – Own including accrued Interest	45,856	25,910
<b>Total Cash and Bank Balance (Own)</b>	<b>46,109</b>	<b>27,110</b>
In Current Accounts – Earmarked	2,322	3,246
In Deposit Accounts – Earmarked including accrued Interest	27,619	20,452
<b>Total Cash and Bank Balance (Earmarked)</b>	<b>29,941</b>	<b>23,698</b>
<b>Total Cash and Bank Balance</b>	<b>76,050</b>	<b>50,808</b>
<b>Consolidated:</b>		
In Current Accounts – Own	2,582	3,441
In Deposit Accounts – Own including Interest accrued	69,674	35,760
<b>Total Cash and Bank Balance (Own)</b>	<b>72,256</b>	<b>39,201</b>
In Current Accounts – Earmarked	17,638	19,875
In Deposit Accounts – Earmarked including Interest accrued	2,61,272	1,33,611
<b>Total Cash and Bank Balance (Earmarked)</b>	<b>2,78,910</b>	<b>1,53,486</b>
<b>Total Cash and Bank Balance</b>	<b>3,51,166</b>	<b>1,92,687</b>

The earmarked balances in the current account and deposit accounts are restricted cash and bank balances which are to be used for specified purposes only. All other cash and bank balances are available for operating activities of the Company.

**Other Financial Assets:**

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
Deposit with public bodies and others	162	208
Loan to staff	56	58
Bank deposits incl. accrued interest (> 1Year maturity) – Own	-	4,052
Bank deposits incl. accrued interest (> 1Year maturity) – Earmarked	7,912	4,251
Due from subsidiaries	83	104
Receivable from Mutual funds	-	5,116
Receivable from portfolio management account	-	2
Deposits made under protest for property tax and others	9	-
<b>Total</b>	<b>8,222</b>	<b>13,791</b>
<b>Consolidated:</b>		
Deposit with public bodies and others	333	1,547
Loan to staff	70	75
Receivable from Portfolio Management Account and Mutual Fund	-	5,118
Expenses recoverable from subsidiaries	3	47
Bank deposits incl accrued interest (> 1Year maturity) - Own	4,643	11,665
Bank deposits incl accrued interest (> 1Year maturity) - Earmarked	13,501	12,490
Receivable towards incentive scheme	8	29
Settlement Obligation Receivable	1,108	25
Deposits made under protest for property tax and others	9	-
<b>Total</b>	<b>19,675</b>	<b>30,996</b>

Deposit with public bodies and others represent amount given as deposit to public bodies and deposit for taking rental properties. Bank deposits are deposits which have a maturity tenure of more than 12 months. Other bank deposits are classified as cash and cash equivalents and other bank balances. Accrued interest is the interest accrued but not due on the fixed deposits. The amount receivable from portfolio management account represents, the amount remaining to be invested by the portfolio management professionals.



**Other Assets:**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
Gratuity Asset (Net)	307	278
Prepaid Expenses	308	291
Advance to Creditors	306	192
Input Credit Receivable	456	547
<b>Total</b>	<b>1,377</b>	<b>1,308</b>
<b>Consolidated:</b>		
Gratuity Asset (Net)	310	285
Prepaid Expenses	1,139	793
Advances Recoverable in Cash or in Kind or for value to be received	23	15
Advance to Creditors	319	197
Core SGF	435	174
Input Tax Credit Receivable	705	1,229
<b>Total</b>	<b>2,931</b>	<b>2,693</b>

Input Tax Credit receivable represents the input tax credit of Goods & Service Tax (GST) receivable which can be utilised subsequently against future GST liability as per the provisions of GST Act. Advance to creditors represent the amount paid in advance to vendors for which services have been availed partly or yet to be availed.

**III. Financial Liabilities:**

**Trade Payables:**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
Trade Payables – MSME	5	5
Trade Payables – Others	5,259	8,973
<b>Total</b>	<b>5,264</b>	<b>8,978</b>
<b>Consolidated:</b>		
Trade Payables – MSME	57	5
Trade Payables – Others	7,228	9,812
<b>Total</b>	<b>7,285</b>	<b>9,817</b>

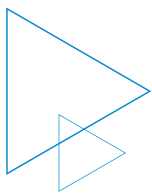
**Other Financial Liabilities:**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
Accrued employee benefit expenses	4,257	3,386
Deposits received	14,617	14,743
Unpaid dividends	162	143
Due to subsidiaries	945	1,273
Earmarked Liabilities	32,260	25,569
<b>Total</b>	<b>52,241</b>	<b>45,114</b>
<b>Consolidated:</b>		
Accrued employee benefit expenses	5,418	4,211
Deposits and margin received	15,959	16,885
Unpaid dividends	162	143
Payables on purchase of fixed assets	3	-
Lease obligations	2	3
Other Liabilities	-	1
Earmarked Liabilities	32,260	25,569
Clearing and Settlement	1,81,730	69,918
<b>Total</b>	<b>2,35,534</b>	<b>1,16,730</b>

Accrued employee benefit represents emoluments payable to employees over a period of time based on the HR policies designed for the benefit of the employees. Deposits received includes deposits received from trading members and clearing members which are based on guidelines issued by SEBI. Lease obligations are liabilities which are at a fixed rate of interest having an original repayment period of 5 years. Earmarked liabilities are backed up by corresponding bank balances and bank deposits mentioned above. Clearing and Settlement liability represents the early pay-in received by Indian Clearing Corporation Limited (ICCL) with respect to trades executed on trading platform of the exchanges pending settlement, deposits received from clearing banks and margin money/deposits received from members.

**Provisions:**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
Compensated Absence	1,224	1,325
<b>Total</b>	<b>1,224</b>	<b>1,325</b>
<b>Consolidated:</b>		
Provision for Gratuity	326	270
Compensated Absence	2,167	1,948
<b>Total</b>	<b>2,493</b>	<b>2,218</b>



The provision for Gratuity and compensated absences are made based on actuarial valuation reports.

**Income Tax Assets and Liabilities:**

Particulars	₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
Deferred Tax Assets – A	10,725	13,418
Deferred Tax Liabilities – B	1,701	2,228
<b>Deferred Tax Net (A-B)</b>	<b>9,024</b>	11,190
Income Tax Assets – C	8,191	6,701
Income Tax Liabilities – D	951	944
<b>Income Tax Net (C-D)</b>	<b>7,240</b>	5,757
<b>Consolidated:</b>		
Deferred Tax Assets – E	13,790	16,810
Deferred Tax Liabilities – F	1,806	2,274
<b>Deferred Tax Net (E-F)</b>	<b>11,984</b>	14,536
Income Tax Assets – G	12,506	9,904
Income Tax Liabilities – H	963	944
<b>Income Tax Net (G-H)</b>	<b>11,543</b>	8,960

Deferred Tax Assets primarily comprise deferred tax on property, plant and equipment, impairment of financial assets, expenses allowed on payment basis u/s 43B of Income Tax Act, 1961 and payment made towards voluntary retirement scheme. Deferred tax liabilities primarily comprise of deferred tax on fair market valuation of mutual fund. The deferred tax assets and liabilities have been offset wherever the Company has a legally enforceable right to set off current income tax assets against current income tax liabilities and where the deferred tax assets and deferred tax liabilities relate to the taxes levied by the same taxation authority.

Current Income tax liabilities represents estimated income tax liabilities net of Advance taxes paid and tax deducted at source.

**Other Liabilities:**

Particulars	₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Standalone:</b>		
Income received in advance	219	252
Advance from customers	2,558	3,169
Statutory remittances	14,892	11,182
Other liabilities	8,308	9,605
<b>Total</b>	<b>25,977</b>	24,208

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Consolidated:</b>		
Income received in advance	1,323	625
Advance from customers	2,573	3,170
Statutory remittances	16,912	12,598
Other liabilities	8,309	9,615
Unamortised portion of Capital Subsidy	57	46
Contribution payable to IPF	31	21
<b>Total</b>	<b>29,205</b>	26,075

Statutory remittances include dues payable to statutory bodies, which have been paid off subsequently before the applicable due dates. Other liabilities include amount set aside to Investors' service fund @ 20% of annual listing fees as per the directive of SEBI and dividend of earlier years in respect of shares held in abeyance (For further details refer schedule 19 of standalone and consolidated financial statements).

**IV. Financial Results:**

**Standalone Performance:**

Particulars	₹ in Lakh)		
	FY 2021-22	FY 2020-21	Variance (%)
<b>A. Income</b>			
Securities services	28,490	16,504	73%
Services to corporates	28,608	22,552	27%
Data dissemination fees	3,600	3,336	8%
<b>Revenue from operations</b>	<b>60,698</b>	42,392	43%
Investment income	9,122	11,356	(20%)
Other income	2,582	2,757	(6%)
<b>Total income</b>	<b>72,402</b>	56,505	28%
<b>B. Expenses</b>			
Employee benefits expense	9,830	8,914	10%
Computer technology related expenses	12,579	11,482	10%
Administration and other expenses	17,573	16,011	10%
Liquidity enhancement scheme expenses	2,174	1,910	14%
<b>Total expenses</b>	<b>42,156</b>	38,317	10%



(₹ in Lakh)

Particulars	FY 2021-22	FY 2020-21	Variance (%)
<b>C. EBITDA</b>	<b>30,246</b>	18,188	66%
EBITDA Margin	42%	32%	
Finance costs	-	33	(100%)
Depreciation and amortisation expense	4,136	5,103	(19%)
<b>D. Profit before exceptional items and tax</b>	<b>26,110</b>	13,052	100%
Exceptional items	-	(1,453)	(100%)
<b>E. Profit before tax</b>	<b>26,110</b>	11,599	125%
Tax expenses	6,598	1,873	252%
<b>F. Net profit after tax</b>	<b>19,512</b>	9,726	101%
Net margin	27%	17%	
Effective tax rate	25%	16%	
<b>G. Other comprehensive income</b>	<b>107</b>	277	(61%)
<b>H. Total comprehensive income for the year</b>	<b>19,619</b>	10,003	96%

#### Standalone Income:

(₹ in Lakh)

Particulars	FY 2021-22	% of Total Income	% Growth	FY 2020-21	% of Total Income
Securities Services	28,490	39%	73%	16,504	29%
Services to Corporates	28,608	40%	27%	22,552	40%
Data Dissemination Fees	3,600	5%	8%	3,336	6%
Investment Income	9,122	13%	(20%)	11,356	20%
Other Income	2,582	3%	(6%)	2,757	5%
<b>Total</b>	<b>72,402</b>	<b>100%</b>	<b>28%</b>	<b>56,505</b>	<b>100%</b>

The Total Income for the year was higher by ₹ 15,897 Lakh at ₹ 72,402 Lakh (up 28%) as compared to ₹ 56,505 Lakh in FY 21. The income from securities services for FY 22 has increased by ₹ 11,986 Lakh (up 73%) at ₹ 28,490 Lakh as compared to ₹ 16,504 Lakh for FY 21. This is mainly due to increase in average daily turnover of equity cash segment to ₹ 5,396 crore in FY 22 as compared to ₹ 4,197 crore in FY 21. The average daily number of chargeable orders received for mutual fund segment has also increased to 6.23 Lakh in FY 22 from 3.13 Lakh in FY

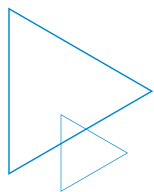
21. The income from services to corporate for FY 22 has increased by ₹ 6,056 Lakh (up 27%) at ₹ 28,608 Lakh as compared to ₹ 22,552 Lakh for FY 21. The increase is mainly due to increase in listing fees by ₹ 3,466 Lakh to ₹ 22,020 Lakh in FY 22 as compared to ₹ 18,554 Lakh in FY 21 and increase in book building software charges by ₹ 2,154 Lakh to ₹ 5,604 Lakh in FY 22 as compared to ₹ 3,450 Lakh in FY 21. The income from data dissemination for FY 22 has increased by ₹ 264 Lakh (up 8%) at ₹ 3,600 Lakh as compared to ₹ 3,336 Lakh for FY 21. The increase in income is offset by decrease in investment income by ₹ 2,234 Lakh (down 20%) to ₹ 9,122 Lakh in FY 22 as compared to ₹ 11,356 Lakh in FY 21.

#### Standalone Expenses:

(₹ in Lakh)

Particulars	FY 2021-22	% of Total Income	% Growth	FY 2020-21	% of Total Income
Employee Benefit Expenses	9,830	14%	10%	8,914	16%
Computer Technology Related Expenses	12,579	17%	10%	11,482	20%
Regulatory Fees	5,385	7%	16%	4,652	8%
Legal Fees	302	0%	(16%)	360	1%
Professional Fees	835	1%	(38%)	1,357	2%
Electricity Charges	834	1%	0%	837	2%
Repairs & Maintenance	873	1%	10%	793	1%
Travelling Expenses	330	1%	(6%)	351	1%
Operating lease expenses	77	0%	5%	73	0%
Impairment loss allowance on trade receivable and financial assets	(284)	0%	(116%)	1,723	3%
Clearing house expenses	6,976	10%	81%	3,858	7%
Others	2,245	3%	12%	2,007	4%
Depreciation and finance costs	4,136	6%	(19%)	5,136	9%
Liquidity enhancement scheme expenses	2,174	3%	14%	1,910	3%
<b>Total</b>	<b>46,292</b>	<b>64%</b>	<b>7%</b>	<b>43,453</b>	<b>77%</b>

The Total Expenses for the year were higher by ₹ 2,839 Lakh at ₹ 46,292 Lakh (up 7%). The increase in expenses is mainly due to increase in Clearing & Settlement charges by ₹ 3,118 Lakh to ₹ 6,976 Lakh in FY 22 from ₹ 3,858 Lakh in FY 21. Increase in computer technology related expenses by ₹ 1,097 Lakh to ₹ 12,579 Lakh in FY 22 from ₹ 11,482



Lakh in FY 21. Increase in employee benefit expenses by ₹ 916 Lakh to ₹ 9,830 Lakh in FY 22 from ₹ 8,914 Lakh in FY 21. Increase in regulatory cost by ₹ 733 Lakh to ₹ 5,385 Lakh in FY 22 from ₹ 4,652 Lakh in FY 21. The increase in expenses are partly offset by decrease in impairment loss allowance on trade receivable and financial assets by ₹ 2,007 Lakh to reversal of expense of ₹ 284 Lakh in FY 22 from ₹ 1,723 Lakh in FY 21 and depreciation and finance costs by ₹ 1,000 Lakh to ₹ 4,136 Lakh in FY 22 from ₹ 5,136 Lakh in FY 21.

### Exceptional items:

(₹ in Lakh)

Particulars	FY 2021-22	% of Total Income	% Growth	FY 2020-21	% of Total Income
Provision for arbitration expenses	-	-	NA	(1,453)	(3%)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>NA</b>	<b>(1,453)</b>	<b>(3%)</b>

S & P Dow Jones Indices LLC and SPDJ Singapore Pte Ltd (hereinafter collectively called as "SPDJ") had filed arbitration proceedings against BSE under Singapore International Arbitration Center's rules, inter alia, challenging the termination of index licensing arrangement by BSE Limited. The final award passed by the Arbitrator Tribunal dated September 17, 2020 inter-alia, held that the termination of the agreements by BSE is invalid, the agreement continues to remain in force and the costs of arbitration, legal and other costs incurred by SPDJ shall be borne by the BSE. Accordingly, an amount of ₹ 1,453 Lakh is payable by BSE to SPDJ with interest upto the date of payment. The said amount has been provided in books of accounts and has been disclosed as an "Exceptional item" for the year ended March 31, 2021.

### Consolidated Performance:

(₹ in Lakh)

Particulars	FY 2021-22	FY 2020-21	Variance (%)
<b>A. Income</b>			
- Securities services	38,896	21,944	77%
- Services to corporate	28,642	22,576	27%
- Data dissemination fees	3,600	3,336	8%
- Training institute	1,349	1,300	4%
- IT Services	1,828	981	86%
<b>Revenue from operations</b>	<b>74,315</b>	<b>50,137</b>	<b>48%</b>
- Investment income	9,755	12,908	(24%)
- Other income	2,283	2,420	(6%)
<b>Total income</b>	<b>86,353</b>	<b>65,465</b>	<b>32%</b>

Particulars	FY 2021-22	FY 2020-21	Variance (%)
<b>B. Expenses</b>			
- Employee benefit expense	17,728	14,868	19%
- Computer technology related expenses	9,687	9,479	2%
- Administration and other expenses	22,086	18,541	19%
- Liquidity enhancement scheme expenses	3,500	3,365	4%
<b>Total expenses</b>	<b>53,001</b>	<b>46,253</b>	<b>15%</b>
<b>C. EBITDA</b>	<b>33,352</b>	<b>19,212</b>	<b>74%</b>
<b>EBITDA Margin</b>	<b>39%</b>	<b>29%</b>	
Depreciation and amortization expense	4,829	5,787	(17%)
Finance costs	2,215	1,030	115%
<b>D. Profit before exceptional items and tax</b>	<b>26,308</b>	<b>12,395</b>	<b>112%</b>
Exceptional items (expenses)	-	(1,453)	(100%)
<b>E. Profit before tax and share of net profits of investments accounted for using equity method</b>	<b>26,308</b>	<b>10,942</b>	<b>140%</b>
Share of profit of associates	6,418	4,315	49%
<b>F. Profit before tax</b>	<b>32,726</b>	<b>15,257</b>	<b>114%</b>
Tax expenses	8,233	1,087	657%
<b>G. Net profit for the year</b>	<b>24,493</b>	<b>14,170</b>	<b>73%</b>
Net profit attributable to the shareholders of the Company	25,433	14,490	76%
Net Profit attributable to the non-controlling interest	(940)	(320)	194%
Net Margin	28%	22%	
Effective tax rate	25%	7%	
<b>H. Other comprehensive income</b>	<b>639</b>	<b>(23)</b>	<b>(2878%)</b>
<b>I. Total comprehensive</b>	<b>25,132</b>	<b>14,147</b>	<b>78%</b>
Total comprehensive income attributable to the shareholders of the Company	25,895	14,497	79%
Total comprehensive income attributable to the non-controlling interest	(763)	(350)	118%





**Consolidated Income:**

(₹ in Lakh)

Particulars	FY 2021-22	% of Total Income	% Growth	FY 2020-21	% of Total Income
Securities Services	38,896	45%	77%	21,944	34%
Services to Corporates	28,642	33%	27%	22,576	34%
Data Dissemination Fees	3,600	4%	8%	3,336	5%
Training Institute	1,349	2%	4%	1,300	2%
Sale of Software	1,828	2%	86%	981	1%
Investment Income	9,755	11%	(24%)	12,908	20%
Other Income	2,283	3%	(6%)	2,420	4%
<b>Total Income</b>	<b>86,353</b>	<b>100%</b>	<b>32%</b>	<b>65,465</b>	<b>100%</b>

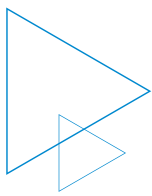
The Total Income for the year was higher by ₹ 20,888 Lakh at ₹ 86,353 Lakh (up 32%) as compared to ₹ 65,465 Lakh in FY 21. The income from securities services for FY 22 has increased by ₹ 16,952 Lakh (up 77%) to ₹ 38,896 Lakh as compared to ₹ 21,944 Lakh for FY 21. This is mainly due to increase in average daily turnover of equity cash segment to ₹ 5,396 crore in FY 22 as compared to ₹ 4,197 crore in FY 21. The average daily number of chargeable orders received for mutual fund segment has also increased to 6.23 Lakh from 3.13 Lakh in FY 21. The income from services to corporate for FY 22 has increased by ₹ 6,066 Lakh (up 27%) at ₹ 28,642 Lakh as compared to ₹ 22,576 Lakh for FY 21. The increase is mainly due to increase in listing fees by ₹ 3,476 Lakh to ₹ 22,054 Lakh in FY 22 as compared to ₹ 18,578 Lakh in FY 21 and increase in book building software charges by ₹ 2,154 Lakh to ₹ 5,604 Lakh in FY 22 as compared to ₹ 3,450 Lakh in FY 21. The income from data dissemination for FY 22 has increased by ₹ 264 Lakh (up 8%) to ₹ 3,600 Lakh as compared to ₹ 3,336 Lakh for FY 21. The income from sale of software licenses for FY 22 has increased by ₹ 847 Lakh (up 86%) at ₹ 1,828 Lakh as compared to ₹ 981 Lakh for FY 21. The increase in income is partly offset by decrease in investment income by ₹ 3,153 Lakh (down 24%) to ₹ 9,755 Lakh in FY 22 as compared to ₹ 12,908 Lakh in FY 21.

**Consolidated Expenses:**

(₹ in Lakh)

Particulars	FY 2021-22	% of Total Income	% Growth	FY 2020-21	% of Total Income
Employee benefit expenses	17,728	21%	19%	14,868	23%
Computer technology related expenses	9,687	11%	2%	9,479	15%
Regulatory fees	8,414	10%	57%	5,375	8%
Legal Fees	355	0%	(9%)	388	1%
Professional fees	2,276	3%	10%	2,076	3%
Electricity charges	926	1%	1%	914	1%
Repairs & maintenance	950	1%	9%	873	1%
Travelling expenses	484	1%	5%	461	1%
Operating lease expenses	240	0%	12%	214	0%
Impairment loss allowance on trade receivable and financial assets	16	0%	(99%)	1,758	3%
Clearing house expenses	4,244	5%	61%	2,637	4%
Others	4,181	5%	9%	3,845	6%
Depreciation & finance costs	7,044	8%	3%	6,817	10%
Liquidity enhancement scheme expenses	3,500	4%	4%	3,365	5%
<b>Total</b>	<b>60,045</b>	<b>70%</b>	<b>13%</b>	<b>53,070</b>	<b>81%</b>

The Total Expenses for the year were higher by ₹ 6,975 Lakh at ₹ 60,045 Lakh (up 13%). The increase in expenses is mainly due to increase in



regulatory fees by ₹ 3,039 Lakh to ₹ 8,414 Lakh as compared to ₹ 5,375 Lakh for FY 21. Increase in Employee benefit expense by ₹ 2,860 Lakh to ₹ 17,728 Lakh as compared to ₹ 14,868 Lakh for FY 21. Increase in clearing & settlement charges by ₹ 1,607 Lakh to ₹ 4,244 Lakh as compared to ₹ 2,637 Lakh for FY 21. Increase in depreciation and finance costs by ₹ 227 Lakh to ₹ 7,044 Lakh in FY 22 from ₹ 6,817 Lakh in FY 21. Increase in Computer technology related expenses by ₹ 208 Lakh to ₹ 9,687 Lakh in FY 22 from ₹ 9,479 Lakh in FY 21. The increase in expenses are partly offset by decrease in impairment loss allowance on trade receivable and financial asset by ₹ 1,742 Lakh to ₹ 16 Lakh as compared to ₹ 1,758 Lakh for FY 21.

**Exceptional items:**

(₹ in Lakh)					
Particulars	FY 2021-22	% of Total Income	% Growth	FY 2020-21	% of Total Income
Provision for arbitration expenses	-	NA	NA	(1,453)	(2%)
<b>Total Income</b>	<b>-</b>	<b>NA</b>	<b>NA</b>	<b>(1,453)</b>	<b>(2%)</b>

S & P Dow Jones Indices LLC and SPDJ Singapore Pte Ltd (hereinafter collectively called as “SPDJ”) had filed arbitration proceedings against BSE under Singapore International Arbitration Center’s rules, inter alia, challenging the termination of index licensing arrangement by BSE Limited. The final award passed by the Arbitrator Tribunal dated September 17, 2020 inter-alia, held that the termination of the agreements by BSE is invalid, the agreement continues to remain in force and the costs of arbitration, legal and other costs incurred by SPDJ shall be borne by the BSE. Accordingly, as amount of ₹ 1,453 Lakh is payable by BSE to SPDJ with interest upto the date of payment. The said amount has been provided in books of accounts and has been disclosed as an “Exceptional items” for the year ended March 31, 2021.

**V. Cash Flow**

**Standalone:**

Summary of standalone cash flow statement is given below:

(₹ in Lakh)		
Particulars	FY 2021-22	FY 2020-21
Operating activities	20,250	6,520
Investing activities	(21,611)	9,819
Financing activities	(9,619)	(7,787)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(10,980)</b>	<b>8,552</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11,563</b>	<b>3,011</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>583</b>	<b>11,563</b>

In FY 22, there was a net cash inflow from operating activities amounting to ₹ 20,250 Lakh as compared to cash inflow of ₹ 6,520 Lakh in FY 21.

There was net cash outflow from investing activities amounting to ₹ 21,611 Lakh in FY 22 as compared to net cash inflow of ₹ 9,819 Lakh in FY 21.

The net cash outflow from financing activities was higher in FY 22 at ₹ 9,619 Lakh as compared to net cash outflow of ₹ 7,787 Lakh in FY 21 mainly on account of higher payment of dividend.

**CONSOLIDATED:**

Summary of consolidated cash flow statement is given below:

(₹ in Lakh)		
Particulars	FY 2021-22	FY 2020-21
Operating activities	1,44,175	(6,755)
Investing activities	(97,990)	(18,956)
Financing activities	894	(5,525)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>47,079</b>	<b>(31,236)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>41,615</b>	<b>72,851</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>88,694</b>	<b>41,615</b>

In FY 22, there was a net cash inflow from operating activities amounting to ₹ 1,44,175 Lakh as compared to net cash outflow of ₹ 6,755 Lakh in FY 21.



There was net cash outflow from investing activities amounting to ₹ 97,990 Lakh in FY 22 as compared to net cash outflow of ₹ 18,956 Lakh in FY 21.

The net cash inflow from financing activities amounting to ₹ 894 Lakh in FY 22 as compared to net cash outflow of ₹ 5,525 Lakh in FY 21 mainly on account of issue of share by subsidiary company offset by higher payment of dividend.

### Earnings per Share (EPS)

The details of change in EPS on standalone and consolidated basis are as follows:

Particulars	FY 2021-22	FY 2020-21	% Increase
<b>Standalone:</b>			
Basic and diluted EPS before exceptional items (INR)	14.20	7.77	83%
Basic and diluted EPS after exceptional item (INR)	14.20	7.08	101%

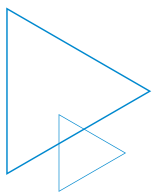
Particulars	FY 2021-22	FY 2020-21	% Increase
<b>Consolidated:</b>			
Basic and diluted EPS before exceptional items (INR)	18.51	11.23	65%
Basic and diluted EPS after exceptional item (INR)	18.51	10.54	76%

### VI. Segment-wise reporting - Consolidated

The Company operated in one reportable business segment viz: Stock Exchange Operations i.e., Facilitating Trading in Securities and other related ancillary Services as at the reporting date, and therefore has only one reportable Segment as per Indian Accounting Standard 108 "Operating Segments".

### VII. Material developments after balance sheet date

No major developments to be reported.



# Corporate Governance Report

The Corporate Governance Report for Financial Year ("FY") 2021-22, which forms part of Board's Report, is prepared pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

BSE Limited ("the Company" or "BSE" or "Exchange") is in compliance with all the requirements stipulated under Listing Regulations and Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ("SECC Regulations").

## 1. PHILOSOPHY

BSE believes in adopting the best Corporate Governance practices since its inception. The philosophy of the Company on Corporate Governance is to ensure transparency, accountability, integrity and equity in all its operations, provide disclosures, and enhance stakeholder value without compromising in any way on compliance with the applicable laws and regulations. Thus, for BSE, Corporate Governance is not merely about compliance with legislations but also about commitment to values, principles, ethical business conduct and transparency by ensuring honest and professional business practices and establishing an environment of trust and confidence among stakeholders.

BSE's Corporate Governance reflects its value system encompassing its culture, policies, and relationships with its stakeholders. The Company believes that good governance brings sustained corporate growth and long-term benefits for all its stakeholders. BSE as an organization is committed to do things in a right way which means taking business decisions and acting in a way that is ethical and in compliance with applicable legislation in true letter and spirit. Apart from being, the first Universal and listed Exchange of the country, BSE is the oldest Exchange in Asia as well as the fastest and largest Exchange in the world in terms of equity stocks listed. BSE has been demonstrating the highest standards of Corporate Governance principles and is striving to improve them continually by setting its standard in line with the best Corporate Governance practices in the world.

The Corporate Governance philosophy of BSE has been further strengthened with the adoption of the Code of Conduct and Code of Ethics for Board of Directors and Senior Management including Key Managerial Personnel and its entire management cadre. BSE has also devised a Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

## 2. BOARD OF DIRECTORS

BSE actively seeks to adopt best global practices and believes in having a diverse Board of Directors ("Board") to allow better Corporate Governance. Hence, the Board of BSE is an ideal mix of knowledge, professionalism, experience and discharges its responsibilities providing effective leadership to business. The Board of BSE, being at the core of the Corporate Governance practices, plays a pivotal role in overseeing the management in serving and protecting the long-term interests of all its stakeholders.

The Managing Director & CEO ("MD & CEO") is responsible for the day-to-day management of the Company, subject to the supervision, direction and control of the Board, and ensures to apprise them at every meeting on the performance of the Company. He is ably assisted by the Executive Management Committee for implementing the decisions and strategic policies of the Board for effective execution.

Being a Recognized Stock Exchange, appointment of all the categories of Directors of the Company have been approved by Securities and Exchange Board of India ("SEBI").

### A. COMPOSITION OF THE BOARD

As per Regulations 23(1) and 23(3) of SECC Regulations, the Board of the Company shall comprise of Public Interest Directors ("PIDs"), Shareholder Directors and Managing Director, and the number of PIDs shall not be lesser than the number of Shareholder Directors of the Company. Further, Regulation 23(4) of SECC Regulations prescribes that the Managing Director shall be included in the category of Shareholder Directors.

As per Regulation 2(1)(o) of SECC Regulations, PIDs has been defined as an Independent Director representing the interest of investors in securities market and who is not having any association, directly or indirectly, which in the opinion of SEBI, is in conflict with the role. Further, as per Regulation 2(1)(t) of SECC Regulations, Shareholder director has been defined as a Director who represents the interest of shareholders and elected or nominated by such shareholders who are not trading members or clearing members, as the case may be, or their associates and agents.

Pursuant to Regulation 20 of SECC Regulations, all the Directors of the Company ensured to be fit and proper persons.

As on March 31, 2022, the Board consisted of eight Directors, out of which six were PIDs and two were Shareholder Directors (including Shri Ashishkumar Chauhan, MD & CEO of the Company), all being professionals having experience in diverse areas. The said composition of the Board was in compliance with the Companies Act, 2013 (“the Act”), Listing Regulations and SECC Regulations.

#### Changes in Composition During the Year:

Shri T. C. Suseel Kumar, Shareholder Director was liable to retire by rotation and being eligible, was re-appointed at the Sixteenth Annual General Meeting held on August 24, 2021, and the same was approved by SEBI.

Shri T. C. Suseel Kumar, liable to retire by rotation, has offered himself for re-appointment at the Seventeenth AGM.

SEBI approved the extension of tenure of Shri Umakant Jayaram as PID for a further period of three years w.e.f. February 4, 2022.

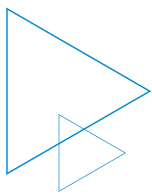
#### B. DETAILS OF DIRECTORS, BOARD MEETINGS, ATTENDANCE RECORDS OF BOARD AND OTHER DIRECTORSHIP(S)

During the FY 2021-22, five Board Meetings were held on May 13, 2021, August 6, 2021, November 12, 2021, February 8, 2022 and March 8, 2022, and not more than one hundred and twenty days elapsed between any two meetings.

The necessary quorum was present for all the meetings with the presence of maximum PIDs as required under SECC Regulations. Board meetings were enabled to be attended through video conferencing to facilitate Directors to participate virtually.

The details of Board including the category, attendance of the Directors at the aforesaid Board Meetings and the last Annual General Meeting (“AGM”) along with the number of Directorship(s) and Committee membership(s) in other companies of Directors are as follows:

Name of the Director (DIN) & Category	Attendance at the Board Meetings	Attendance at last AGM held on August 24, 2021	Other Directorship*	Committee position**		Name of listed entity and Category of Directorship (Executive/ Non-Executive) ***
				Chairperson	Member	
<b>Public Interest Directors</b>						
Justice Vikramajit Sen (DIN: 00866743)	5/5	Yes	1	-	1	• DCM Shriram Limited
Shri Sumit Bose (DIN: 03340616)	5/5	Yes	6	5	7	• Coromandel International Limited • HDFC Life Insurance Company Limited • J B Chemicals and Pharmaceuticals Limited
Shri S. S. Mundra (DIN: 00979731)	5/5	Yes	7	2	5	• Indiabulls Housing Finance Limited • PTC India Limited • Havells India Limited • Icab Securities and Investment Limited
Shri David Wright (DIN: 08064288)	5/5	Yes	-	-	1	Nil
Shri Umakant Jayaram (DIN: 08334815)	5/5	Yes	-	-	1	Nil
Sushri Jayshree Vyas (DIN: 00584392)	5/5	Yes	2	-	2	• Equitas Holdings Limited
<b>Shareholders Directors</b>						
Shri T. C. Suseel Kumar (DIN: 06453310)	5/5	Yes	3	1	4	• Lakshmi Machine Works Limited • Axis Bank Limited • PCBL Limited
Shri Ashishkumar Chauhan (MD & CEO) (DIN: 00898469)	5/5	Yes	5	-	1	Nil



*\*While calculation of number of other Directorships, BSE Limited and other Companies i.e. private limited companies, foreign companies and Section 8 companies under the Act are not considered.*

*\*\*For purpose of determination of committee position, Chairmanship and Membership of the Audit Committee and Stakeholders' Relationship/ Share Allotment Committee has been considered as per Regulation 26(1)(b) of Listing Regulations.*

*\*\*\*All Directors are Non-Executive Directors in other listed Companies.*

All Directors, excluding Shri Ashishkumar Chauhan, MD & CEO, are Non-Executive Directors. None of the Directors of your Company are inter-se related to each other. None of the Directors hold any equity shares of the Company. Further, the Company has not issued any convertible instrument.

## **C. CONFIRMATION OF INDEPENDENCE**

In terms of Regulation 25(8) of the Listing Regulations, Public Interest Directors ("Independent Directors") have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the PIDs, the Board of Directors has confirmed that they meet the criteria as mentioned under Section 149(6) of the Act and under Regulation 16(1)(b) and 25(8) of the Listing Regulations and they are independent of the management.

## **D. CODE OF CONDUCT AND CODE OF ETHICS**

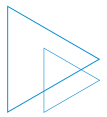
The Company has formulated and implemented a comprehensive Code of Conduct for the Board of Directors and Senior Management of the Company which is available on the Company's website at [https://www.bseindia.com/downloads1/Code\\_of\\_Conduct\\_for\\_Directors\\_and\\_Senior\\_Management.pdf](https://www.bseindia.com/downloads1/Code_of_Conduct_for_Directors_and_Senior_Management.pdf). The Board Members and the Senior Management Personnel affirm compliance with the Code of Conduct on an annual basis. The declaration by the MD & CEO as required under Regulation 34(3) read with Schedule V (D) of the Listing Regulations regarding adherence to the Code of Conduct has been obtained for FY 2021-22 and is attached as **Annexure A**.

The Company being a Recognized Stock Exchange, requires every Director and Key Management Personnel to affirm compliance with the Code of Ethics as prescribed by SEBI under Regulation 26(2) of SECC Regulations. The Code of Ethics is aimed at maintaining the professional and ethical standards in the functioning of the Company.

## **E. FAMILIARIZATION PROGRAMMES**

Pursuant to Regulation 25(7) of the Listing Regulations, the management conducts familiarization programmes for its Directors which includes discussion on industry outlook and updates on various matters viz. Regulatory, Business, Trading Operations, Finance, Internal Control, Information Technology etc.

The details of programmes for familiarization of Directors is available on the Company's website at [https://www.bseindia.com/downloads1/Familiarisation\\_Programme\\_for\\_Independent\\_Directors.pdf](https://www.bseindia.com/downloads1/Familiarisation_Programme_for_Independent_Directors.pdf)



## F. MATRIX SETTING OUT SKILLS / EXPERTISE / COMPETENCE OF THE BOARD OF DIRECTORS

The Board of Directors have identified the following skills required for the Company and the availability of such skills with the Board:

Names of Directors	Areas of Expertise							
	Technology	Legal & Administrative	Stakeholder relationship	Strategy development	Finance	Corporate Governance	Leadership	Capital Market Understanding
Justice Vikramajit Sen (Public Interest Director)	✓	✓	✓	✓	-	✓	✓	✓
Shri Ashishkumar Chauhan (MD & CEO)	✓	✓	✓	✓	✓	✓	✓	✓
Shri Sumit Bose (Public Interest Director)	✓	✓	✓	✓	✓	✓	✓	✓
Shri S. S. Mundra (Public Interest Director)	✓	✓	✓	✓	✓	✓	✓	✓
Shri David Wright (Public Interest Director)	✓	-	-	-	-	✓	✓	✓
Shri Umakant Jayaram (Public Interest Director)	✓	-	-	-	✓	✓	✓	✓
Sushri Jayshree Vyas (Public Interest Director)	-	✓	✓	-	✓	✓	✓	✓
Shri. T. C. Suseel Kumar (Shareholder Director)	✓	✓	✓	✓	✓	✓	✓	✓

## 3. COMMITTEES OF THE BOARD

### A. AUDIT COMMITTEE

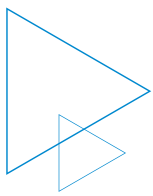
The Audit Committee acts as an interface between the Statutory and Internal Auditors, the Management and the Board of Directors. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes; reviewing the Company's established systems and processes for internal financial controls and governance; and reviews the Company's statutory and internal audit processes.

The Company has complied with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations, applicable for composition of the Audit Committee.

The Audit Committee Meetings are attended by Statutory Auditors, Internal Auditors and other officials from the Finance function of the Company. The minutes of the meetings of the Committee are placed before the Board for noting. Shri Vishal Bhat, Company Secretary & Compliance Officer, functions as Secretary of the Committee.

### I. Terms of Reference

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by them.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Reviewing, with the management, the annual financial statements and the auditors' report thereon, before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.



- e) Compliance with listing and other legal requirements relating to financial statements.
- f) Disclosure of any related party transactions.
- g) Modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly, financial statements before submission to the Board for approval.
7. To review the financial statements, in particular, the investments made by the unlisted subsidiary Company.
8. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
9. To formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor.
10. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
11. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
12. Discussion with internal auditors any significant findings and follow up there on.
13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
15. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
16. To review the functioning of the Whistle Blower mechanism.
17. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
18. Valuation of undertakings or assets of the Company, wherever it is necessary.
19. Scrutiny of inter-corporate loans and investments.
20. Evaluation of internal financial controls and risk management systems.
21. Approval or any subsequent modification of transactions of the Company with related parties.
22. To appoint a person having such qualifications and experience and registered as a valuer in such manner, on such terms and conditions as may be prescribed and appointed by the audit Committee for valuation, if required to be made, in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of a Company or its liabilities.
23. To ensure proper system for storage, retrieval, display or printout of the electronic records as deemed appropriate and such records shall not be disposed of or rendered unusable, unless permitted by law provided that the back-up of the books of account and other books and papers of the Company maintained in electronic mode, including at a place outside India, if any, shall be kept in servers physically located in India on a periodic basis.
24. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances / investments existing as on the date of coming into force of this provision.
25. Reviewing the compliances under SEBI (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.
26. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
27. Carrying out any other function as is mentioned in the terms of reference of the Committee.



### Powers

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

### Mandatory Review of Information

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/ letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Committee.
6. Statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations.
  - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of Listing Regulations.

### II. Composition and Attendance

During the FY 2021-22, four Audit Committee Meetings were held on May 13, 2021, August 6, 2021, November 12, 2021, and February 8, 2022. The gap between any two meetings did not exceed one hundred and twenty days.

The necessary quorum was present for all the meetings with the presence of at least two PIDs as required under Regulation 18(2)(b) of the Listing Regulations.

The composition of the Committee along with the details of the meetings held and attended during the aforesaid period is detailed below:

Name of Member	Category	Nature of membership	No. of meetings	
			Held	Attended
Shri Sumit Bose	Public Interest Director	Chairman	4	4
Shri S. S. Mundra	Public Interest Director	Member	4	4
Justice Vikramajit Sen	Public Interest Director	Member	4	4
Shri Umakant Jayaram	Public Interest Director	Member	4	4
Sushri Jayshree Vyas	Public Interest Director	Member	4	4
Shri T.C. Suseel Kumar	Shareholder Director	Member	4	4

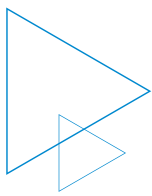
The Chairperson of the Audit Committee was present at the previous AGM of the Company held on August 24, 2021.

### B. NOMINATION AND REMUNERATION COMMITTEE

The Company has complied with the requirements of Section 178 of the Act, Regulation 19 of the Listing Regulations and Regulation 29 of SECC Regulations, applicable in relation to composition of the Nomination and Remuneration Committee.

The Committee is vested with all the necessary powers, authority to identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal, and shall carry out evaluation of every Director's performance.

The Committee meetings are also attended by such Company officials, as may be considered appropriate. The minutes of the meetings of the Committee are placed before the Board for noting. Shri Vishal Bhat, Company Secretary & Compliance Officer, functions as Secretary of the Committee.

**I. Terms of Reference**

1. Identification and nomination of suitable candidates for the Board's approval in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. Identification of the key job incumbents in senior management and recommend to the Board whether the concerned individual be: (a) granted an extension in term/service; or (b) replaced with an identified internal or external candidate or recruit other suitable candidates.
3. Making recommendations to the Board in relation to the remuneration payable to the Directors and Key Managerial Personnel and Senior Management, in terms of the policy of the Company.
4. Determining the tenure of Key Management Personnel other than a Director, posted in a regulatory department.
5. Selecting the Managing Director.
6. Formulating criteria for evaluation of performance of the Board of Directors, its Committees and Independent Directors. Devising a policy on Board diversity.
7. Laying out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals.
8. Developing a succession plan to ensure the systematic and long-term development of individuals in the senior management level to replace when the need arises due to deaths, disabilities, retirements, and other unexpected occurrence and to regularly review the plan.
9. Framing & Reviewing the performance review policy to carry out evaluation of every Director's performance including that of Public Interest Director.
10. Recommend to the Board, all remuneration in whatever form, payable to senior management.
11. Recommending whether to extend the tenure of appointment of the Public Interest Director on the basis of internal and external performance evaluation; and
12. Carrying out such other functions as may be specified by the Board from time to time.

As per Section 178(4) of the Act, the Nomination and Remuneration Committee shall, while formulating the policy under sub section (3) ensure that:

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

**II. Composition and Attendance**

During the FY 2021-22, eight Nomination and Remuneration Committee Meetings were held on May 7, 2021, August 26, 2021, November 11, 2021, December 27, 2021, January 17, 2022, January 25, 2022, February 24, 2022 and March 15, 2022.

The necessary quorum was present for all the meetings with the presence of majority of PIDs.

The composition of the Committee along with the details of the meetings held and attended during the aforesaid period is detailed below:

Name of Member	Category	Nature of membership	No. of meetings	
			Held	Attended
Shri S. S. Mundra	Public Interest Director	Chairman	8	8
Shri David Wright	Public Interest Director	Member	8	7
Shri Umakant Jayaram	Public Interest Director	Member	8	8
Sushri Jayshree Vyas	Public Interest Director	Member	8	8
Shri Sumit Bose	Public Interest Director	Member	8	8

*Note: Two Independent External Persons were appointed in Nomination and Remuneration Committee for the limited purpose of recommendation relating to selection of Managing Director and CEO as per Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018*

The Chairperson of the Nomination and Remuneration Committee was present at the previous AGM of the Company held on August 24, 2021.

### III. Performance Evaluation criteria of the Board

The Board of Directors of the Company on recommendation of Nomination and Remuneration Committee, adopted board evaluation policy to comply with the various provisions of the Act, Listing Regulations, SECC Regulations, SEBI circular dated January 5, 2017 which provides further clarity on the process of board evaluation (“SEBI Guidance Note”) and SEBI circular dated February 5, 2019.

The policy has been framed with an objective to ensure individual Directors of the Company and the Board as a whole, works efficiently and effectively in achieving their functions, in the interest of the Company and for the benefit of its stakeholders. Accordingly, the policy provides guidance on evaluation of the performance of: (i) individual Directors (including the Chairperson and Public Interest Directors); (ii) the Board as a whole; and (iii) various committees of the Board, on an annual basis.

The criteria for evaluation for each of the above are as follows:

- **Internal Evaluation of Individual Directors**  
The individual Director's performance has largely been evaluated based on his/ her level of participation and contribution to the performance of Board/ Committee(s). Furthermore, the skills, knowledge, experience, attendance record, devotion of sufficient time and efficient discharge of responsibilities towards the Company, Board and Committees of which he/ she is a member are considered for evaluation. Additionally, timely disclosure of personal interest, compliance of Code of Conduct and Ethics, Code for Independent Directors etc., are also taken into account.
- **External Evaluation of Public Interest Directors**  
As per SECC Regulations, Public Interest Directors can be nominated by SEBI on the Board of a Recognized Stock Exchange for an initial term of three years, extendable by another term of three years subject to performance review prescribed by SEBI. SEBI vide its circular dated February 5, 2019, has mandated that the Public Interest Directors shall also be subject to an external evaluation during the last year of their term by a management or a human resource consulting firm.
- **Chairman's Performance Evaluation**  
Providing effective leadership, setting effective strategic agenda of the Board, encouraging active engagement by the Board, establishing effective communication with all stakeholders, etc.
- **Performance evaluation of the Board as a whole**  
The performance of the Board of Directors is evaluated on the basis of various criteria which *inter-alia*, includes providing entrepreneurial leadership to the Company, understanding of the business, strategy and growth, responsibility towards stakeholders, risk management and financial controls, quality of decision making, monitoring performance of management, maintaining high standards of integrity and probity, etc.
- **Evaluation of the Board Committees**  
The performances of the Committees are evaluated based on following parameters:
  - Mandate and composition
  - Effectiveness of the Committees
  - Structure of the Committees and their meetings
  - Independence of the Committees from the Board
  - Contribution to the decisions of the Board

Disclosures as prescribed under SEBI circular dated May 10, 2018 are given below:

#### Observations of Board evaluation carried out for the year

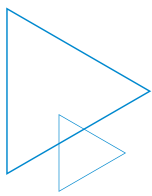
No observations.

#### Previous year's observations and actions taken

Since no observations were received, no actions were taken.

#### Proposed actions based on current year observations

Since no observations were received, no actions were taken.



**C. STAKEHOLDERS' RELATIONSHIP/ SHARE ALLOTMENT COMMITTEE**

The Company has complied with the requirements of Section 178(5) of the Act, Regulation 20 of the Listing Regulations, as applicable to the constitution of the Stakeholders' Relationship/ Share Allotment Committee.

**I. Composition and Attendance**

During the FY 2021-22, one Stakeholders Relationship/Share Allotment Committee Meeting was held on November 11, 2021. The necessary quorum was present for the meeting. The composition of the Committee along with the details of the meeting held and attended during the aforesaid period is detailed below:

Name of Member	Category	Nature of membership	No. of meetings	
			Held	Attended
Shri T.C. Suseel Kumar	Shareholder Director	Chairman	1	1
Shri S. S. Mundra	Public Interest Director	Member	1	1
Sushri Jayshree Vyas	Public Interest Director	Member	1	1
Shri David Wright	Public Interest Director	Member	1	1
Shri Ashishkumar Chauhan	MD & CEO	Member	1	1

Shri Vishal Bhat, Company Secretary & Compliance Officer, functions as Secretary of the Committee.

**II. Status Report of Investor Complaints for the year ended March 31, 2022**

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	1	1	0

All complaints were resolved to the satisfaction of shareholders of the Company.

The previous AGM of the Company was held on August 24, 2021 with the presence of the Chairperson of Stakeholders' Relationship/ Share Allotment Committee.

**D. PUBLIC INTEREST DIRECTORS MEETINGS**

The Company has complied with Regulation 26 read with part A of schedule II of SECC Regulations. As per the aforesaid Regulations, PIDs shall meet separately, at least once in six months to exchange views on critical issues.

**I. Composition and Attendance:**

During the FY 2021-22, four Public Interest Directors Meetings were held on May 12, 2021, August 6, 2021, November 12, 2021 and February 7, 2022. The necessary quorum was present for the meetings. The details of the meetings held and attended during the aforesaid period is tabled below:

Name of Member	Category	Nature of membership	No. of meetings	
			Held	Attended
Justice Vikramajit Sen	Public Interest Director	Chairman	4	4
Shri Sumit Bose	Public Interest Director	Member	4	4
Shri S. S. Mundra	Public Interest Director	Member	4	4
Shri David Wright	Public Interest Director	Member	4	4
Shri Umakant Jayaram	Public Interest Director	Member	4	4
Sushri Jayshree Vyas	Public Interest Director	Member	4	4

## E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee is constituted in compliance with the requirements of Section 135 of the Act.

### I. Composition and Attendance:

During the FY 2021-22, five Corporate Social Responsibility Committee Meetings were held on May 3, 2021, May 7, 2021, July 26, 2021, November 9, 2021 and January 27, 2022. The necessary quorum was present for the meeting. The composition of the Committee along with the details of the meeting held and attended during the aforesaid period is detailed below:

Name of Member	Category	Nature of membership	No. of meetings	
			Held	Attended
Sushri Jayshree Vyas	Public Interest Director	Chairperson	5	5
Shri Umakant Jayaram	Public Interest Director	Member	5	5
Justice Vikramajit Sen	Public Interest Director	Member	5	4
Shri David Wright	Public Interest Director	Member	5	5
Shri T.C. Suseel Kumar	Shareholder Director	Member	5	5
Shri Ashishkumar Chauhan	MD & CEO	Member	5	5

## F. RISK MANAGEMENT COMMITTEE

The Company has complied with the requirements stipulated under Regulation 21 of the Listing Regulations, Regulation 29 of SECC Regulations and the Act, applicable in relation to composition of the Risk Management Committee.

### I. Terms of Reference

- Review and oversight with regards to identification, evaluation, and mitigation of the strategic, operational, technology, cyber risk, and compliance risks.
- Reviewing and approving risk related disclosures. Monitoring and approving the risk management framework and associated practices of the Company.
- Comprehensive Business Continuity Plan.

### II. Composition and Attendance

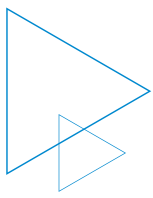
During the FY 2021-22, four Risk Management Committee Meetings were held on May 7, 2021, August 26, 2021, November 10, 2021 and January 25, 2022. The necessary quorum was present for all the meetings.

The composition of the Committee along with the details of the meetings held and attended during the aforesaid period is detailed below:

Name of Member	Category	Nature of membership	No. of meetings	
			Held	Attended
Shri David Wright	Public Interest Director	Chairman	4	4
Shri S. S. Mundra	Public Interest Director	Member	4	4
Justice Vikramajit Sen	Public Interest Director	Member	4	4
Shri Sumit Bose	Public Interest Director	Member	4	4
Shri Umakant Jayaram	Public Interest Director	Member	4	4
Sushri Jayshree Vyas	Public Interest Director	Member	4	4
Shri Sanjay Banerji <sup>1</sup>	Independent External Person	Member	3	3
Shri Ramabhadran S. Thirumalai <sup>2</sup>	Independent External Person	Member	1	1

1. Shri Sanjay Banerji retired as Independent External Person w.e.f. January 16, 2022

2. Shri Ramabhadran S. Thirumalai was appointed as Independent External Person w.e.f. January 17, 2022

**4. REMUNERATION OF DIRECTORS****A. PECUNIARY RELATIONSHIPS OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS**

All Directors, excluding Shri Ashishkumar Chauhan, MD & CEO, are Non-Executive Directors. None of the Non-Executive Directors had any other pecuniary relationship or transactions with the Company during FY 2021-22.

**B. CRITERIA/DETAILS OF REMUNERATION TO NON-EXECUTIVE DIRECTORS**

As per Regulation 24(9) of SECC Regulations, PIDs shall be remunerated only by way of sitting fees. The following table sets out the details of sitting fees paid to the Non – Executive Directors for FY 2021–22:

Sr. No.	Names of Non-Executive Directors	Sitting Fees (₹)
1	Justice Vikramajit Sen	21,00,000
2	Shri Sumit Bose	25,10,000
3	Shri S. S. Mundra	21,80,000
4	Shri David Wright	23,50,000
5	Shri Umakant Jayaram	25,50,000
6	Sushri Jayshree Vyas	22,60,000
7	Shri T. C. Suseel Kumar	19,05,000

None of the Directors were in receipt of any Commission from the Company or any remuneration from its subsidiaries.

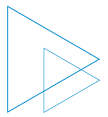
**C. DETAILS OF REMUNERATION PAID TO MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER (MD & CEO)**

The details of remuneration paid to MD & CEO during the FY 2021-22 are tabled below:

Particulars	Amount (₹)
Basic Salary	1,80,00,000
Allowances & Perquisites	4,99,05,224
Variable Pay based on performance	2,18,12,078
PF Contribution	21,60,000
<b>Total<sup>1</sup></b>	<b>9,18,77,302</b>

1. Total remuneration stated above is excluding 50% of total variable to be paid on deferred basis after 3 years and including variable pay of the prior years which has been paid during the financial year 2021-22 as per the SECC Regulations

- As per SECC Regulations, MD being a Key Management Personnel of the Exchange is not entitled to any stock options.
- Appointment of MD & CEO is governed by a service contract.



## 5. GENERAL BODY MEETINGS

### A. THE DETAILS OF THE LAST THREE ANNUAL GENERAL MEETING AND SPECIAL RESOLUTIONS PASSED (IF ANY)

Details of General Meetings	Date and Time	Venue	Description of Special Resolution
14 <sup>th</sup> Annual General Meeting (FY 2018-19)	Monday, July 15, 2019 at 11.30 A.M.	Sir Dinshaw Petit International Convention Hall, 1 <sup>st</sup> Floor, P. J. Towers, Dalal Street, Mumbai - 400 001.	Approval for buyback of equity shares of the Company
15 <sup>th</sup> Annual General Meeting (FY 2019-20)	Thursday, July 30, 2020 at 3.00 P.M.	Meeting held through Video Conferencing/Other Audio-Visual Means	-
16 <sup>th</sup> Annual General Meeting (FY 2020-21)	Tuesday, August 24, 2021 at 3.00 P.M.		Payment of Remuneration to Shri Ashishkumar Chauhan, MD and CEO

### B. DETAILS OF POSTAL BALLOT

During the year under review, no Special Resolution was passed by the Company through Postal Ballot. However, Ordinary Resolution for issue of Bonus Equity Shares was passed on March 14, 2022. The details of the same are available on the website of the Company at [https://www.bseindia.com/static/investor\\_relations/AGM\\_new.html](https://www.bseindia.com/static/investor_relations/AGM_new.html)

## 6. MEANS OF COMMUNICATIONS WITH SHAREHOLDERS

The quarterly and annual financial results of the Company are published in Financial Express, English newspaper having nationwide circulation and Navshakti, a Marathi vernacular newspaper.

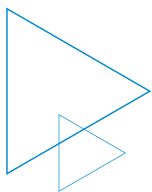
The results are available on the website of the Company at [https://www.bseindia.com/investor\\_relations/financial.html](https://www.bseindia.com/investor_relations/financial.html). The Company's official news releases and presentations made to the institutional investors and analysts are also available on the Company's website. The schedule of meetings with Institutional Investors/ Analysts organized by the Company are also hosted on the website of the Company.

The Company's website contains a separate dedicated section 'Investor Relations'. It contains comprehensive database of information of interest to our investors including the financial results and Annual Report of the Company. The basic information about the Company in terms of the Listing Regulations is provided on the Company's website and the same is updated regularly. The quarterly results, shareholding pattern and all other corporate communication are also available on the website of National Stock Exchange of India Limited ("NSE"), where the Company is listed.

## 7. GENERAL SHAREHOLDER INFORMATION

### A. SEVENTEETH ANNUAL GENERAL MEETING

<b>Day and Date</b>	Thursday, July 14, 2022
<b>Time</b>	3.00 P.M.
<b>Venue</b>	The Company is conducting meeting through Video Conferencing /Other Audio/Visual Means pursuant to the MCA Circular dated May 5, 2020, read with MCA Circular dated May 5, 2022. For details please refer to the Notice of this AGM. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of AGM.
<b>Financial year</b>	April 1, 2021 to March 31, 2022
<b>Dividend Payment date and record date for such dividend</b>	Dividend, if declared at the AGM will be paid on or before Friday, August 12, 2022 to those Shareholders whose names appear in the Register of Members of the Company as on Friday, June 24, 2022. (close of business hours of Record date).
<b>Listed on Stock Exchange</b>	Equity Shares National Stock Exchange of India Limited, "Exchange Plaza", C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.
<b>Annual Listing Fees</b>	The Company hereby confirms that Annual Listing Fees for FY 2021-22 is paid to NSE.
<b>Stock Code/Symbol</b>	BSE
<b>ISIN</b>	INE118H01025

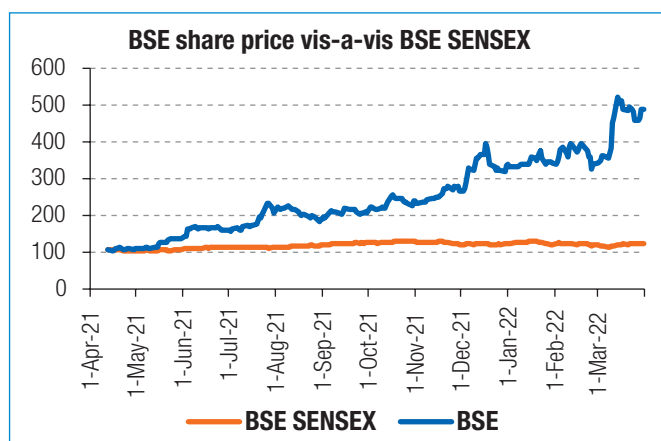
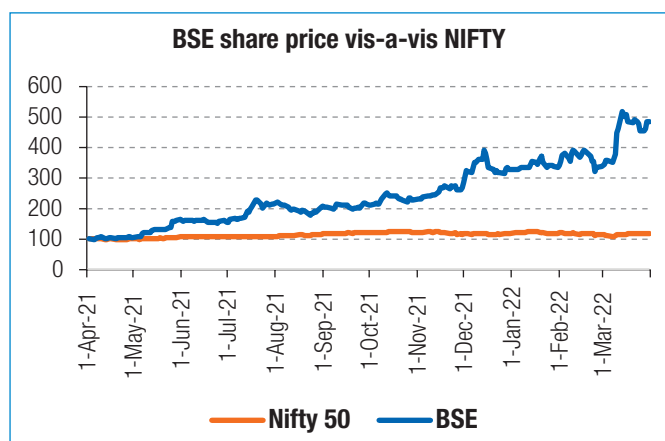


**B. STOCK MARKET PRICE DATA MONTH WISE**

Month	Stock Market price of BSE on NSE		
	High Price (in ₹)	Low Price (in ₹)	Volume (No. of equity shares)
April 2021	624.9	559.3	78,69,679
May 2021	977.8	594	3,66,85,192
June 2021	968.9	856.9	1,36,83,007
July 2021	1,410	889	6,22,09,333
August 2021	1,293.35	1,023.35	1,08,84,399
September 2021	1,294.9	1,132.3	1,49,49,675
October 2021	1,478	1,208	1,65,56,712
November 2021	1,640	1,326.1	1,94,57,892
December 2021	2,373.7	1,551.6	5,20,10,849
January 2022	2,194.8	1,865.7	2,14,89,652
February 2022	2,344	1,858.85	3,24,75,930
March 2022	3,140	869.25	5,44,72,525

Source: NSE data

**Performance of BSE share price vis-à-vis Nifty 50 and BSE SENSEX Index**



Note: BASE = 100 (April 1, 2021)

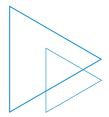
Note: BASE = 100 (April 1, 2021)

\* BSE share price chart has been adjusted to give effect to the issue of Bonus shares in the ratio 2:1 i.e, 2 (Two) bonus equity shares of ₹ 2/- each for every 1 (One) fully paid-up equity share held

**C. SHARE TRANSFER SYSTEM**

99.78% of equity shares of the Company are in demat mode. Transfer of these shares is done through depositories with no involvement of the Company. As per Regulation 46 of SECC Regulations, securities of Recognized Stock Exchange shall be in demat mode only. Further, as per provision of Regulation 40 of Listing Regulations, requests for effecting transfer of securities shall not be processed unless the securities are held in demat mode with a depository. Also, SEBI vide its circular, had emphasized on dematerialized shares, in cases where shares of a listed entity, have been held in physical mode. Therefore, shareholders holding shares in physical mode are instructed to get the same dematerialized by making an application to their respective Depository Participant(s).





**D. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2022:**

Range of Equity Shares held	No. of Shareholders/Accounts	Percentage of Shareholders/Accounts (%)	No. of Shares held	Percentage of Shares held (%)
1-5000	3,75,149	99.07	3,71,26,618	27.45
5001-10000	1,714	0.45	58,07,335	4.29
10001-20000	765	0.20	52,91,875	3.91
20001-30000	258	0.07	32,97,130	2.44
30001-40000	146	0.04	25,74,778	1.90
40001-50000	85	0.02	18,85,951	1.39
50001-100000	204	0.05	70,86,099	5.24
100001 and above	334	0.09	7,21,98,105	53.37
<b>Total</b>	<b>3,78,655</b>	<b>100.00</b>	<b>13,52,67,891</b>	<b>100.00</b>

**E. DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The Company's shares are compulsorily traded in demat mode on NSE. Bifurcation of the category of shares in physical and demat mode as on March 31, 2022 is given below:

Category	No. of Shareholders	No. of Shares held	Percentage of Shares held (%)
PHYSICAL	26	2,96,404	0.22
NSDL	1,35,811	8,12,34,580	60.05
CDSL	2,42,818	5,37,36,907	39.73
<b>Total:</b>	<b>3,78,655</b>	<b>13,52,67,891</b>	<b>100.00</b>

**F. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:** Not Applicable

**G. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:** Not Applicable

**H. PLANT LOCATIONS:** Not Applicable

**I. ADDRESS FOR CORRESPONDENCE:**

**BSE Limited:**

**Shri Vishal Bhat**

Company Secretary and Compliance Officer

25<sup>th</sup> Floor, P. J. Towers, Dalal Street, Mumbai, Maharashtra- 400 001.

Tel. 022-22721233

E-mail: [bse.shareholders@bseindia.com](mailto:bse.shareholders@bseindia.com)

The Company is registered on SEBI Complaints Redress System ("SCORES"). The investors can lodge their complaints through SCORES by visiting <https://www.scores.gov.in>.

**Registrar and Transfer Agents:**

**KFin Technologies Limited**

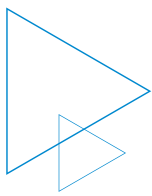
**Unit: BSE Limited**

Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 032

Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Website: <https://www.kfintech.com>

Toll Free No: 1800-309-4001

**J. LIST OF ALL CREDIT RATINGS OBTAINED BY THE ENTITY ALONG WITH ANY REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR, FOR ALL DEBT INSTRUMENTS OF SUCH ENTITY OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL OF THE LISTING ENTITY INVOLVING MOBILIZATION OF FUNDS, WHETHER IN INDIA OR ABROAD:** Not Applicable**K. CATEGORIES OF SHAREHOLDERS AS ON MARCH 31, 2022**

Category	No. of Shareholders	Percentage of Shareholders (%)	No. of Shares	Percentage of Shares (%)
Resident Individuals	3,64,519	96.27	6,88,89,882	50.93
Bodies Corporate	1,505	0.40	2,74,80,604	20.32
HUF	8,283	2.19	28,61,834	2.12
Trust	10	0.00	9,783	0.01
Banks/Financial Institutions	12	0.00	7,45,821	0.55
Non-Resident Indians	3,853	1.02	70,92,120	5.24
Foreign Bodies Corporate	1	0.00	1,75,323	0.13
Foreign Institutional Investor	-	-	-	-
Foreign Portfolio Investor	125	0.03	1,72,72,649	12.77
Insurance Company	4	0.00	83,05,206	6.14
Mutual Funds	7	0.00	6,27,950	0.46
NBFC	6	0.00	37,042	0.03
Alternate Investor Fund	5	0.00	7,07,459	0.52
IEPF	1	0.00	4,590	0.00
CM Pool Position	324	0.09	10,57,628	0.78
<b>Total</b>	<b>3,78,655</b>	<b>100.00</b>	<b>13,52,67,891</b>	<b>100.00</b>

**L. LIST OF TOP 10 SHAREHOLDERS AS ON MARCH 31, 2022**

Sr. No.	Name of Shareholder	No. of Shares held	Percentage of Shareholding (%)
1	Life Insurance Corporation of India	75,76,500	5.60
2	Zerodha Broking	50,13,873	3.71
3	Siddharth Balachandran	40,27,605	2.98
4	MSPL Limited	17,98,134	1.33
5	S Gopalakrishnan	15,92,505	1.18
6	Jupiter India Fund	12,84,948	0.95
7	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	12,12,633	0.90
8	Akshay Vasantlal Mehta	12,00,000	0.89
9	Integrated Core Strategies Asia PTE LTD	11,98,831	0.89
10	Vanguard Total International Stock Index Fund	11,81,796	0.87

**8. OTHER DISCLOSURES****A. DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS THAT MAY HAVE POTENTIAL CONFLICT WITH THE INTERESTS OF COMPANY AT LARGE**

There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during FY 2021-22 were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee.

The Company complies with the disclosure requirements as prescribed in Regulation 23 of Listing Regulations pertaining to Related Party Transactions ("RPT") and follows Ind AS - 24 issued by Institute of Chartered Accountants of India ("ICAI"). For details on material RPT's please refer the section 'Related Party Transaction' as mentioned in the Board's Report.

**B. DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES, STRICTURES IMPOSED BY STOCK EXCHANGE, SEBI OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO THE CAPITAL MARKETS DURING THE LAST THREE YEARS**

Following are the details of actions taken against the Company

Sr. No.	Action taken by	Details of violations	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practising Company Secretary, if any.
1	SEBI	Order dated April 12, 2022, passed by SEBI (which is subsequent to the Review Period i.e. year ended March 31, 2022).	A penalty of ₹ 3 Crores.	SEBI Order dated April 12, 2022, has imposed a penalty of ₹ 3 Crore, to be paid within 45 days from receipt of the Order. The limitation period to challenge the aforesaid Order has not expired.

**C. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Please refer section 'Whistle Blower Policy / Vigil Mechanism' as mentioned under the Board's Report.

**D. COMPLIANCE WITH MANDATORY REQUIREMENTS**

The Company has complied with all the mandatory requirements as prescribed under the Listing Regulations.

**E. THE COMPANY HAS COMPLIED WITH THE FOLLOWING NON-MANDATORY AND DISCRETIONARY REQUIREMENTS AS PER SCHEDULE II PART E OF THE LISTING REGULATIONS**

- Chairperson's office is maintained at Company's expense and all reimbursements are allowed to the Chairperson in performance of his duties.
- The quarterly and half-yearly financial performance are published in the newspaper and are also posted on the website of the Company and hence, it is not being sent to the Shareholders.
- The Company's financial statement for FY 2021-22 does not contain any audit qualification. The Company's audited financial statements are accompanied with unmodified opinion from the Statutory Auditor of the Company.
- The Internal Auditors of the Company make presentation to the Audit Committee on their reports and directly report to the Audit Committee.

**F. POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES**

Please refer Board's Report for this policy.

**G. POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS**

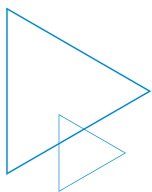
Please refer Board's Report for this policy.

**H. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES – Nil**

**I. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32(7A) – Not applicable**

**J. PRACTICING COMPANY SECRETARY CERTIFICATION:**

A certificate from practicing company secretary confirming that none of the Directors on the Board of the Company were debarred or disqualified from being appointed or re-appointed under retirement by rotation and/or continuing as Directors of the Company by the SEBI, Ministry of Corporate Affairs or any other statutory authorities is attached as **Annexure B**.



**K. DETAILS OF FEES PAID TO STATUTORY AUDITOR:**

**Statutory Auditor S.R. Batliboi & Co. LLP**

<b>Payment to auditors</b>	<b>Amount (₹ in Lakhs)</b>
a) Statutory audit fee	57
b) Tax audit fee	6
c) Other services	1
d) Out of pocket	1
<b>Total</b>	<b>65</b>

**Network Entity**

PDS Legal: ₹ 1.25 Lakh

**L. DETAILS OF SEXUAL HARASSMENT COMPLAINTS RECEIVED AND REDRESSED:**

<b>Opening Balance</b>	<b>Received during the year</b>	<b>Resolved during the year</b>	<b>Closing Balance</b>
Nil	Nil	Nil	Nil

**M. DISCLOSURE OF LOANS / GUARANTEES / COMFORT LETTERS / SECURITIES ETC.**

No loans / guarantees / comfort letters / securities etc. were given to Directors during the year under review.

**9. COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46 (2) of the Listing Regulations, to the extent as applicable, with regards to Corporate Governance.

**10. CEO/CFO CERTIFICATE**

In terms of Regulation 17(8) of the Listing Regulations, the MD & CEO and the CFO made a certification to the Board of Directors in the prescribed format for the year at the review, which has been reviewed by the Audit Committee and taken on record by the Board. The same is attached as **Annexure C**.

**11. COMPLIANCE CERTIFICATE**

Certificate from M/s. Dhrumil Shah & Co., Practicing Company Secretaries, confirming compliances with the conditions of Corporate Governance as stipulated under the Listing Regulations is attached as **Annexure D**.

**12. EQUITY SHARES IN THE SUSPENSE ACCOUNT: Nil**

**13. DIVIDEND**

The Company provides the facility of direct credit of dividend to the Member's bank account. Listing Regulations also mandate Companies to credit the dividend to the members electronically. Members holding shares in Demat/Physical mode whose Bank details for receiving dividend are not registered/ updated are requested to register/update the same by following the procedure as mentioned in the Notice of the AGM. Members are therefore urged to avail this facility to ensure safe and speedy credit of their dividend into their Bank account. Please refer Board's Report for the link of the Dividend Distribution policy.

If the Company is unable to pay the dividend to any Member by electronic mode due to non-registration of bank account, the Company shall dispatch the dividend warrant / cheque to such Members at the earliest.

**14. ANNUAL REPORT**

Annual Report containing, inter alia, Audited Accounts, Auditor's Report, Board's Report, Corporate Governance Report, Business Responsibility Report and other material and related matters / information is circulated by e-mail to the Shareholders and others entitled thereto. The copy of Annual Report is also available on Company's website at [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com) (where the Company is listed) and [www.evotingindia.com](http://www.evotingindia.com) (agency providing e-Voting facility).

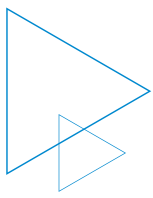
**ANNEXURE 'A' TO CORPORATE GOVERNANCE REPORT**

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT  
PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has obtained affirmation from all the Members of the Board and Senior Management Personnel that they have complied with the Code of Conduct for Directors and Senior Management Personnel as required under Regulation 26(3) of the Listing Regulations for the FY 2021-22.

**Place:** Mumbai  
**Date:** May 11, 2022

**Ashishkumar Chauhan**  
Managing Director & Chief Executive Officer

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS***(Pursuant to Regulation 34(3) and Schedule V Para C sub-clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
 The Members of  
**BSE LIMITED**  
 25<sup>th</sup> Floor, P.J. Towers  
 Dalal Street,  
 Mumbai -400 001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BSE Limited** having CIN **L67120MH2005PLC155188** and having registered office at 25<sup>th</sup> Floor, P.J. Towers, Dalal Street, Mumbai -400001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

<b>Sr. No.</b>	<b>Names of Directors</b>	<b>DIN</b>	<b>Date of appointment in Company</b>
1.	Justice Vikramajit Sen	00866743	May 19, 2016
2.	Shri Sumit Bose	03340616	May 19, 2016
3.	Shri Subhash Sheoratan Mundra	00979731	January 17, 2018
4.	Shri David Wright	08064288	March 16, 2018
5.	Shri Umakant Jayaram	08334815	February 4, 2019
6.	Sushri Jayshree Vyas	00584392	April 25, 2019
7.	Shri Tharavanat Chandrasekharan Suseel Kumar	06453310	October 22, 2020
8.	Shri Ashishkumar Chauhan	00898469	November 2, 2012

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Dhrumil M Shah & Co.**  
**UDIN. F008021D000286937**

**Dhrumil M Shah**  
**Practising Company Secretary**  
 C.P. No. 8978 & FCS No. 8021  
 PR No. 995/2020

**Place:** Mumbai  
**Date:** May 11, 2022

ANNEXURE 'C' TO CORPORATE GOVERNANCE REPORT

CEO/ CFO COMPLIANCE CERTIFICATE

The Board of Directors  
**BSE LIMITED**  
25<sup>th</sup> Floor, P. J. Towers, Dalal Street,  
Mumbai – 400 001

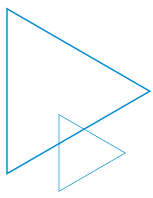
**We, Ashishkumar Chauhan, Managing Director and Chief Executive Officer and Nayan Mehta, Chief Financial Officer do hereby certify the following:**

- A. We have reviewed the financial statements and cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2022, which are fraudulent, illegal or violate the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee,
- significant changes in internal control over financial reporting during the quarter and year ended March 31, 2022;
  - significant changes in accounting policies during the quarter and year ended March 31, 2022 and that the same have been disclosed in the notes to the financial statement and results; and
  - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Place:** Mumbai  
**Date:** May 08, 2022

**Ashishkumar Chauhan**  
Managing Director & CEO

**Nayan Mehta**  
Chief Financial Officer



**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**BSE LIMITED**  
25<sup>th</sup> Floor, P.J. Towers  
Dalal Street,  
Mumbai - 400 001

I have examined all the relevant records of BSE Limited ('the Company') for the purpose of certifying compliance with the conditions of Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and in terms of Regulation 33 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ("SECC Regulations") for the financial year ended March 31, 2022.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation process adopted by the Company for ensuring compliance with the conditions of Corporate Governance. This certificate is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the said Listing Regulations and SECC Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Dhrumil M Shah & Co.**

UDIN: F008021D000286882

**Dhrumil M Shah**

**Practising Company Secretary**

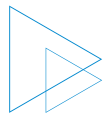
C.P. No. 8978 & FCS No. 8021

PR No 995/2020

**Place:** Mumbai

**Date:** May 11, 2022





# Business Responsibility Report

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Details
1.	Corporate Identification Number (CIN) of the Company	L67120MH2005PLC155188
2.	Name of the Company	BSE Limited
3.	Registered Office & Corporate Office	25 <sup>th</sup> Floor, P J Towers, Dalal Street, Fort, Mumbai 400 001.
4.	Website	<a href="http://www.bseindia.com">www.bseindia.com</a>
5.	Email	<a href="mailto:bse.shareholders@bseindia.com">bse.shareholders@bseindia.com</a>
6.	Financial year reported	2021-2022
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Name and Description of main products / services - Exchange Operation NIC code – 66110
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	<ul style="list-style-type: none"> <li>• Trading platform for Securities</li> <li>• Financial Services Distribution</li> <li>• Listing of Securities</li> </ul>
9.	Total number of locations where business activity is undertaken by the Company	
a.	Number of International Locations	None
b.	Number of National Locations	31
10.	Markets served by the Company	National

## SECTION B: FINANCIAL DETAILS

Particulars	Company information
1. Paid up Capital as on March 3, 2022 (Amount In Lakhs)	₹ 2,705
2. Total Income (Amount In Lakhs)	₹ 72,402
3. a) Profit after Tax (Amount In Lakhs)	₹ 19,512
b) Adjusted profit for last 3 years (Amount in Lakhs)	₹ 8,326
4. Total Spending on Corporate Social Responsibility (CSR)	
a) in Rupees (Amount in Lakhs)	₹ 166.51
b) As a percentage of average net profits of the Company made during the three immediately preceding financial years as per CSR requirement (%)	2%
5. List the activities, in which expenditure in 4 above, has been incurred	Contribution to Technology Incubators

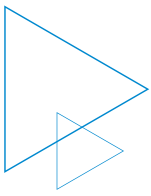
## SECTION C: OTHER DETAILS

### 1. DOES THE COMPANY HAVE ANY SUBSIDIARY COMPANY/COMPANIES?

- Yes, The Company has following 15 Subsidiary Companies (direct and indirect), 1 Joint Venture and 10 Associate Companies as on March 31, 2022, names of which are given below:-

#### Subsidiaries:

1. BFSI Sector Skill Council of India (Section 8 Company)
2. BIL – Ryerson Technology Startup Incubator Foundation (Section 8 Company)
3. BSE Investments Limited
4. BSE Sammaan CSR Limited\*
5. BSE CSR Integrated Foundation (Section 8 Company)



6. BSE Institute Limited
  7. BSE Technologies Private Limited
  8. BSE Tech Infra Services Private Limited
  9. India INX Global Access IFSC Limited
  10. BSE Institute of Research Development & Innovation (Section 8 Company)
  11. BSE E-Agricultural Markets Limited
  12. BSE Administration & Supervision Limited
  13. India International Exchange (IFSC) Limited
  14. India International Clearing Corporation (IFSC) Limited
  15. Indian Clearing Corporation Limited
- \* Under the process of voluntary liquidation.

#### Joint Ventures:

1. Asia Index Private Limited

#### Associate Companies:

1. Central Depository Services (India) Limited
2. CDSL Ventures Limited
3. CDSL Insurance Repository Limited
4. CDSL Commodity Repository Limited
5. CDSL IFSC Limited
6. BSE EBIX Insurance Broking Private Limited
7. Hindustan Power Exchange Limited
8. BSE EBIX Insuretech Private Limited
9. India International Bullion Holding IFSC Limited
10. India International Bullion Exchange IFSC Limited

## 2. DO THE SUBSIDIARY COMPANY/COMPANIES PARTICIPATE IN THE BR INITIATIVES OF THE PARENT COMPANY? IF YES, THEN INDICATE THE NUMBER OF SUCH SUBSIDIARY COMPANY(IES)

- Currently one subsidiary company, one joint venture and two associate companies qualify for CSR activities under Section 135 of the Companies Act.

#### Subsidiary Companies

1. Indian Clearing Corporation Limited (ICCL)

#### Joint Venture

1. Asia Index Private Limited

#### Associate Companies

1. Central Depository Services (India) Limited
2. CDSL Ventures Limited

Above companies participates in the BR initiatives of the Company.

## 3. DO ANY OTHER ENTITY/ENTITIES (E.G. SUPPLIERS, DISTRIBUTORS ETC.) THAT THE COMPANY DOES BUSINESS WITH, PARTICIPATE IN THE BR INITIATIVES OF THE COMPANY? IF YES, THEN INDICATE PERCENTAGE OF SUCH ENTITY/ENTITIES? [LESS THAN 30%, 30-60%, MORE THAN 60%]

- Less than 30%.



**SECTION D: BUSINESS RESPONSIBILITY INFORMATION:**

**1. DETAILS OF DIRECTOR/DIRECTORS RESPONSIBLE FOR BR**

**a) Details of the Director/Directors responsible for implementation of the BR policy/policies**

No.	Particulars	Details
1.	DIN Number	00898469
2.	Name	Shri. Ashishkumar Chauhan
3.	Designation	Managing Director & CEO

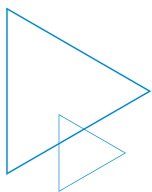
**b) Details of BR head :**

No.	Particulars	Details
1.	DIN Number	06924145
2.	Name	Shri. Shankar Jadhav
3.	Designation	Head – Strategy
4.	Telephone number	022-22728001/8147
5.	e-mail id	<a href="mailto:shankar.jadhav@bseindia.com">shankar.jadhav@bseindia.com</a>

**2. PRINCIPLE-WISE (AS PER NATIONAL VOLUNTARY GUIDELINES) BUSINESS RESPONSIBILITY POLICY/POLICIES**

**a) Details of compliance (Reply in Y/N)**

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y#	Y#	Y#	Y#	Y#	Y#	Y#	Y#	Y#
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Y##	Y##	Y##	Y##	Y##	Y##	Y##	Y##	Y##
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y###	Y###	Y###	Y###	Y###	Y###	Y###	Y###	Y###
8.	Does the Company have in-house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y



**Principle wise policies**

P1	Ethics Transparency & Accountability policy, Code of Conduct for Directors and Senior Management, Policy on Ethical Code and Conduct for Employees
P2	Sustainability Policy
P3	Employee Well Being Policy
P4	Stakeholder Engagement Policy
P5	Human Rights Policy
P6	Environment Policy
P7	Advocacy Policy
P8	Corporate Social Responsibility Policy
P9	Customer Value Policy

**Note:**

# The policies are developed and aligned with standards prescribed by a) Securities and Exchange Board of India b) Ministry of Corporate Affairs c) Company's internal practices.

## The policies are available on the internal portal.

### The policies are uploaded on our internal portal which the internal stakeholders have access to and the same can be made available on request to the external stakeholders.

**b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

S. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

**3. GOVERNANCE RELATED TO BR**

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

- The Board of Directors have discussed the BRR once during the financial year 2021-2022.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

- The BRR forms a part of the Annual Report of the company which can be viewed on the website of the Company at [www.bseindia.com](http://www.bseindia.com)

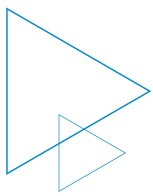
**SECTION E: PRINCIPLE WISE PERFORMANCE**

**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

1	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?	Yes, there is policy in place, and it covers on ethics, bribery and corruption. The policy applies to everyone, who is connected with BSE directly and indirectly as a Regulatory Body or as a Corporate Body.			
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so	<b>Opening Balance</b>	<b>Received during the year</b>	<b>Resolved during the year</b>	<b>Closing Balance</b>
		0	0	0	0

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

- 1 List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities
- The Company is cognizant of its role in promoting inclusive growth and equitable development while contributing to environmental sustainability.
- a. BSE is continuing with augmentation and embedment of sustainability parameters through its indices S&P BSE 100 ESG INDEX, S&P BSE CARBONEX and S&P BSE GREENEX. This wings a headway for the issuers to comply with mounting importance of such Environment, Social, Governance (ESG) factors pertinent to various stakeholders.
  - b. BSE being a stock exchange has listed Green Bonds on its trading platform. A Green Bond is like any other bond where a debt instrument is issued by an entity for raising funds from investors. However, what differentiates a Green Bond from other bonds is that the proceeds of a Green Bond offering are 'ear- marked' for use towards financing green project. Since 2015, ₹ 8,544 crores (about USD 1,106 million) worth of green bonds with an average coupon rate of 8.08 percent have been raised at the BSE debt platform which also includes bonds raised by Municipal corporations.
  - c. BSE's international arm, India International Exchange (India INX), has an exclusive green listing and trading platform called Global Securities Market (GSM). GSM Green will serve as a platform for fund raising and trading green, social, and sustainable bonds exclusively. India INX is committed to facilitating fundraising for green commercial projects and promotes ESG standards through GSM Green Platform. Since 2017-18 US\$ 6,937 million worth of Green/ Sustainable/ Social bonds have been raised on India INX Bond platform.
  - d. India INX signed a memorandum of understanding with Luxembourg Stock Exchange for development and promotion of ESG and green finance in the local market. The pact with Luxembourg Stock Exchange will provide opportunities for dual listing, enhancing visibility and also increase secondary market trading in green.
  - e. BSE is continuously improvising its Corporate Announcement Filing System ("CAFS") to the equity listed companies to make it more seamless and user-friendly. This is a paperless submission. CAFS ensures that critical information / disclosures are available to the investors on real time basis without exchange intervention.
  - f. Based on the ongoing MOU, between Global Reporting Initiative ("GRI") and BSE, BSE continues to work collaboratively as well as supports various Listed Corporates in establishing sustainability reporting process. The efforts are now being converged towards designing a linkage document that would help companies in identifying the correspondence between SEBI Business Responsibility and Sustainability Report ("BRSR") Framework and GRI Standards.
  - g. BSE's StAR MF, a mutual fund distribution business with around 2 crore average paperless transactions per month is a fully digitalised and a sustainable business model. For FY21-22, BSE net inflow was ₹ 81,350 crores as compared to industry total of ₹ 1,64,404 crores.  
Distributor empanelment is also paperless and done online without requirement of physical travel of distributors. BSE encourages Webinars for distributors over physical seminars resulting in reduction of carbon footprint.
  - h. BSE has associated with various bodies such as IMC Chamber of Commerce and Industry, The Associated Chamber of Commerce and Industry of India (ASSOCHAM), Confederation of Indian Industry etc which plays role in identifying opportunities, addressing critical issues and driving Indian businesses with sustainable growth.



2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional)	
a)	Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain	Not Applicable
b)	Reduction during usage by consumers (energy, water) has been achieved since the previous year	Not Applicable
3	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so	BSE continues its Procurement activities by outsourcing of services related to software development, IT & network Infrastructure support and business process support. Detailed guidelines for procurement processes have been laid out and followed for procurements. The goal of BSE's sustainable sourcing is to build strong, long-term relationships with suppliers leading to improving performance in environmental, social and ethical issues.
4	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendor	The Manpower services, procurement of stationery and other items required for offices and regional offices are generally hired from local agencies wherever possible. BSE has various Investor service offices in Tier-2 and Tier-3 cities. This endeavors procurement of services from local and small producers in those cities.
5.	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	Since our products/services are virtual in nature, no waste is generated and hence there is no such requirement of recycling products and waste. The E-waste (Computers, Printers, Servers, Hard Disk etc) generated at BSE is handed over to Central Pollution Control Board (CPCB) registered dealer for responsible disposal of E-Waste as per CPCB guidelines.

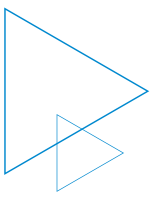
**Principle 3: Businesses should promote the wellbeing of all employees**

1	Please indicate the Total number of employees (including trainees and associates) as on March 31, 2022	379 Officers + 106 Staff = 485			
2	Please indicate the total number of employees hired on temporary / contractual / casual basis	546			
3	Please indicate the number of permanent women employees	126 Officers + 13 Staff = 139			
4	Please indicate the number of permanent employees with disabilities	1			
5	Do you have an employee association that is recognized by management	Yes			
6	What percentage of your permanent employees is members of this recognized employee association	21			
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	<b>Sr. No.</b>	<b>Category</b>	<b>No. of complaints filed during the financial year</b>	<b>No. of complaints pending as on end of the financial year</b>
		1	Child labour/forced labour/involuntary labour	Nil	Nil
		2	Sexual harassment	Nil	Nil
		3	Discriminatory employment	Nil	Nil

8	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year	Sr. No.	Category	% of employees given skill upgradation training	% of employees given safety training
a)	Permanent Employees	1	Permanent Employees	53	5
b)	Permanent Women	2	Permanent Women Employees	72	43
c)	Casual/Temporary/ Contractual Employees	3	Casual/Temporary/ Contractual Employees	0	9
d)	Employees with Disabilities	4	Employees with Disabilities	0	NA

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised**

1	Has the Company mapped its internal and external stakeholders? Yes/No	Yes
2	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders	Yes
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so	<p>a. BSE provides food to its employees and group company employees at subsidized rates. Around 500 meals are served on daily basis. Canteen services were also operational during the COVID induced lockdown period.</p> <p>b. BSE tied-up with Bombay Hospital &amp; few other private hospitals wherein all its employees and their immediate family members could vaccinate themselves as per the guidelines of the Government. Cost of vaccination was reimbursed by the BSE.</p> <p>c. BSE provided financial assistance to the family of its contractual staff who passed away due to COVID.</p> <p>d. During pandemic times, BSE management implemented and encouraged Work from Home policy (WFH) thereby reducing the risk of infections during such critical times. Computer systems and access via Virtual Private Network (VPN) were provided to its employees by BSE at no additional cost.</p> <p>e. In view of COVID-19 outbreak, BSE regularly sanitizes all the office areas and have installed hand sanitizer dispensers at all the entry points of the BSE buildings/offices. Temperature check of all the people entering BSE premises is done. Social distancing markings are done at various locations thereby reducing the risk of infection.</p> <p>f. BSE provided bus / car services during and post lockdown period for its employees and vendor staff. This service has been helping the people involved in providing essential services travel between home and office safely.</p> <p>g. Around 5 webinars in collaboration with wellness experts pertaining to health and stress management were conducted by BSE HR team which were found to be very helpful by the BSE &amp; its group company employees.</p> <p>h. An online health form was created to monitor health of BSE and its group company employees. Daily health index is published giving information on the health status of BSE &amp; its group company employees. All necessary support if required is provided to sick employees by BSE.</p>



- i. COVID-19 testing camps were arranged for BSE & its group company employees, contractual staff and broker staff. Till date around 25 camps have been organized. A total of almost 3600 persons got tested in the camps. All the camps were free of cost & BMC officials deployed professional medical staff to conduct the said camps who also ensured employees who tested positive were consulted for further course of treatment.
- j. BSE HR team extended continuous support to all its employees during this pandemic situation in case of emergency hospitalization of employee or its family members. Checking beds availability, arranging critical equipment's like Oxygen etc are few of the initiatives that HR team took for assisting employees wherever possible. Financial support to some of the employees was also extended towards their hospital expenses.
- k. A special lift is used for senior and disabled stake holders for reaching upper floors in the BSE building.
- l. In order to provide comfort & support to the senior and disabled individual stakeholders, BSE has in place a golf cart facility which helps them to reach the entrance gate and also BSE has installed a ramp for such individual stakeholders to enter the premises conveniently.

**Principle 5: Businesses should respect and promote human rights**

1	Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others	This policy applies to everyone, who are employed directly, indirectly or on contractual basis with BSE. This Policy shall be applicable to BSE, its subsidiaries, affiliates and group companies at their offices. It shall be reviewed periodically and shall remain in force until withdrawn by BSE management.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management	NIL

**Principle 6: Business should respect, protect, and make efforts to restore the environment**

1	Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others	The policy applies to everyone with whom BSE is associated, externally and internally and wholly supports and complies with and exceeds the requirements of current environmental legislation and codes of practice.
2	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	Yes, the Company has an Environment Policy which is available on the BSE internal portal.
3	Does the Company identify and assess potential environmental risks? Y/N	Yes
4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed	No
5	Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page	<ul style="list-style-type: none"> <li>• Plastic waste generated at BSE is sent for recycling to the authorized recycling agent thus avoiding contribution to the plastic landfill.</li> <li>• The E-waste (Computers, Printers, Servers, Hard Disk etc) generated at BSE is handed over to Central Pollution Control Board (CPCB) registered dealer for responsible disposal of E Waste as per CPCB guidelines.</li> <li>• BSE has put up waterless urinals on certain floors. This has helped save around 55,000 litres of water per month.</li> </ul>



- BSE encourages the non-usage of one-time use plastic material. Water Jugs and Paper Cups are being used in place of onetime use plastic water bottle wherever possible. Employees are encouraged to use their own reusable water bottles. Thus, BSE contributes to sustainable use of resources.
- BSE communicates with its stake holders including employees to conserve water, paper and electricity through various means such as posters in various places, screen savers, email foot notes etc.
- The Company has introduced Corporate Announcement Filing System (CAFS) to the equity listed companies. This is paperless submission.
- Paperless SIP: Wherein the link for payment is created for 1<sup>st</sup> Installment as well as subsequent Installment which is only available with BSE.
- Digital and real time investor's registration.
- Digital filing and document submissions.

6 Are the Emissions/Waste generated by the Company within the Not Applicable.  
permissible limits given by CPCB/SPCB for the financial year being reported

7 Number of show cause/ legal notices received from CPCB/SPCB which Not Applicable.  
are pending (i.e. not resolved to satisfaction) as on end of Financial Year

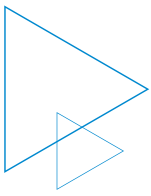
**Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1 Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with

Yes, we are the member of various associations. Major ones are as under:

- Federation of Indian Chambers of Commerce and Industry
- Confederation of Indian Industry
- Indo-German Chamber of Commerce
- Bombay Chamber of Commerce and Industry
- The Associated Chamber of Commerce and Industry of India (ASSOCHAM)
- IMC Chamber of Commerce and Industry

2 Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others	Name of Association	Area of Advocacy
	Federation of Indian Chambers of Commerce and Industry	1. Advancement of best practices in Capital Markets. 2. Policy Recommendations 3. Economic Research 4. Economic Forums
	Confederation of Indian Industry	1. Advancement of Capital Markets 2. Publishing Research 3. Promoting Public Policy
	Indo-German Chamber of Commerce	Promote economic co-operation between India and Germany. Corporate and cultural understanding.
	Bombay Chambers of Commerce and Industry	Promotion and protection of trade and other objectives. Communication between regulatory bodies, society and corporate.
	The Associated Chamber of Commerce and Industry of India (ASSOCHAM)	ASSOCHAM represents the interests of industry and trade, interfaces with Government on policy issues.
	IMC Chamber of Commerce and Industry	Agenda of identifying opportunities, addressing critical issues and driving Indian businesses with the single-minded focus of sustainable growth.

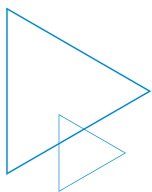


**Principle 8: Business should support inclusive growth and equitable development**

1	Does the Company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof	Yes. Programs and initiatives undertaken during the financial year are detailed below: <ul style="list-style-type: none"> <li>• Innovation and entrepreneurship programs/workshops</li> <li>• Since 2014, 544 startups have been supported through different initiatives.</li> <li>• Supporting technology entrepreneurs</li> <li>• Supporting women entrepreneurs for running technology businesses</li> <li>• Tech community building</li> </ul>
2	Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	BSE and some of its group companies have established a Section 8 Company namely "BSE CSR Integrated Foundation" to carry out the CSR activities on their behalf.
3	Have you done any impact assessment of your initiative?	There is an internal system to assess the impact at regular intervals (quarterly & yearly) for effectiveness of the initiative.
4	What is your Company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?	Refer Annexure 'C' to the Board's Report
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so	Yes. Following activities were carried out in this regard: <p><b>Empower 2020</b> - 74 women entrepreneurs - selected from the pool of 1000+ applicants and provided with 6-week acceleration support &amp; Access to Finance. Conducted in partnership with TIE Women, the cohort got a chance to pitch in front of a global jury and won the top prize of \$75,000.</p> <p><b>ZSI Incubator</b> – One of India's leading Technology incubators, ZSI Incubator has incubated 140+ startups in the last 7 years. We currently are incubating 7 startups including Electric scooters, Funding platform for startups, Home Loans for blue collar workers and 5 more.</p> <p><b>Industry Sessions, Peer-to-peer learning sessions, Workshops, Industry Demo, Bootcamp</b> - Over 150 startups benefited from the online capacity building activities hosted at Zone Startups India, including a series for founders called <b>Zoneacademy</b>.</p>

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year	Type of customer	Un resolved complaints carried forward from FY 2020-2021	Fresh Complaints received in FY 2021-2022	Complaints resolved in FY 2021-2022	Complaints un-resolved in FY 2021-2022
		Shareholders	0	1	1	0
		Investors	671	3995	4085	581
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information)	Not Applicable				
3	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so	As of March 31, 2022, there are no pending cases filed by a stake holder regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior.				
4	Did your Company carry out any consumer survey/ consumer satisfaction trends	Yes, we interact with our client on regular basis and across multiple platforms. Customer satisfaction surveys are conducted on periodic basis to assess customer satisfaction levels and benchmark the Company's performance with industry peers.				



## INDEPENDENT AUDITOR’S REPORT

### TO THE MEMBERS OF BSE LIMITED

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

#### Opinion

We have audited the accompanying consolidated Ind AS financial statements of BSE Limited (hereinafter referred to as “the Holding Company”), its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its associates comprising of the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards

are further described in the ‘Auditor’s Responsibilities for the Audit of the Consolidated Ind AS Financial Statements’ section of our report. We are independent of the Group and its associates, in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Valuation of investments and its impairment</b> (as described in note 32 of the consolidated Ind AS financial statements)	
<p>The Group has various investments in mutual funds, bonds and debentures of corporates.</p> <p>These investments represent the most significant amount on the balance sheet. The total of these investments aggregating to ₹ 1,96,812 Lakhs represented 32% of total assets of the Company as at March 31, 2022.</p> <p>Investment in bonds are valued at amortised cost and are required to be assess for the expected credit loss in accordance with Ind AS 109.</p> <p>High degree of management’s judgement is involved in estimation of the recoverable amount on these investments and there is inherent uncertainty relating to the assumptions supporting such estimates and risk that the fair value of investments is not determined appropriately, and hence valuation of investments and its impairment is considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the design and implementation of controls over valuation and existence of investments.</li> <li>For the fair valuation models, understood and assessed the methodology used. Tested the underlying data and assumptions used in the determination of the fair value.</li> <li>Traced the quantity held from the independent third party confirmations.</li> <li>Tested the valuation of the quoted and unquoted investments to independent pricing sources.</li> <li>Assessed appropriateness and arithmetical accuracy of fair value disclosures pertaining to investments</li> </ul>

Key audit matters	How our audit addressed the key audit matter
<b>Information Technology (IT) systems and controls</b>	
<p>As a stock exchange and market intermediaries, IT systems are an integral part of the business operations of the Group. Since large volume of securities trading transactions are processed by the Group through its trading platform, it is imperative that the IT systems and controls process data as and when expected. Further, it is also essential that any changes to the IT applications are made only after necessary authorizations (Program Change Management) and only authorized personnel have necessary access to the Group's IT systems (User Access Management).</p> <p>In addition to the smooth functioning of the Group's business operations, the IT infrastructure is equally critical for timely and accurate financial reporting process.</p> <p>Due to the pervasive nature and complexity of the IT environment and large volume of transactions we have considered IT systems and controls as a key audit matter</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the information systems used by the Company for IT General Controls (ITGC) and Application controls;</li> <li>The aspects covered in the IT General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs; - to understand the design and test the operating effectiveness of such controls in the system;</li> <li>Assessed the changes that were made to the key systems during the audit period and assessing changes that have impact on financial reporting;</li> <li>Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system.</li> <li>Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.</li> </ul>
<b>Provisions for litigation and claims</b> (as described in note 36 of the consolidated Ind AS financial statements)	
<p>There are certain demands raised by regulatory authorities, employees and others against the Group which have been disputed by the Group giving rise to pending litigations at various appellate and judicial forums. In order to assess the impact of such pending litigations against the Group on its financial statements, the management is required to exercise significant judgement to determine whether an obligation exists as at reporting date requiring a provision and / or disclosure in the financial statements in accordance with the criteria set under IND AS 37 - Provisions, Contingent Liabilities and Contingent Assets.</p> <p>This involves an estimation, by the management, of the outflow of economic resources to settle the present obligation.</p> <p>Considering the high degree of judgement involved in estimation of the impact and in view of the significance of the pending litigations to the overall financial statements, this area is considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Obtained and evaluated the Group accounting policy in relation to accounting, assessing and disclosure of claims against the Group.</li> <li>Understood the design and tested the operating effectiveness of the Group's key controls over the identification, estimation, monitoring and disclosure of provisions for litigations and claims.</li> <li>Examined the relevant correspondence with regulators to assess developments in key areas and litigation reports to identify potentially material cases.</li> <li>Obtained independent confirmations from lawyers in respect of material cases outstanding.</li> <li>Reviewed the Board and other board level committee meeting minutes to assess the effectiveness of management's review controls and conclusions reached.</li> <li>For the significant provisions made, understood and assessed the provisioning methodology. Tested the underlying data and assumptions used in the determination of the provisions recorded.</li> <li>For cases where a provision was not recognized, evaluated the adequacy of disclosure made in the Consolidated Ind AS financial statements.</li> </ul>

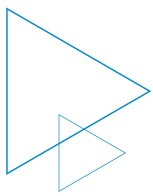
**Information Other than the Ind AS Financial Statements and Auditor's Report Thereon**

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

Our opinion on the consolidated Ind AS financial statements does

not cover the other information and we do not express any form of assurance conclusion thereon.

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



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

## **Responsibilities of Management and the Board of Directors for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

## **Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the

consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

We did not audit the financial statements and other financial information, in respect of eight subsidiaries, whose Ind AS financial statements include total assets of ₹ 3,34,741 Lakhs as at March 31, 2022, and total revenues of ₹ 24,593 Lakhs and net cash inflows of ₹ 57,978 Lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

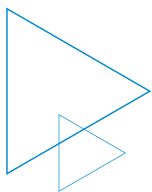
### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate

financial statements and the other financial information of the subsidiary companies, associate companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Ind AS Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiaries, none of the directors of the Group companies, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary and associate companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial



remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors is in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated Ind AS financial statements – Refer Note 36 to the consolidated Ind AS financial statements;

ii. The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates, incorporated in India during the year ended March 31, 2022.

iv. a) The respective managements of the Holding Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries or associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries or associates ("Ultimate Beneficiaries") or provide any guarantee,

security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries or associates from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries or associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared or paid during the year by the Holding company, subsidiary companies and associates incorporated in India, is in compliance with section 123 of the Act.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Jayesh Gandhi**

Partner

Membership Number: 037924

UDIN: 22037924AITYHR8507

Place: Mumbai

Date: May 11, 2022



**Re: BSE Limited**

**Annexure 1 referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date**

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, the following are the qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No	Name	CIN	Holding company / subsidiary / associate / joint venture	Clause number of the CARO report which is qualified or is adverse
1.	BSE Limited	L67120MH2005PLC155188	Holding Company	3(i)(c) 3(vii)(b)
2.	BSE Institute Limited	U80903MH2010PLC208335	Subsidiary	3(vii)(b)
3.	BSE Technologies Private Limited	U72200MH2005PTC152920	Subsidiary	3(vii)(b)
4.	Indian Clearing Corporation Limited	U67120MH2007PLC170358	Subsidiary	3(vii)(b)
5.	BSE Administration and Supervision Limited	U67120MH2021PLC356402	Subsidiary	3(xvii)
6.	India International Clearing Corporation IFSC Limited	U67190GJ2016PLC093683	Subsidiary	3(xvii)
7.	India International Exchange IFSC Limited	U67190GJ2016PLC093684	Subsidiary	3(xvii)
8.	Central Depository Services (India) Limited	L67120MH1997PLC112443	Associate	3(vii)(b)

For **S.R. Battiboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Jayesh Gandhi**

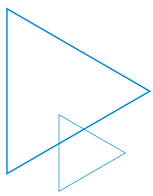
Partner

Membership Number: 037924

UDIN: 22037924AITYHR8507

Place: Mumbai

Date: May 11, 2022



**Re: BSE Limited**

**Annexure 2 referred to in paragraph 1(f) under the heading “Report on other legal and regulatory requirements” of our report of even date**

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

In conjunction with our audit of the consolidated Ind AS financial statements of BSE Limited (hereinafter referred to as the “Holding Company”) as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its associates, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the companies included in the Group and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated Ind AS financial statements was established and maintained and if such controls

operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Ind AS Financial Statements**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Group and its associates, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company

considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, in so far as it relates to all eight subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Jayesh Gandhi**

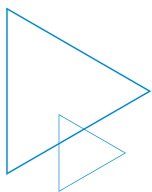
Partner

Membership Number: 037924

UDIN: 22037924AITYHR8507

Place: Mumbai

Date: May 11, 2022



**Consolidated Balance Sheet as at March 31, 2022**

		(₹ in Lakh)	
PARTICULARS	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
a. Property, plant and equipment	3	9,794	11,076
b. Capital work-in-progress		183	23
c. Investment properties	4	316	334
d. Goodwill	5	3,742	3,742
e. Other intangible assets	6	2,273	3,232
f. Intangible assets under development		819	356
g. Financial assets			
i. Investments			
a. Investments in subsidiaries	7	2	2
b. Investments in associates	8	48,811	42,202
c. Other investments	9	13,853	37,510
ii. Other financial assets	11	18,465	24,525
h. Deferred tax assets (net)	18	11,984	14,536
i. Income tax assets (net)	21	12,506	9,904
j. Other assets	13	438	179
<b>Total non-current assets</b>		<b>1,23,186</b>	<b>1,47,621</b>
<b>2 Current assets</b>			
a. Financial assets			
i. Investments	9	1,34,146	1,04,683
ii. Trade receivables	10	6,339	8,732
iii. Cash and cash equivalents	12	88,694	41,615
iv. Bank balances other than (iii) above	12	2,62,472	1,51,072
v. Other financial assets	11	1,210	6,471
b. Other assets	13	2,493	2,514
<b>Total current assets</b>		<b>4,95,354</b>	<b>3,15,087</b>
<b>Total assets (1+2)</b>		<b>6,18,540</b>	<b>4,62,708</b>
<b>EQUITY AND LIABILITIES</b>			
<b>3 Equity</b>			
a. Equity share capital	14	2,705	900
b. Other equity	15	2,62,747	2,48,342
<b>Equity attributable to shareholders of the Company</b>		<b>2,65,452</b>	<b>2,49,242</b>
Non-controlling interest	44	13,519	2,351
<b>Total equity</b>		<b>2,78,971</b>	<b>2,51,593</b>
<b>4 Share application money pending allotment</b>		-	1,417
<b>5 Core settlement guarantee fund</b>		64,089	53,914
<b>Liabilities</b>			
<b>6 Non-current liabilities</b>			
a. Financial liabilities			
i. Lease liabilities	16	2	3
ii. Other financial liabilities	16	494	938
b. Provisions	17	311	254
c. Other liabilities	19	61	43
<b>Total non-current liabilities</b>		<b>868</b>	<b>1,238</b>
<b>7 Current liabilities</b>			
a. Financial liabilities			
i. Trade payables			
a. Total outstanding dues of micro enterprises and small enterprises	20	57	5
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	20	7,228	9,812
ii. Lease liabilities	16	-	-
iii. Other financial liabilities	16	2,35,038	1,15,789
b. Provisions	17	2,182	1,964
c. Income tax liabilities (Net)	21	963	944
d. Other liabilities	19	29,144	26,032
<b>Total current liabilities</b>		<b>2,74,612</b>	<b>1,54,546</b>
<b>Total equity and liabilities (3+4+5+6+7)</b>		<b>6,18,540</b>	<b>4,62,708</b>
<b>Significant accounting policy</b>	2		

The accompanying notes form an integral part of the financial statements

In terms of our report of even date attached  
For **S. R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm registration number: 301003E/E300005

**Per Jayesh Gandhi**  
Partner  
Membership No.: 037924

Date: May 11, 2022  
Place: Mumbai

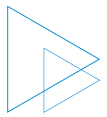
For and on behalf of the Board of Directors

**Justice Vikramajit Sen**  
Chairman  
DIN: 00866743

**Nayan Mehta**  
Chief Financial Officer

**Ashishkumar Chauhan**  
Managing Director & CEO  
DIN: 00898469

**Vishal Bhat**  
Company Secretary



## Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Lakh)

PARTICULARS	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>1 Revenue from operations</b>			
Securities services	22	38,896	21,944
Services to corporates	23	28,642	22,576
Data dissemination fees		3,600	3,336
Training institute		1,349	1,300
Sale of software licenses, development, customisation & maintenance of software		1,828	981
<b>Revenue from operations</b>		<b>74,315</b>	<b>50,137</b>
<b>2 Investment income</b>	24	<b>9,755</b>	<b>12,908</b>
<b>3 Other income</b>	25	<b>2,283</b>	<b>2,420</b>
<b>4 Total income (1+2+3)</b>		<b>86,353</b>	<b>65,465</b>
<b>5 Expenses</b>			
Employee benefits expense	26	17,728	14,868
Finance costs		2,215	1,030
Depreciation and amortisation expense	3&4&6	4,829	5,787
Computer technology related expenses	27	9,687	9,479
Administration and other expenses	28	22,086	18,541
Liquidity enhancement scheme expenses	49&15.7	3,500	3,365
<b>Total expenses</b>		<b>60,045</b>	<b>53,070</b>
<b>6 Profit before exceptional items and tax (4-5)</b>		<b>26,308</b>	<b>12,395</b>
<b>7 Exceptional item (expense):</b>			
Provision for arbitration expense	43	-	(1,453)
<b>Total exceptional item</b>		<b>-</b>	<b>(1,453)</b>
<b>8 Profit before tax and share of net profits of investments accounted for using equity method (6+7)</b>		<b>26,308</b>	<b>10,942</b>
<b>9 Share of net profits of investments accounted for using equity method</b>			
Share of profit of associates		6,418	4,315
<b>10 Profit before tax (8+9)</b>		<b>32,726</b>	<b>15,257</b>
<b>11 Tax expense:</b>	29		
Current tax		5,569	3,063
Current tax of earlier years		9	(46)
Deferred tax		2,655	(1,930)
<b>Total tax expenses</b>		<b>8,233</b>	<b>1,087</b>
<b>12 Net profit for the year (10-11)</b>		<b>24,493</b>	<b>14,170</b>
Net Profit attributable to the shareholders of the Company		25,433	14,490
Net Profit attributable to the non-controlling interest		(940)	(320)
<b>13 Other comprehensive income</b>			
Items that will not be subsequently reclassified to statement of profit or loss			
i. Remeasurements loss on the defined employee benefit plans;		141	464
ii. Income tax on above		51	155
Items that will be subsequently reclassified to profit or loss			
iii. Foreign currency translation reserve		496	(332)
iv. Share of other comprehensive income of associate accounted for using equity method		53	-
<b>Total other comprehensive income for the year (i - ii + iii + iv)</b>		<b>639</b>	<b>(23)</b>
<b>14 Total comprehensive income for the year (12+13)</b>		<b>25,132</b>	<b>14,147</b>
Total comprehensive income attributable to the shareholders of the Company		25,895	14,497
Total comprehensive income attributable to the non-controlling interest		(763)	(350)
<b>15 Earnings per equity share :</b>	30		
Basic and diluted before exceptional item (₹)		18.51	11.23
Basic and diluted after exceptional item (₹)		18.51	10.54
Face value of share (₹)		2	2
Weighted average number of equity shares (Nos.)		13,74,12,891	13,74,12,891
Significant accounting policy	2		

The accompanying notes form an integral part of the financial statements

In terms of our report of even date attached  
For **S. R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm registration number: 301003E/E300005

**Per Jayesh Gandhi**  
Partner  
Membership No.: 037924

Date: May 11, 2022  
Place: Mumbai

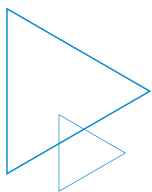
For and on behalf of the Board of Directors

**Justice Vikramajit Sen**  
Chairman  
DIN: 00866743

**Nayan Mehta**  
Chief Financial Officer

**Ashishkumar Chauhan**  
Managing Director & CEO  
DIN: 00898469

**Vishal Bhat**  
Company Secretary



**Consolidated Cash Flow Statement for the year ended March 31, 2022**

(₹ in Lakh)

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit for the year</b>	24,493	14,170
<b>Adjustments for</b>		
Income tax expenses recognised in profit and loss	8,233	1,087
Share of profit of associates	(6,418)	(4,315)
Foreign currency translation reserve	496	(332)
Depreciation and amortisation expense	4,829	5,787
Net (gain) / loss on disposal of property, plant and equipment	(9)	3
Impairment loss on financial assets	16	1,758
Contribution to core settlement guarantee fund	2,905	619
Contribution received from other clearing corporation	1,066	5,630
Investment income on core settlement guarantee fund	3,015	2,789
Penalties / contribution received towards settlement guarantee fund	3,124	1,360
Net gain arising on financial assets measured at FVTPL	(5,326)	(9,975)
Interest income	(4,418)	(2,902)
Dividend income	(11)	(31)
Provision for compensated absences	1,018	1,043
<b>Operating Cash Flow before working capital changes</b>	33,013	16,691
<b>Movements in working capital</b>		
Decrease / (increase) in trade receivables	2,377	(3,491)
Increase / (decrease) in trade payables	(2,532)	2,233
Increase / (decrease) in provision	218	201
Decrease / (increase) in other assets and other financial assets	4,986	(5,963)
Increase / (decrease) in other liabilities and other financial liabilities	1,14,383	(12,262)
<b>Cash generated from / (used in) operations</b>	1,52,445	(2,591)
Direct taxes paid - net of refunds	(8,270)	(4,164)
<b>Net cash generated from / (used in) operating activities</b>	1,44,175	(6,755)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Fixed Assets</b>		
Purchase of property, plant and equipment, intangible assets, capital work-in-progress, intangible assets under development and capital advances	(3,196)	(3,819)
Proceeds from sale of property, plant and equipment	14	1
<b>Investments</b>		
Net decrease in investment in equity and debt instruments	3,600	43,443
Investment in bonds and non-convertible debentures	(2,032)	(1,502)
Proceeds from bonds and non-convertible debentures	-	1,500
Investments in associates	(1,958)	(203)
Investment in fixed deposits	(1,62,449)	(71,642)
Proceeds from fixed deposits	66,184	11,431
Interest received	1,836	1,804
Dividend received	11	31
<b>Net cash used in investing activities</b>	(97,990)	(18,956)

## Consolidated Cash Flow Statement for the year ended March 31, 2022 (Contd.)..

(₹ in Lakh)

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	(9,620)	(7,787)
Issue of share by subsidiary	10,514	845
Share application money pending allotment	-	1,417
<b>Net cash generated from / (used in) financing activities</b>	<b>894</b>	<b>(5,525)</b>
<b>D. Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>47,079</b>	<b>(31,236)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>41,615</b>	<b>72,851</b>
<b>Cash and cash equivalents at the end of the year *</b>	<b>88,694</b>	<b>41,615</b>
<b>Balances with banks including earmarked balances</b>		
In current accounts	17,898	20,070
In deposit accounts with original maturity of 3 months	70,796	21,545
<b>* Cash and cash equivalents at the end of the year comprises (refer note 12)</b>	<b>88,694</b>	<b>41,615</b>

The accompanying notes form an integral part of the financial statements

- The cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 "Cash Flow Statement".
- Movement in earmarked liabilities and assets of parent company are not considered.
- Previous years' figures have been regrouped wherever necessary.

The accompanying notes form an integral part of the financial statements

In terms of our report of even date attached

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

**Per Jayesh Gandhi**

Partner

Membership No.: 037924

Date: May 11, 2022

Place: Mumbai

For and on behalf of the Board of Directors

**Justice Vikramajit Sen**

Chairman

DIN: 00866743

**Nayan Mehta**

Chief Financial Officer

**Ashishkumar Chauhan**

Managing Director & CEO

DIN: 00898469

**Vishal Bhat**

Company Secretary

## Consolidated Statement of Changes in Equity for the year ended March 31, 2022

	₹ in Lakh)
<b>A. EQUITY SHARE CAPITAL</b>	
<b>Balance as at April 1, 2020</b>	900
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2021</b>	900
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
- Shares issued during the year by way of Bonus	1,805
<b>Balance as at March 31, 2022</b>	2,705

Particulars	Reserves and Surplus						Share application money pending allotment	Capital reserve	Capital reserve on business combination	General reserve	Retained earnings	Liquidity enhancement scheme (LES) reserve	Capital redemption reserve	Other comprehensive income Remeasurements gain / (loss) on the defined employee benefit plans	Foreign Currency Translation Reserve	Equity attributable to shareholders of the Parent Company	Non Controlling Interest	Total
	Capital reserve	Capital reserve on business combination	General reserve	Retained earnings	Liquidity enhancement scheme (LES) reserve	Capital redemption reserve												
<b>Balance as at April 1, 2020</b>	1	66,179	10,530	45,512	1,18,203	39	176	-	-	-	-	-	-	-	1,338	2,41,610	1,856	2,43,466
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	845	845
Profit for the year	-	-	-	-	14,490	-	-	-	-	-	-	-	-	-	-	14,490	(320)	14,170
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	339	-	339	(30)	309
Foreign currency translation reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(332)	-	-	(332)
Liquidity enhancement scheme (LES) reserve	-	-	-	-	1,438	-	-	-	-	-	-	-	-	-	-	-	-	-
LES expenditure during the year	-	-	-	-	1,455	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment of dividend	-	-	-	-	(7,787)	-	-	-	-	-	-	-	-	-	-	-	-	(7,787)
Transfer to core settlement guarantee fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22	-	-	22
<b>Balance as at March 31, 2021</b>	1	66,179	10,530	45,512	1,24,923	22	176	-	-	-	-	-	-	(29)	1,028	2,48,342	2,351	2,50,693
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,931	11,931
Allotment of shares	(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1)	(1)
Profit for the year	-	-	-	-	25,433	-	-	-	-	-	-	-	-	-	-	25,433	(940)	24,493
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign currency translation reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Liquidity enhancement scheme (LES) reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LES expenditure during the year	-	-	-	-	1,313	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment of dividend	-	-	-	-	1,327	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to core settlement guarantee fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	-	66,179	10,530	43,883	140,713	8	-	-	-	-	-	-	-	(63)	1,497	2,62,747	13,519	2,76,266

The accompanying notes form an integral part of the financial statements

In terms of our report of even date attached

**For S. R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm registration number: 301003E/E300005

**Per Jayesh Gandhi**

Partner  
Membership No.: 037924

Date: May 11, 2022

Place: Mumbai

For and on behalf of the Board of Directors

**Justice Vikramajit Sen**

Chairman  
DIN: 00866743

**Nayan Mehta**

Chief Financial Officer

**Ashishkumar Chauhan**

Managing Director & CEO  
DIN: 00898469

**Vishal Bhat**

Company Secretary



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**1. COMPANY OVERVIEW**

BSE Limited (formerly known as Bombay Stock Exchange Limited) herein after referred to as the “The Exchange” or “The Company” was established in 1875 and is Asia’s first Stock Exchange and one of India’s leading exchange groups. The registered office of the Company is at 25<sup>th</sup> floor, P. J. Towers, Dalal Street, Mumbai 400 001, Maharashtra, India. Over the past 147 years, BSE has provided a capital-raising platform and provided a platform for trading in equity, debt instruments, derivatives and mutual funds. It also has a platform for trading in equities of small-and-medium enterprises (SME). Pursuant to the BSE (Corporatization and Demutualization) Scheme, 2005 (the Scheme) notified by Securities and Exchange Board of India (“SEBI”) on May 20, 2005, the Exchange completed Demutualization and Corporatization in May 2007 bringing about the separation of the ownership and management.

The equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE).

The financial statements were authorized for issue by the Company’s Board of Directors on May 11, 2022.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation and presentation**

**2.1.1 Statement of compliance**

The Consolidated financial statements as at and for the year ended March 31, 2022 have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

**2.1.2 Basis of consolidation**

The Company consolidate entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and associate (“the Group”). Control exists when the Parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

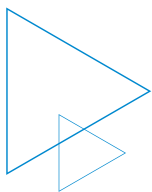
The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- a) the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- b) potential voting rights held by the Company, other vote holders or other parties;
- c) rights arising from other contractual arrangements; and
- d) any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Profit or Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

**Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

**Changes in the Group's ownership interests in existing subsidiaries**

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate.

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date.

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

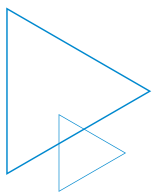
**2. SIGNIFICANT ACCOUNTING POLICIES (Contd)..**

Particulars of subsidiaries and associates:

NAME OF THE COMPANY	Principal Activity	Country of Incorporation	Percentage of Voting Power as at March 31, 2022	Percentage of Voting Power as at March 31, 2021
<b>I. Subsidiary Companies</b>				
<b>- Direct</b>				
a) Indian Clearing Corporation Limited (ICCL)	Clearing and Settlement	India	100	100
b) BSE Technologies Private Limited (BPTL) (formerly known as Marketplace Technologies Private Limited)	IT Support Services	India	100	100
c) BSE Institute Limited (BIL)	Training	India	100	100
d) BSE Investments Limited	Investment	India	100	100
e) BSE Sammaan CSR Limited	Platform for CSR Activities	India	100	100
f) BSE CSR Integrated Foundation (Not considered for consolidation considering not meeting control criterion in terms of Ind AS 110)**	CSR Activities	India	100	100
g) India International Exchange (IFSC) Limited*	Stock Exchange	India	61.93	90.72
h) India International Clearing Corporation (IFSC) Limited*	Clearing and Settlement	India	59.93	90.10
i) BSE Administration & Supervision Limited (w.e.f. March 5, 2021)	Administration and Supervision of SEBI Registered Advisers	India	100	100
<b>- Indirect</b>				
a) BSE Tech Infra Services Private Limited (formerly known as Marketplace Tech Infra Services Private Limited)	IT Support Services	India	100	100
b) BFSI Sector Skill Council of India**	Training	India	51.22	51.22
c) BIL-Ryerson Technology Start-up Incubator Foundation**	Training	India	51	51
d) India INX Global Access IFSC Limited*	Intermediary for trading in overseas Exchanges	India	61.93	90.72
e) BSE Institute of Research Development & Innovation**	Training	India	100	100
f) BSE E-Agricultural Markets Limited (w.e.f. December 1, 2020)	Electronic platform for Agricultural Commodity	India	60	60
<b>II. Associate</b>				
a) Central Depository Services (India) Limited (CDSL)	Depository Services	India	20	20
b) CDSL Ventures Limited	Depository related Services	India	20	20
c) CDSL Insurance Repository Limited	Repository Services	India	20	20
d) CDSL Commodity Repository Limited	Repository Services	India	34.40	34.40
e) Asia Index Private Limited	Index Services	India	50	50
f) BSE EBIX Insurance Broking Private Limited	Insurance Broking	India	40	40
g) BSE EBIX Insuretech Private Limited (formerly known as Marketplace EBIX Technology Services Private Limited)	IT Support Services	India	40	40
h) Hindustan Power Exchange Limited (formerly known as Pranurja Solutions Limited)	Power Exchange	India	22.62	22.62
i) CDSL IFSC Limited (w.e.f. March 30, 2021)*	Depository related Services	India	20	20
j) India International Bullion Holding IFSC Limited (w.e.f. June 04, 2021)	Finance company undertaking specialized activity - Holding Company for Bullion Project	India	21.40	-

\* Based out of Gift City Gandhinagar Gujarat, India.

\*\* Not considered for consolidation considering not meeting control criterion in terms of Ind AS 110



## Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022 (Rupees in Lakh, except share and per share data, unless otherwise stated)

### 2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..

#### 2.1.3 Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

- (i) Financial assets and financial liabilities measured at fair value (refer accounting policy on financial instruments);
- (ii) Defined benefit and other long-term employee benefits.

#### 2.1.4 Functional and presentation currency

The financial statements of the Group are presented in Indian rupees, the national currency of India, which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates. All financial information presented in Indian rupees has been rounded to the nearest Lakh except share and per share data in terms of Schedule III unless otherwise stated.

However, in case of three subsidiaries i.e., India International Exchange (IFSC) Limited, India International Clearing Corporation (IFSC) Limited and India INX Global Access IFSC Limited, United State Dollar (USD) is the functional currency and the currency of the primary economic environment in which these companies operate. The financial statements are presented in Indian Rupees. The presentation currency is different from functional currency to comply with Income tax and other statutory law.

#### 2.1.5 Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses disclosure of contingent assets and disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- (i) Income taxes and deferred tax: The Group's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes and deferred tax assets and liabilities, including the amount expected to be paid or recovered in connection with uncertain tax positions.
- (ii) 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 Group will pay normal income tax. Accordingly, MAT is recognised as a deferred tax asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. The management estimate the Group to pay normal tax and benefit associated with MAT will flow to the Group within permissible time limit under Income Tax Act, 1961 to the extent MAT asset recognised.
- (iii) Impairment of goodwill: Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating unit to which goodwill has been allocated. The value in use calculation requires to estimate the future cash flows expected to arise from the cash-generating unit and discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. Goodwill is tested for impairment on annual basis.
- (iv) Defined employee benefit assets / liabilities determined based on the present value of future obligations using assumptions determined by the Group with advice from an independent qualified actuary.

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

- (v) Property plant and equipment: 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 at the end of its useful life of Group's assets are estimated by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful 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 technology.
- (vi) Impairment of trade receivables: The Group estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances is made.

**2.1.6 Summary of significant accounting policies**

**(i) Foreign currency transactions and balances**

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

Income and expenses of the entities / operations in other than Indian currency are translated at average rates and the assets and liabilities are translated at closing rate. The net impact of such changes are accounted under other comprehensive income.

**(ii) Investment properties**

Investment properties are properties held to earn rentals and / or for capital appreciation (including properties under construction for such purposes). Investment properties are measured initially at cost including transaction costs, Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

The estimated useful life of assets for the current and comparative period of investment property are as follows:

Category	Useful life
Buildings	60 years

Freehold land is not depreciated.

Investment property is derecognised upon disposal or when the investment property permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the Statement of Profit or Loss in the period in which the property is derecognised.

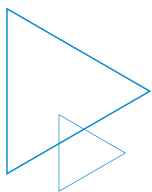
**(iii) Investment in subsidiaries (not consolidated)**

Investment in subsidiaries not consolidated is measured at cost less provision for impairment loss, if any. Dividend income from subsidiaries not consolidated is recognised when its right to receive the dividend is established.

**(iv) Financial instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While loans and borrowings are recognised net of directly attributable transactions costs.



## Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022 (Rupees in Lakh, except share and per share data, unless otherwise stated)

### 2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: financial assets comprising amortised cost, financial assets (debt instruments) at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI and fair value through profit and loss account (FVTPL), financial liabilities at amortised cost or FVTPL.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

#### Financial assets

##### (a) Financial assets (debt instrument) at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- 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 (SPPI).

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortised cost are represented by investment in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks with original maturity less than 3 months which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Group's cash management system.

##### (b) Financial asset (debt Instrument) at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- the asset's contractual cash flow represent SPPI debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.

Fair value movements are recognised in other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain loss in Profit or Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model.

Currently the Group has not classified any interest bearing debt instrument under this category.

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

**(c) Equity instruments at FVTOCI and FVTPL**

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to Profit or Loss.

Currently the Group has not classified any equity instrument at FVTOCI.

If the Group decides to classify an equity instrument as at FVTPL, then all fair value changes on the instrument and dividend are recognised in Profit or Loss.

**(d) Financial assets at FVTPL**

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

**Earmarked Funds:** Earmarked Funds represent deposits, margins, etc. held for specific purposes. These amounts are invested and the same are earmarked in the Balance Sheet. Investment income earned on financial instrument measured at amortised cost is credited to respective earmarked liabilities and not credited to the Statement of Profit or Loss. The Gain/ (Loss) on Fair Value of the investments from these earmarked funds are shown as liabilities/asset and are not routed through the Profit or Loss.

**Financial liabilities**

**(a) Financial liabilities at amortised cost**

Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value, and subsequently carried at amortized cost using the effective interest method.

**(b) Financial liabilities at FVTPL**

Financial liabilities at FVTPL represented by contingent consideration that are measured at fair value with all changes recognised in the Statement of Profit and Loss.

**Equity Instruments (Share capital)**

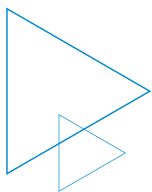
Ordinary shares: - Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares or buyback of existing equity shares are recognised as a deduction from equity, net of any tax effect (if any).

**(v) Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

**(vi) Property, plant and equipment**

**(a) Recognition and measurement:** Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

- (b) Depreciation: The Group depreciates property, plant and equipment over the estimated useful life on a written down method basis from the date the assets are ready for intended use including for assets acquired under finance lease. Further, subsidiary companies India International Exchange (IFSC) Limited, India International Clearing Corporation (IFSC) Limited and India INX Global Access IFSC Limited depreciates property, plant and equipment over the estimated useful life on a Straight-Line method basis from the date the assets are ready for intended use. However, assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term if there is no reasonable certainty that the Group will obtain ownership by the end of lease term. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment as prescribed by Schedule II of the Companies Act, 2013 which are as follows:

Category	Useful life
Buildings	60 years
Leasehold Buildings	30 years
Plant and Equipments	15 years
Electrical installations	10 years
Computers Hardware and Networking Equipments – Owned	3-6 years
Furniture, fixtures and Office equipment	5-10 years
Motor vehicles	3-8 years

Freehold land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date. With the effect of any changes in estimate accounted for on a prospective basis.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the Profit or Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. The date of disposal of an item of property, plant and equipments is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

**(vii) Intangible assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a written down value basis, from the date that they are available for use. Further, intangible assets of subsidiary companies India International Exchange (IFSC) Limited, India International Clearing Corporation (IFSC) Limited, India INX Global Access IFSC Limited, BSE Technologies Private Limited and BSE Tech Infra Services Private Limited are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

The estimated useful life of intangibles are as follows:

Category	Useful life
Computer softwares	3-6 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

**Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

**(viii) Leases**

**As a Lessee:**

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

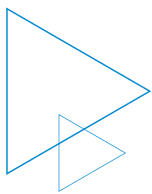
1. the contract involves the use of an identified asset;
2. the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and
3. the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.



## Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022 (Rupees in Lakh, except share and per share data, unless otherwise stated)

### 2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

#### As a Lessor:

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

#### (ix) Impairment

##### (a) Financial assets carried at amortised cost and FVTOCI

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a detailed analysis of trade receivable by individual departments.

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

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

**(b) Impairment of equity investments measured at cost**

Investments in subsidiaries (not considered for consolidation) are measured at cost are tested for impairment at the end of each reporting period. Any impairment loss is recognized in the consolidated statement of profit and loss, if the amount of impairment loss decreases subsequently then the previously recognized impairment loss is reversed in the consolidated statement of profit and loss.

**(c) Non-financial assets**

The Group assesses at each reporting date whether there is any observable evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, then the previously recognised impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

**(d) Impairment of Goodwill**

Goodwill is tested for impairment on an annual basis. Any Impairment loss for goodwill is recognized in profit or loss. An Impairment loss recognized for goodwill is not reversed in subsequent periods.

**(x) Employee benefit**

The Group participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognised as expense during the period when the employee provides service. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.

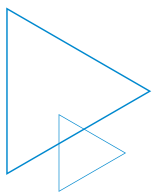
**The Group has the following employee benefit plans:**

**(a) Gratuity**

In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The Group's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method.

Actuarial gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead, net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.



## Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022 (Rupees in Lakh, except share and per share data, unless otherwise stated)

### 2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..

#### (b) Compensated absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Group recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

#### (c) Provident fund, pension fund and new national pension scheme:

The Group offers its employees defined contribution plan in the form of provident fund, family pension fund and new national pension scheme. The Company recognises contribution made towards provident fund, family pension fund and new national pension scheme in the Statement of Profit and Loss.

The company, Indian Clearing Corporation Limited, BSE Sammaan CSR Limited and BSE Institute Limited and its employees' contribution to provident fund is managed by BSE Employees' Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

#### (xi) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

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.

Provisions are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are recognized when economic outflow is probable and disclosed when economic outflow is possible. Contingent assets are not disclosed but recognized when economic inflow is certain.

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

**(xii) Revenue**

The Group has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

The Group derives revenue primarily from Services to Corporate and Securities Services. The Group recognises revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:

**(a) Time and service contracts**

Revenues and costs relating to time and service contracts are recognised as the related services are rendered.

**(b) Annual / monthly Fee contracts**

Revenue from Annual / monthly fee contracts is recognised ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognised on a straight line basis over the specified period or under some other method that better represents the stage of completion.

The Group accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognised at the time of sale / services rendered. Revenues are shown net of goods and service tax and applicable discounts and allowances

**(xiii) Investment income and interest expense**

Investment income consists of interest income on funds invested, dividend income and gains on the disposal of financial assets measured at FVTPL and amortised cost.

Interest income on bond is recognised as it accrues in the Profit or Loss, using the effective interest method and interest income on deposits with banks is recognised on a time proportion accrual basis taking into the account the amount outstanding and the rate applicable.

Dividend income is recognised in the Profit or Loss on the date that the Group's right to receive payment is established.

Interest expenses consist of interest expense on loans, borrowings and finance lease. Borrowing costs are recognised in the Profit or Loss using the effective interest method.

**(xiv) Income tax**

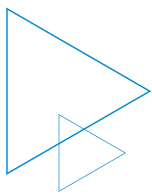
Income tax comprises current and deferred tax. Income tax expense is recognised in the Profit or Loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

**(a) Current income tax**

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted at the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

**(b) Deferred income tax**

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.



## Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022 (Rupees in Lakh, except share and per share data, unless otherwise stated)

### 2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognised for all taxable temporary differences. Deferred tax liabilities are also recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

The Group recognises interest levied and penalties related to income tax assessments in income tax expenses.

#### (xv) Earnings per share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, consolidation of shares, etc. as appropriate.

#### (xvi) Current / Non-current classification

The Group present assets and liabilities in the balance sheet based on current/non-current classification

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

- (a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within twelve months after the balance sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the balance sheet date
- (e) All other assets are classified as non-current.

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

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

- (a) it is expected to be settled in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded; it is due to be settled within twelve months after the balance sheet date; or
- (c) the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.
- (d) All other liabilities are classified as non-current.
- (e) Deferred tax assets and liabilities are classified as non-current assets and liabilities

**Operating Cycle**

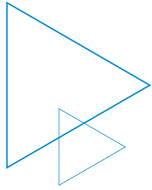
Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**(xvii) Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income over the periods and in the proportions in which depreciation expense on those assets is recognised.

**(xviii) Core Settlement Guarantee Fund (Core SGF):**

As per SEBI vide circular no. CIR/MRD/DRMNP/25/2014 dated August 27,2014 every recognised clearing corporation shall establish and maintain a Fund for each segment, to guarantee the settlement of trades executed in that respective segment of a recognised stock exchange. The Clearing Corporation shall have a fund called Core SGF for each segment to guarantee the settlement of trades executed in the respective segment. In the event of a clearing member(member) failing to honour settlement commitments, the Core SGF shall be used to fulfil the obligations of that member and complete the settlement without affecting the normal settlement process. The Core SGF shall be contributed by Clearing Corporation (ICCL), Stock exchange (BSE Ltd – BSE, National Stock Exchange of India Limited – NSE, Metropolitan Stock Exchange of India Ltd MSE) and the clearing members, in a manner as prescribed by SEBI. This fund is represented by earmarked Core SGF investments. The income earned on such investments (ICCL) is credited to the respective contributor's funds. Penalties and fines levied by the Company are directly transferred to Core SGF as Other Contributions.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**3. PROPERTY, PLANT AND EQUIPMENT**

PARTICULARS	Freehold land	Buildings	Leasehold Buildings	Plant and equipments	Electrical installations	Computers		Furniture & fixtures	Office equipments	Motor vehicles	Total
						Hardware and networking equipments - owned	Hardware and networking equipments - on lease				
<b>Cost or deemed cost</b>											
Balance as at April 1, 2020	1,057	3,877	1,304	1,707	3,351	15,228	130	947	1,611	31	29,243
Additions during the year	-	-	16	213	205	2,545	-	4	20	-	3,003
Deductions / adjustments	-	-	-	-	7	39	-	-	7	-	53
Foreign currency translation adjustments	-	-	(32)	(1)	(9)	(45)	-	(2)	(8)	(1)	(98)
<b>Balance as at March 31, 2021</b>	<b>1,057</b>	<b>3,877</b>	<b>1,288</b>	<b>1,919</b>	<b>3,540</b>	<b>17,689</b>	<b>130</b>	<b>949</b>	<b>1,616</b>	<b>30</b>	<b>32,095</b>
Balance as at April 1, 2021	1,057	3,877	1,288	1,919	3,540	17,689	130	949	1,616	30	32,095
Additions during the year	-	-	-	7	11	1,554	-	3	67	-	1,642
Deductions / adjustments	-	-	-	18	3	3,733	-	17	16	-	3,787
Foreign currency translation adjustments	-	-	40	1	11	56	-	2	10	1	121
<b>Balance as at March 31, 2022</b>	<b>1,057</b>	<b>3,877</b>	<b>1,328</b>	<b>1,909</b>	<b>3,559</b>	<b>15,566</b>	<b>130</b>	<b>937</b>	<b>1,677</b>	<b>31</b>	<b>30,071</b>
<b>Accumulated depreciation</b>											
Balance as at April 1, 2020	-	1,475	144	1,066	2,420	9,993	130	643	1,361	11	17,243
Depreciation for the year	-	212	43	148	267	2,966	-	78	149	3	3,866
Deductions / Adjustments	-	-	-	-	3	39	-	-	7	-	49
Foreign currency translation adjustments	-	-	(4)	-	(3)	(27)	-	(1)	(6)	-	(41)
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>1,687</b>	<b>183</b>	<b>1,214</b>	<b>2,681</b>	<b>12,893</b>	<b>130</b>	<b>720</b>	<b>1,497</b>	<b>14</b>	<b>21,019</b>
Balance as at April 1, 2021	-	1,687	183	1,214	2,681	12,893	130	720	1,497	14	21,019
Depreciation for the year	-	175	43	130	216	2,250	-	62	99	3	2,978
Deductions / Adjustments	-	-	-	16	3	3,733	-	14	16	-	3,782
Foreign currency translation adjustments	-	-	7	-	5	40	-	1	9	-	62
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>1,862</b>	<b>233</b>	<b>1,328</b>	<b>2,899</b>	<b>11,450</b>	<b>130</b>	<b>769</b>	<b>1,589</b>	<b>17</b>	<b>20,277</b>
<b>Net book value</b>											
<b>As at March 31, 2022</b>	<b>1,057</b>	<b>2,015</b>	<b>1,095</b>	<b>581</b>	<b>660</b>	<b>4,116</b>	<b>-</b>	<b>168</b>	<b>88</b>	<b>14</b>	<b>9,794</b>
As at March 31, 2021	1,057	2,190	1,105	705	859	4,796	-	229	119	16	11,076

**Notes:**

- The Group's obligations under leases are secured by the lessors' title to the leased assets.
- The carrying value of land & building as on 31<sup>st</sup> March, 2022 is ₹ 4,167 (₹ 4,352 as on 31<sup>st</sup> March, 2021) shown under the head "Property Plant and Equipment" in the books of accounts. Out of which, the land and building having a carrying amount of ₹ 381 (₹ 466 as at March 31, 2021), includes four properties for which the title deeds are in the name of erstwhile legal entities. Further, the application has been made with the land authority for transfer of property in the favour of the holding company.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**4. INVESTMENT PROPERTY**

PARTICULARS	Freehold Land	Buildings	Total
<b>Cost or deemed cost</b>			
Balance as at April 1, 2020	9	446	455
Additions during the year	-	-	-
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2021</b>	<b>9</b>	<b>446</b>	<b>455</b>
Balance as at April 1, 2021	9	446	455
Additions during the year	-	-	-
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>9</b>	<b>446</b>	<b>455</b>
PARTICULARS	Freehold Land	Buildings	Total
<b>Accumulated depreciation</b>			
Balance as at April 1, 2020	-	102	102
Depreciation for the year	-	19	19
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>121</b>	<b>121</b>
Balance as at April 1, 2021	-	121	121
Depreciation for the year	-	18	18
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>139</b>	<b>139</b>
PARTICULARS	Freehold Land	Buildings	Total
<b>Net book value</b>			
<b>As at March 31, 2022</b>	<b>9</b>	<b>307</b>	<b>316</b>
As at March 31, 2021	9	325	334

**Notes:**

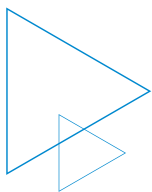
- The fair value of the Group's investment properties as at March 31, 2022 and March 31, 2021 are based on annual evaluation performed by the management.
- Details of the Group's investment properties and information about the fair value hierarchy as at March 31, 2022 and March 31, 2021 are as follows:

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Fair value of Building (based on municipal value)	<b>28,948</b>	28,948
Fair value hierarchy	<b>Level 3</b>	Level 3

- Amount recognised in Statement of Profit and Loss in respect of Investment Property

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental income derived from investment properties	<b>1,807</b>	1,489
Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the year	<b>210</b>	172

- All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**4. INVESTMENT PROPERTY (Contd.)..**

5 Minimum lease payments receivable under non-cancellable operating lease of investments properties are as follows:

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Not later than 1 year	208	125
Later than 1 year and not longer than 5 years	294	411
Later than 5 years	-	-

6 No contingent rent recognised / (adjusted) in the Profit or Loss in respect of operating lease.

**5. GOODWILL**

PARTICULARS	Goodwill on consolidation	Goodwill on amalgamation	Total
<b>Cost or deemed cost</b>			
Balance as at April 1, 2020	3,742	785	4,527
Additions during the year	-	-	-
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2021</b>	<b>3,742</b>	<b>785</b>	<b>4,527</b>
Balance as at April 1, 2021	3,742	785	4,527
Additions during the year	-	-	-
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>3,742</b>	<b>785</b>	<b>4,527</b>
PARTICULARS	Goodwill on consolidation	Goodwill on amalgamation	Total
<b>Accumulated impairment</b>			
Balance as at April 1, 2020	-	785	785
Impairment for the year	-	-	-
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>785</b>	<b>785</b>
Balance as at April 1, 2021	-	785	785
Impairment for the year	-	-	-
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>785</b>	<b>785</b>
PARTICULARS	Goodwill on consolidation	Goodwill on amalgamation	Total
<b>Net book value</b>			
<b>As at March 31, 2022</b>	<b>3,742</b>	<b>-</b>	<b>3,742</b>
As at March 31, 2021	3,742	-	3,742

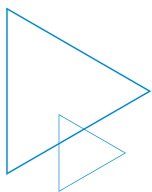
**Note:**

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level within the Group at which goodwill is monitored for internal management purposes pertaining to the Group's operating segment i.e. Facilitating Trading in Securities and other related ancillary services. The recoverable amount of the cash generating unit has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions.

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**6. OTHER INTANGIBLE ASSETS**

PARTICULARS	Software	Total
<b>Cost or deemed cost</b>		
Balance as at April 1, 2020	9,198	9,198
Additions during the year	2,220	2,220
Deductions / adjustments	-	-
Foreign currency translation adjustments	(8)	(8)
<b>Balance as at March 31, 2021</b>	<b>11,410</b>	<b>11,410</b>
Balance as at April 1, 2021	11,410	11,410
Additions during the year	872	872
Deductions / adjustments	-	-
Foreign currency translation adjustments	10	10
<b>Balance as at March 31, 2022</b>	<b>12,292</b>	<b>12,292</b>
PARTICULARS	Software	Total
<b>Accumulated amortisation</b>		
Balance as at April 1, 2020	6,283	6,283
Amortisation for the year	1,901	1,901
Deductions / adjustments	-	-
Foreign currency translation adjustments	(6)	(6)
<b>Balance as at March 31, 2021</b>	<b>8,178</b>	<b>8,178</b>
Balance as at April 1, 2021	8,178	8,178
Amortisation for the year	1,834	1,834
Deductions / adjustments	-	-
Foreign currency translation adjustments	7	7
<b>Balance as at March 31, 2022</b>	<b>10,019</b>	<b>10,019</b>
PARTICULARS	Software	Total
<b>Net Book Value</b>		
<b>As at March 31, 2022</b>	<b>2,273</b>	<b>2,273</b>
As at March 31, 2021	3,232	3,232



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**7. INVESTMENTS IN SUBSIDIARIES**

PARTICULARS	As at March 31, 2022		As at March 31, 2021	
	Quantity	Amount	Quantity	Amount
<b>Non-current Investments</b>				
<b>Un-quoted Investments (all fully paid)</b>				
Investment in Equity Instruments at cost				
- BFSI Sector Skill Council of India* (Equity shares of ₹ 1 each)	1,05,00,000	105	1,05,00,000	105
- BSE CSR Integrated Foundation* (Equity shares of ₹ 10 each)	50,000	5	50,000	5
- BIL - Ryerson Technology Startup Incubator Foundation (Equity shares of ₹ 1 each)	51,000	1	51,000	1
- BSE Institute of Research Development & Innovation (Equity shares of ₹ 10 each)	10,000	1	10,000	1
<b>Total aggregate un-quoted Investments</b>		112		112
Less : Provision for diminution in value investment*		(110)		(110)
<b>Total</b>		2		2
Aggregate carrying value of un-quoted investments		112		112
Aggregate amount of impairment in value of investments in subsidiaries		110		110

\* The Investment in the subsidiaries have been fully provided for.

Notes:

1 Details of non-wholly owned subsidiaries that have material non-controlling interests.

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

NAME OF SUBSIDIARY	PROPORTION OF OWNERSHIP INTERESTS/VOTING RIGHTS HELD BY NON-CONTROLLING INTERESTS	PROFIT (LOSS) ALLOCATED TO NON-CONTROLLING INTERESTS	ACCUMULATED NON-CONTROLLING INTERESTS
India International Exchange (IFSC) Limited	38.08%	(659)	7,873
India International Clearing Corporation (IFSC) Limited	40.07%	(13)	5,342

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**7. INVESTMENTS IN SUBSIDIARIES (Contd.)..**

2 Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below.

The summarised financial information below represents amounts before intragroup eliminations.

i) India International Exchange (IFSC) Limited

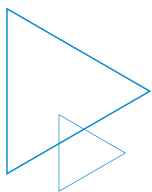
<b>PARTICULARS</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Non-current assets	3,598	2,812
Current assets	7,032	4,636
Non-current liabilities	64	48
Current liabilities	1,814	2,607

<b>PARTICULARS</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Revenue	401	286
Expenses	3,321	3,471
Share of profit/(loss) of associate accounted using equity method	(76)	-
Profit (loss) for the year	(2,996)	(3,185)
Other comprehensive income for the year	200	(102)
Total comprehensive income for the year	(2,796)	(3,287)
Net cash inflow (outflow) from operating activities	(2,411)	(2,921)
Net cash inflow (outflow) from investing activities	(2,398)	(367)
Net cash inflow (outflow) from financing activities	6,756	3,204
Net cash inflow (outflow)	1,947	(84)

ii) India International Clearing Corporation (IFSC) Limited

<b>PARTICULARS</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Non-current assets	5,257	6,581
Current assets	11,155	4,044
Non-current liabilities	10	17
Current liabilities	3,572	1,478

<b>PARTICULARS</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Revenue	165	180
Expenses	517	480
Share of profit/(loss) of associate accounted using equity method	(76)	-
Profit (loss) for the year	(428)	(300)
Other comprehensive income for the year	360	(220)
Total comprehensive income for the year	(68)	(520)



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**7. INVESTMENTS IN SUBSIDIARIES (Contd.)..**

PARTICULARS	Year ended March 31, 2022	Year ended March 31, 2021
Net cash inflow (outflow) from operating activities	2,037	(292)
Net cash inflow (outflow) from investing activities	(3,321)	(154)
Net cash inflow (outflow) from financing activities	3,720	713
Net cash inflow (outflow)	2,436	267

**8. INVESTMENTS IN ASSOCIATES**

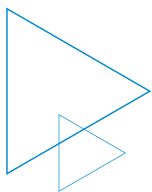
PARTICULARS	As at March 31, 2022		As at March 31, 2021	
	Quantity	Amount	Quantity	Amount
<b>Non-current Investments</b>				
<b>Associates measured at cost</b>				
<b>Un-quoted Investments (all fully paid)</b>				
<b>Investment in Equity Instruments</b>				
- Asia Index Private Limited (Equity shares of ₹ 10 each)	5,000	1,579	5,000	1,137
- CDSL Commodity Repository Limited (Equity shares of ₹ 10 each)	1,20,00,000	1,243	1,20,00,000	1,244
- BSE Ebix Insuretech Private Limited (formerly Marketplace EBIX Technology Services Private Limited) (Equity shares of ₹ 10 each)	4,000	5	4,000	(1)
- BSE EBIX Insurance Broking Private Limited (Equity shares of ₹ 10 each)	20,04,000	140	20,04,000	180
- Hindustan Power Exchange Limited (formerly Pranurja Solutions Limited) (Equity shares of ₹ 1 each)	12,50,00,000	1,163	12,50,00,000	1,233
- India international Bullion Holding IFSC Limited (Fully paid equity shares of ₹ 1 each)	20,00,00,000	1,958	-	-
<b>Total - (A)</b>		<b>6,088</b>		<b>3,793</b>
<b>Investment in Preference Share Capital</b>				
- BSE Ebix Insuretech Private Limited (formerly Marketplace EBIX Technology Services Private Limited) (0.01% Non-cumulative compulsarily convertible Preference Share of ₹ 10 each)	14,00,000	140	14,00,000	140
<b>Total - (B)</b>		<b>140</b>		<b>140</b>
<b>Associates measured at cost</b>				
<b>Quoted Investments (all fully paid)</b>				
<b>Investment in Equity Instruments</b>				
- Central Depository Services (India) Limited (Equity shares of ₹ 10 each)	2,09,00,000	42,583	2,09,00,000	38,269
<b>Total - (C)</b>		<b>42,583</b>		<b>38,269</b>

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**8. INVESTMENTS IN ASSOCIATES (Contd.)..**

PARTICULARS	As at March 31, 2022		As at March 31, 2021	
	Quantity	Amount	Quantity	Amount
<b>Total - (A+B+C)</b>		<b>48,811</b>		<b>42,202</b>
Aggregate carrying value of quoted investments		42,583		38,269
Aggregate market value of quoted investments		3,09,393		1,37,114
Aggregate carrying value of un-quoted investments		6,228		3,933
Aggregate amount of impairment in value of investments in associates		-		-

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Associates</b>		
<b>Asia Index Private Limited</b>		
<b>Opening Balance</b>	1,137	798
Share of profit and loss for the year	450	334
Share of other comprehensive income for the year	(8)	5
<b>Closing Balance</b>	<b>1,579</b>	<b>1,137</b>
<b>CDSL Commodity Repository Limited</b>		
<b>Opening Balance</b>	1,244	1,235
Share of profit and loss for the year	(1)	9
<b>Closing Balance</b>	<b>1,243</b>	<b>1,244</b>
<b>BSE Ebix Insuretech Private Limited (formerly Marketplace EBIX Technology Services Private Limited)</b>		
<b>Opening Balance</b>	(1)	(2)
Share of profit and loss for the year	6	1
<b>Closing Balance</b>	<b>5</b>	<b>(1)</b>
<b>BSE EBIX Insurance Broking Private Limited</b>		
<b>Opening Balance</b>	180	203
Share of profit and loss for the year	(40)	(23)
<b>Closing Balance</b>	<b>140</b>	<b>180</b>
<b>Hindustan Power Exchange Limited (Formerly Pranurja Solutions Limited)</b>		
<b>Opening Balance</b>	1,233	1,043
Investment made during the year	-	203
Share of profit and loss for the year	(70)	(13)
<b>Closing Balance</b>	<b>1,163</b>	<b>1,233</b>



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**8. INVESTMENTS IN ASSOCIATES (Contd.)..**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>India International Bullion Holding IFSC Limited</b>		
<b>Opening Balance</b>	-	-
Investment made during the year	2,000	-
Conversion Impact	56	-
Share of profit and loss for the year	(98)	-
<b>Closing Balance</b>	1,958	-
<b>Central Depository Services (India) Limited</b>		
<b>Opening Balance</b>	38,269	35,205
Share of profit and loss for the year	6,224	4,007
Share of other comprehensive income for the year	(29)	(2)
Dividend received during the year	(1,881)	(941)
<b>Closing Balance</b>	42,583	38,269

**Note:** The Group has not made any commitments with respect to its interests in associates at the reporting date.

**9. OTHER INVESTMENTS**

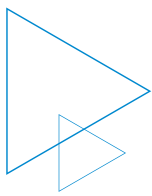
PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non-current Investments</b>		
<b>Un-quoted Investments (all fully paid)</b>		
<b>Investment in Equity Instruments at FVTPL</b>		
- Calcutta Stock Exchange Limited (Equity share of ₹ 1 each)	-	-
- Afrinex Ltd - Mauritius (69563 equity shares of \$ 1/- each fully paid up)	92	60
- Indus Water Institute Private Limited (800 equity shares of ₹ 10/- each fully paid up)	-	-
- BIL Ryerson Futures Private Limited (1500 equity shares of ₹ 10/- each fully paid up)	-	-
- Open Network for Digital Commerce (750000 equity shares of ₹ 100/- each fully paid up)	750	-
<b>Total investment in equity instruments at FVTPL</b>	842	60
<b>Quoted Investments</b>		
<b>Investments in Bonds, Debentures and G Sec measured at amortised cost</b>		
<b>Owned</b>		
- Bonds	4,058	2,025
- Non-Convertible Debentures	1,501	1,502
<b>Earmarked</b>		
- G Sec	7,452	11,383
	13,011	14,910



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Investments in Mutual Funds measured at FVTPL</b>		
<b>Owned</b>		
- Units of Growth Oriented Debt Schemes of Mutual Funds	-	22,540
	-	22,540
Less : Provision for diminution	-	-
<b>Total Non-current Investments</b>	<b>13,853</b>	<b>37,510</b>
Aggregate amount of quoted investments	13,011	37,450
Aggregate market value of quoted investments	13,293	38,312
Aggregate amount of unquoted investments	842	60
Aggregate market value of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-
<b>Current Investments</b>		
<b>Quoted Investments</b>		
<b>Investments in Bonds, Debentures and G Sec measured at amortised cost</b>		
<b>Earmarked</b>		
- G Sec	3,969	-
	3,969	-
<b>Investments in Mutual Funds measured at FVTPL</b>		
<b>Owned Fund</b>		
- Units of dividend oriented debt schemes of mutual funds	2,345	2,514
- Units of growth oriented debt schemes of mutual funds	1,12,453	92,324
- Investment in exchange traded funds through asset management company	4,655	1,047
	1,19,453	95,885
<b>Earmarked Fund</b>		
- Units of dividend oriented debt schemes of mutual funds	-	484
- Units of growth oriented debt schemes of mutual funds	10,029	7,847
	10,029	8,331
<b>Current Investments</b>	<b>1,33,451</b>	<b>1,04,216</b>
<b>Quoted Investments</b>		
<b>Investments in Debentures measured at amortised cost</b>		
<b>Owned Fund</b>		
- Non-Convertible Debentures	1,700	1,700
<b>Current Portion of Long Term Investments</b>	<b>1,700</b>	<b>1,700</b>
<b>Accrued interest</b>	695	467
Less : Provision for diminution	1,700	1,700
<b>Total Current Investments</b>	<b>1,34,146</b>	<b>1,04,683</b>
Aggregate amount of quoted investments	1,35,846	1,06,383
Aggregate market value of quoted investments	1,34,246	1,04,683
Aggregate amount of unquoted investments	-	-
Aggregate market value of unquoted investments	-	-
Aggregate amount of impairment in value of investments	1,700	1,700



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

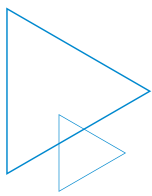
Sr. No.	COMPANY NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Quantity	Amount	Quantity	Amount
<b>Non-Current Investments</b>					
<b>Own Funds</b>					
<b>Trade Investment</b>					
<b>Investments in Equity Instruments</b>					
1	Calcutta Stock Exchange Limited of ₹ 1/- each	30,875	-	30,875	-
2	Afrinex Ltd- Mauritius of \$ 1/-	69,563	92	69,563	60
3	Indus Water Institute Private Limited of ₹ 10/- each fully paid up	800	-	-	-
4	BIL Ryerson Futures Private Limited ₹ 10/- each fully paid up	1,500	-	1,500	-
5	Open Network for Digital Commerce of ₹ 100/- each fully paid up	7,50,000	750	-	-
<b>Total</b>			<b>842</b>		<b>60</b>

Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
<b>Investments in Bonds, Debentures and G Sec (Quoted)</b>					
<b>(a) Own Funds</b>					
<b>Bonds</b>					
1	8.14%-Housing And Urban Development Corporation Limited - 25-Oct-2023 - Tax Free	2,500	26	2,500	25
2	8.41%-India Infrastructure Finance Company Limited - 22-Jan-2024 - Tax Free	1,00,000	1,000	1,00,000	1,000
3	7.74% State Bank of India - 09-Sep-2025	150	1,501	150	1,502
4	8.23%-Indian Railway Finance Corporation Limited - 18-Feb-2024 - Tax Free	1,00,000	1,000	1,00,000	1,000
5	7.15% Karnataka SDL - 09-Oct-2028	10,00,000	1,031	-	-
6	7.95% Bank of Baroda - 26-Nov-2026	10	1,001	-	-
<b>Total</b>			<b>5,559</b>		<b>3,527</b>
<b>(b) Earmarked Funds</b>					
<b>Government Securities</b>					
1	6.84% Govt Sec 19-Dec-2022	-	-	20,00,000	1,967
2	7.37% Govt Sec 16-Apr-2023	15,00,000	1,501	15,00,000	1,501
3	7.17% Govt Sec 08-Jan-2028	15,00,000	1,501	15,00,000	1,502
4	7.32% Govt Sec 28-Jan-2024	10,00,000	1,016	10,00,000	1,025
5	6.84% Govt Sec 19-Dec-2022	-	-	20,00,000	1,963
6	7.17% Govt Sec 08-Jan-2028	35,00,000	3,434	35,00,000	3,425
<b>Total</b>			<b>7,452</b>		<b>11,383</b>

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
<b>Investments in Mutual Funds measured at FVTPL</b>					
<b>(a) Own Funds</b>					
<b>Units of Growth Oriented Debt Schemes of Mutual Funds (Quoted)</b>					
1	Aditya Birla Sun Life Fixed Term Plan Series PU 1463 Days Direct - Growth	-	-	1,00,00,000	1,307
2	Aditya Birla Sun Life Fixed Term Plan Series PV 1462 Days Direct - Growth	-	-	1,00,00,000	1,309
3	Aditya Birla Sun Life Fixed Term Plan - Series RC 1295 days Direct - Growth	-	-	2,00,00,000	2,512
4	Aditya Birla Sun Life Fixed Term Plan - Series RL 1254 days Direct - Growth	-	-	40,00,000	498
5	HDFC Fixed Maturity Plan 1274D October 2018 Direct - Growth	-	-	1,00,00,000	1,268
6	ICICI Prudential Fixed Maturity Plan - Series 84 1286 Days - Plan F - Direct - Growth	-	-	50,00,000	635
7	ICICI Prudential Fixed Maturity Plan - Series 84 1275 Days - Plan K - Direct - Growth	-	-	1,00,00,000	1,267
8	Invesco India Fixed Maturity Plan Series 31-Plan D-1468D-Direct - Growth	-	-	1,00,00,000	1,307
9	Kotak Fixed Maturity Plan Series 226 - 1470D - Direct - Growth	-	-	1,00,00,000	1,308
10	Kotak Fixed Maturity Plan Series 248 - 1300 Days Direct - Growth	-	-	1,00,00,000	1,276
11	Kotak Fixed Maturity Plan Series 250 - 1314 Days Direct - Growth	-	-	1,00,00,000	1,269
12	Nippon IndiaFixed Horizon Fund XXXVIII Series 6 - 1119D - Direct - Growth	-	-	1,00,00,000	1,251
13	Nippon IndiaFixed Horizon Fund XXXIX Series 4 - 1323 Days - Direct - Growth	-	-	1,00,00,000	1,292
14	Nippon IndiaFixed Horizon Fund XXXIX Series 6 - 1316 Days - Direct - Growth	-	-	1,00,00,000	1,287
15	Nippon IndiaFixed Horizon Fund XXXIX Series 9 - 1296 Days - Direct - Growth	-	-	1,00,00,000	1,275
16	Nippon IndiaFixed Horizon Fund XXXIX Series 14 - 1275 Days - Direct - Growth	-	-	1,20,00,000	1,517
17	UTI Fixed Term Income Fund Series XXX - VIII (1286 days) Direct - Growth	-	-	50,00,000	637
18	UTI Fixed Term Income Fund Series XXX - X (1267 days) Direct - Growth	-	-	50,00,000	632
19	ICICI Prudential - Fixed Maturity Plan - Series 82 - 1185 Days - Plan M	-	-	25,00,000	316
20	Aditya Birla Sun Life - Fixed Term Plan - 1190 Days - Series PB - Direct - Growth Plan	-	-	20,00,000	253
21	ICICI Prudential - Fixed Maturity Plan - Series 84 - 1101 Days Plan A	-	-	10,00,000	124
<b>Total</b>			-	-	22,540



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

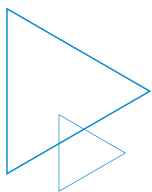
Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
<b>Current Investments</b>					
<b>Investments in Bonds, Debentures and G Sec (Quoted)</b>					
<b>(a) Earmarked Funds</b>					
<b>Government Securities</b>					
1	6.84% Govt Sec 19-Dec-2022	20,00,000	1,985	-	-
2	6.84% Govt Sec 19-Dec-2022	20,00,000	1,984	-	-
	<b>Total</b>		<b>3,969</b>		<b>-</b>
<b>Investments in Mutual Funds measured at FVTPL</b>					
<b>(a) Own Funds</b>					
<b>Units Of Dividend Oriented Debt Schemes Of Mutual Funds (Quoted)</b>					
1	HDFC Liquid Fund Direct Plan	-	-	91,361	932
2	SBI Liquid Fund - Direct - Daily Dividend Reinvestment	2,18,021	2,345	1,52,098	1,582
	<b>Total</b>		<b>2,345</b>		<b>2,514</b>
<b>(a) Own Funds</b>					
<b>Units Of Growth Oriented Debt Schemes Of Mutual Funds (Quoted)</b>					
1	Gmtg Idfc Bond Fund Medium Term Plan-Growth	10,58,579	411	10,78,579	394
2	Hdfc Credit Risk Debt Fund-Growth	9,22,944	180	9,22,944	168
3	IDFC Corporate Bond Fund - Direct - Growth Plan	46,98,504	754	46,98,504	717
4	Edelweiss Liquid Fund Direct - Growth	10,491	288	-	-
5	HSBC Fixed Term Series 130 (HFTS 130)	-	-	25,00,000	313
6	Kotak FMP Series 213 - Direct - Growth	-	-	25,00,000	316
7	Baroda Liquid Fund - Direct - Growth	-	-	499	12
8	Mirae Asset Cash Management Fund - Direct - Daily Dividend Reinvestment	2,520	69	15,499	339
9	Aditya Birla Sun Life - Fixed Term Plan - 1100 Days - Series RI - Direct - Growth Plan	-	-	15,00,000	183
10	ICICI Prudential Equity Arbitrage Fund - Direct Plan	7,78,292	228	7,78,292	218
11	L&T Triple Ace Bond Fund - Direct - Growth	3,96,959	250	3,96,959	237
12	HDFC Corporate Bond Fund - Direct - Growth	2,65,90,047	7,041	2,67,71,755	6,742
13	IDFC Corporate Bond Fund - Direct - Growth Plan	3,39,39,089	5,444	6,07,20,257	9,271
14	L&T Triple Ace Bond Fund - Direct - Growth Plan	1,22,55,566	7,704	1,23,86,929	7,387
15	Nippon IndiaNivesh Lakshya Fund - Direct - Growth Plan	7,16,88,726	10,223	7,16,88,726	9,966
16	Sundaram Corporate Bond Fund - Direct - Growth Plan	38,89,628	1,302	38,89,628	1,246



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
17	Invesco India Corporate Bond Fund - Direct - Growth Plan	1,27,837	3,496	70,730	1,850
18	HDFC Liquid Fund - Direct - Growth Plan	40,084	1,677	1,17,104	4,737
19	ICICI Prudential Liquid Fund - Growth	20,064	63	20,064	61
20	Sundaram Money Fund - Direct Plan - Growth	-	-	94,49,246	4,101
21	Edelweiss Liquid Fund - Direct -Growth	-	-	1,13,059	3,000
22	Tata Liquid Fund - Direct - Growth	1,45,679	4,896	1,07,776	3,500
23	Axis Corporate Debt Fund - Direct - Growth	2,23,50,205	3,187	2,23,50,205	3,032
24	IDFC Banking & PSU Debt Fund - Direct - Growth	1,09,72,612	2,238	1,09,72,612	2,144
25	Invesco India Treasury Advantage Fund - Direct - Growth	-	-	17,060	521
26	Kotak Bond Fund - Direct - Growth	24,70,598	1,685	24,70,598	1,600
27	Kotak Corporate Bond Fund - Direct - Growth	50,255	1,574	50,255	1,500
28	L&T Ultra Short Term Fund-Direct Plan - Growth	-	-	59,50,681	2,088
29	LIC MF Bond Fund- Direct -Growth	-	-	8,53,219	507
30	UTI Corporate Bond Fund - Direct - Growth	1,20,55,240	1,616	1,20,55,240	1,544
31	Edelweiss Arbitrage Fund - Direct - Growth Plan	31,02,737	512	36,54,677	576
32	IDFC Arbitrage Fund - Direct - Growth Plan	-	-	21,66,444	580
33	L&T Arbitrage Opportunities Fund - Direct - Growth Plan	-	-	37,31,343	581
34	Tata Arbitrage Fund - Direct - Growth	2,61,53,880	3,135	2,61,53,880	3,000
35	Aditya Birla SL FTP Series PR 1134 Days - Direct - Growth	-	-	1,50,00,000	1,879
36	Canara Robeco Fixed Maturity Plan Series-8(1103 Days) -Direct - Growth	-	-	30,00,000	373
37	DSP BlackRock Fixed Maturity Plan Series 232 - 36M - Direct - Growth	-	-	1,00,00,000	1,257
38	Franklin India - Fixed Maturity Plan - Series 2 - Plan A - 1224D - Direct - Growth Plan	-	-	1,00,00,000	1,262
39	HDFC Fixed Maturity Plan 1115D Sep 2018 Plan - Direct - Growth	-	-	1,00,00,000	1,251
40	ICICI Prudential - Fixed Maturity Plan - Series 82 Plan A - 1236 Days - Direct - Growth Plan	-	-	1,00,00,000	1,264
41	IDFC Fixed Term Plan Series 156 - 1103D - Direct - Growth	-	-	50,00,000	627
42	Invesco India Fixed Maturity Plan Sr. 32 Plan E ( 1099 Days)- Direct - Growth	-	-	1,00,00,000	1,257
43	Kotak - Fixed Maturity Plan - Series 212 -1260D - Direct - Growth	-	-	50,00,000	632
44	Kotak - Fixed Maturity Plan - Series 213 -1230D - Direct - Growth	-	-	50,00,000	633



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

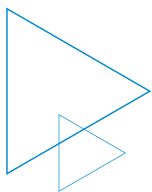
**9. OTHER INVESTMENTS (Contd.)..**

Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
45	Kotak Fixed Maturity Plan Series 245 - 1140 D - Direct - Growth	-	-	1,00,00,000	1,243
46	L&T Fixed Maturity Plan Series XVIII 1104 Days - Direct - Growth	-	-	50,00,000	619
47	Nippon India- Fixed Horizon Fund - XXXV Series 11 - 1242 Days - Direct - Growth Plan	-	-	50,00,000	634
48	Nippon India- Fixed Horizon Fund - XXXV Series 6 -1263 Days - Direct - Growth Plan	-	-	1,00,00,000	1,268
49	Nippon India- Fixed Horizon Fund - XXXVI Series 9 - 1139 Days - Direct - Growth Plan	-	-	1,00,00,000	1,250
50	Nippon India Fixed Horizon Fund XXXVII-Series 5-Direct - Growth(1105 D)	-	-	1,00,00,000	1,252
51	Nippon India Fixed Horizon Fund XXXVII Series 6 - 1417D - Direct - Growth	1,00,00,000	1,368	1,00,00,000	1,312
52	Sundaram Fixed Term Plan - IK - 1098 days - Direct - Growth	-	-	50,00,000	626
53	UTI Fixed Term Income Fund - XXX-V - 1135D - Direct - Growth	-	-	1,00,00,000	1,254
54	Aditya Birla Sunlife Corporate Bond Fund - Direct -Growth	51,70,753	4,716	-	-
55	DSP Corporate Bond Fund - Direct - Growth	76,16,886	1,014	-	-
56	HDFC Balanced Advantage Fund - Direct - Growth	1,72,968	523	-	-
57	ICICI Balanced Advantage Fund - Direct - Growth	9,38,920	509	-	-
58	Invesco India Medium Duration Fund - Direct - Growth	99,995	1,031	-	-
59	Invesco India Short Term Fund - Direct - Growth	82,394	2,608	-	-
60	Kotak Floating Rate Fund - Direct - Growth	1,68,693	2,070	-	-
61	Kotak Balanced Advantage Fund - Direct - Growth	33,44,091	503	-	-
62	Nippon India Balanced Advantage Fund - Direct - Growth	3,82,100	501	-	-
63	Nippon India Corporate Bond Fund -Direct - Growth	1,06,46,034	5,273	-	-
64	Axis Liquid Fund - Direct - Growth	53,526	1,265	-	-
65	Baroda BNP Paribas Liquid Fund - Plan B - Direct - Growth	1,57,021	3,852	-	-
66	HSBC Cash Fund - Direct - Growth	44,027	933	-	-
67	ICICI Prudential Liquid Fund - Direct - Growth	1,07,462	339	-	-
68	Mirae Asset Cash Management Fund - Direct - Growth	28,551	642	-	-
69	Nippon India Liquid Fund - Direct - Growth	17,339	903	-	-
70	Tata Floating Rate Fund - Direct - Growth	99,99,500	1,029	-	-
71	Invesco India Arbitrage Fund - Direct - Growth	18,42,601	501	-	-
72	Kotak Equity Arbitrage Fund -Direct - Growth	16,13,848	511	-	-

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
73	Aditya Birla Sun Life Fixed Term Plan Series PU 1463 Days Direct - Growth	1,00,00,000	1,365	-	-
74	Aditya Birla Sun Life Fixed Term Plan Series PV 1462 Days - Direct - Growth	1,00,00,000	1,366	-	-
75	Aditya Birla Sun Life Fixed Term Plan - Series RC (1295 days) - Direct - Growth	2,00,00,000	2,612	-	-
76	Aditya Birla Sun Life Fixed Term Plan - Series RL (1254 days) - Direct - Growth	40,00,000	518	-	-
77	HDFC Fixed Maturity Plan 1274D October 2018 - Direct - Growth	1,00,00,000	1,321	-	-
78	ICICI Prudential Fixed Maturity Plan - Series 84 1286 Days - Plan F - Direct - Growth	50,00,000	661	-	-
79	ICICI Prudential Fixed Maturity Plan - Series 84 1275 Days - Plan K - Direct - Growth	1,00,00,000	1,320	-	-
80	Invesco India Fixed Maturity Plan Series 31-Plan D-1468D - Direct - Growth	1,00,00,000	1,367	-	-
81	Kotak Fixed Maturity Plan Series 226 - 1470D - Direct - Growth	1,00,00,000	1,367	-	-
82	Kotak Fixed Maturity Plan Series 248 - 1300 Days - Direct - Growth	1,00,00,000	1,334	-	-
83	Kotak Fixed Maturity Plan Series 250 - 1314 Days - Direct - Growth	1,00,00,000	1,326	-	-
84	Nippon IndiaFixed Horizon Fund XXXIX Series 4 - 1323 Days - Direct - Growth	1,00,00,000	1,349	-	-
85	Nippon IndiaFixed Horizon Fund XXXIX Series 6 - 1316 Days - Direct - Growth	1,00,00,000	1,342	-	-
86	Nippon IndiaFixed Horizon Fund XXXIX Series 9 - 1296 Days - Direct - Growth	1,00,00,000	1,329	-	-
87	Nippon IndiaFixed Horizon Fund XXXIX Series 14 - 1275 Days - Direct - Growth	1,20,00,000	1,579	-	-
88	UTI Fixed Term Income Fund Series XXX - VIII (1286 days) - Direct - Growth	50,00,000	665	-	-
89	UTI Fixed Term Income Fund Series XXX - X (1267 days) - Direct - Growth	50,00,000	660	-	-
90	Aditya Birla Sun Life Corporate Bond Fund - Direct - Growth	2,55,874	233	-	-
91	Nippon India Floating Rate Fund -Direct Plan - Growth	5,48,639	207	-	-
92	SBI Banking & PSU Fund - Direct - Growth	7,715	206	-	-
93	SBI Short Term Debt Fund	7,57,590	206	-	-
94	HDFC Liquid - Direct - Growth Option	5,264	220	-	-



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
95	Nippon India Corporate Bond Fund - Direct - Growth	3,08,248	153	-	-
96	Nippon India Liquid Fund - Direct Plan - Growth Plan - Growth Option	1,242	65	-	-
97	Baroda BNP Paribas Liquid Fund - Plan B - Growth	2,950	72	-	-
98	ICICI Prudential Corporate Bond Fund	8,40,068	207	-	-
99	Kotak Floating Rate Fund - Growth	49,628	609	-	-
100	Aditya Birla Sun Life Corporate Bond Fund - Growth	4,16,883	380	-	-
101	Axis Corporate Debt Fund - Growth	17,74,907	253	-	-
102	ICICI Prudential Liquid Fund - Direct - Growth	30,828	97	-	-
	<b>Total</b>		<b>112,453</b>		<b>92,324</b>
<b>(a) Own Funds</b>					
<b>Investment in Exchange Traded Funds (Quoted)</b>					
1	ICICI Prudential Sensex Iwin - Exchange Traded Fund	1,08,259	689	1,08,259	578
2	HDFC Sensex - Exchange Traded Fund	1,15,500	119	60,000	320
3	ICICI Prudential Midcap Select- Exchange Traded Fund	1,40,000	67	1,15,500	99
4	ICICI Prudential MF-BHARAT 22 - Exchange Traded Fund	6,00,000	3,780	1,40,000	50
	<b>Total</b>		<b>4,655</b>		<b>1,047</b>
<b>(b) Earmarked Funds</b>					
<b>Units Of Dividend Oriented Debt Schemes Of Mutual Funds (Quoted)</b>					
1	Mirae Asset Cash Management Fund Direct - Daily Dividend Reinvestment	-	-	22,396	484
	<b>Total</b>		<b>-</b>		<b>484</b>
<b>Units Of Growth Oriented Debt Schemes Of Mutual Funds (Quoted)</b>					
1	Mirae Asset Cash Management Fund - Direct - Growth - Investor Services Fund	36,433	819	3,51,582	7,634
2	Mirae Asset Cash Management Fund - Direct -Growth - (Commodity)	165	4	590	13
3	Mirae Asset Cash Management Fund Direct - Growth - (SEBI Regulatory Fees)	37	1	35	1
4	Axis Liquid Fund - Direct -Growth - Investor Services Fund	59,392	1,403	-	-
5	ICICI Prudential Liquid Fund - Direct -Growth - Investor Services Fund	3,18,134	1,003	-	-
6	Baroda Liquid Fund - Direct - Growth	-	-	8,413	199
7	Mirae Asset Cash Management Fund - Direct Plan - Growth	22,084	484	-	-
8	Edelweiss Liquid Fund - Direct - Growth	2,29,827	6,315	-	-
	<b>Total</b>		<b>10,029</b>		<b>7,847</b>



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
<b>Investments in Debentures (Quoted)</b>					
<b>Own Funds</b>					
<b>Non Convertible Debentures</b>					
1	8.90%-IL&FS Financial Services Limited-21-Mar-2019	20,000	200	20,000	200
2	9.95%-Infrastructure Leasing & Financial Services Limited-04-Feb-2019	1,00,000	1,000	1,00,000	1,000
3	8.75%-Infrastructure Leasing & Financial Services Limited-29-Jul-2020	50,000	500	50,000	500
<b>Total</b>			<b>1,700</b>		<b>1,700</b>

**10. TRADE RECEIVABLES**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
<b>Trade Receivables</b>		
- Secured, considered good	4,001	3,643
- Unsecured, considered good	2,762	5,823
- Significant increase in credit risk		
- Credit impaired	4,381	4,434
- Loss allowances (Refer Note 10.5 Below)	(4,805)	(5,168)
<b>Total</b>	<b>6,339</b>	<b>8,732</b>

10.1. Trade receivables are dues in respect of services rendered in the normal course of business.

10.2. The normal credit period allowed by the Group ranges from 0 to 60 days.

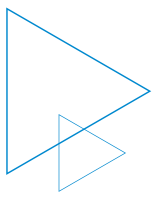
10.3. There are no dues from directors or other officers of the Parent Company or any of them either severally or jointly with any other person or debts due from firms or private companies respectively in which any director is a partner or a director or a member.

**10.4. Receivable from related parties (Refer Note :35)**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Receivable from associates/trust	87	102

**10.5. Movement in expected credit loss allowance**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	5,168	3,453
Impairment loss allowance on trade receivable	(363)	1,715
Balance at the end of the year	<b>4,805</b>	<b>5,168</b>



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**10. TRADE RECEIVABLES (Contd.)..**

**10.6. Trade receivable ageing schedule**

PARTICULARS	Not Due	Unbilled	Outstanding for following period from due date of payments					Total	ECL	Net Balance
			Less than 6 months	6 Months – 1 Year	1-2 years	2-3 years	More than 3 years			
<b>As on March 31, 2022</b>										
<b>Undisputed</b>										
- Considered Good	946	4,538	920	262	34	7	-	6,707	398	6,309
- which have significant increase in credit risk	-	-	-	-	6	-	-	6	-	6
- credit impaired	-	-	111	675	933	644	233	2,596	2,596	-
<b>Disputed</b>										
- Considered Good	-	-	32	18	-	-	-	50	26	24
- which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-
- credit impaired	-	-	-	279	293	861	352	1,785	1,785	-
<b>Total</b>	<b>946</b>	<b>4,538</b>	<b>1,063</b>	<b>1,234</b>	<b>1,266</b>	<b>1,512</b>	<b>585</b>	<b>11,144</b>	<b>4,805</b>	<b>6,339</b>
<b>As on March 31, 2021</b>										
<b>Undisputed</b>										
- Considered Good	786	4,227	2,994	1,304	27	14	10	9,362	690	8,672
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	1,243	484	379	327	2,433	2,433	-
<b>Disputed</b>										
- Considered Good	-	-	56	46	1	1	-	104	44	60
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	366	731	485	419	2,001	2,001	-
<b>Total</b>	<b>786</b>	<b>4,227</b>	<b>3,050</b>	<b>2,959</b>	<b>1,243</b>	<b>879</b>	<b>756</b>	<b>13,900</b>	<b>5,168</b>	<b>8,732</b>

**11. OTHER FINANCIAL ASSETS**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
<b>(Unsecured, considered good, unless otherwise stated)</b>		
a Security deposits;		
- Deposit with public bodies and others	277	307
b Loans, advances and others receivables		
- Loan to staff	44	63
c Bank deposits with more than 12 months maturity		
<b>Owned fund</b>		
- In deposit accounts	4,598	11,409
<b>Earmarked - Others</b>		
- In deposit accounts	9,294	4,812
<b>Earmarked - SGF</b>		
- In deposit accounts	3,954	7,437

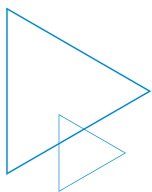
**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**11. OTHER FINANCIAL ASSETS (Contd.)..**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
d Accrued interest		
<b>Owned</b>		
- On deposits	45	256
<b>Earmarked - Others</b>		
- On deposits	250	232
<b>Earmarked - SGF</b>		
- On deposits	3	9
<b>(Unsecured and considered doubtful)</b>		
Receivable from Punjab & Sindh bank	316	316
Less: Impairment loss on receivable from Punjab & Sindh bank	(316)	(316)
<b>Total</b>	<b>18,465</b>	<b>24,525</b>
<b>Current</b>		
<b>(Unsecured, considered good, unless otherwise stated)</b>		
a Loan		
- Loan to staff	26	12
b Others		
- Expenses recoverable from subsidiaries	3	47
- Receivable from mutual funds	-	5,116
- Receivable from portfolio management account	-	2
- Deposit with public bodies and others	38	975
- Receivable towards incentive scheme	8	29
c Deposits with financial institution	18	265
<b>(Unsecured and considered doubtful)</b>		
a Deposit made under protest for property tax and claim pending with court	794	785
Less: Provision for doubtful advances	(785)	(785)
b Settlement obligation receivable	1,108	25
<b>Total</b>	<b>1,210</b>	<b>6,471</b>

**12. CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Balance with Banks</b>		
<b>Owned fund</b>		
- In Current accounts	2,582	3,441
- In Deposit accounts original maturity less than 90 days	5,358	11,065
<b>Earmarked - Others</b>		
- In Current accounts	15,146	16,540
- In Deposit accounts original maturity less than 90 days	65,438	10,480
<b>Earmarked - SGF</b>		
- In Current accounts	170	86



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**12. CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES (Contd.)..**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Earmarked - IPF</b>		
- In Current accounts	-	3
<b>Total</b>	<b>88,694</b>	<b>41,615</b>
<b>Bank balance other than above</b>		
<b>Balance with banks</b>		
<b>Owned fund</b>		
- In Deposit accounts	61,846	23,452
<b>Earmarked - Others</b>		
- In Current accounts (unpaid dividend) (refer note 12.1)	1,665	1,647
- In Current accounts (refer note 12.1)	657	1,599
- In Deposit accounts	1,20,565	62,321
<b>Earmarked - SGF</b>		
- In Deposit accounts	71,165	57,977
<b>Earmarked - IPF</b>		
- In Deposit accounts	22	-
<b>Accrued interest</b>		
<b>Owned</b>		
- On deposits	2,470	1,243
<b>Earmarked - Others</b>		
- On deposits	2,651	1,751
<b>Earmarked - SGF</b>		
- On deposits	1,431	1,082
<b>Total</b>	<b>2,62,472</b>	<b>1,51,072</b>

**Note:**

**12.1.** 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 of the Group.

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**13. OTHER ASSETS**

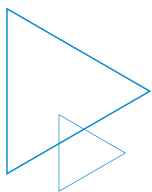
PARTICULARS	As at	
	March 31, 2022	March 31, 2021
<b>Non Current</b>		
Gratuity asset (net) (refer note 42)	-	2
Prepaid expenses	3	3
Others - Core SGF	435	174
<b>Total</b>	<b>438</b>	<b>179</b>
<b>Current</b>		
Gratuity asset (net) (refer note 42)	310	283
Prepaid expenses	1,136	790
Advances recoverable in cash or in kind or for value to be received	23	15
Advance to creditors	319	197
Input credit receivable	705	1,229
<b>Total</b>	<b>2,493</b>	<b>2,514</b>

**14. EQUITY SHARE CAPITAL**

PARTICULARS	As at		As at	
	March 31, 2022		March 31, 2021	
	Amount	Nos	Amount	Nos
<b>Authorised share capital:</b>				
Equity shares of ₹ 2/- each	30,000	1,50,00,00,000	30,000	1,50,00,00,000
<b>Issued share capital:</b>				
Equity shares of ₹ 2/- each	2,748	13,74,12,891	916	4,58,04,297
<b>Subscribed and paid-up share capital</b>				
Equity shares of ₹ 2/- each fully paid-up.				
Outstanding share capital	2,705	13,52,67,891	900	4,50,24,297
<b>Total</b>	<b>2,705</b>	<b>13,52,67,891</b>	<b>900</b>	<b>4,50,24,297</b>

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

PARTICULARS	As at	
	March 31, 2022	March 31, 2021
No. of shares at the beginning of the year	4,50,24,297	4,50,24,297
Additions during the year	65,000	-
Issue of bonus Shares	9,01,78,594	-
No. of shares at the end of the year	<b>13,52,67,891</b>	<b>4,50,24,297</b>



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**14. EQUITY SHARE CAPITAL (Contd.)..**

**Aggregate number of equity shares allotted as fully paid up by way of bonus shares.**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
2008-09	4,72,46,664	4,72,46,664
2009-10 (*)	4,20,000	4,20,000
2010-11 (*)	60,000	60,000
2011-12 (*)	60,000	60,000
2012-13 (*)	60,000	60,000
2013-14 (*)	60,000	60,000
2014-15 (*)	60,000	60,000
2016-17 (*)	1,20,000	1,20,000
2021-22 (*)	60,000	-
2021-22	9,01,78,594	-
<b>Total</b>	<b>13,83,25,258</b>	4,80,86,664

(\*) Represent allotment of shares held in abeyance including bonus entitlements on such shares

- (a) The Exchange has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share.
- (b) Pursuant to the BSE (Corporatisation & Demutualisation) Scheme, 2005, (the Scheme) the Exchange had allotted 5,000 equity shares of ₹ 2/- each to each of those card based Members of the erstwhile Bombay Stock Exchange Limited whose names appeared on the Register of Members under Rule 64 in accordance with Rules, Bye-laws and Regulations, on the Record Date fixed for the purpose.
- (c) Out of the total 4,77,75,000 equity shares of ₹ 2/- (including 4,41,00,000 bonus shares of ₹ 2/- each) issuable to the card based Members, the Exchange has allotted 4,70,60,000 equity shares (4,69,95,000 equity shares as on March 31, 2021) upon implementation of the BSE (Corporatisation and Demutualisation) Scheme, 2005 ("The Scheme"). During the year 65,000 shares were released from shares kept in abeyance towards one share holder and accordingly added to paidup equity share capital. The remaining allotment of 7,15,000 equity shares (7,80,000 equity shares as on March 31, 2021) of ₹ 2/- each have been kept in abeyance for specific reasons pursuant to the provisions of the Scheme. However, all corporate benefits as declared from time to time, including dividend and bonus are accrued to all the 4,77,75,000 equity shares, as per the provisions of the Scheme.
- (d) Pursuant to the approval of the Shareholders through Postal ballot as on March 14, 2022, the holding company had allotted 9,16,08,594 (Including 14,30,000 abeyance Shares) Bonus Equity Shares of ₹ 2/- each in ratio of 2 (Two) Equity Share for 1 (one) Equity Share held to the Equity Shareholder(s) whose names appeared in the Register of Members on March 22, 2022 i.e. the "Record Date". Consequently, the subscribed and paid up Equity Share Capital as on March 31, 2022 was ₹ 2,705 Lakh divided into 13,52,67,891 Equity Shares of ₹ 2/- each.  
Total number of shares kept in abeyance are 21,45,000 as on March 31,2022.  
Accordingly, as per the IND AS 33 - Earning per share, the calculation of basic and diluted earnings per share for all periods presented have been adjusted and restated.
- (e) As a part of the Demutualisation process, the Exchange in order to fulfill its obligations under the Scheme and the Securities Contracts (Regulation) (Manner of Increasing and Maintaining Public Shareholding in Recognised Stock Exchanges) Regulations, 2006 (the SEBI Regulations) dated November 13, 2006, and further amendments thereto on December 23, 2008, had issued shares to Deutsche Boerse AG (DBAG) and Singapore Exchange Limited (SGX).
- (f)
  - i) The holders of equity shares are entitled to dividends, if any, proposed by the board of directors and approved by the shareholder at the Annual General Meeting.
  - ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**14. EQUITY SHARE CAPITAL (Contd.)..**

(g) Details of shareholder holding more than 5 % of the Share Capital of the Company is as below:

NAME OF THE SHAREHOLDERS	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Percentage holding	No. of shares	Percentage holding
LIC Corporation of India Limited	75,76,500	5.60%	25,25,500	5.61%

**15. OTHER EQUITY EXCLUDING NON-CONTROLLING INTERESTS**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
General reserve	43,883	45,512
Capital reserve	66,179	66,179
Capital reserve on business combination	10,530	10,530
Retained earnings	1,40,650	1,24,894
Foreign currency translation reserve	1,497	1,028
Share application money pending allotment	-	1
Capital redemption reserve	-	176
Liquidity enhancement scheme (LES) reserve	8	22
<b>Total</b>	<b>2,62,747</b>	<b>2,48,342</b>

Refer "Statement of Changes in Equity" for additions / deletions in each reserve.

**15.1 : General reserve**

The general reserve created from time to time transfer profits from retained earnings for appropriation purposes. As the General reserve created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified to the Statement of Profit and Loss.

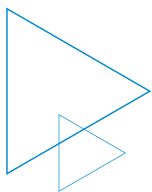
During the year ₹ 1,629 is utilised towards issue of bonus shares.

**15.2 : Capital reserve**

Pursuant to the BSE (Corporatisation & Demutualisation) Scheme, 2005, (the Scheme) the balance in Contribution by Members, Forfeiture of Members Application Money, Technology Reserve, Stock Exchange building, Seth Chunnilal Motilal Library, Charity, Income and Expenditure Account as at August 19, 2005 as appearing in the Exchange are transferred to Capital Reserve being reserves which shall not be used for purposes other than the operations of the Exchange.

**15.3 : Retained earnings**

- The same reflects surplus/deficit after taxes in the Profit or Loss. The amount that can be distributed by the Parent Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.
- The Board of Directors, in its meeting on May 11, 2022, have proposed a final dividend of ₹ 13.50/- per equity share of face value ₹ 2/- per share for the financial year ended March 31, 2022. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting to be held and if approved would result in a cash outflow of approximately ₹ 18,551.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**15. OTHER EQUITY EXCLUDING NON-CONTROLLING INTERESTS (Contd.)..**

**Distribution made and Proposed**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Dividend on equity shares declared and paid:</b>		
Final dividend for the year ended on March 31, 2021: INR 21 per share (March 31, 2020 : INR 17 per share)	9,619	7,787
<b>Total</b>	<b>9,619</b>	7,787
<b>Proposed Dividends on Equity Shares</b>		
Proposed dividend for the year ended on March 31, 2022: INR 13.50 per share (March 31, 2021 : INR 21 per share)	18,551	9,619
<b>Total</b>	<b>18,551</b>	9,619

**15.4 : Foreign currency translation reserve**

Increase in foreign currency translation reserve is due to difference between the translated values of any asset/liability at rate prevailing as on reporting date and historical rate.

**15.5 : Share application money pending allotment**

Share Application money includes ₹ 0.40 received from four members who became shareholders pursuant to the BSE (Corporatisation & Demutualisation) Scheme, 2005.

**15.6 : Capital redemption reserve**

Capital redemption reserve of ₹ 176 as at March 31, 2021 represents the nominal value of the shares bought back in previous years. The same is fully utilised in current year against issue of bonus shares.

**15.7 : Liquidity Enhancement Scheme (LES) Reserve**

Pursuant to SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2017/95 dated August 10, 2017 (INDIA INX Circular no-20171017-1, dated October 17, 2017), India INX had launched Liquidity Enhancement Scheme (LES) to enhance liquidity in INDIA INX's derivatives contracts traded. LES was launched on November 01, 2017 and which was further extended and amended from time to time. An expense of ₹ 1,327 (Previous year: ₹ 1,455) has been incurred towards the Scheme for the year ended March 31, 2022.

Further Pursuant to SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2017/95 dated August 10, 2017, during the year ended March 31, 2022, India INX has created additional LES reserve of ₹ 1,313 and incurred an expense of ₹ 1,326 during the year ended March 31, 2022, accordingly LES reserve balance as on March 31, 2022 is ₹ 8 (as on March 31, 2021: ₹ 22). The LES reserve as on March 31, 2022 will not form part of net worth.

**16. OTHER FINANCIAL LIABILITIES**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Accrued employee benefit expenses (refer note 16.5)	390	834
Lease obligations (refer note 16.1 below)	2	3
Other deposits	104	104
<b>Total</b>	<b>496</b>	941



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**16. OTHER FINANCIAL LIABILITIES (Contd.)..**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
<b>Owned :</b>		
Deposits received from trading members	9,416	9,321
Other deposits received from members	5,013	5,087
Other deposits	1,426	1,449
Margin from clients	-	924
Accrued employee benefit expenses (refer note 16.5)	5,028	3,377
Unpaid dividends (refer note 16.3)	162	143
Payables on purchase of fixed assets	3	-
Other liabilities	-	1
<b>Total (A)</b>	<b>21,048</b>	<b>20,302</b>
<b>Earmarked :</b>		
Deposits from companies - 1% of their public issue (refer note 16.2)	17,333	11,782
Defaulters' liabilities (refer note 16.2)	2,668	2,804
Withheld liabilities (refer note 16.2)	3,150	3,491
Other deposits from companies (refer note 16.2)	582	664
Recovery expense fund (refer note 16.2)	3,066	2,208
Others (refer note 16.4)	5,461	4,620
<b>Total (B)</b>	<b>32,260</b>	<b>25,569</b>
<b>Clearing and Settlement</b>		
Deposit from clearing banks	16,096	13,802
Deposit and margins from members	1,37,137	42,671
Settlement obligation payable	10,453	6,690
Others	18,044	6,755
<b>Total (C)</b>	<b>1,81,730</b>	<b>69,918</b>
<b>Total (A+B+C)</b>	<b>2,35,038</b>	<b>1,15,789</b>

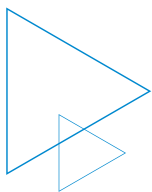
**16.1** Secured by lease asset. Liability is at a fixed rate of interest with original repayment period of 5 years.

**16.2** Bank balance and bank deposits have been earmarked against these liabilities.

**16.3** Current accounts have been earmarked against this liability.

**16.4** Income earned on earmarked funds.

**16.5** Bank deposits of ₹ 733 (₹ 619 as at March 31, 2021) and accrued interest of ₹ 78 (₹ 66 as at March 31, 2021) have been earmarked against these liabilities.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**17. PROVISIONS**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
<b>Employee benefits</b>		
Provision for gratuity (refer note 42)	311	254
<b>Total</b>	<b>311</b>	<b>254</b>
<b>Current</b>		
<b>Employee benefits</b>		
Compensated absences (refer note 42)	2,167	1,948
Provision for gratuity (refer note 42)	15	16
<b>Total</b>	<b>2,182</b>	<b>1,964</b>

**18. DEFERRED TAX ASSET AND LIABILITIES**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax assets (net)</b>		
Deferred tax assets	13,790	16,810
Deferred tax liabilities	1,806	2,274
<b>Deferred tax assets (net)</b>	<b>11,984</b>	<b>14,536</b>

**Details of Deferred tax assets and liabilities are given below:**

PARTICULARS	Closing balance as at March 31, 2020	Recognised in Profit or loss (continuing operation)	Recognised in other comprehensive income	Closing balance as at March 31, 2021	Recognised in Profit or loss (continuing operation)	Recognised in other comprehensive income	Closing balance as at March 31, 2022
<b>Deferred tax assets</b>							
MAT Credit entitlement	14,183	837	-	13,346	2,951	-	10,395
Impairment of financial assets	1,905	(579)	-	2,484	157	-	2,327
Expenses allowed on payment basis	373	(264)	155	482	(65)	51	496
Voluntary Retirement Scheme	18	7	-	11	7	-	4
Property, Plant and Equipment, Intangible assets and goodwill	402	(85)	-	487	(81)	-	568
<b>Total - A</b>	<b>16,881</b>	<b>(84)</b>	<b>155</b>	<b>16,810</b>	<b>2,969</b>	<b>51</b>	<b>13,790</b>
<b>Deferred tax liabilities</b>							
Others (Mainly on mutual fund fair valuation)	4,118	1,844	-	2,274	468	-	1,806
<b>Total - B</b>	<b>4,118</b>	<b>1,844</b>	<b>-</b>	<b>2,274</b>	<b>468</b>	<b>-</b>	<b>1,806</b>
<b>Net - (A-B)</b>	<b>12,763</b>	<b>(1,928)</b>	<b>155</b>	<b>14,536</b>	<b>2,501</b>	<b>51</b>	<b>11,984</b>

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**18. DEFERRED TAX ASSET AND LIABILITIES (Contd.)..**

**Notes:**

1. Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

PARTICULARS	As at March 31, 2022	As at March 31, 2021
- Tax losses (revenue in nature)	17,299	13,597
- Tax losses (capital in nature)	-	-
<b>Total</b>	<b>17,299</b>	<b>13,597</b>

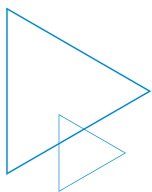
**Note:** The unrecognised tax credits will expire in following years

PARTICULARS	As at March 31, 2022	As at March 31, 2021
2025-26 - Revenue in Nature	1,143	1,143
2026-27 - Revenue in Nature	2,248	2,248
2027-28 - Revenue in Nature	3,407	3,407
2028-29 - Revenue in Nature	3,314	3,314
2029-30 - Revenue in Nature	3,485	3,485
2030-31 - Revenue in Nature	3,702	-

2. The management expects the Company to pay normal tax and benefit associated with MAT credit will flow to the Group within permissible time limit stipulated under Income Tax Act, 1961 to the extent MAT asset recognised.

**19. OTHER LIABILITIES**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non Current</b>		
Income received in advance	31	20
Unamortised portion of capital subsidy	30	23
<b>Total</b>	<b>61</b>	<b>43</b>
<b>Current</b>		
<b>Owned :</b>		
Income received in advance	1,292	605
Advance from customers	2,573	3,170
Statutory remittances	16,912	12,598
Other liabilities (refer note below)	8,309	9,615
Unamortised portion of capital subsidy	27	23
<b>Earmarked :</b>		
Contribution payable to IPF	31	21
<b>Total</b>	<b>29,144</b>	<b>26,032</b>



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**19. OTHER LIABILITIES (Contd.)..**

**Note:** Other liabilities includes :

**a) Investors' Services Fund (ISF):**

<b>PARTICULARS</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Annual listing fees received for the year	<b>16,680</b>	14,449
20% of the above (amount to be contributed annually)*	<b>3,346</b>	2,920
Investment income accrued to ISF	<b>258</b>	267
Expenses incurred on behalf of ISF	<b>4,730</b>	1,748
Cumulative balance as at end of year**	<b>6,150</b>	7,276

As per SEBI directive, from 1996-97, BSE decided to set aside 20% of the annual listing fees received to an Investors' Services Fund.

\*Amount for the year ended March 31, 2022 includes additional contribution of ₹ 40 in respect of Commodity ISF.

\*\*Investments in Mutual Funds have been earmarked against these liabilities.

**b) Other liabilities includes dividend for earlier years in respect of shares held in abeyance**

<b>PARTICULARS</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Cumulative balance as at end of year (refer note 16.3)	<b>1,503</b>	1,504

**20. TRADE PAYABLES**

<b>PARTICULARS</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Current</b>		
Total outstanding due of Micro & Small Enterprises	<b>57</b>	5
Total outstanding due of Creditors other than Micro & Small Enterprises	<b>7,228</b>	9,812
<b>Total</b>	<b>7,285</b>	9,817

**Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

<b>PARTICULARS</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(a) Principal amount and interest thereon remaining unpaid at the end of year.	<b>57</b>	5
(b) the amount of interest paid by the buyer along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) Interest due and payable for delay during the year	-	-
(d) Amount of interest accrued and unpaid as at year end	-	-
(e) The amount of further interest due and payable even in the succeeding year	-	-

**20.1. Payable to related parties (Refer Note : 35)**

<b>PARTICULARS</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Payable to associates	<b>124</b>	261



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**20. TRADE PAYABLES (Contd.)..**

**20.2. Trade payable ageing schedule**

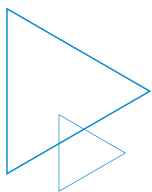
PARTICULARS	Not Due	Unbilled	Outstanding for following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As on March 31, 2022</b>							
<b>Undisputed</b>							
- MSME	8	31	18	-	-	-	57
- Others	1,349	4,104	864	110	84	251	6,762
<b>Disputed</b>							
- MSME	-	-	-	-	-	1	1
- Others	-	465	-	-	-	-	465
<b>Total</b>	<b>1,357</b>	<b>4,600</b>	<b>882</b>	<b>110</b>	<b>84</b>	<b>252</b>	<b>7,285</b>
<b>As on March 31, 2021</b>							
<b>Undisputed</b>							
- MSME	17	26	5	-	-	-	48
- Others	2,726	5,732	434	211	47	247	9,397
<b>Disputed</b>							
- MSME	-	-	-	-	-	-	-
- Others	-	368	-	-	1	3	372
<b>Total</b>	<b>2,743</b>	<b>6,126</b>	<b>439</b>	<b>211</b>	<b>48</b>	<b>250</b>	<b>9,817</b>

**21. INCOME TAX ASSET AND LIABILITIES**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non Current tax assets</b>		
Advance tax (net of provisions)	12,506	9,904
<b>Total</b>	<b>12,506</b>	<b>9,904</b>
<b>Current tax liabilities</b>		
Income tax provision (net of advance tax)	963	944
<b>Total</b>	<b>963</b>	<b>944</b>

**22. INCOME FROM SECURITIES SERVICES**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Transaction charges	25,885	13,888
Other charges	1,582	1,666
Annual subscription and admission fees	756	765
Processing fees	481	385
Treasury income from clearing and settlement funds	5,513	3,012
Clearing and settlement charges	4,525	2,173
Auction charges	154	55
<b>Total</b>	<b>38,896</b>	<b>21,944</b>



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**23. INCOME FROM SERVICES TO CORPORATES**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Listing fees	22,054	18,578
Book building software charges	5,604	3,450
Company reinstatement fees	424	222
Other fees	560	326
<b>Total</b>	<b>28,642</b>	<b>22,576</b>

**24. INVESTMENT INCOME**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>a) Interest income earned on financial assets that are not designated as at fair value through profit or loss</b>		
Bank deposits (at amortised cost)	3,642	2,147
Investments in debt instruments (at amortised cost)	776	755
<b>b) Dividend income</b>		
<b>Dividends from investment in mutual funds (designated at FVTPL)</b>		
Dividend income	11	31
<b>c) Other gains or losses:</b>		
Net gains / (loss) arising on financial assets measured at FVTPL	5,326	9,975
<b>Total</b>	<b>9,755</b>	<b>12,908</b>

**25. OTHER INCOME**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental income	1,807	1,489
Website income	150	89
Net gain on disposal of property, plant and equipment	9	(3)
Net foreign exchange gain / (loss)	(77)	7
Interest on income tax refunds	58	57
Miscellaneous income	271	143
Incentives from government authorities	65	43
Recovery towards Investors service fund of earlier years (refer note 50)	-	595
<b>Total</b>	<b>2,283</b>	<b>2,420</b>

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**26. EMPLOYEE BENEFITS EXPENSE**

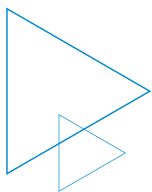
PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, allowances and bonus	15,653	12,865
Contribution to provident and other Funds	665	659
Staff welfare expenses	392	301
Compensated absences	1,018	1,043
<b>Total</b>	<b>17,728</b>	<b>14,868</b>

**27. COMPUTER TECHNOLOGY RELATED EXPENSES**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Computer technology related expenses	8,460	7,982
Technology programmes	1,227	1,497
<b>Total</b>	<b>9,687</b>	<b>9,479</b>

**28. ADMINISTRATION AND OTHER EXPENSES**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Advertising and marketing expenses	350	277
Building repairs and maintenance expenses	790	711
Clearing house expenses	4,244	2,637
Contribution to investors service fund	3,346	2,920
Contribution to investors' protection fund	207	144
Contribution to core settlement guarantee fund	2,905	619
Contribution to SEBI	1,668	1,445
Contribution to corporate social responsibility (refer note below 28.1)	219	288
Data entry charges	303	275
Datafeed expenses	542	665
Directors' sitting fees	52	68
Electricity charges (net of recoveries)	926	914
Insurance	376	343
Impairment loss allowance on trade receivables	11	1,859
Impairment loss on financial assets carried at cost	5	(101)
Legal fees	355	388
Miscellaneous expenses	1,838	1,469
Payment to auditors		
a) Statutory audit fee	79	71
b) Tax audit fee	7	6
c) Other services	3	6
d) Out of pocket	-	-
Professional fees	2,276	2,076



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**28. ADMINISTRATION AND OTHER EXPENSES (Contd.)..**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Postage and telephone expenses	140	130
Printing and stationery	43	23
Property taxes (net of recoveries)	229	224
Operating lease expenses	240	214
Repairs to other assets	160	162
SEBI regulatory fees	288	247
Travelling expenses	484	461
<b>Total</b>	<b>22,086</b>	<b>18,541</b>

**28.1 CSR Expenditure**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
a) The gross amount required to be spent by the Group during the year	219	288
b) Amount of expenditure incurred (in cash)		
(i) Construction/acquisition of any assets	-	-
(ii) On purpose other than (i) above	219	288
c) Shortfall at the end of the year	-	-
d) Total of previous year shortfall	-	-
e) Reason for shortfall	-	-
f) Nature of CSR activities	-	-
i) Contribution to Hospitals / Trusts (COVID Relief)		
ii) Promoting technology incubators permitted under Companies Act, 2013 and various guidelines issued thereunder		
g) Details of related party transactions		
- BSE CSR Integrated Foundation	219	288
h) Provision, if made (With Movement)	-	-

**29. TAX EXPENSE**

**(a) Income tax expenses**

The major components of income tax expenses for the year ended March 31, 2022.

(i) Profit or loss section

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax expense	5,569	3,063
Current tax expense of earlier years	9	(46)
Deferred tax	2,655	(1,930)
<b>Total income tax expense recognised in Profit or Loss</b>	<b>8,233</b>	<b>1,087</b>



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**29. TAX EXPENSE (Contd.)..**

**29.a** Taxation Laws (Amendment) Ordinance, 2019 ("Ordinance") on September 20, 2019 has amended the Income Tax Act, 1961 and Finance (No. 2) Act, 2019, by which the option has been provided for the lower tax regime without any incentives for the domestic companies. Under the revised tax regime, accumulated Minimum Alternate Tax (MAT) credit is not allowed. Considering the substantial accumulated MAT credit, the company and certain subsidiaries have assessed that it is beneficial not to opt for the option of availing revised income tax rate for certain period of time. The tax liability for the current year and previous year has been accordingly calculated. For the remaining subsidiaries the tax liability has been made, applying the revised tax rate.

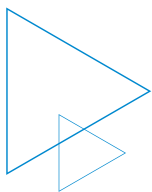
**29.b** As per the Accounting standard applicable to the company, deferred tax liability was provided in the Consolidated Financial statements in respect of undistributed profits of associates. With the abolition of Dividend Distribution Tax (DDT) and introduction of Section 80 M of the Income Tax Act, 1961 in the Finance Act, 2020, Dividend from associates will no longer be taxed in the hands of the Company. Accordingly, an amount of ₹ 1,812 provided in earlier years as tax on undistributed profits of associates has been rendered excess and has been written back from the tax expenses for the year ended March 31, 2021.

(ii) Other comprehensive income section

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurements of the defined benefit plans	51	155
<b>Total income tax expense recognised in other comprehensive income</b>	<b>51</b>	<b>155</b>

**(b) Reconciliation of effective tax rate**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
(A) Income before income tax	26,308	10,942
(B) Enacted tax rate in india	29.120%	34.944%
(C) Expected tax expenses (A*B)	7,661	3,824
(D) Other than temporary differences		
Tax difference on account of lower enacted rate for subsidiaries	(163)	(1,947)
Investment income	(433)	(4,379)
Income from house property and related expenditure	(90)	(102)
Capital gains	-	1,942
FVTPL adjustments pertaining to MF	(8)	603
Expenses disallowed / (allowed)	51	92
<b>Total</b>	<b>(643)</b>	<b>(3,791)</b>
(E) Temporary difference on which deferred tax assets not recognised		
Business loss carried forward	1,206	1,100
<b>Total</b>	<b>1,206</b>	<b>1,100</b>
(F) Net adjustments (D+E)	563	(2,691)
(G) Current tax expense of earlier years	9	(46)
(H) Tax expense recognised in profit and loss (C+F+G)	8,233	1,087



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**30. EARNINGS PER SHARE (EPS)**

Reconciliation of number of equity shares used in the computation of basic and diluted earnings per share is set out below:

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of basic EPS	13,74,12,891	13,74,12,891
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of dilutive EPS	13,74,12,891	13,74,12,891
Face Value per Share	₹ 2 each	₹ 2 each
Profit after tax before exceptional items (net of tax)	25,433	15,435
Profit after tax after exceptional items	25,433	14,490
Basic and Diluted EPS before exceptional items (₹)	18.51	11.23
Basic and Diluted EPS after exceptional items (₹)	18.51	10.54

**31. LEASE**

As per the assessment of management, there are no lease contracts for which IND AS 116 – Leases is required to be applied.

**32. FINANCIAL INSTRUMENTS**

The carrying value and fair value of financial instruments by categories as at March 31, 2022 and March 31, 2021 is as follows:

PARTICULARS	Carrying Value		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>i) Financial assets</b>				
<b>a) Amortised cost</b>				
Investment in debt instruments	17,675	15,377	18,057	16,239
Trade receivable	6,339	8,732	6,339	8,732
Cash and cash equivalents	88,694	41,615	88,694	41,615
Bank balances other cash and cash equivalents	2,62,472	1,51,072	2,62,472	1,51,072
Other financial assets	19,675	30,996	19,675	30,996
<b>Total</b>	<b>3,94,855</b>	<b>2,47,792</b>	<b>3,95,237</b>	<b>2,48,654</b>
<b>b) FVTPL</b>				
Investment in equity instruments	842	60	842	60
Investment in Exchange Traded Funds	4,655	1,047	4,655	1,047
Investment in mutual funds	1,24,827	1,25,709	1,24,827	1,25,709
<b>Total</b>	<b>1,30,324</b>	<b>1,26,816</b>	<b>1,30,324</b>	<b>1,26,816</b>
<b>c) Others</b>				
Investment in subsidiaries and associates	48,813	42,204	3,15,623	1,41,049
<b>ii) Financial liabilities</b>				
<b>a) Amortised cost</b>				
Trade payables	7,285	9,817	7,285	9,817
Other financial liabilities	2,35,532	1,16,727	2,35,532	1,16,727
<b>Total</b>	<b>2,42,817</b>	<b>1,26,544</b>	<b>2,42,817</b>	<b>1,26,544</b>

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**32. FINANCIAL INSTRUMENTS (Contd.)..**

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables and other current financial assets and financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- (a) The fair value of the quoted bonds and debentures are based on price quotations at reporting date. The fair value of unquoted instruments and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- (b) The fair values of the unquoted equity shares have been estimated using a discounted cash flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments..

**Fair value hierarchy**

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

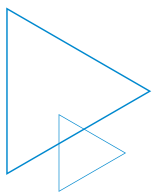
Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of the financial assets (other than subsidiaries) and liabilities:

PARTICULARS		Fair values As at March 31, 2022	Fair values As at March 31, 2021	Fair Value Hierarchy (Level)
<b>i)</b>	<b>Financial assets</b>			
<b>a)</b>	<b>Amortised Cost</b>			
	Investment in debt instruments (quoted)	18,057	16,239	Level 1
	Investment in debt instruments (unquoted)	-	-	
	<b>Total</b>	<b>18,057</b>	<b>16,239</b>	
<b>b)</b>	<b>FVTPL</b>			
	Investment in equity instruments	842	60	Level 3
	Investment in Exchange Traded Funds	4,655	1,047	Level 1
	Investment in mutual funds	1,24,827	1,25,709	Level 1
	<b>Total</b>	<b>1,30,324</b>	<b>1,26,816</b>	
<b>c)</b>	<b>Others</b>			
	Investment in equity instruments of associates	3,09,393	1,37,114	Level 1

Except as detailed in the above table, the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the balance sheet approximate their fair values.

There were no transfers between Level 1 and 2 in the period.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**33. FINANCIAL RISK MANAGEMENT**

The Group's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to support its operations. The Group's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including foreign currency and interest rate risk), regulatory risk and clearing & settlement risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

It is the Group's policy that no trading in derivative for speculative purposes maybe undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

- **Trade and other receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The demographics of the customer, including the default risk of the industry in which the customer operates, also has an influence on credit risk assessment.

The Group provides the stock exchange services to its listed customers and registered members (who have provided the collaterals and other securities for trading done on its platform), hence the Group operates with large number of customers portfolio and its revenue is not concentrated on small number of customers.

None of the customers accounted for more than 10% of the receivables and revenue for the year ended March 31, 2022 and March 31, 2021.

- **Investments**

The Group limits its exposure to credit risk by making investment as per the investment policy. The Group addresses credit risk in its investments by mandating a minimum rating against the security / institution where the amounts are invested and is further strengthened by mandating additional requirement like Capital Adequacy Ratio (CAR), Allowable Net Non- Performing Asset (NNPA) Levels, Minimum Average Assets Under Management (AAUM) etc. for certain types of investments. Further the investment committee of the Group reviews the investment portfolio on bi-monthly basis and recommend or provide suggestion to the management. The Group does not expect any losses from non-performance by these counter-parties, other than losses which are provided, and does not have any significant concentration of exposures to specific industry sectors. The Group does not invest in equity instruments unless they are strategic in nature.

**Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The Subsidiary Company ICCL holds a significant amount of cash and securities deposited by clearing members as margin or default funds.

Potential liquidity risks faced by the ICCL includes:

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**33. FINANCIAL RISK MANAGEMENT (Contd.)..**

- a. Mark to Market Margin payments: Open positions in futures are settled daily. ICCL has to ensure that sufficient funds are available to fulfil their obligations.
- b. Market disruptions: Such as unusual market volatility driving large margin movements; liquidity squeezes in the cash or securities markets and central bank action.
- c. Failed settlements: Arise when a member fails to deliver funds or securities, leaving ICCL short of funds or securities which may have been designated to meet the obligations of another member.

ICCL monitors its liquidity needs daily using stressed assumptions and reports to the Risk management committee.

ICCL has created a dedicated Core Settlement Guarantee Fund (Core SGF), which is readily and unconditionally available to meet settlement obligations of ICCL in case of clearing member(s) failing to honour settlement obligation.

ICCL maintains a dedicated Core SGF for each segment, effectively ring fencing each segment of ICCL from defaults in other segments. ICCL carries out daily stress tests for credit risk, daily liquidity stress test to assess the adequacy of liquidity arrangements, periodic reverse stress tests and daily back tests for adequacy of margins. ICCL maintains a Business Continuity Plan ("BCP") and Disaster Recovery ("DR") Plan for systems as well as manpower. ICCL has a far DR Centre, situated in a different seismic zone.

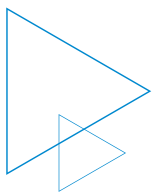
ICCL provides full novation and has the responsibility of guaranteeing contractual performance by playing the role of a central counterparty for all trades on BSE, thereby eliminating counterparty risk for the members. In essence, it splits the original contract between the initiating counterparties into two new contracts; one each between ICCL and the initiating counterparties. ICCL has put in place a risk management framework to mitigate the risk it undertakes in its capacity as a Clearing Corporation.

Further, as a second line of defense to the margining and risk management systems, ICCL has subscribed to the Insurance policy. As per the default waterfall, in the case of loss arising out of defaults, the capital of Clearing Corporation and its non-defaulting members would be at risk. The magnitude of potential loss due to default that a clearing corporation can undertake without affecting the capital of non-defaulting members is contingent upon the networth of the Clearing Corporation and additional capital cushions, which insulate the default loss and the non-defaulting members' resources.

ICCL remains committed to the safety of investors and members and to further add to this security, ICCL has subscribed to a unique Insurance Policy across all segments. The objective of the Policy is to protect ICCL against counterparty defaults and add a further capital cushion to the ICCL net-worth making the resources of the non- defaulting members even safer. The policy also adds to the ability of ICCL to absorb higher losses before any resources of the non-defaulting members are put at risk.

ICCL, with its net-worth of over ₹ 700 Crore, is well capitalized and instills a high level of confidence in its members and investors in the ability of ICCL to handle extreme loss situations. The additional capital cushion provided by the Insurance cover, along with the net-worth covers nearly 2 times the Core SGF requirement of ICCL and further increases the safety for domestic and international participants alike.

ICCL conducts daily liquidity stress tests on a hypothetical stress scenario basis to ensure that it maintains sufficient liquid resources to manage liquidity risk from its clearing members. ICCL carries out the stress tests on the liquidity position by assuming the default of the two clearing participants which would hypothetically cause the highest loss. In addition, ICCL has lines of credit with various commercial banks in excess of its entire average daily funds pay-out, to build redundancy in case of one or more banks being unable to provide the liquidity support. The investments made in liquid resources are based on ICCL's investment policy, which is periodically reviewed by its investment committee and duly approved by its audit committee and the board of directors. The investment policy specifies the quality as well as exposure limits for each type of the qualified liquid resources.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**33. FINANCIAL RISK MANAGEMENT (Contd.)..**

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022 and March 31, 2021:

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Trade payable		
< 1 year	7,285	9,817
1-5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>7,285</b>	<b>9,817</b>
Other financial liabilities		
< 1 year	2,35,038	1,15,789
1-5 years	494	938
> 5 years	2	3
<b>Total</b>	<b>2,35,534</b>	<b>1,16,730</b>
<b>Total</b>	<b>2,42,819</b>	<b>1,26,547</b>

The table below provides details regarding the contractual maturities of significant financial assets as at March 31, 2022 and March 31, 2021:

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Investments*		
< 1 year	1,34,146	1,04,683
1-5 years	13,853	37,510
> 5 years	-	-
<b>Total</b>	<b>1,47,999</b>	<b>1,42,193</b>
Other financial assets		
< 1 year	1,210	6,471
1-5 years	18,465	24,525
> 5 years	-	-
<b>Total</b>	<b>19,675</b>	<b>30,996</b>
Trade receivables		
< 1 year	6,339	8,732
1-5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>6,339</b>	<b>8,732</b>
Cash and cash equivalents		
< 1 year	88,694	41,615
1-5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>88,694</b>	<b>41,615</b>

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**33. FINANCIAL RISK MANAGEMENT (Contd.)..**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Bank balances other than cash and cash equivalents		
< 1 year	2,62,472	1,51,072
1-5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>2,62,472</b>	<b>1,51,072</b>
<b>Total</b>	<b>5,25,179</b>	<b>3,74,608</b>

\* Investment does not include investment in equity investment of subsidiaries and associates.

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

**Market risk**

The Group's business, financial condition and results of operations are highly dependent upon the levels of activity on the exchange, and in particular upon the volume of financial assets traded, the number of listed securities, the number of new listings and subsequent issuances, liquidity and similar factors, as a significant portion of our revenue depends, either directly or indirectly, on trading, listing, clearing and settlement transaction-based fees.

The Group's financial condition and results of operations are also dependent upon the success of our clearing, settlement and other issuer services, which, in turn, are directly dependent on the liquidity and financial strength of our customers, namely financial intermediaries such as brokers, and their respective clients.

In addition to the above risk, market risk also includes foreign currency risk and interest rate risk.

• **Foreign Currency risk**

The Group's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. Dollars and Euros). The Group's revenues insignificant portion are in these foreign currencies, while a significant portion of its costs are in Indian rupees.

As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Group's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Due to lesser quantum of revenue and expenses from foreign currencies the Group is not much exposed to foreign currency risk.

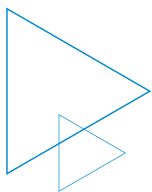
• **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term / short-term investment with floating interest rates.

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

**Regulatory risk**

The Group requires a number of regulatory approvals, licenses, registrations and permissions to operate our business, including at a corporate level as well as at the level of each of its components. For example, the Group have licenses from SEBI in relation to, among others, introducing



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**33. FINANCIAL RISK MANAGEMENT (Contd.)..**

derivatives contracts on various indices of the exchange, introduction of futures and options contracts on various indices of the exchange, setting up an SME platform and trading in government securities. Some of these approvals are required to be renewed from time to time. The Group's operations are subject to continued review and the governing regulations may change. The Group's regulatory team constantly monitors the compliance with these rules and regulations.

There have been several changes to the form and manner in which recognised stock exchanges must make contributions to a Settlement Guarantee Fund and Core Settlement Guarantee Fund in the last few years. Should SEBI in the future vary the required contribution amounts to the Settlement Guarantee Fund, the Group may have to contribute more resources to the Settlement Guarantee Fund which could materially and adversely affect the Group's financial ability. The Group's regulatory team keeps a track regarding the amendments in SEBI circulars/regulations pertaining to such settlement guarantee fund.

**Clearing and Settlement Risk**

Parties to a settlement may default on their obligations for reason beyond the control of the Group. The clearing and settlement operations are conducted through a wholly owned subsidiary Indian Clearing Corporation Limited (ICCL). ICCL guarantees the settlement of trade executed on the Company's platform and maintains a core settlement guarantee fund to support its guarantee obligations.

Clearing Corporations (CCPs) have been the focus of the Global as well as Indian Regulators. SEBI introduced the guidelines on stress testing, Core Settlement Guarantee Fund ("Core SGF") and Default Waterfall, to ensure that Indian CCPs are compliant with International benchmarks and regulations, including the Principles for Financial Market Infrastructures ("PFMI") issued by the Committee on Payments and Market Infrastructures ("CPMI") and the International Organisation of Securities Commissions ("IOSCO") and the European Market Infrastructure Regulation ("EMIR"). IOSCO has issued discussion papers on Recovery and Resolution and Cyber Risk, areas which are expected to witness regulatory guidance in the next few years. The CPMI and the IOSCO continue to closely monitor the implementation of the PFMI. The Third Update to the Level 1 Assessment Report of the Implementation Monitoring of PFMI has accorded India with the highest rating of 4. SEBI being a member of IOSCO, these international regulatory changes would impact ICCL. ICCL has received Third Country Central Counterparty ("TC-CCP") recognition from the European Securities and Markets Authority ("ESMA") under EMIR on September 27, 2017. ICCL has also received temporary recognition pursuant to the UK Statutory Instrument the Central Counterparties (Amendment, etc., and Transitional Provision) (EU Exit) Regulations 2018 ("the SI"). The Temporary Recognition Regime ("TRR") enables ICCL to provide clearing services and activities in the UK for up to three years from the commencement of the TRR, extendable by HM Treasury in increments of twelve months.

The Company and Subsidiary continues to focus on remaining well positioned to respond to regulatory developments and further opportunities exist for the Group to deliver solutions to help the market address the changing regulatory environment.

**34. CAPITAL MANAGEMENT**

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Group is predominantly equity financed which is evident from the capital structure. Further, the Group has always been a net cash company with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds being far in excess of financial liabilities.

**Compliance with externally imposed capital requirements:**

In accordance with regulation 14 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, the Company shall have a minimum networth of ₹ 100 Crore at all times.

Capital requirement of the Subsidiary Company Indian Clearing Corporation Limited is regulated by Securities and Exchange Board of India (SEBI). As per SECC Regulations 2018, "Every recognized clearing corporation shall maintain, at all times, a minimum net worth of ₹ 100 crore or capital



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
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**34. CAPITAL MANAGEMENT (Contd.)..**

as determined under regulation 14(3)(a) and 14(3)(b), whichever is higher.” Minimum requirement of net worth is maintained throughout the period from effective date of notification. ICCL has been compliant with the capital requirement since the date of notification.

In accordance with regulation 13 of Securities and Exchange Board of India (Depository and Participants) Regulations, 1996, the Associate Company, Central Depositories Services (India) Limited shall have a minimum network of ₹ 100 Crore at all times.

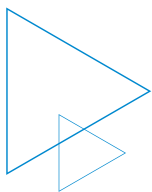
As per Regulation 14 of International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021, a recognized Clearing Corporation shall have net worth of atleast USD 3 million at all times. Accordingly, the subsidiary company International Clearing Corporation (IFSC) Limited has maintained the net worth at all times as per this requirement.

In accordance with SEBI (International Financial Services Centre) Guidelines, 2015, the Subsidiary Company India International Exchange (IFSC) Limited shall a minimum net worth equivalent of twenty five crore rupees initially and it shall enhance its net worth to a minimum equivalent of one hundred crore rupees over the period of three years from the date of approval i.e., December 28, 2019. Further SEBI has relaxed the net-worth requirement of ₹ 100 crores for India International Exchange (IFSC) Limited for 1 year i.e., December 28, 2020 subject to maintenance of minimum net-worth of ₹ 25 crores at all times as mandated under SEBI (International Financial Services Centre) Guidelines, 2015.

- Further on December 14, 2020 IFSCA has relaxed the net-worth requirement of ₹100 crore for India INX for 1 year i.e., December 28, 2021 subject to maintenance of the minimum net-worth of ₹ 25 Crores at all times as mandated under Clause 5 (1) of SEBI (IFSC) guideline 2015.
- In view of above, net worth requirement of ₹ 100 crores need to achieve by December 28, 2021 subject to maintenance of minimum net worth of ₹ 25 crores at all times. The Subsidiary Company India International Exchange (IFSC) has maintained the Net worth at all times as per the relaxation granted by SEBI.
- Further as per Notification No. IFSCA/2021-22/GN/REG011 of International Financial Services Centres Authority (Market Infrastructure Institutions) Regulation, 2021 dated April 12, 2021, A recognized Exchange shall have net worth of at least USD 3 million at all times. The said notification will come into force on thirtieth day of its publication in the official Gazette.

**35. RELATED PARTY TRANSACTIONS**

Sr.	CONTROL	ENTITIES
a.	<b>Subsidiary Companies (not consolidated)</b>	BSE CSR Integrated Foundation BFSI Sector Skill Council of India BIL - Ryerson Technology Startup Incubator Foundation BSE Institute of Research Development & Innovation
b.	<b>Trusts set-up by the Group</b>	BSE Investors' Protection Fund (Formerly known as "The Stock Exchange Investors' Protection Fund Trust") The Stock Exchange Education & Research Services The Stock Exchange Foundation The Stock Exchange Charities Seth K. R. P. Shroff Stock Exchange Sarvajanic Fund Shri Phiroze Jeejeebhoy Memorial Trust BSE Employee's Gratuity Fund BSE Employee's Provident Fund ICCL Employee's Gratuity Fund India International Exchange (IFSC) Limited Employees Group Gratuity Cash Accumulation Scheme (Employee Gratuity Fund) India International Clearing Corporation (IFSC) Limited Employees Group Gratuity Cash Accumulation Scheme



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**35. RELATED PARTY TRANSACTIONS (Contd.)..**

Sr.	CONTROL	ENTITIES
c.	<b>Associate</b>	Central Depository Services (India) Limited CDSL Ventures Limited CDSL Insurance Repository Limited CDSL Commodity Repository Limited Asia Index Private Limited BSE EBIX Insurance Broking Private Limited BSE EBIX Insuretech Private Limited (formerly known as Marketplace EBIX Technology Services Private Limited) Hindustan Power Exchange Limited (formerly known as Pranurja Solutions Limited) CDSL IFSC Limited (w.e.f. March 30, 2021)
d.	<b>Key Management Personnel and their relatives (KMP)</b>	Justice Vikramajit Sen – Chairman (with effect from May 22, 2019) and Public Interest Director Shri Ashishkumar Chauhan - Managing Director and Chief Executive Officer Shri Sumit Bose - Public Interest Director Shri S S Mundra - Public Interest Director Shri David Wright - Public Interest Director Shri Umakant Jayaram - Public Interest Director Sushri Jayshree Vyas - Public Interest Director (with effect from April 25, 2019) Shri T C Suseel Kumar - Shareholder Director (with effect from October 22, 2020) Smt. Usha Sangwan - Shareholder Director (upto July 30, 2020) Shri Nayan Mehta - Chief Financial Officer Smt. Prajakta Powle- Company Secretary (upto March 14, 2022) Vishal Bhat- Company Secretary (with effect from March 15, 2022)

**Following are the transactions with related parties and the year-end balances:**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Subsidiary Companies</b>		
<b>Income</b>		
<b>BFSI Sector Skill Council of India</b>		
Rent and infrastructure charges	-	20
Administrative and other expenses (recoveries)	4	1
<b>Expenditure</b>		
<b>BSE CSR Integrated Foundation</b>		
Contribution to corporate social responsibility	219	287
<b>Trusts set-up by the Company</b>		
<b>Income</b>		
<b>BSE Investors' Protection Fund</b>		
Administrative and other expenses (recoveries)	447	294
Rent	13	13
<b>Expenditure</b>		
Contribution to IPF (a proportion of listing fee)	207	144
Rent	73	69
Provision for additional contribution to IPF	9	-

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

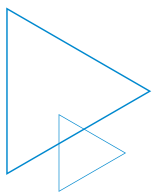
**35. RELATED PARTY TRANSACTIONS (Contd.)..**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Associate</b>		
<b>Income</b>		
<b>Asia Index Private Limited</b>		
Rent and infrastructure charges	182	170
Administrative and other expenses (recoveries)	21	23
<b>Central Depository Services (India) Limited</b>		
Rent and infrastructure charge	1	1
Miscellaneous income	22	18
Other charges	22	52
<b>BSE EBIX Insurance Broking Private Limited</b>		
Rent and infrastructure charges	2	2
Administrative and other expenses (recoveries)	5	1
<b>Hindustan Power Exchange Limited (formerly Pranurja Solutions Limited)</b>		
Rent and infrastructure charges	2	2
Administrative and other expenses (recoveries)	2	0 <sup>^</sup>
<b>Expenditure</b>		
<b>Central Depository Services (India) Limited</b>		
Administrative and other expenses	634	343
<b>Other Transactions</b>		
<b>BSE EBIX Insurance Broking Private Limited</b>		
Administrative and other expenses	0 <sup>^</sup>	-
Transfer of compensated absence liabilities to BSE Ebix	-	7
Transfer of gratuity liabilities to BSE Ebix	-	3
<b>KMP</b>		
<b>Expenditure</b>		
<b>Salaries, Allowances and Bonus *</b>		
<b>Short term Employee benefits</b>		
Shri Ashishkumar Chauhan	919	842
Shri. Nayan Mehta	190	170
Smt. Prajakta Powle	47	34
Shri. Vishal Kamalaksha Bhat	1	-

\*Includes the variable pay of the prior years and variable pay charged in the statement of profit and loss to the extent of payment made as required by Securities Contract (Regulation) (Stock Exchanges and Clearing Corporations) Regulations 2018.

The Group provides long term benefits in the form of Gratuity to Key managerial person along with all employees, cost of same is not identifiable separately and not disclosed.

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Subsidiary</b>		
<b>Assets</b>		
<b>Investments</b>		
BSE CSR Integrated foundation	5	5
BFSI Sector Skill Council of India	105	105
BIL - Ryerson Technology Startup Incubator Foundation	1	1
BSE Institute of Research Development & Innovation	1	1
<b>Receivable</b>		
BFSI Sector Skill Council of India	3	-



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**35. RELATED PARTY TRANSACTIONS (Contd.)..**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Payable</b>		
BFSI Sector Skill Council of India	-	0 <sup>^</sup>
<b>Trusts set-up by the Group</b>		
<b>Assets</b>		
<b>Receivable</b>		
BSE Investors' Protection Fund	86	70
<b>Net defined benefit assets</b>		
BSE Employee's Gratuity Fund	2,875	2,800
ICCL Employee's Gratuity Fund	185	184
<b>Liabilities</b>		
<b>Deposit</b>		
BSE Investors' Protection Fund	6	6
<b>Direct Associates</b>		
<b>Assets</b>		
<b>Investments</b>		
Asia Index Private Limited	1	1
Central Depository Services (India) Limited	31,141	31,141
<b>Receivable</b>		
Asia Index Private Limited	-	30
<b>Liabilities</b>		
<b>Deposit</b>		
Asia Index Private Limited	92	92
<b>Payable</b>		
Central Depository Services (India) Limited	124	261
<b>Indirect Associates</b>		
<b>Assets</b>		
<b>Receivable</b>		
BSE EBIX Insurance Broking Private Limited	0 <sup>^</sup>	1
Hindustan Power Exchange Limited (formerly Pranurja Solutions Limited)	1	1

<sup>^</sup> Less than ₹ 50,000/-

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**36. CONTINGENT LIABILITIES**

Sr. No.	PARTICULARS	As at March 31, 2022	As at March 31, 2021
a)	Claims against the Group not acknowledged as debts in respect of:		
	i) Income tax matters	19,532	7,897
	ii) Service tax matters	2,171	2,155
	iii) Claims not acknowledged as debts	10,591	10,352
	iv) Out of 'iii' above, in the opinion of the Management are remote	10,590	10,351
b)	Guarantees given by the Group	2,00,220	1,00,219

**Notes:**

- During the previous year, The Company has received SEBI Directives on BSE towards Cyber Security Audit and in response to the above, the Company has submitted its reply to SEBI for reconsideration and to the extent the amount of ₹ 70 is considered as contingent liability.
- The Group's pending litigations comprise of claims against the Group primarily by the customers/ vendors and proceedings pending with Tax and Other Regulatory authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a material adverse effect on its financial statements at March 31, 2022.

**37. CAPITAL COMMITMENTS**

Estimated amount of contracts remaining to be executed on capital account and not provided for are ₹ 6,253 as at March 31, 2022 (₹ 713 as at March 31, 2021).

- The MD & CEO of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance and allocates resources.

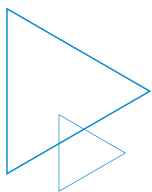
- The Group operates only in one Operating Segment i.e., "Facilitating Trading in Securities and other related ancillary Services", hence have only one reportable Segment as per Indian Accounting Standard 108 "Operating Segments". The reportable business segments are in line with the segment wise information which is being presented to the CODM.

**38.2 Information about geographic areas**

**38.2.1** Revenues from external customers

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Within India	83,243	62,512
Outside India	3,110	2,953
<b>Total</b>	<b>86,353</b>	<b>65,465</b>

- The Group does not have non-current assets outside India.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

39. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

NAME OF THE ENTITY	March 31, 2022		March 31, 2021	
	Net assets, i.e., total assets minus total liabilities			
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
The Company	53%	1,42,644	58%	1,45,011
<b>Indian Subsidiaries</b>				
Indian Clearing Corporation Limited	16%	41,364	15%	38,052
BSE Technologies Private Limited	2%	4,393	1%	3,385
BSE Institute Limited	3%	6,916	3%	6,920
BSE Investments Limited	1%	2,699	1%	2,149
BSE Sammaan CSR Limited	0%	19	0%	25
India International Exchange (IFSC) Limited	3%	7,651	2%	4,094
India International Clearing Corporation (IFSC) Limited	4%	10,908	3%	7,544
BSE Administration and Supervision Limited (w.e.f. March 5, 2021)	0%	47	-	-
<b>Indian Associates (Investment as per equity method)</b>				
Central Depository Services (India) Limited	16%	42,583	15%	38,269
Asia Index Private Limited	1%	1,579	0%	1,137
CDSL Commodity Repository Limited	0%	1,243	1%	1,244
BSE EBIX Insurance Broking Private Limited	0%	140	0%	180
BSE EBIX Insuretech Private Limited	0%	145	0%	(1)
India International Bullion Holding IFSC Limited (w.e.f. June 04,2021)	1%	1,958	-	-
Hindustan Power Exchange Limited	0%	1,163	0%	1,233
<b>Total</b>	<b>100%</b>	<b>2,65,452</b>	<b>100%</b>	<b>2,49,242</b>

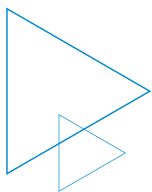
NAME OF THE ENTITY	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Share in profit or loss			
	As % of consolidated net Profit and Loss	Amount	As % of consolidated net Profit and Loss	Amount
The Company	93%	23,684	98%	14,200
<b>Indian Subsidiaries</b>				
Indian Clearing Corporation Limited	7%	1,756	12%	1,686
BSE Technologies Private Limited	(17%)	(4,280)	(22%)	(3,158)
BSE Institute Limited	2%	484	4%	590
BSE Investments Limited	(1%)	(189)	(0%)	(19)
BSE Sammaan CSR Limited	(0%)	(5)	(0%)	(18)
India International Exchange (IFSC) Limited	(12%)	(3,022)	(22%)	(3,168)
India International Clearing Corporation (IFSC) Limited	(1%)	(314)	(2%)	(258)
BSE Administration and Supervision Limited (w.e.f. March 5, 2021)	(0%)	(39)	-	-

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

39. (Contd.)..

NAME OF THE ENTITY	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Share in profit or loss			
	As % of consolidated net Profit and Loss	Amount	As % of consolidated net Profit and Loss	Amount
Share of Non-controlling Interest in all subsidiaries	4%	940	2%	320
<b>Indian Associates</b>				
Central Depository Services (India) Limited (w.e.f. June 30, 2017)	24%	6,224	28%	4,007
Asia Index Private Limited	2%	450	2%	334
CDSL Commodity Repository Limited	0%	0	0%	9
BSE EBIX Insurance Broking Private Limited	(0%)	(40)	(0%)	(23)
BSE EBIX Insuretech Private Limited	0%	6	0%	1
India International Bullion Holding IFSC Limited (w.e.f. June 04,2021)	(1%)	(152)	-	-
Hindustan Power Exchange Limited	(0%)	(70)	(0%)	(13)
<b>Total</b>	<b>100%</b>	<b>25,433</b>	<b>100%</b>	<b>14,490</b>

NAME OF THE ENTITY	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Share in Other Comprehensive Income			
	As % of consolidated net Other Comprehensive Income	Amount	As % of consolidated net Other Comprehensive Income	Amount
The Company	23%	107	3957%	277
<b>Indian Subsidiaries</b>				
Indian Clearing Corporation Limited	2%	8	43%	3
BSE Technologies Private Limited	(0%)	(2)	3%	19
BSE Institute Limited	1%	3	(0%)	(3)
India International Exchange (IFSC) Limited	37%	173	(1457%)	(102)
India International Clearing Corporation (IFSC) Limited	72%	334	(3143%)	(220)
Share of Non-controlling Interest in all subsidiaries	(38%)	(177)	429%	30
<b>Indian Associates</b>				
Central Depository Services (India) Limited	(7%)	(29)	4%	1
CDSL Commodity Repository Limited	(0%)	(1)	-	-
India International Bullion Holding IFSC Limited (w.e.f. June 04,2021)	12%	54	-	-
Asia Index Private Limited	(2%)	(8)	9%	2
<b>Total</b>	<b>(100%)</b>	<b>(639)</b>	<b>(100%)</b>	<b>(23)</b>



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**39. (Contd.)..**

NAME OF THE ENTITY	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Share in Total Comprehensive Income			
	As % of consolidated net Total Comprehensive Income	Amount	As % of consolidated net Total Comprehensive Income	Amount
The Company	91%	23,971	102%	14,472
<b>Indian Subsidiaries</b>				
Indian Clearing Corporation Limited	7%	1,764	12%	1,689
BSE Technologies Private Limited	(17%)	(4,282)	(22%)	(3,139)
BSE Institute Limited	2%	487	4%	587
BSE Investments Limited	(1%)	(189)	(0%)	(14)
BSE Sammaan CSR Limited	(0%)	(5)	(0%)	(18)
India International Exchange (IFSC) Limited	(11%)	(2,849)	(23%)	(3270)
India International Clearing Corporation (IFSC) Limited	0%	20	(3%)	(478)
BSE Administration and Supervision Limited (w.e.f. March 5, 2021)	(0%)	(39)	-	-
Share of Non-controlling Interest in all subsidiaries	3%	763	2%	350
<b>Indian Associates</b>				
Central Depository Services (India) Limited (w.e.f. June 30, 2017)	24%	6,195	28%	4,009
Asia Index Private Limited	2%	442	2%	335
CDSL Commodity Repository Limited	(0%)	(1)	0%	9
BSE EBIX Insurance Broking Private Limited	(0%)	(40)	(0%)	(23)
BSE EBIX Insuretech Private Limited	0%	6	0%	1
India International Bullion Holding IFSC Limited (w.e.f. June 04, 2021)	(0%)	(98)	-	-
Hindustan Power Exchange Limited	(0%)	(70)	(0%)	(13)
<b>Total</b>	<b>100%</b>	<b>25,895</b>	<b>100%</b>	<b>14,497</b>

**Note:** Above information has been prepared based on consolidated financials of Subsidiaries wherever applicable.



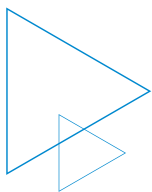
**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

40. (i) As per SEBI circular no. SEBI/HO/MRD2/DCAP/CIR/P/2021/03 dated January 08, 2021, ICCL has received the contribution from National Stock Exchange of India Limited (NSE) and Metropolitan Stock Exchange of India Ltd (MSE) during year towards contribution to Core SGF.
- (ii) As per SEBI circular no. CIR/MRD/DRMNP/25/2014 dated August 27, 2014, ICCL has established a fund called Core SGF for each segment (Equity, Equity Derivative, Debt & Currency Derivative) to guarantee the settlement of trades executed in respective segment. Accordingly, an amount ₹ 32,986 as at March 31, 2022 (₹ 28,443 as at March 31, 2021) has been contributed towards the Core SGF maintained for various segment by ICCL including income earned thereon. The contribution made by BSE Ltd to the said Core SGF amounts to ₹ 15,029 as at March 31, 2022 (₹ 14,488 as at March 31, 2021) including income earned thereon and also include the amount received towards "Transfer of Profits" under Regulation 33 of SECC Regulations 2012, from the date the SECC Regulations, 2012 came into effect till August 29, 2016, and which has not been allocated to any specific segment. The contribution made by NSE to said Core SGF amounts to ₹ 8,766 as at March 31, 2022 (₹ 7,102 as at March 31, 2021) including income earned thereon and also the contribution made by MSEI to said Core SGF amounts to ₹ 80 as at March 31, 2022 (₹ 76 as at March 31, 2021) including income earned thereon. Further, Other Contribution represent an amount ₹ 6,283 as at March 31, 2022 (₹ 2,935 as at March 31, 2021) includes (i) amount received under the Scheme of amalgamation between United Stock Exchange of India Limited and BSE Limited, (ii) as per SEBI direction, BSE has transferred the penalty collected from the client to Core SGF of Currency Derivative, Equity Derivative and Commodity Derivatives segment respectively, (iii) fines & penalties collected from members by ICCL, and income earned thereon.

PARTICULARS	CONTRIBUTION					Total
	BSE	ICCL	NSE	MSEL	Other	
Equity Segment	5,676	18,527	4,631	-	4,427	33,261
Equity Derivative Segment	583	4,694	1,759	-	847	7,883
Currency Derivative Segment	6,692	8,741	2,376	80	977	18,866
Commodity Derivative Segment	847	845	-	-	32	1,724
Debt	-	179	-	-	-	179
Unallocated	1,231	-	-	-	-	1,231
<b>Grand Total</b>	<b>15,029</b>	<b>32,986</b>	<b>8,766</b>	<b>80</b>	<b>6,283</b>	<b>63,144</b>

41. SEBI vide its circular no. SEBI/HO/MRD/DSA/CIR/P/2016/125 dated November 28, 2016, had inter alia specified that Clearing Corporations in IFSC shall establish and maintain a Fund to guarantee the settlement of trades executed in the stock exchanges in IFSC. To begin with such fund shall have a corpus equivalent to at least 10% of the net-worth of the clearing corporation. Clearing corporations shall evolve a detailed framework for the Fund, subject to approval of regulator. As per Regulation 31(2) of IFSCA (MII) Regulations, 2021, Settlement Guarantee Fund shall have a corpus equivalent to atleast the minimum required corpus as arrived at from the monthly stress test value or USD 1 million, whichever is higher.

In view of the above, before commencement of operations, i.e., on January 10, 2017, a Core Settlement Guarantee Fund (Default Fund) of ₹ 596 has been created through earmarking investments. Default Fund size as on March 31, 2022 is ₹ 945. Further India ICC had applied to Central Board of Direct Tax for the purpose of issuance of notification notifying the Core Settlement Guarantee Fund (Core SGF – Default Fund) set up by the Company u/s 10 (23EE) of the Income Tax Act 1961 and approval of the same is awaited.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**42. EMPLOYEE BENEFITS:**

**42.1 Defined Benefit Plan – Gratuity:**

The Group offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee’s compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees.

Such plan exposes the Group to actuarial risks such as: investment risk, interest rate risk, demographic risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan’s debt investments.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, medical cost inflation, discount rate and vesting criteria.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan’s liability.

The following table sets out the funded status of the Gratuity benefit scheme and the amount recognised in the Financial Statements as at March 31, 2022 and March 31, 2021:

<b>PARTICULARS</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
<b>Change in benefit obligation</b>		
<b>Benefit obligations at the beginning</b>	<b>3,100</b>	3,213
Service cost	240	227
Interest expense	170	172
Benefits paid	(135)	(96)
Liabilities settled on transfer	(10)	8
Remeasurements – Actuarial (gains)/ losses	(152)	(424)
<b>Benefit obligations at the end</b>	<b>3,213</b>	3,100
<b>Change in Plan assets</b>		
<b>Fair value of plan assets at the beginning</b>	<b>3,117</b>	2,937
Interest income	167	163
Contribution by employer	5	68
Remeasurements – Actuarial (gains)/ losses	30	44
Benefits paid	(120)	(91)
Assets settled on transfer	1	(4)
<b>Fair value of plan assets at the end</b>	<b>3,200</b>	3,117
Funded status	3,200	3,117
Prepaid / (payable) gratuity benefit	(13)	18
Prepaid / (payable) gratuity benefit (unfunded)	(2)	(2)

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**42. EMPLOYEE BENEFITS (Contd.)..**

Amount for the year ended March 31, 2022 and year ended March 31, 2021 recognised in the Profit or Loss under employee benefits expense:

PARTICULARS	March 31, 2022	March 31, 2021
<b>Continuing operations</b>		
Service cost	237	227
Net interest on the net defined benefit liability/asset	(4)	3
<b>Net gratuity cost</b>	<b>233</b>	<b>230</b>

Amount for the year ended March 31, 2022 and year ended March 31, 2021 recognised in the other comprehensive income:

PARTICULARS	March 31, 2022	March 31, 2021
<b>Remeasurements of the net defined benefits liability / asset</b>		
Experience adjustments	(98)	(115)
(Gain)/loss from change in financial assumptions and actual return on plan assets less interest on plan asset	(77)	(359)
Changes in demographic assumptions	-	33
Amount recognised in OCI	(175)	441

The weighted-average assumptions used to determine benefit obligations for the year ended March 31, 2022 and year ended March 31, 2021:

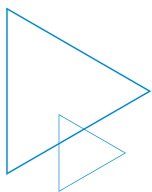
PARTICULARS	March 31, 2022	March 31, 2021
Discount rate	6.10 – 7.31%	5.60 – 6.90%
Increase in compensation levels	6.00 - 7.50%	6.00 - 7.50%

The Group assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

The following table summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points:

PARTICULARS	For the year ended March 31, 2022	
	Discount rate	Salary escalation rate
Impact of increase in 50 bps on defined benefit obligation	(91)	92
Impact of decrease in 50 bps on defined benefit obligation	100	(86)

Sensitivity for the significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 50 basis points, keeping all other actuarial assumption constant.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**42. EMPLOYEE BENEFITS (Contd.)..**

**Composition of Plan Assets**

PARTICULARS	March 31, 2022	March 31, 2021
Government of India Securities	14%	13%
Insurer Managed assets	86%	87%

Actual return on the assets for the year ended March 31, 2022 and March 31, 2021 were ₹ 196 and ₹ 207 respectively.

There is no compulsion on the part of the Group to fully pre fund the liability of the Plan. The Group's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan.

The Employer's best estimate of the contributions expected to be paid to the plan during the next year is ₹ 189.

**Maturity profile of defined benefit obligations**

PARTICULARS	March 31, 2022
Expected benefits for year 1-3	1,444
Expected benefits for year 4-5	829
Expected benefits for year 6-10	1,166
Expected benefits for above year 10	1,170

The weighted average duration to the payment of these cash flows is 5.28 years.

- **Discount Rate:** The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.
- **Salary Escalation Rate:** The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

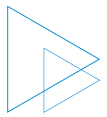
**42.2 Defined Contribution Plan- Provident fund, Pension Fund and New pension Scheme:**

These are plans in which the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. The Group offers its employees defined contribution plan in the form of provident fund and family pension fund. Provident fund and family pension fund cover substantially all regular employees. While both, the employees and the Group pay predetermined contributions into the provident fund and New National Pension Scheme, contributions into the family pension fund are made by only the Group. The contributions are based on a certain proportion of the employee's salary.

The Group has an obligation to fund any shortfall on the yield of the trust's investment over the administered interest rates on an annual basis. These administered interest rates are determined annually predominantly considering the social rather than economic factors and, in most cases, the actual return earned by the Group has been higher in the past years. There is no provision for diminution in value of investment except provision for accrued interest.

The Group recognised charge for the year ended March 31, 2022 and March 31, 2021 of ₹ 386 and ₹ 378 respectively for provident fund and family pension fund contribution in the statement of Profit or Loss under continuing operations.

The Group recognised charge for the year ended March 31, 2022 and March 31, 2021 of ₹ 86 and ₹ 75 respectively for New National Pension Scheme contribution in the statement of Profit or Loss under continuing operations.



## Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022 (Rupees in Lakh, except share and per share data, unless otherwise stated)

### 42. EMPLOYEE BENEFITS (Contd.)..

#### 42.3 Compensated Absences

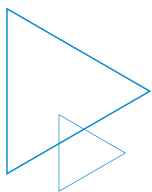
The Group recognised charge for the year ended March 31, 2022 and for the year ended March 31, 2021 of ₹ 1,018 and ₹ 1,043 respectively for Compensated Absences in the statement of Profit or Loss.

43. S & P Dow Jones Indices LLC and SPDJ Singapore Pte Ltd (hereinafter collectively called as "SPDJ") had filed arbitration proceedings against BSE under Singapore International Arbitration Center's rules, *inter-alia*, challenging the termination of index licensing arrangement by BSE Limited. The Final Award passed by the Arbitrator Tribunal dated September 17, 2020 *inter-alia*, held that the termination of the Agreements by BSE is invalid, the Agreement continue to remain in force and the costs of arbitration, legal and other costs incurred by SPDJ shall be borne by BSE. Accordingly, an amount of ₹ 1,453 is paid by BSE to SPDJ with interest upto the date of payment. The said amount has been paid and has been disclosed as an "Exceptional item" for the year ended March 31, 2021. Interest paid to SPDJ of ₹ 17 has also been included in finance cost for the year ended March 31, 2021.

### 44. NON-CONTROLLING INTEREST RECONCILIATION

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Opening Balance</b>	<b>2,351</b>	1,856
Add: Share capital issued during the year	<b>11,931</b>	845
Add: Share of profit		
Profit/(loss) for the year	<b>(940)</b>	(320)
Other comprehensive income for the year	<b>177</b>	(30)
<b>Closing Balance</b>	<b>13,519</b>	2,351

45. The management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 on the Group. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Group and the carrying value of its assets and liabilities is minimal.
46. One of the subsidiaries, BSE Samman CSR Limited ("BSE Sammaan") has accumulated losses amounting to ₹ 236, (previous year ₹ 236) which has resulted in significant decrease in net-worth. BSE Sammaan has in its Board Meeting held on January 27, 2021 discussed and formed the opinion that the process of winding up of the BSE Sammaan must be initiated with required procedure to be followed. All these developments reinstates the inability of BSE Sammaan to continue as going concern. Hence the books of accounts are not prepared on going concern basis but on liquidation basis.
47. MD & CEO of the holding company is paid remuneration based on the resolution approved by SEBI and shareholders. The Board of Directors of the holding company has approved compensation to employees in lieu of capping of increment during 2020-21 due to COVID-19 pandemic. Accordingly, an amount of ₹ 99 is proposed to be paid to MD & CEO of the holding company which has been provided in the profit and loss statement of the holding company for the quarter and year ended March 31, 2022. The payment of said compensation is subject to approval from SEBI and shareholders of the holding company.
48. The total compensation payable to MD & CEO of the holding company including the additional compensation mentioned above is within the limits specified under Section 197 read with Schedule V of the Companies Act, 2013."
49. Pursuant to SEBI Circular CIR/MRD/DP/14/2014 dated April 23,2014 and BSE Notice no-20190805-10, 20190925-31, 20191108-25, with effect from November 25, 2019, the Holding Company has introduced the Liquidity Enhancement Scheme (LES) in derivatives. An expense of ₹ 2,174 and ₹ 1,910 has been incurred towards the scheme for year ended March 31, 2022 and year ended March 31, 2021 respectively.



**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

- 50.** The Holding Company had earlier received observations from SEBI in respect of inspection conducted for the period 2005 – 2017, in which the Company was asked to plough back certain amount to Investors’ Services Fund (“ISF”) and BSE Investors Protection Fund Trust (“IPF”) in respect of expenses charged in the earlier years to these funds. On the basis of response submitted by the Company, in the year ended March 2020, SEBI concluded and instructed the Holding Company to plough back an amount of ₹ 1,037 along with interest to the said funds. Consequently, an expense of ₹ 1,385 was charged to the profit and loss account for the year ended March 31, 2020 along with expense of ₹ 476 for the year ended March 31, 2018. Accordingly, an amount aggregating to ₹ 1,861 was disclosed as “Provision for Additional Contribution to ISF and IPF” for the year ended March 31, 2020. Subsequently, based on final amount arrived by SEBI, the Holding Company had reassessed amount chargeable to the fund for earlier years and has written back ₹ 595 to “Other income” in the year ended March 31, 2021.
- 51.** The Code on Social Security, 2020 (‘Code’) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

**52. RELATIONSHIP WITH STRUCK OFF COMPANIES**

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding as at current period	Balance outstanding as at previous period	Relationship with the Struck off company, if any, to be disclosed
Ajnee Finance Pvt.Ltd.	Rendering of services	1	2	Trade Receivable
Alpic Securities Ltd.	Rendering of services	-	-	Trade Receivable
Bansal Finstock Pvt.Ltd.	Rendering of services	-	-	Trade Receivable
BCC Fuba India Ltd.	Rendering of services	0^	0^	Trade Receivable
Bharatendu Investments & Financial Services Pvt.Ltd.	Rendering of services	6	6	Trade Receivable
BPS Stocks Pvt Limited	Rendering of services	2	3	Trade Receivable
Display Commercial Private Limited	Rendering of services	-	-	Trade Receivable
Excel Mercantile Pvt.Ltd.	Rendering of services	-	-	Trade Receivable
Gandhi And Shah Corporate Services Private Limited	Rendering of services	-	-	Trade Receivable
Jash Securities Pvt.Ltd.	Rendering of services	1	1	Trade Receivable
Krishana Fabrics Limited	Rendering of services	0^	-	Trade Receivable
Maxus Securities Pvt.Ltd.	Rendering of services	-	-	Trade Receivable
Mayur Share Broking Pvt.Ltd.	Rendering of services	0^	0^	Trade Receivable
Mefcom Agro Industries Ltd	Rendering of services	4	-	Trade Receivable
Milan Mahendra Securities Pvt Limited	Rendering of services	4	-	Trade Receivable
MKB Securities Pvt Ltd	Rendering of services	-	-	Trade Receivable
Omji Securities Ltd.	Rendering of services	-	-	Trade Receivable
Red Ribbon Stock Broking Pvt Ltd	Rendering of services	-	-	Trade Receivable
Sailesh H.Doshi Broking Pvt.Ltd.	Rendering of services	-	-	Trade Receivable

^ Less than ₹ 50,000/-

**Significant accounting policies and notes to the Consolidated Financial Statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**53. LONG TERM CONTRACT INCLUDING DERIVATIVE CONTRACTS**

The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses during the year ended March 31, 2022 and March 31, 2021.

**54. STANDARDS NOTIFIED BUT NOT YET EFFECTIVE**

Ministry of corporate affairs have made amendments on March 23, 2022 in certain Indian Accounting Standards (Ind AS) namely Ind AS 101, Ind AS 103, Ind AS 109, Ind AS 16, Ind AS 37 and Ind AS 41. The Same are effective from April 01, 2022.

**55. OTHER STATUTORY INFORMATIONS:**

- i) There are no promoters identified for the Holding company.
- ii) The Group, for the current year as well as previous year, do not have any Benami property, where any proceedings has been initiated or pending against the company for holding any Benami property.
- iii) The Group, for the current year as well as previous year, has not carried out any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961 (Such as search, survey or any other relevant provisions of the Income Tax Act, 1961).
- iv) The Group, for the current year as well as previous year, has not advanced any loan or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediaries shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner, whatsoever by or on behalf of the Company (Ultimate Beneficiary) or
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiary.
- v) The Group has not been declared as willful defaulter by any bank or financial institution or other lender, since the group has not undertaken any borrowing during the current year and previous year.
- vi) The Group, during the current year and previous year has not made any investment in downstream companies which are not in compliance with clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.
- vii) The Group has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013 during the current year and previous year.
- viii) The Group has not revalued its property plant and equipment or intangible assets or both during current year or previous year.
- ix) The Group has not granted/given any loans or advances during the current year and previous year to the directors, KMP and the related party (as defined under companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

- 56.** Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report of even date attached  
For **S. R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm registration number: 301003E/E300005

**Per Jayesh Gandhi**  
Partner  
Membership No.: 037924

Date: May 11, 2022  
Place: Mumbai

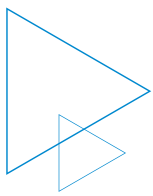
For and on behalf of the Board of Directors

**Justice Vikramajit Sen**  
Chairman  
DIN: 00866743

**Nayan Mehta**  
Chief Financial Officer

**Ashishkumar Chauhan**  
Managing Director & CEO  
DIN: 00898469

**Vishal Bhat**  
Company Secretary



## INDEPENDENT AUDITOR’S REPORT

### To the Members of BSE Limited Report on the Audit of the Standalone Ind AS Financial Statements Opinion

We have audited the accompanying standalone Ind AS financial statements of BSE Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Standalone Ind AS financial statements’ section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the

ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p><b>Valuation of investments and its impairment</b> (as described in note 32 of the standalone Ind AS financial statements)</p> <p>The Company has investments in various unlisted subsidiaries along with investments in associates, mutual funds, bonds and debentures of corporates.</p> <p>These investments represent the most significant amount on the balance sheet. The total of these investments aggregating to ₹ 1,95,987 Lakhs represented approx. 62% of total assets of the Company as at March 31, 2022.</p> <p>Investment in subsidiaries are valued at cost and are required to be assessed for impairment in accordance with Ind AS 36, when any indicators of impairment are observed. Investment in bonds are valued at amortised cost and are required to be assessed for the expected credit loss in accordance with Ind AS 109.</p> <p>High degree of management’s judgement is involved in estimation of the recoverable amount on these investments and there is inherent uncertainty relating to the assumptions supporting such estimates and risk that the fair value of investments is not determined appropriately and hence valuation of investments and its impairment is considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the design and implementation of controls over valuation and existence of investments.</li> <li>For the fair valuation models, understood and assessed the methodology used. Tested the underlying data and assumptions used in the determination of the fair value.</li> <li>Traced the quantity held from the independent confirmations provided by Custodian and Fund houses.</li> <li>Tested the valuation of the quoted and unquoted investments to independent pricing sources.</li> <li>Assessed and tested the management procedures for performing impairment analysis of investments.</li> <li>Assessed appropriateness and arithmetical accuracy of fair value disclosures pertaining to investments</li> </ul>



Key audit matters	How our audit addressed the key audit matter
<b>Information Technology (IT) systems and controls</b>	
<p>As a Stock Exchange, the reliability of IT systems plays a key role in the business operations. Since large volume of transactions are processed, the IT controls are required to ensure that systems process data as expected and that changes are made in an appropriate manner.</p> <p>The IT infrastructure is critical for smooth functioning of the Company's business operations as well as for timely and accurate financial accounting and reporting.</p> <p>Due to the pervasive nature and complexity of the IT environment and large volume of transactions we have considered IT systems and controls as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the information systems used by the Company for IT General Controls (ITGC) and Application controls;</li> <li>The aspects covered in the IT General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs; - to understand the design and test the operating effectiveness of such controls in the system;</li> <li>Assessed the changes that were made to the key systems during the audit period and assessing changes that have impact on financial reporting;</li> <li>Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system.</li> <li>Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.</li> </ul>
<b>Provisions for litigation and claims</b> (as described in note 36 of the standalone Ind AS financial statements)	
<p>There are certain demands raised by regulatory authorities, employees and others. The Company has disputed such demands by appealing them to relevant statutory forums</p> <p>For various pending litigations against the Company, management judgement is needed to determine whether an obligation exists and a provision should be recorded or disclosure if any, required in the financial statements in accordance with the criteria set under IND AS 37</p> <p>The measurement of the provision is based on the best estimate of the expenditure required to settle the present obligation.</p> <p>Considering the judgement and estimate involved, matter is considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Obtained and evaluated the Company's accounting policy in relation to accounting, assessing and disclosure of claims against the Company.</li> <li>Understood the design and tested the operating effectiveness of the Company's key controls over the identification, estimation, monitoring and disclosure of provisions for litigations and claims.</li> <li>Examined the relevant correspondence with regulators to assess developments in key areas and litigation reports to identify potentially material cases.</li> <li>Obtained independent confirmations from lawyers in respect of material cases under litigation.</li> <li>Reviewed the Board and other board level committee meeting minutes to assess the effectiveness of management's review controls and conclusions reached.</li> <li>For the significant provisions made, understood and assessed the provisioning methodology. Tested the underlying data and assumptions used in the determination of the provisions recorded.</li> <li>For cases where a provision was not recognized, evaluated the adequacy of disclosure made in the Ind AS financial statements.</li> </ul>

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

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

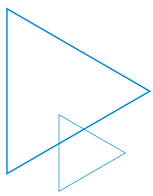
Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

**Responsibilities of Management and the Board of Directors for the Standalone Ind AS financial Statements**

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



2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company

has adequate internal financial controls with reference to Ind AS financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 36 to the standalone Ind AS financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including

foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The final dividend paid by the Company during the year which was declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 15.3 to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Jayesh Gandhi**

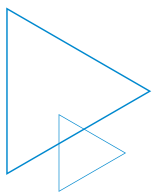
Partner

Membership Number: 037924

UDIN: 22037924AITVQV9711

Place: Mumbai

Date: May 11, 2022



**Re: BSE Limited ('the Company')**

**Annexure 1 referred to in paragraph 1 under the heading**

**“Report on other legal and regulatory requirements” of our report of even date**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are not held in the name of the Company as detailed below (Refer note 50 to the standalone Ind AS financial statements)

Description of Property	Gross carrying value (₹ In lakhs)	Held in name of*	Period for which held	Reason for not being held in the name of Company
P.J.Towers & Rotunda Towers – Land	22	Trustees of Native Share & Stock Brokers Associates	43 years to 69 years for different parcels	Pending transfer from erstwhile trustees – Refer Note
P.J.Towers - Building	1,874	Trustees of the Bombay Stock Exchange	43 years	Pending transfer from erstwhile trustees – Refer Note
Rotunda Towers – Building	1,653	Trustees of the Bombay Stock Exchange	35 years	Pending transfer from erstwhile trustees – Refer Note
CAMA - Land & Building	69	Trustees of the Native Share & Stock Brokers Association	50 years	Pending transfer from erstwhile trustees – Refer Note
Office at Machinery House	307	Trustees of the Bombay Stock Exchange	28 years	Pending transfer from erstwhile trustees – Refer Note

\* Not a promoter, director or their relative or employee of the Company.

Note : The application has been made with the land records authority for transfer of property in the favour of the Company.

- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, provided guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) The investments made by the Company, during the year, are not prejudicial to its interest. During the year the Company has not provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.
- (iv) There are no loans, investments, guarantees and securities given in respect of which provisions of section 185 of the Companies Act, 2013 are applicable. According to the information and explanations given to us, the Company has complied with the provisions of 186 of the Companies Act, 2013 in respect investments made by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits

within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services rendered by the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed to us the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added tax are not applicable to the Company.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Demands	235.10	AY 2008-09	Supreme Court
		556.73	AY 2010-11	High Court
		93.06	AY 2016-17	Commissioner of Income Tax (Appeals)
		103.06	AY 2018-19	
Finance Act, 1994 (Service Tax)	Service Tax Demand	127.43	FY 2005-06 to 2008-09	Customs Excise and Service Tax Appellate Tribunal (CESTAT)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

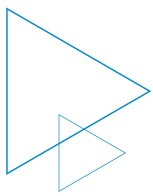
(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud/ material fraud by the Company or on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.



- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on Clause 3(xvi) (d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 51 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts in respect of CSR that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 28.1 to the financial statements.
- (b) In respect of ongoing projects, there are no unspent amounts in respect of CSR, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 28.1 to the financial statements.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Jayesh Gandhi**

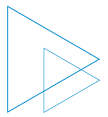
Partner

Membership Number: 037924

UDIN: 22037924AITVQV9711

Place: Mumbai

Date: May 11, 2022

**Re: BSE Limited****Annexure 2 referred to in paragraph 2 (f) under the heading  
“Report on other legal and regulatory requirements” of our report of even date****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to financial statements of BSE Limited (“the Company”) as of March 31, 2022, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by ICAI). Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone Ind AS Financial Statements**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Jayesh Gandhi**

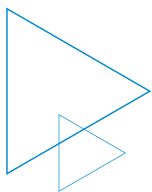
Partner

Membership Number: 037924

UDIN: 22037924AITVQV9711

Place : Mumbai

Date: May 11, 2022



**Balance Sheet as at March 31, 2022**

(₹ in Lakh)

PARTICULARS	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
a. Property, plant and equipment	3	7,409	8,527
b. Capital work-in-progress	3.1	182	20
c. Investment properties	4	373	392
d. Goodwill	5	-	-
e. Other intangible assets	6	2,046	2,851
f. Intangible assets under development	3.1	258	360
g. Financial assets			
i. Investments			
a. Investments in subsidiaries	7	72,355	71,505
b. Investments in associates	8	4,723	4,723
c. Other investments	9	3,533	23,349
ii. Other financial assets	11	8,093	8,536
h. Deferred tax assets (net)	18	9,024	11,190
i. Income tax assets (net)	21	8,191	6,701
j. Other assets	13	1	2
<b>Total non-current assets</b>		<b>1,16,188</b>	<b>1,38,156</b>
<b>2 Current assets</b>			
a. Financial assets			
i. Investments	9	1,15,376	98,186
ii. Trade receivables	10	5,254	5,575
iii. Cash and cash equivalents	12	583	11,563
iv. Bank balances other than (iii) above	12	75,467	39,245
v. Other financial assets	11	129	5,255
b. Other assets	13	1,376	1,306
<b>Total current assets</b>		<b>1,98,185</b>	<b>1,61,130</b>
<b>Total assets (1+2)</b>		<b>3,14,373</b>	<b>2,99,286</b>
<b>EQUITY AND LIABILITIES</b>			
<b>3 Equity</b>			
a. Equity share capital	14	2,705	900
b. Other equity	15	2,26,011	2,17,817
<b>Total equity</b>		<b>2,28,716</b>	<b>2,18,717</b>
<b>Liabilities</b>			
<b>4 Non-current liabilities</b>			
a. Financial liabilities			
Other financial liabilities	16	419	868
b. Other liabilities	19	31	20
<b>Total non-current liabilities</b>		<b>450</b>	<b>888</b>
<b>5 Current liabilities</b>			
a. Financial liabilities			
i. Trade payables			
a. Total outstanding dues of micro enterprises and small enterprises	20	5	5
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	20	5,259	8,973
ii. Other financial liabilities	16	51,822	44,246
b. Provisions	17	1,224	1,325
c. Income tax liabilities (net)	21	951	944
d. Other liabilities	19	25,946	24,188
<b>Total current liabilities</b>		<b>85,207</b>	<b>79,681</b>
<b>Total equity and liabilities (3+4+5)</b>		<b>3,14,373</b>	<b>2,99,286</b>
<b>Significant accounting policies</b>	2		

The accompanying notes form an integral part of the financial statements

In terms of our report of even date attached  
For **S. R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm registration number: 301003E/E300005

For and on behalf of the Board of Directors

**Per Jayesh Gandhi**  
Partner  
Membership No.: 037924

**Justice Vikramajit Sen**  
Chairman  
DIN: 00866743

**Ashishkumar Chauhan**  
Managing Director & CEO  
DIN: 00898469

Date: May 11, 2022  
Place: Mumbai

**Nayan Mehta**  
Chief Financial Officer

**Vishal Bhat**  
Company Secretary





## Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Lakh)

PARTICULARS	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>1 Revenue from operations</b>			
Securities services	22	28,490	16,504
Services to corporates	23	28,608	22,552
Data dissemination fees		3,600	3,336
<b>Revenue from operations</b>		<b>60,698</b>	<b>42,392</b>
<b>2 Investment income</b>	24	<b>9,122</b>	<b>11,356</b>
<b>3 Other income</b>	25	<b>2,582</b>	<b>2,757</b>
<b>4 Total revenue (1+2+3)</b>		<b>72,402</b>	<b>56,505</b>
<b>5 Expenses</b>			
Employee benefits expense	26	9,830	8,914
Finance costs	40	-	33
Depreciation and amortisation expense	3&4&6	4,136	5,103
Computer technology related expenses	27	12,579	11,482
Administration and other expenses	28	17,573	16,011
Liquidity enhancement scheme expenses	44	2,174	1,910
<b>Total expenses</b>		<b>46,292</b>	<b>43,453</b>
<b>6 Profit before exceptional items and tax (4-5)</b>		<b>26,110</b>	<b>13,052</b>
<b>7 Exceptional item [(expenses)]:</b>			
Provision for arbitration expense	40	-	(1,453)
<b>Total exceptional item</b>		<b>-</b>	<b>(1,453)</b>
<b>8 Profit before tax (6+7)</b>		<b>26,110</b>	<b>11,599</b>
<b>9 Tax expenses:</b>	29		
Current tax		4,476	2,408
Current tax of earlier years		13	-
Deferred tax		2,109	(535)
<b>Total tax expenses</b>		<b>6,598</b>	<b>1,873</b>
<b>10 Profit for the year (8-9)</b>		<b>19,512</b>	<b>9,726</b>
<b>11 Other comprehensive income</b>			
Items that will not be reclassified subsequently to statement of profit or loss			
i. Remeasurements loss on the defined employee benefit plans;		164	426
ii. Income tax on above	29	(57)	(149)
<b>Total other comprehensive income for the year (i+ii)</b>		<b>107</b>	<b>277</b>
<b>12 Total comprehensive income for the year (10+11)</b>		<b>19,619</b>	<b>10,003</b>
<b>13 Earning per equity share :</b>	30		
Basic and diluted before exceptional item (₹)		14.20	7.77
Basic and diluted after exceptional item (₹)		14.20	7.08
Face value of share (₹)		2	2
Weighted average number of equity shares (Nos.)		13,74,12,891	13,74,12,891
Significant accounting policies	2		

The accompanying notes form an integral part of the financial statements

In terms of our report of even date attached  
For **S. R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm registration number: 301003E/E300005

For and on behalf of the Board of Directors

**Per Jayesh Gandhi**  
Partner  
Membership No.: 037924

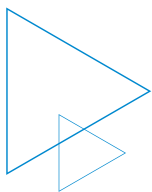
**Justice Vikramajit Sen**  
Chairman  
DIN: 00866743

**Ashishkumar Chauhan**  
Managing Director & CEO  
DIN: 00898469

Date: May 11, 2022  
Place: Mumbai

**Nayan Mehta**  
Chief Financial Officer

**Vishal Bhat**  
Company Secretary



**Cash Flow Statement for the year ended March 31, 2022**

(₹ in Lakh)

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit for the year</b>	19,512	9,726
<b>Adjustments for</b>		
Income tax expenses recognised in profit and loss	6,598	1,873
Depreciation and amortisation expenses	4,136	5,103
Impairment loss on financial assets carried at cost	5	3
Net (gain) / loss on disposal of property, plant and equipment	(9)	3
Impairment loss on financial assets and bad debts write off	(289)	1,720
Net gain arising on financial assets measured at FVTPL	(5,038)	(9,620)
Interest income	(2,203)	(793)
Dividend income	(1,881)	(943)
Provision for compensated absences	484	611
<b>Operating Cash Flow before working capital changes</b>	21,315	7,683
<b>Movements in working capital</b>		
(Increase) / decrease in trade receivables	610	(2,100)
Increase / (decrease) in trade payables	(3,714)	2,206
Increase / (decrease) in provisions	(101)	211
(Increase) / decrease in other financial assets and other assets	6,220	(4,845)
Increase / (decrease) in other financial liabilities and other liabilities	1,847	6,830
<b>Cash generated from operations</b>	26,177	9,985
Direct taxes paid - net of refunds	(5,927)	(3,465)
<b>Net cash generated from operating activities</b>	20,250	6,520
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Fixed assets</b>		
Purchase of property, plant and equipment, intangible assets, capital work-in-progress, intangible assets under development and capital advances	(2,250)	(3,562)
Proceeds from sale of property, plant and equipment	5	1
<b>Investments</b>		
Net decrease in investment in mutual funds	9,687	30,541
Investment in bonds and non-convertible debentures	(2,032)	(1,502)
Proceeds received from bonds and non-convertible debentures	-	1,500
Investment in fixed deposits	(1,06,623)	(19,167)
Proceeds received from fixed deposits	77,484	3,349
Investment in subsidiaries	(850)	(2,655)
Interest received	1,087	371
Dividend received from associate and mutual fund	1,881	943
<b>Net cash generated from/(used in) investing activities</b>	(21,611)	9,819

## Cash Flow Statement for the year ended March 31, 2022 (Contd.)...

(₹ in Lakh)

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend and taxes paid thereon	(9,619)	(7,787)
<b>Net cash used in financing activities</b>	<b>(9,619)</b>	<b>(7,787)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(10,980)</b>	8,552
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11,563</b>	3,011
<b>Cash and cash equivalents at the end of the year *</b>	<b>583</b>	11,563
<b>Balances with banks</b>		
In current accounts	253	1,200
In deposit accounts with original maturity of 3 months	330	10,363
<b>* Cash and cash equivalents at the end of the year comprises (Refer note 12)</b>	<b>583</b>	11,563

The accompanying notes form an integral part of the financial statements

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 "Cash Flow Statement".
2. Movement in earmarked liabilities and assets are not considered.
3. Previous years' figures have been regrouped wherever necessary.

In terms of our report of even date attached

For **S. R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm registration number: 301003E/E300005

**Per Jayesh Gandhi**  
Partner  
Membership No.: 037924

Date: May 11, 2022  
Place: Mumbai

For and on behalf of the Board of Directors

**Justice Vikramajit Sen**  
Chairman  
DIN: 00866743

**Nayan Mehta**  
Chief Financial Officer

**Ashishkumar Chauhan**  
Managing Director & CEO  
DIN: 00898469

**Vishal Bhat**  
Company Secretary

## Statement of Changes in Equity for the year ended March 31, 2022

	(₹ in Lakh)
<b>A. Equity Share Capital</b>	
<b>Balance as at April 1, 2020</b>	<b>900</b>
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2021</b>	<b>900</b>
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	1,805
- Shares issued during the year by way of Bonus	-
<b>Balance as at March 31, 2022</b>	<b>2,705</b>

PARTICULARS	Share application money pending allotment	Reserves and Surplus				Capital Redemption Reserve	Other comprehensive income	Total
		Capital Reserve	Capital Reserve on Business Combination	General Reserve	Retained Earnings			
<b>Balance as at April 1, 2020</b>	<b>1</b>	<b>66,179</b>	<b>10,530</b>	<b>44,457</b>	<b>94,429</b>	<b>176</b>	<b>(171)</b>	<b>2,15,601</b>
Profit for the year	-	-	-	9,726	9,726	-	-	9,726
Other comprehensive income for the year	-	-	-	-	-	-	277	277
Payment of dividend	-	-	-	(7,787)	(7,787)	-	-	(7,787)
<b>Balance as at March 31, 2021</b>	<b>1</b>	<b>66,179</b>	<b>10,530</b>	<b>44,457</b>	<b>96,368</b>	<b>176</b>	<b>106</b>	<b>2,17,817</b>
Profit for the year	-	-	-	-	19,512	-	-	19,512
Other comprehensive income for the year	-	-	-	-	-	-	107	107
Allotment of shares	(1)	-	-	-	-	-	-	(1)
Issue of bonus shares	-	-	-	(1,629)	-	(176)	-	(1,805)
Payment of dividend	-	-	-	(9,619)	-	-	-	(9,619)
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>66,179</b>	<b>10,530</b>	<b>42,828</b>	<b>1,06,261</b>	<b>-</b>	<b>213</b>	<b>2,26,011</b>

The accompanying notes form an integral part of the financial statements

In terms of our report of even date attached

For **S. R. Battiboi & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

For **Per Jayesh Gandhi**

Partner

Membership No.: 037924

Date: May 11, 2022

Place: Mumbai

For and on behalf of the Board of Directors

For **Justice Vikramajit Sen**

Chairman

DIN: 00866743

For **Ashishkumar Chauhan**

Managing Director & CEO

DIN: 00898469

For **Nayan Mehta**

Chief Financial Officer

For **Vishal Bhat**

Company Secretary

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**1. COMPANY OVERVIEW**

BSE Limited (Formerly known as Bombay Stock Exchange Limited) herein after referred to as the “Exchange” or “the Company” was established in 1875 and is Asia’s first Stock Exchange and one of India’s leading exchange groups. The registered office of the Company is at 25<sup>th</sup> floor, P. J. Towers, Dalal Street, Mumbai 400 001, Maharashtra, India. Over the past 147 years, BSE has provided a capital-raising platform and provided a platform for trading in equity, debt instruments, derivatives and mutual funds. It also has a platform for trading in equities of small-and-medium enterprises (SME). Pursuant to the BSE (Corporatization and Demutualization) Scheme, 2005 (the Scheme) notified by Securities and Exchange Board of India (“SEBI”) on May 20, 2005, the Exchange completed demutualization and Corporatization in May 2007 bringing about the separation of the ownership and management.

The equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE).

The financial statements were authorized for issue by the Company’s Board of Directors on May 11, 2022.

**2. Significant accounting policies**

**2.1 Basis of preparation and presentation**

**2.1.1 Statement of compliance**

The financial statements as at and for the year ended March 31, 2022 have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

**2.1.2 Basis of measurement**

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

- (i) Financial assets and financial liabilities measured at fair value (refer accounting policy on financial Instruments);
- (ii) Defined benefit and other long-term employee benefits.

**2.1.3 Functional and presentation currency**

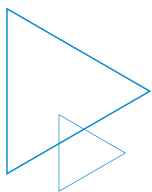
The financial statements of the Company are presented in Indian rupees, the national currency of India, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in Indian rupees has been rounded to the nearest lakh except share and per share data in terms of Schedule III unless otherwise stated.

**2.1.4 Use of estimates and judgment**

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, disclosure of contingent assets and disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- (i) *Income taxes and deferred tax:* The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**

(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

- (ii) 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 a deferred tax asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company. The management estimate the Company to pay normal tax and benefit associated with MAT will flow to the Company within permissible time limit under Income Tax Act, 1961 to the extent MAT asset recognised.
- (iii) *Impairment of Goodwill:* Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating unit to which goodwill has been allocated. The value in use calculation requires to estimate the future cash flows expected to arise from the cash-generating unit and discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. Goodwill is tested for impairment on annual basis.
- (iv) Defined employee benefit assets / liabilities determined based on the present value of future obligations using assumptions determined by the Company with advice from an independent qualified actuary.
- (v) *Property plant and equipment and investment property:* 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 life and residual values of the Company’s assets at the end of its useful life are estimated by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful life are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.
- (vi) *Impairment of trade receivables:* The Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances is made.
- (vii) *Fair value measurement of financial instruments:* The Company estimates fair values of the unquoted equity shares using discounted cash flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in management’s estimate of fair value for these unquoted equity investments (refer note 32).

**2.1.5 Summary of significant accounting policies**

**(i) Foreign currency transactions and balances**

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

**(ii) Investment properties**

Investment properties are properties held to earn rentals and / or for capital appreciation (including properties under construction for such purposes). Investment properties are measured initially at cost including transaction costs, Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16’s requirements for cost model.

The estimated useful life of assets for the current and comparative period of investment property are as follows:

Category	Useful life
Buildings	60 years

Freehold land is not depreciated.

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

Investment property is derecognised upon disposal or when the investment property permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the Statement of Profit or Loss in the period in which the property is derecognised.

**(iii) Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings are recognised net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: financial assets (debt instrument) comprising amortised cost, financial assets (debt instrument) comprising Fair Value Through Other Comprehensive Income ("FVTOCI"), financial asset (equity instruments) at Fair value Through Profit and Loss account ("FVTPL") and FVTOCI and financial liabilities at amortised cost or FVTPL.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

**Financial assets**

**(a) Financial assets (debt instrument) at amortised cost**

A financial asset shall be measured at amortised cost if both of the following conditions are met:

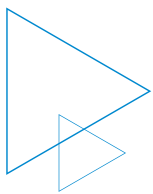
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest on the principal amount outstanding ("SPPI").

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss.

Amortised cost are represented by investment in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks with original maturity less than 3 months which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.



## Significant accounting policies and notes to the financial statements for the year ended March 31, 2022

(Rupees in Lakh, except share and per share data, unless otherwise stated)

### 2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..

#### (b) Financial asset (debt instrument) at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- the asset's contractual cash flow represent SPPI debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.

Fair value movements are recognised in Other Comprehensive Income ("OCI"). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain loss in Profit or Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model.

Currently the Company has not classified any interest bearing debt instrument under this category.

#### (c) Equity instruments at FVTOCI and FVTPL

All equity instruments are measured at fair value other than investment in subsidiaries, joint venture and associate. Equity instruments held for trading are classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to Profit or Loss.

Currently the Company has not classified any equity instrument at FVTOCI.

If the Company decides to classify an equity instrument as at FVTPL, then all fair value changes on the instrument and dividend are recognised in Profit or Loss.

#### (d) Equity investments in Subsidiaries and Associates

All equity investment in subsidiaries and associates are measured at cost less provision for impairment loss, if any.

#### (e) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

### Earmarked Funds

Earmarked Funds represent deposits, margins, etc. held for specific purposes. These amounts are invested and the same are earmarked in the Balance Sheet. Investment income earned on financial instrument measured at amortised cost is credited to respective earmarked liabilities and not credited to the Statement of Profit or Loss. The Gain/ (Loss) on Fair Value of the investments from these earmarked funds are shown as liabilities/asset and are not routed through the Profit or Loss.

### Financial liabilities

#### (a) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

**(b) Financial liabilities at FVTPL**

Financial liabilities at FVTPL represented by contingent consideration that are measured at fair value with all changes recognised in the Statement of Profit and Loss.

**Equity Instruments (Share capital)**

Ordinary shares: - Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares or buyback of existing equity shares are recognised as a deduction from equity, net of any tax effect (if any).

**(iv) Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

**(v) Property, Plant and Equipment**

**(a) Recognition and measurement:** Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

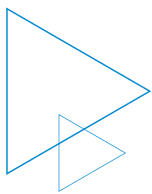
**(b) Depreciation:** The Company depreciates property, plant and equipment over the estimated useful life on a written down method basis from the date the assets are ready for intended use. However, the leasehold improvements are amortised over the lower of estimated useful life and lease term if there is no reasonable certainty that the Company will obtain ownership by the end of lease term. The estimated useful life of assets for the current and comparative period of significant items of property, plant and equipment are as prescribed by Schedule II of the Companies Act, 2013 which are as follows:

Category	Useful life
Buildings	60 years
Plant and equipment	15 years
Electrical installations	10 years
Computer hardware and networking equipment – owned	3-6 years
Furniture, fixtures and office equipment	5-10 years
Motor vehicles	8 years

Freehold land is not depreciated.

Depreciation methods, useful life and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognised in the Profit or Loss. The date of disposal of an item of property, plant and equipments is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**

(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

**(vi) Intangible assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over their respective estimated useful life on a "Written Down Value", from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful life of intangibles are as follows:

Category	Useful life
Computer software	3-6 years

Amortisation methods, useful life and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

**(vii) Leases:**

**As a Lessee:**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

1. the contract involves the use of an identified asset;
2. the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
3. the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

**As a Lessor:**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**(viii) Impairment**

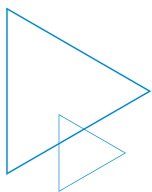
**(a) Financial assets carried at amortised cost and FVTOCI**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.



## Significant accounting policies and notes to the financial statements for the year ended March 31, 2022

(Rupees in Lakh, except share and per share data, unless otherwise stated)

### 2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a detailed analysis of trade receivable by individual departments.

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

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

#### (b) Impairment of equity investments measured at cost

Investments in subsidiaries and associates which are measured at cost are tested for impairment at the end of each reporting period. Any impairment loss is recognized in the statement of profit and loss, if the amount of impairment loss decreases subsequently then the previously recognized impairment loss is reversed in the statement of profit and loss.

#### (c) Non-financial assets:

The Company assesses at each reporting date whether there is any observable evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, then the previously recognised impairment loss is reversed through profit or loss except for goodwill.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

#### (d) Impairment of Goodwill

Goodwill is tested for impairment on an annual basis. Any Impairment loss for goodwill is recognized in profit or loss. An Impairment loss recognized for goodwill is not reversed in subsequent periods.

#### (ix) Employee Benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognised as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Company has the following employee benefit plans:

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..****(a) Gratuity:**

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method.

Actuarial gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through Other Comprehensive Income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

**(b) Compensated absences:**

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

**(c) Provident fund, pension fund and new national pension scheme:**

The Company offers its employees defined contribution plan in the form of provident fund, family pension fund and new national pension scheme. The Company recognises contribution made towards provident fund, family pension fund and new national pension scheme in the Statement of Profit and Loss.

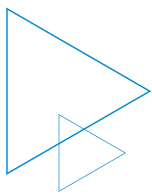
The employer and employees' contribution to provident fund is managed by BSE Employees' Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

**(x) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



## Significant accounting policies and notes to the financial statements for the year ended March 31, 2022

(Rupees in Lakh, except share and per share data, unless otherwise stated)

### 2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

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.

Provisions are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are recognized when economic outflow is probable and disclosed when economic outflow is possible. Contingent assets are not disclosed but recognized when economic inflow is certain.

#### (xi) Revenue

The Company has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

The Company derives revenue primarily from Services to Corporate and Securities Services. The Company recognises revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:

##### (a) Time and service contracts

Revenues and costs relating to time and service contracts are recognised as the related services are rendered.

##### (b) Annual / monthly Fee contracts

Revenue from Annual / monthly fee contracts is recognised ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognised on a straight line basis over the specified period or under some other method that better represents the stage of completion.

The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognised at the time of sale / services rendered. Revenues are shown net of goods and service tax and applicable discounts and allowances.

#### (xii) Investment income and interest expense

Investment income consists of interest income on funds invested, dividend income and gains on the disposal of financial assets measured at FVTPL and amortised cost.

Interest income on bond is recognised as it accrues in the Statement of Profit and Loss, using the effective interest method and interest income on deposits with banks is recognised on a time proportion accrual basis taking into the account the amount outstanding and the rate applicable.

Dividend income is recognised in the Profit or Loss on the date that the Company's right to receive payment is established.

#### (xiii) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognised in the Profit or Loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

**(a) Current income tax**

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

**(b) Deferred income tax**

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognised for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

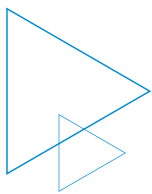
Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

**(xiv) Earnings per share**

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, consolidation of shares, etc. as appropriate.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**2. SIGNIFICANT ACCOUNTING POLICIES (Contd.)..**

**(xv) Current / Non-current classification**

The company present assets and liabilities in the balance sheet based on current/non-current classification

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

- (a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within twelve months after the balance sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the balance sheet date
- (e) All other assets are classified as non-current.

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

- (a) it is expected to be settled in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded; it is due to be settled within twelve months after the balance sheet date; or
- (c) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.
- (d) All other liabilities are classified as non-current.
- (e) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.





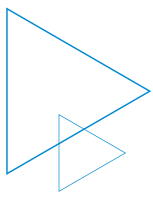
**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**3. PROPERTY, PLANT AND EQUIPMENT**

PARTICULARS	Freehold land	Buildings	Plant and equipments	Electrical installations	Computers		Furniture and fixtures	Office equipments	Motor vehicles	Total
					Hardware and networking equipments - owned	Hardware and networking equipments - on lease				
<b>Cost</b>										
Balance as at April 1, 2020	1,056	3,417	1,707	3,005	13,102	130	799	1,225	-	24,441
Additions during the year	-	-	171	196	2,408	-	1	16	-	2,792
Deductions / adjustments	-	-	-	7	39	-	-	7	-	53
<b>Balance as at March 31, 2021</b>	<b>1,056</b>	<b>3,417</b>	<b>1,878</b>	<b>3,194</b>	<b>15,471</b>	<b>130</b>	<b>800</b>	<b>1,234</b>	-	<b>27,180</b>
Balance as at April 1, 2021	1,056	3,417	1,878	3,194	15,471	130	800	1,234	-	27,180
Additions during the year	-	-	7	11	1,254	-	2	66	-	1,340
Deductions / adjustments	-	-	18	3	3,732	-	17	14	-	3,784
<b>Balance as at March 31, 2022</b>	<b>1,056</b>	<b>3,417</b>	<b>1,867</b>	<b>3,202</b>	<b>12,993</b>	<b>130</b>	<b>785</b>	<b>1,286</b>	-	<b>24,736</b>
<b>Accumulated depreciation</b>										
Balance as at April 1, 2020	-	1,344	1,066	2,312	8,822	130	564	1,107	-	15,345
Depreciation for the year	-	189	148	233	2,640	-	65	82	-	3,357
Deductions / adjustments	-	-	-	3	39	-	-	7	-	49
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>1,533</b>	<b>1,214</b>	<b>2,542</b>	<b>11,423</b>	<b>130</b>	<b>629</b>	<b>1,182</b>	-	<b>18,653</b>
Balance as at April 1, 2021	-	1,533	1,214	2,542	11,423	130	629	1,182	-	18,653
Depreciation for the year	-	156	127	181	1,895	-	49	45	-	2,453
Deductions / adjustments	-	-	16	3	3,732	-	14	14	-	3,779
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>1,689</b>	<b>1,325</b>	<b>2,720</b>	<b>9,586</b>	<b>130</b>	<b>664</b>	<b>1,213</b>	-	<b>17,327</b>
<b>Net Book Value</b>										
<b>As at March 31, 2022</b>	<b>1,056</b>	<b>1,728</b>	<b>542</b>	<b>482</b>	<b>3,407</b>	<b>-</b>	<b>121</b>	<b>73</b>	<b>-</b>	<b>7,409</b>
As at March 31, 2021	1,056	1,884	664	652	4,048	-	171	52	-	8,527

**Note:**

The carrying value of land & building as on 31<sup>st</sup> March, 2022 is ₹ 2,784 (₹ 2,940 as on 31<sup>st</sup> March, 2021) shown under the head "Property Plant and Equipment" in the books of accounts. Out of which, the land and building having a carrying amount of ₹ 381 (₹ 466 as at March 31, 2021), includes four properties for which the title deeds are in the name of erstwhile legal entities. Further, the application has been made with the land authority for transfer of property in the favour of the company. (Refer Note 50)



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**3.1 CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE**

PARTICULARS	Amount in CWIP for a period of				Total
	less than 1 year	1-2 year	2-3 years	more than 3 years	
<b>As at March 31, 2022</b>					
Projects in progress	182	-	-	-	182
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2021</b>					
Projects in progress	20	-	-	-	20
Projects temporarily suspended	-	-	-	-	-

**3.1 INTANGIBLE ASSET UNDER DEVELOPMENT AGEING SCHEDULE**

PARTICULARS	Amount in CWIP for a period of				Total
	less than 1 year	1-2 year	2-3 years	more than 3 years	
<b>As at March 31, 2022</b>					
Projects in progress	211	47	-	-	258
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2021</b>					
Projects in progress	262	85	13	-	360
Projects temporarily suspended	-	-	-	-	-

**4. INVESTMENT PROPERTIES**

PARTICULARS	Freehold Land	Buildings	Total
<b>Cost</b>			
Balance as at April 1, 2020	10	516	526
Additions during the year	-	-	-
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2021</b>	<b>10</b>	<b>516</b>	<b>526</b>
Balance as at April 1, 2021	10	516	526
Additions during the year	-	-	-
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>10</b>	<b>516</b>	<b>526</b>
<b>PARTICULARS</b>	<b>Freehold Land</b>	<b>Buildings</b>	<b>Total</b>
<b>Accumulated depreciation and impairment</b>			
Balance as at April 1, 2020	-	114	114
Depreciation for the year	-	20	20
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>134</b>	<b>134</b>

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**4. INVESTMENT PROPERTIES (Contd.)..**

PARTICULARS	Freehold Land	Buildings	Total
Balance as at April 1, 2021	-	134	134
Depreciation for the year	-	19	19
Deductions / adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>153</b>	<b>153</b>
PARTICULARS	Freehold Land	Buildings	Total
<b>Net Book Value</b>			
<b>As at March 31, 2022</b>	<b>10</b>	<b>363</b>	<b>373</b>
As at March 31, 2021	10	382	392

**Notes:**

- The fair value of the Company's investment properties as at March 31, 2022 and March 31, 2021 are based on annual evaluation performed by the management.
- Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2022 and March 31, 2021 are as follows:

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Fair value of Building (based on municipal value)	<b>32,045</b>	32,045
Fair value hierarchy	<b>Level 3</b>	Level 3

- Amount recognised in Statement of Profit and Loss for Investment Property

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental income derived from investment properties	<b>1,508</b>	1,519
Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the year)	<b>160</b>	175

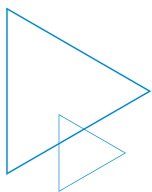
- All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.
- Minimum lease payments receivable under non-cancellable operating lease of investments properties are as follows:

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Not later than 1 year	<b>208</b>	125
Later than 1 year and not longer than 5 years	<b>294</b>	411
Later than 5 years	-	-

- No contingent rent recognised / (adjusted) in the Profit or Loss in respect of operating lease.

**5. GOODWILL**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Cost or deemed cost</b>	<b>785</b>	785
<b>Accumulated Impairment losses</b>	<b>785</b>	785
<b>Net Book value</b>	<b>-</b>	-



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**5. GOODWILL (Contd.)..**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Cost or deemed cost</b>		
Balance at the beginning of the year	785	785
<b>Balance at the end of the year</b>	-	-
<b>Accumulated Impairment loss</b>		
Balance at the beginning of the year	785	785
Impairment loss recognised during the year	-	-
<b>Balance at the end of the year</b>	785	785

**6. OTHER INTANGIBLE ASSETS**

PARTICULARS	Software	Total
<b>Cost</b>		
Balance as at April 1, 2020	7,949	7,949
Additions during the year	2,243	2,243
Deductions / adjustments	-	-
<b>Balance as at March 31, 2021</b>	<b>10,192</b>	<b>10,192</b>
Balance as at April 1, 2021	10,192	10,192
Additions during the year	859	859
Deductions / adjustments	-	-
<b>Balance as at March 31, 2022</b>	<b>11,051</b>	<b>11,051</b>
PARTICULARS	Software	Total
<b>Accumulated amortisation</b>		
Balance as at April 1, 2020	5,615	5,615
Amortisation for the year	1,726	1,726
Deductions / Adjustments	-	-
<b>Balance as at March 31, 2021</b>	<b>7,341</b>	<b>7,341</b>
Balance as at April 1, 2021	7,341	7,341
Amortisation for the year	1,664	1,664
Deductions / adjustments	-	-
<b>Balance as at March 31, 2022</b>	<b>9,005</b>	<b>9,005</b>
PARTICULARS	Software	Total
<b>Net Book Value</b>		
<b>As at March 31, 2022</b>	<b>2,046</b>	<b>2,046</b>
As at March 31, 2021	2,851	2,851



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

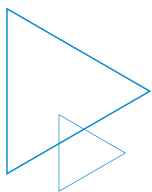
**7. INVESTMENTS IN SUBSIDIARIES**

PARTICULARS	As at March 31, 2022		As at March 31, 2021	
	Quantity	Amount	Quantity	Amount
<b>Non-current Investments</b>				
<b>Un-quoted Investments (all fully paid)</b>				
<b>Investment in Equity Instruments at Cost</b>				
<b>Wholly owned subsidiaries</b>				
- Indian Clearing Corporation Limited (Equity shares of ₹ 1 each)	3,54,00,00,000	35,400	3,54,00,00,000	35,400
- BSE Technologies Private Limited (Formerly known as Marketplace Technologies Private Limited) (Equity shares of ₹ 1 each)	25,00,00,000	4,250	25,00,00,000	4,250
- BSE Institute Limited (Equity shares of ₹ 1 each)	50,00,00,000	5,000	50,00,00,000	5,000
- BSE Investments Limited (Equity shares of ₹ 1 each)	50,50,00,000	5,050	43,00,00,000	4,300
- BSE Sammaan CSR Limited* (Equity shares of ₹ 10 each)	26,00,000	260	26,00,000	260
- BSE Administration and Supervision Limited (Equity shares of ₹ 10 each)	10,00,000	100	-	-
<b>Other subsidiaries</b>				
- India International Exchange (IFSC) Limited (Equity shares of ₹ 1 each) (Voting right - 61.93%, (March 31, 2021 - 90.72%))	1,45,54,50,000	14,555	1,45,54,50,000	14,555
- India International Clearing Corporation (IFSC) Limited (Equity shares of ₹ 1 each) (Voting right - 59.93%, (March 31, 2021 - 90.10%))	80,00,00,000	8,000	80,00,00,000	8,000
- BSE CSR Integrated Foundation* (Equity shares of ₹ 10 each) (Voting right - 75%, (March 31, 2021 - 75%))	37,500	4	37,500	4
- BFSI Sector Skill Council of India* (Equity shares of ₹ 1 each) (Voting right - 48.78%, (March 31, 2021 - 48.78%))	1,00,00,000	100	1,00,00,000	100
		72,719		71,869
Less : Provision for diminution*		(364)		(364)
<b>Total</b>		<b>72,355</b>		<b>71,505</b>
Aggregate carrying value of un-quoted investments		72,719		71,869
Aggregate amount of impairment in value of investments in subsidiaries		364		364

**Note:**

Principal place of business of all the above investments are based out in India.

\* The Investment in the subsidiaries have been fully provided for.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**8. INVESTMENTS IN ASSOCIATES**

PARTICULARS	As at March 31, 2022		As at March 31, 2021	
	Quantity	Amount	Quantity	Amount
<b>Non-current Investments</b>				
<b>Associate - Investments in equity shares measured at cost</b>				
<b>Un-quoted Investments (all fully paid)</b>				
- Asia Index Private Limited (Equity shares of ₹ 10 each) (Voting right - 50%, (March 31, 2021 - 50%))	5,000	1	5,000	1
<b>Total (A)</b>		1		1
Aggregate carrying value of un-quoted investments		1		1
Aggregate amount of impairment in value of investments in Associate		-		-
<b>Associate</b>				
<b>Quoted Investments (all fully paid)</b>				
- Central Depository Services (India) Limited (Equity shares of ₹ 10 each) (Voting right - 20%, (March 31, 2021 - 20%))	2,09,00,000	4,722	2,09,00,000	4,722
Less : Impairment		-		-
<b>Total (B)</b>		4,722		4,722
<b>Total (A+B)</b>		4,723		4,723
Aggregate carrying value of quoted investments		4,722		4,722
Aggregate market value of quoted investments		3,09,393		1,37,114
Aggregate carrying value of un-quoted investments		1		1
Aggregate amount of impairment in value of investments in associate		-		-

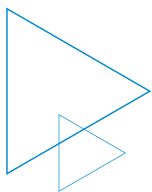
**Note:** Principal place of business of all the above investments are based out in India.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non-current investments</b>		
<b>Un-quoted investments (all fully paid)</b>		
<b>Investment in equity instruments at FVTPL</b>		
- Calcutta Stock Exchange Limited (Equity share of ₹ 1 each)	-	-
<b>Total investment in equity instruments at FVTPL</b>	-	-
<b>Quoted investments</b>		
<b>Investments in bonds and debentures measured at amortised cost</b>		
<b>Owned</b>		
- Bonds	2,032	-
- Non-convertible debentures	1,501	1,502
	<b>3,533</b>	1,502
<b>Investments in mutual funds measured at FVTPL</b>		
<b>Owned</b>		
- Units of growth oriented debt schemes of mutual funds	-	21,847
	-	21,847
<b>Total non-current investments</b>	<b>3,533</b>	23,349
Aggregate amount of quoted investments	3,533	23,349
Market value of quoted investments	3,533	23,349
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-
<b>Current investments</b>		
<b>Quoted investments</b>		
<b>Investments in mutual funds measured at FVTPL</b>		
<b>Owned</b>		
- Units of growth oriented debt schemes of mutual funds	1,07,365	89,427
- Investment in exchange traded funds through asset management company	4,655	1,047
	<b>1,12,020</b>	90,474
<b>Earmarked</b>		
- Units of growth oriented debt schemes of mutual funds	3,230	7,648
	<b>3,230</b>	7,648
<b>Current portion of non-current investments</b>		
<b>Quoted investments</b>		
<b>Investments in debentures measured at amortised cost</b>		
<b>Owned</b>		
- Non-convertible debentures	1,700	1,700
	<b>1,700</b>	1,700
<b>Accrued interest</b>	126	64
Less : Provision for diminution	1,700	1,700
<b>Total current investments</b>	<b>1,15,376</b>	98,186
Aggregate amount of quoted investments	1,17,076	99,886
Market value of quoted investments	1,15,376	98,186
Aggregate amount of unquoted investments	-	-
Market value of unquoted investments	-	-
Aggregate amount of impairment in value of investments	1,700	1,700



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

Sr. No.	COMPANY NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Quantity	Amount	Quantity	Amount
<b>Non-Current Investments</b>					
<b>(a) Own Funds</b>					
<b>Trade Investment</b>					
1	Equity Shares of Calcutta Stock Exchange Ltd. of ₹ 1/- each	30,875	-	30,875	-
<b>Total</b>			-		-

Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
<b>(a) Own Funds</b>					
<b>Investments in Debentures (Quoted)</b>					
<b>Bonds and Non Convertible Debentures</b>					
1	7.74% State Bank of India-09-Sep-2025	150	1,501	150	1,502
2	7.15% Karnataka SDL-09-Oct-2028	10,00,000	1,031	-	-
3	7.95% Bank of Baroda-26-Nov-2026	10	1,001	-	-
<b>Total</b>			<b>3,533</b>		<b>1,502</b>
<b>Investments in Mutual Funds measured at FVTPL</b>					
<b>Units of Growth Oriented Debt Schemes of Mutual Funds</b>					
1	Aditya Birla Sun Life Fixed Term Plan Series PU 1463 Days Direct - Growth	-	-	1,00,00,000	1,307
2	Aditya Birla Sun Life Fixed Term Plan Series PV 1462 Days Direct-Growth	-	-	1,00,00,000	1,309
3	Aditya Birla Sun Life Fixed Term Plan - Series RC (1295 days) Direct - Growth	-	-	2,00,00,000	2,512
4	Aditya Birla Sun Life Fixed Term Plan - Series RL (1254 days) Direct Growth	-	-	40,00,000	498
5	HDFC Fixed Maturity Plan 1274D October 2018 Direct Growth	-	-	1,00,00,000	1,268
6	ICICI Prudential Fixed Maturity Plan - Series 84 1286 Days - Plan F - Direct Growth	-	-	50,00,000	635
7	ICICI Prudential Fixed Maturity Plan - Series 84 1275 Days - Plan K - Direct Growth	-	-	1,00,00,000	1,267
8	Invesco India Fixed Maturity Plan Series 31-Plan D-1468D-Direct Growth	-	-	1,00,00,000	1,307
9	Kotak Fixed Maturity Plan Series 226 - 1470D - Direct - Growth	-	-	1,00,00,000	1,308
10	Kotak Fixed Maturity Plan Series 248 - 1300 Days Direct Growth	-	-	1,00,00,000	1,276
11	Kotak Fixed Maturity Plan Series 250 - 1314 Days Direct Growth	-	-	1,00,00,000	1,269
12	Nippon IndiaFixed Horizon Fund XXXVIII Series 6 - 1119D - Dir - Growth	-	-	1,00,00,000	1,251
13	Nippon IndiaFixed Horizon Fund XXXIX Series 4 - 1323 Days - Direct - Growth	-	-	1,00,00,000	1,292
14	Nippon IndiaFixed Horizon Fund XXXIX Series 6 - 1316 Days - Direct - Growth	-	-	1,00,00,000	1,287



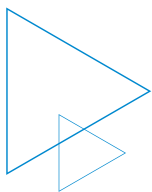


**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
15	Nippon IndiaFixed Horizon Fund XXXIX Series 9 - 1296 Days - Direct - Growth	-	-	1,00,00,000	1,275
16	Nippon IndiaFixed Horizon Fund XXXIX Series 14 - 1275 Days - Direct - Growth	-	-	1,20,00,000	1,517
17	UTI Fixed Term Income Fund Series XXX - VIII (1286 days) Direct Growth	-	-	50,00,000	637
18	UTI Fixed Term Income Fund Series XXX - X (1267 days) Direct Growth	-	-	50,00,000	632
<b>Total</b>					<b>21,847</b>
<b>Current Investments</b>					
<b>(a) Own fund</b>					
<b>Investments in Mutual Funds measured at FVTPL</b>					
<b>Units of Growth Oriented Debt Schemes of Mutual Funds</b>					
1	HDFC Corporate Bond Fund - Direct - Growth	2,65,90,047	7,041	2,67,71,755	6,742
2	IDFC Corporate Bond Fund - Direct - Growth Plan	3,39,39,089	5,444	6,07,20,257	9,271
3	L&T Triple Ace Bond Fund - Direct - Growth Plan	1,22,55,566	7,704	1,23,86,929	7,387
4	Invesco India Corporate Bond Fund Direct - Growth Plan	1,27,837	3,496	70,730	1,850
5	HDFC Liquid Fund - Direct - Growth Plan	40,084	1,677	1,17,104	4,737
6	ICICI Prudential Liquid Fund - Growth	20,064	63	20,064	61
7	Sundaram Money Fund - Direct Plan - Growth	-	-	94,49,246	4,101
8	Edelweiss Liquid Fund - Direct -Growth	-	-	1,13,059	3,000
9	Tata Liquid Fund- Direct - Growth	1,45,679	4,896	1,07,776	3,500
10	Axis Corporate Debt Fund - Direct - Growth	2,23,50,205	3,187	2,23,50,205	3,032
11	IDFC Banking & PSU Debt Fund - Direct - Growth	1,09,72,612	2,238	1,09,72,612	2,144
12	Invesco India Treasury Advantage Fund - Direct - Growth	-	-	17,060	521
13	Kotak Bond Fund - Direct - Growth	24,70,598	1,685	24,70,598	1,600
14	Kotak Corporate Bond Fund - Direct - Growth	50,255	1,574	50,255	1,500
15	L&T Ultra Short Term Fund-Direct Plan - Growth	-	-	59,50,681	2,088
16	LIC MF Bond Fund- Direct -Growth	-	-	8,53,219	507
17	UTI Corporate Bond Fund - Direct - Growth	1,20,55,240	1,616	1,20,55,240	1,544
18	BOI AXA Arbitrage Fund Direct Growth Plan	-	-	-	-
19	Edelweiss Arbitrage Fund Direct Growth Plan	31,02,737	512	36,54,677	576
20	IDFC Arbitrage Fund Direct Growth Plan	-	-	21,66,444	580
21	L&T Arbitrage Opportunities Fund Direct Growth Plan	-	-	37,31,343	581
22	Tata Arbitrage Fund Direct Growth	2,61,53,880	3,135	2,61,53,880	3,000
23	Nippon IndiaNivesh Lakshya Fund Direct - Growth Plan	7,16,88,726	10,223	7,16,88,726	9,966
24	Sundaram Corporate Bond Fund Direct - Growth Plan	38,89,628	1,302	38,89,628	1,246
25	Aditya Birla SL FTP Series PR 1134 Days - Direct - Growth	-	-	1,50,00,000	1,879
26	Canara Robeco Fixed Maturity Plan Series-8 (1103 Days) Direct Growth	-	-	30,00,000	373
27	DSP BlackRock Fixed Maturity Plan Series 232 - 36M - Direct - Growth	-	-	1,00,00,000	1,257
28	Franklin India - Fixed Maturity Plan - Series 2 - Plan A - 1224D - Direct - Growth Plan	-	-	1,00,00,000	1,262
29	IDFC Fixed Term Plan Series 156 - 1103D - Direct - Growth	-	-	50,00,000	627





**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**

(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

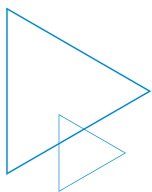
Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
30	HDFC Fixed Maturity Plan 1115D Sep 2018 Plan Direct Growth	-	-	1,00,00,000	1,251
31	ICICI Prudential - Fixed Maturity Plan - Series 82 Plan A - 1236 Days - Direct - Growth Plan	-	-	1,00,00,000	1,264
32	Invesco India Fixed Maturity Plan Sr. 32 Plan E ( 1099 Days)- Direct Growth	-	-	1,00,00,000	1,257
33	Kotak - Fixed Maturity Plan - Series 212 -1260D -Direct - Growth	-	-	50,00,000	632
34	Kotak - Fixed Maturity Plan - Series 213 -1230D -Direct - Growth	-	-	50,00,000	633
35	Kotak Fixed Maturity Plan Series 245 - 1140 D - Direct-Growth	-	-	1,00,00,000	1,243
36	L&T Fixed Maturity Plan Series XVIII 1104 Days Direct Growth	-	-	50,00,000	619
37	Nippon India- Fixed Horizon Fund - XXXV Series 11 - 1242 Days - Direct - Growth Plan	-	-	50,00,000	634
38	Nippon India- Fixed Horizon Fund - XXXV Series 6 -1263 Days - Direct - Growth Plan	-	-	1,00,00,000	1,268
39	Nippon India- Fixed Horizon Fund - XXXVI Series 9 - 1139 Days - Direct - Growth Plan	-	-	1,00,00,000	1,250
40	Nippon India Fixed Horizon Fund XXXVII-Series 5-Direct Growth (1105 D)	-	-	1,00,00,000	1,252
41	Nippon India Fixed Horizon Fund XXXVII Series 6 - 1417D - Dir - Growth	1,00,00,000	1,368	1,00,00,000	1,312
42	Sundaram Fixed Term Plan - IK - 1098 days -Direct - Growth	-	-	50,00,000	626
43	UTI Fixed Term Income Fund - XXX-V - 1135D - Direct - Growth	-	-	1,00,00,000	1,254
44	Aditya Birla Sunlife Corporate Bond Fund - Direct -Growth	51,70,753	4,716	-	-
45	DSP Corporate Bond Fund - Direct - Growth	76,16,886	1,014	-	-
46	HDFC Balanced Advantage Fund - Direct - Growth	1,72,968	523	-	-
47	ICICI Balanced Advantage Fund - Direct - Growth	9,38,920	509	-	-
48	Invesco India Medium Duration Fund - Direct - Growth	99,995	1,031	-	-
49	Invesco India Short Term Fund - Direct - Growth	82,394	2,608	-	-
50	Kotak Floating Rate Fund - Direct - Growth	1,68,693	2,070	-	-
51	Kotak Balanced Advantage Fund - Direct - Growth	33,44,091	503	-	-
52	Nippon India Balanced Advantage Fund - Direct - Growth	3,82,100	501	-	-
53	Nippon India Corporate Bond Fund -Direct - Growth	1,06,46,034	5,273	-	-
54	Axis Liquid Fund - Direct - Growth	53,526	1,265	-	-
55	Baroda BNP Paribas Liquid Fund - Plan B - Direct - Growth	1,57,021	3,852	-	-
56	HSBC Cash Fund - Direct - Growth	44,027	933	-	-
57	ICICI Prudential Liquid Fund - Direct - Growth	1,07,462	339	-	-
58	Mirae Asset Cash Management Fund - Direct - Growth	28,551	642	-	-
59	Nippon India Liquid Fund - Direct - Growth	17,339	903	-	-
60	Tata Floating Rate Fund - Direct - Growth	99,99,500	1,029	-	-
61	Invesco India Arbitrage Fund Direct Growth	18,42,601	501	-	-
62	Aditya Birla Sun Life Fixed Term Plan Series PU 1463 Days Direct - Growth	1,00,00,000	1,365	-	-



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
63	Aditya Birla Sun Life Fixed Term Plan Series PV 1462 Days Direct-Growth	1,00,00,000	1,366	-	-
64	Aditya Birla Sun Life Fixed Term Plan - Series RC (1295 days) Direct - Growth	2,00,00,000	2,612	-	-
65	Aditya Birla Sun Life Fixed Term Plan - Series RL (1254 days) Direct Growth	40,00,000	518	-	-
66	HDFC Fixed Maturity Plan 1274D October 2018 Direct Growth	1,00,00,000	1,321	-	-
67	ICICI Prudential Fixed Maturity Plan - Series 84 1286 Days - Plan F - Direct Growth	50,00,000	661	-	-
68	ICICI Prudential Fixed Maturity Plan - Series 84 1275 Days - Plan K - Direct Growth	1,00,00,000	1,320	-	-
69	Invesco India Fixed Maturity Plan Series 31-Plan D-1468D-Direct Growth	1,00,00,000	1,367	-	-
70	Kotak Fixed Maturity Plan Series 226 - 1470D - Direct - Growth	1,00,00,000	1,367	-	-
71	Kotak Fixed Maturity Plan Series 248 - 1300 Days Direct Growth	1,00,00,000	1,334	-	-
72	Kotak Fixed Maturity Plan Series 250 - 1314 Days Direct Growth	1,00,00,000	1,326	-	-
73	Nippon IndiaFixed Horizon Fund XXXIX Series 4 - 1323 Days - Direct - Growth	1,00,00,000	1,349	-	-
74	Nippon IndiaFixed Horizon Fund XXXIX Series 6 - 1316 Days - Direct - Growth	1,00,00,000	1,342	-	-
75	Nippon IndiaFixed Horizon Fund XXXIX Series 9 - 1296 Days - Direct - Growth	1,00,00,000	1,329	-	-
76	Nippon IndiaFixed Horizon Fund XXXIX Series 14 - 1275 Days - Direct - Growth	1,20,00,000	1,579	-	-
77	UTI Fixed Term Income Fund Series XXX - VIII (1286 days) Direct Growth	50,00,000	665	-	-
78	UTI Fixed Term Income Fund Series XXX - X (1267 days) Direct Growth	50,00,000	660	-	-
79	Kotak Equity Arbitrage Fund Direct Growth	16,13,848	511	-	-
	<b>Total</b>		<b>1,07,365</b>		<b>89,427</b>
	<b>Investment in Exchange Traded Funds through Asset Management Company</b>				
1	ICICI Prudential Sensex Iwin - Exchange Traded Fund	1,08,259	689	1,08,259	578
2	ICICI Prudential Midcap Select- Exchange Traded Fund	1,15,500	119	1,15,500	99
3	ICICI Prudential MF-BHARAT 22 - Exchange Traded Fund	1,40,000	67	1,40,000	50
4	HDFC Sensex - Exchange Traded Fund	6,00,000	3,780	60,000	320
	<b>Total</b>		<b>4,655</b>		<b>1,047</b>



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**9. OTHER INVESTMENTS (Contd.)..**

Sr. No.	SCHEME NAME	Balance as on March 31, 2022		Balance as on March 31, 2021	
		Units	Amount	Units	Amount
<b>(b) Earmarked Funds</b>					
<b>Units Of Growth Oriented Debt Schemes Of Mutual Funds</b>					
1	Mirae Asset Cash Management Fund Direct -Growth - Investor Services Fund	36,433	819	3,51,582	7,634
2	Mirae Asset Cash Management Fund Direct -Growth - (Commodity)	165	4	590	13
3	Mirae Asset Cash Management Fund Direct -Growth - (SEBI Regulatory Fees)	37	1	35	1
4	Axis Liquid Fund - Direct -Growth - Investor Services Fund	59,392	1,403	-	-
5	ICICI Prudential Liquid Fund - Direct -Growth - Investor Services Fund	3,18,134	1,003	-	-
<b>Total</b>			<b>3,230</b>		<b>7,648</b>
<b>Current Portion of Long Term Investments</b> (At cost, unless otherwise specified)					
<b>Own Funds</b>					
<b>Investments in Debentures (Quoted)</b>					
<b>Non Convertible Debentures</b>					
1	8.90%-IL&FS Financial Services Limited-21-Mar-2019	20,000	200	20,000	200
2	9.95%-Infrastructure Leasing & Financial Services Limited-04-Feb-2019	1,00,000	1,000	1,00,000	1,000
3	8.75%-Infrastructure Leasing & Financial Services Limited-29-Jul-2020	50,000	500	50,000	500
<b>Total</b>			<b>1,700</b>		<b>1,700</b>

**10. TRADE RECEIVABLES**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
<b>Trade receivables</b>		
- Secured, considered good	3,997	3,625
- Unsecured, considered good	1,681	2,684
- Significant increase in credit risk	-	-
- Credit impaired	4,077	4,419
- Loss allowances(refer note 10.5 below)	(4,501)	(5,153)
<b>Total</b>	<b>5,254</b>	<b>5,575</b>

10.1. Trade receivables are dues in respect of services rendered in the normal course of business.

10.2. The Normal credit period allowed by the Company ranges from 0 to 60 days.

10.3. There are no dues from directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**10. TRADE RECEIVABLES (Contd.)..**

**10.4. Receivable from related parties (Refer Note :35 )**

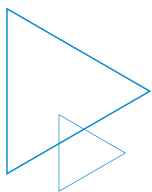
PARTICULARS	As at March 31, 2022	At at March 31, 2021
Receivable from associates/trust	87	102

**10.5. Movement in expected credit loss allowance**

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Balance at the beginning of the year	5,153	3,447
Impairment loss allowance on trade receivable	(652)	1,706
Balance at the end of the year	4,501	5,153

**10.6. Trade receivable ageing schedule**

PARTICULARS	Not Due	Unbilled	Outstanding for following period from due date of payments					Gross Total	ECL	Net Balance
			Less than 6 months	6 Months – 1 Year	1-2 years	2-3 years	More than 3 years			
<b>As at March 31, 2022</b>										
<b>Undisputed</b>										
- Considered Good	-	4,149	1,192	248	32	7	-	5,628	398	5,230
- which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-
- credit impaired	-	-	111	675	629	644	233	2,292	2,292	-
<b>Disputed</b>										
- Considered Good	-	-	32	18	-	-	-	50	26	24
- which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-
- credit impaired	-	-	-	279	293	861	352	1,785	1,785	-
<b>Total</b>	-	4,149	1,335	1,220	954	1,512	585	9,755	4,501	5,254
<b>As at March 31, 2021</b>										
<b>Undisputed</b>										
- Considered Good	-	3,725	2,014	429	15	12	10	6,205	690	5,515
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	1,243	484	364	327	2,418	2,418	-
<b>Disputed</b>										
- Considered Good	-	-	56	46	1	1	-	104	44	60
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	366	731	485	419	2,001	2,001	-
<b>Total</b>	-	3,725	2,070	2,084	1,231	862	756	10,728	5,153	5,575



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**

(Rupees in Lakh, except share and per share data, unless otherwise stated)

**11. OTHER FINANCIAL ASSETS**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
<b>(Unsecured, Considered good, unless otherwise stated)</b>		
a Security deposits;		
- Deposit with public bodies and others	145	180
b Loan		
- Loan to staff	36	53
c Bank deposits with remaining maturity more than 12 months		
<b>Owned fund</b>		
- In deposit accounts	-	3,881
<b>Earmarked fund</b>		
- In deposit accounts	7,665	4,020
d Accrued interest		
<b>Owned</b>		
- On deposits	-	171
<b>Earmarked</b>		
- On deposits	247	231
<b>Total</b>	<b>8,093</b>	<b>8,536</b>
<b>Current</b>		
<b>(Unsecured, Considered good, unless otherwise stated)</b>		
a Loan		
- Loan to staff	20	5
b Receivable from related parties		
- Due from subsidiaries (refer note 35)	83	104
c Others		
- Receivable from Mutual funds	-	5,116
- Receivable from portfolio management account	-	2
- Deposit with public bodies and others	17	28
<b>Unsecured and considered doubtful</b>		
Deposits made under protest for property tax and others	794	785
Less: Provision for doubtful advances	(785)	(785)
<b>Total</b>	<b>129</b>	<b>5,255</b>

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**12. CASH AND CASH EQUIVALENTS & OTHER BANK BALANCES**

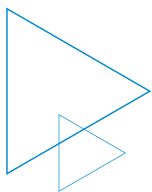
PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
<b>Balance with banks</b>		
<b>Owned fund</b>		
- In current accounts	253	1,200
- In deposit accounts (Original maturity less than three months)	330	10,363
<b>Total</b>	<b>583</b>	<b>11,563</b>
<b>Bank balance other than above</b>		
<b>Balance with banks</b>		
<b>Owned fund</b>		
- In deposit accounts (Remaining maturity less than twelve months)	44,048	15,286
<b>Earmarked fund</b>		
- In current accounts (unpaid dividend) (refer note 12.1)	1,665	1,647
- In current accounts (refer note 12.1)	657	1,599
- In deposit accounts	27,030	19,788
<b>Accrued interest</b>		
<b>Owned</b>		
- On deposits	1,478	261
<b>Earmarked</b>		
- On deposits	589	664
<b>Total</b>	<b>75,467</b>	<b>39,245</b>

**Note:**

**12.1.** 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 of the Company.

**13. OTHER ASSETS**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Prepaid expenses	1	2
<b>Total</b>	<b>1</b>	<b>2</b>
<b>Current</b>		
Gratuity asset (net)	307	278
Prepaid expenses	307	289
Advance to creditors	306	192
Input credit receivable	456	547
<b>Total</b>	<b>1,376</b>	<b>1,306</b>



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**14. EQUITY SHARE CAPITAL**

PARTICULARS	As at March 31, 2022		As at March 31, 2021	
	Amount	Nos	Amount	Nos
<b>Authorised share capital:</b>				
Equity shares of ₹ 2/- each	30,000	1,50,00,00,000	30,000	1,50,00,00,000
<b>Issued share capital:</b>				
Equity shares of ₹ 2/- each	2,748	13,74,12,891	916	4,58,04,297
<b>Subscribed and paid-up share capital</b>				
Equity shares of ₹ 2/- each fully paid-up.				
Outstanding share capital	2,705	13,52,67,891	900	4,50,24,297
<b>Total</b>	<b>2,705</b>	<b>13,52,67,891</b>	<b>900</b>	<b>4,50,24,297</b>

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

PARTICULARS	As at March 31, 2022	As at March 31, 2021
No. of shares at the beginning of the year	4,50,24,297	4,50,24,297
Additions during the year*	65,000	-
Issue of Bonus Shares	9,01,78,594	-
No. of shares at the end of the year	13,52,67,891	4,50,24,297

**Aggregate number of equity shares allotted as fully paid up by way of bonus shares**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
2008-09	4,72,46,664	4,72,46,664
2009-10*	4,20,000	4,20,000
2010-11*	60,000	60,000
2011-12*	60,000	60,000
2012-13*	60,000	60,000
2013-14*	60,000	60,000
2014-15*	60,000	60,000
2016-17*	1,20,000	1,20,000
2021-22*	60,000	-
2021-22	9,01,78,594	-
<b>Total</b>	<b>13,83,25,258</b>	<b>4,80,86,664</b>

(\*) Represent allotment of shares held in abeyance including bonus entitlements on such shares

(a) The Exchange has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

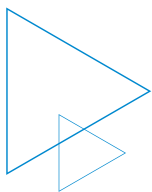
- (b) Pursuant to the BSE (Corporatisation & Demutualisation) Scheme, 2005, (the Scheme) the Exchange had allotted 5,000 equity shares of ₹ 2/- each to each of those card based Members of the erstwhile Bombay Stock Exchange Limited whose names appeared on the Register of Members under Rule 64 in accordance with Rules, Bye-laws and Regulations, on the Record Date fixed for the purpose.
- (c) Out of the total 4,77,75,000 equity shares of ₹ 2/- (including 4,41,00,000 bonus shares of ₹ 2/- each) issuable to the card based Members, the Exchange has allotted 4,70,60,000 equity shares (4,69,95,000 equity shares as on March 31, 2021) upon implementation of the BSE (Corporatisation and Demutualisation) Scheme, 2005 ("The Scheme"). During the year 65,000 shares were released from shares kept in abeyance towards one share holder and accordingly added to paidup equity share capital. The remaining allotment of 7,15,000 equity shares (7,80,000 equity shares as on March 31, 2021) of ₹ 2/- each have been kept in abeyance for specific reasons pursuant to the provisions of the Scheme. However, all corporate benefits as declared from time to time, including dividend and bonus are accrued to all the 4,77,75,000 equity shares, as per the provisions of the Scheme.
- (d) Pursuant to the approval of the Shareholders through Postal ballot, the company had allotted 9,16,08,594 (Including 14,30,000 shares against shares which kept in abeyance) Bonus Equity Shares of ₹ 2/- each in ratio of 2 (Two) Equity Shares for 1 (one) Equity Share held to the Equity Shareholder(s) whose names appeared in the Register of Members on March 22, 2022 i.e. the "Record Date". Consequently, the subscribed and paid up Equity Share Capital as on March 31, 2022 was ₹ 2,705 Lakh divided into 13,52,67,891 Equity Shares of ₹ 2/- each.

Total number of shares kept in abeyance are 21,45,000 as on March 31, 2022.

Accordingly, as per the IND AS 33 - Earning per share, the calculation of basic and diluted earnings per share for all periods presented have been adjusted and restated.

- (e) As a part of the demutualisation process, the Exchange in order to fulfill its obligations under the Scheme and the Securities Contracts (Regulation) (Manner of Increasing and Maintaining Public Shareholding in Recognised Stock Exchanges) Regulations, 2006 (the SEBI Regulations) dated November 13, 2006, and further amendments thereto on December 23, 2008, had issued shares to Deutsche Boerse AG (DBAG) and Singapore Exchange Limited (SGX).
- (f) i) The holders of equity shares are entitled to dividends, if any, proposed by the board of directors and approved by the shareholder at the Annual General Meeting.
- ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (g) Details of shareholder holding more than 5 % of the Share Capital of the Company is as below:

NAME OF THE SHAREHOLDERS	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Percentage holding	No. of shares	Percentage holding
LIC Corporation of India Limited	75,76,500	5.60%	25,25,500	5.61%



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**15. OTHER EQUITY**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
General reserve	42,828	44,457
Capital reserve	66,179	66,179
Capital reserve on business combination	10,530	10,530
Retained earnings	1,06,474	96,474
Share application money pending allotment	-	1
Capital redemption reserve	-	176
<b>Total</b>	<b>2,26,011</b>	<b>2,17,817</b>

Refer "Statement of Changes in Equity" for additions / deletions in each reserve.

**15.1 General reserve**

The general reserve created from time to time transfer profits from retained earnings for appropriation purposes. As the general reserve created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified to the Statement of Profit and Loss. During the year ₹ 1,629 is utilised towards issue of bonus shares.

**15.2 Capital reserve**

Pursuant to the BSE (Corporatisation & Demutualisation) Scheme, 2005, (the Scheme) the balance in Contribution by Members, Forfeiture of Members Application Money, Technology Reserve, Stock Exchange building, Seth Chunnilal Motilal Library, Charity, Income and Expenditure Account as at August 19, 2005 as appearing in the Exchange are transferred to Capital Reserve being reserves which shall not be used for purposes other than the operations of the Exchange.

**15.3 Retained earnings**

- a) The same reflects surplus/deficit after taxes in the Statement of Profit and Loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.
- b) The Board of Directors, in its meeting on May 11, 2022, have proposed a final dividend of ₹ 13.50/- per equity share of face value ₹ 2/- per share for the financial year ended March 31, 2022. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting to be held and if approved would result in a cash outflow of approximately ₹ 18,551.

**Distribution made and Proposed**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Dividend on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2021: ₹ 21 per share (March 31, 2020 : ₹ 17 per share)	9,619	7,787
<b>Total</b>	<b>9,619</b>	<b>7,787</b>
<b>Proposed Dividends on Equity Shares</b>		
Proposed dividend for the year ended on March 31, 2022: ₹ 13.50 per share (March 31, 2021 : ₹ 21 per share)	18,551	9,619
<b>Total</b>	<b>18,551</b>	<b>9,619</b>



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**15.4 : Share application money pending allotment**

Share Application money includes ₹ 0.40 received from four members who became shareholders pursuant to the BSE (Corporatisation & Demutualisation) Scheme, 2005.

**15.5 : Capital redemption reserve :**

Capital redemption reserve of ₹ 176 as at March 31, 2021 represents the nominal value of the shares bought back in previous years. The same is fully utilised in current year against issue of bonus shares.

**16. OTHER FINANCIAL LIABILITIES**

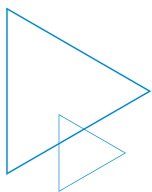
PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Accrued employee benefit expenses (refer note 16.4)	315	764
Other deposits	104	104
<b>Total</b>	<b>419</b>	<b>868</b>
<b>Current</b>		
<b>Owned :</b>		
Unpaid dividends (refer note 16.2)	162	143
Deposits received from trading members	8,179	8,205
Other deposits received from members	5,013	5,087
Other deposits	1,321	1,347
Accrued employee benefit expenses (refer note 16.4)	3,942	2,622
Due to subsidiaries (refer note 35)	945	1,273
<b>Total (A)</b>	<b>19,562</b>	<b>18,677</b>
<b>Earmarked :</b>		
From companies - 1% of their public issue (refer note 16.1)	17,333	11,782
Defaulters' liabilities (refer note 16.1)	2,668	2,804
Withheld liabilities (refer note 16.1)	3,150	3,491
Other Deposits from Companies (refer note 16.1)	582	664
Recovery expense fund (refer note 16.1)	3,066	2,208
Others (refer note 16.3)	5,461	4,620
<b>Total (B)</b>	<b>32,260</b>	<b>25,569</b>
<b>Total (A+B)</b>	<b>51,822</b>	<b>44,246</b>

**16.1** Bank Balance and Bank Deposits have been earmarked against these liabilities.

**16.2** Current accounts have been earmarked against this liability.

**16.3** Income earned on earmarked funds.

**16.4** Bank deposits of ₹ 733 (₹ 619 as at March 31, 2021) and accrued interest of ₹ 78 (₹ 66 as at March 31, 2021) have been earmarked against these liabilities.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**

(Rupees in Lakh, except share and per share data, unless otherwise stated)

**17. PROVISIONS**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
<b>Employee benefits</b>		
Compensated absences (refer note 39)	1,224	1,325
<b>Total</b>	<b>1,224</b>	<b>1,325</b>

**18. DEFERRED TAX ASSETS AND LIABILITIES**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Deferred tax assets	10,725	13,418
Deferred tax liabilities	1,701	2,228
<b>Deferred tax balance (net)</b>	<b>9,024</b>	<b>11,190</b>

**Deferred tax assets and liabilities in relation to:**

PARTICULARS	Opening balance as at April 1, 2020	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Closing balance as at March 31, 2021	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Closing balance as at March 31, 2022
<b>Deferred tax assets</b>							
MAT credit entitlement	10,678	498	-	10,180	2,558	-	7,622
Impairment of financial assets	1,863	(602)	-	2,465	230	-	2,235
Expenses allowed on payment basis	331	(10)	-	341	(8)	-	349
Voluntary retirement scheme	18	7	-	11	7	-	4
Property, plant and equipment , intangible assets and goodwill	276	(146)	-	422	(93)	-	515
Others	(1)	(149)	149	(1)	(57)	56	-
<b>Total - A</b>	13,165	(402)	149	13,418	2,637	56	10,725
<b>Deferred tax liabilities</b>							
Financial assets measured at FVTPL & interest income at effective interest rate	2,361	133	-	2,228	527	-	1,701
<b>Total - B</b>	2,361	133	-	2,228	527	-	1,701
<b>Net - (A-B)</b>	10,804	(535)	149	11,190	2,110	56	9,024

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**19. OTHER LIABILITIES**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non Current</b>		
Income received in advance	31	20
<b>Total</b>	<b>31</b>	<b>20</b>
<b>Current</b>		
Income received in advance	188	232
Advance from customers	2,558	3,169
Statutory remittances	14,892	11,182
Other liabilities (refer note below)	8,308	9,605
<b>Total</b>	<b>25,946</b>	<b>24,188</b>

**Note:** Other liabilities includes :

**a) Investors' services fund (ISF):**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Annual listing fees received for the year	16,680	14,449
20% of the above (Amount to be contributed annually)*	3,346	2,920
Investment income accrued to Investors' services fund	258	267
Expenses incurred on behalf of ISF	4,730	1,748
Cumulative balance as at end of year**	6,150	7,276

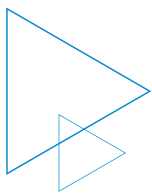
As per SEBI directive, from 1996-97, BSE decided to set aside 20% of the Annual listing fees received to an Investors' Services Fund.

\* Amount for the year ended March 31, 2022 includes additional contribution of ₹ 30 in respect of Commodity ISF.

\*\*Investments in Mutual Funds & Fixed Deposits have been earmarked against these liabilities

**b) Other Liabilities includes dividend for earlier years in respect of shares held in abeyance**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Cumulative balance as at end of year (refer note 16.2)	1,503	1,504



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**20. TRADE PAYABLES**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
Total outstanding dues of micro enterprises and small enterprises	5	5
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,259	8,973
<b>Total</b>	<b>5,264</b>	<b>8,978</b>

**Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
(a) Principal amount and interest thereon remaining unpaid at the end of year Interest paid including payment made beyond appointed day during the year	5	5
(b) the amount of interest paid by the buyer along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) Interest due and payable for delay during the year	-	-
(d) Amount of interest accrued and unpaid as at year end	-	-
(e) The amount of further interest due and payable even in the succeeding year	-	-

**20.1. Payable to related parties (Refer Note : 35)**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Payable to associates	124	261

**20.2. Trade payable ageing schedule**

PARTICULARS	Not Due	Unbilled	Outstanding for following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022</b>							
<b>Undisputed</b>							
- MSME	-	-	5	-	-	-	5
- Others	612	2,933	805	109	84	251	4,794
<b>Disputed</b>							
- MSME	-	-	-	-	-	-	-
- Others	-	465	-	-	-	-	465
<b>Total</b>	<b>612</b>	<b>3,398</b>	<b>810</b>	<b>109</b>	<b>84</b>	<b>251</b>	<b>5,264</b>
<b>As at March 31, 2021</b>							
<b>Undisputed</b>							
- MSME	-	-	5	-	-	-	5
- Others	2,645	5,191	261	210	47	247	8,601
<b>Disputed</b>							
- MSME	-	-	-	-	-	-	-
- Others	-	368	-	-	1	3	372
<b>Total</b>	<b>2,645</b>	<b>5,559</b>	<b>266</b>	<b>210</b>	<b>48</b>	<b>250</b>	<b>8,978</b>



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**21. INCOME TAX ASSETS AND LIABILITIES**

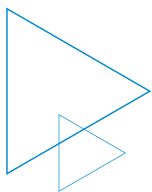
PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Non Current tax assets</b>		
Advance tax (net of provision)	8,191	6,701
<b>Total</b>	<b>8,191</b>	<b>6,701</b>
<b>Current tax liabilities</b>		
Income tax provision (net of advance tax)	951	944
<b>Total</b>	<b>951</b>	<b>944</b>

**22. INCOME FROM SECURITIES SERVICES**

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Transaction charges	25,885	13,888
Other charges	1,481	1,560
Annual subscription and admission fees	646	672
Processing fees	478	384
<b>Total</b>	<b>28,490</b>	<b>16,504</b>

**23. INCOME FROM SERVICES TO CORPORATES**

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Listing fees	22,020	18,554
Book building software charges	5,604	3,450
Company reinstatement fees	424	222
Other fees	560	326
<b>Total</b>	<b>28,608</b>	<b>22,552</b>



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**

(Rupees in Lakh, except share and per share data, unless otherwise stated)

**24. INVESTMENT INCOME**

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>a) Interest income earned on financial assets that are not designated as at fair value through profit or loss</b>		
Bank deposits (at amortised cost)	2,013	623
Investments in debt instruments (at amortised cost)	190	170
<b>b) Dividend income</b>		
<b>Dividends from investment in equity shares (designated at cost)</b>		
Dividend income from others	1,881	941
<b>Dividends from investment in mutual funds (designated at FVTPL)</b>		
Dividend income	-	2
<b>c) Other gains or losses:</b>		
Net gains arising on financial assets measured at FVTPL	5,038	9,620
<b>Total</b>	<b>9,122</b>	<b>11,356</b>

**25. OTHER INCOME**

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Other non-operating income</b>		
Rental income	2,315	2,011
Website income	150	89
Net gain on disposal of property, plant and equipment and intangible assets	9	(3)
Net foreign exchange gains / (loss)	(73)	2
Miscellaneous income	181	63
Recovery towards Investors service fund of earlier years (refer note 42)	-	595
<b>Total</b>	<b>2,582</b>	<b>2,757</b>

**26. EMPLOYEE BENEFITS EXPENSE**

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Salaries, allowances and bonus	8,759	7,702
Contribution to provident and other Funds	371	385
Staff welfare expenses	216	216
Compensated absences	484	611
<b>Total</b>	<b>9,830</b>	<b>8,914</b>

**27. COMPUTER TECHNOLOGY RELATED EXPENSES**

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Computer technology related expenses	11,352	9,985
Technology programmes	1,227	1,497
<b>Total</b>	<b>12,579</b>	<b>11,482</b>





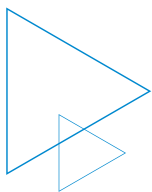
**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**28. ADMINISTRATION AND OTHER EXPENSES**

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Advertising and marketing expenses	209	180
Building repairs and maintenance expenses	716	635
Contribution to investors service fund	3,346	2,920
Contribution to investors' protection fund	207	144
Contribution to SEBI	1,668	1,445
Contribution to corporate social responsibility	167	224
Clearing house expenses	6,976	3,858
Data entry charges	303	275
Datafeed expenses	508	510
Directors' sitting fees	35	46
Electricity charges (net of recoveries)	834	837
Insurance	161	115
Impairment loss allowance on trade receivable	(289)	1,720
Impairment loss on financial assets carried at cost	5	3
Legal fees	302	360
Miscellaneous expenses	490	323
Payment to Auditors		
a) Statutory audit fee	58	53
b) Tax audit fee	6	5
c) Other services	1	4
d) Out of pocket	-	-
Professional fees	835	1,357
Postage and telephone expenses	68	54
Printing and stationery	28	14
Property taxes (net of recoveries)	211	204
Operating lease expenses	77	73
Repairs to other assets	157	158
SEBI regulatory fees	164	143
Travelling expenses	330	351
<b>Total</b>	<b>17,573</b>	<b>16,011</b>

**28.1 CSR Expenditure**

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
a) The gross amount required to be spent by the Company during the year	167	224
b) Amount of expenditure incurred (in cash)		
(i) Construction/Acquisition of any assets	-	-
(ii) On purpose other than (i) above	167	224
c) Shortfall at the end of the year	-	-
d) Total of previous year shortfall	-	-
e) Reason for shortfall	-	-
f) Nature of CSR activities		
i) Contribution to Hospitals / Trusts (COVID Relief)		
ii) Promoting technology incubators permitted under Companies Act, 2013 and various guidelines issued thereunder		
g) Details of related party transactions		
BSE CSR Integrated Foundation	167	224
h) Provision, if made (with movement)	-	-



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**

(Rupees in Lakh, except share and per share data, unless otherwise stated)

**29. TAXES**

**(a) Income tax expenses**

The major components of income tax expenses for the year ended March 31, 2022

(i) Profit or loss section

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Current tax expense	4,476	2,408
Current tax expense of Earlier Years	13	-
Deferred tax	2,109	(535)
<b>Total income tax expense recognised in profit or loss</b>	<b>6,598</b>	<b>1,873</b>

**29.A** Taxation Laws (Amendment) Ordinance, 2019 (“Ordinance”) on September 20, 2019 has amended the Income Tax Act, 1961 and Finance (No. 2) Act, 2019, by which the option has been provided for the lower tax regime without any incentives for the domestic companies. Under the revised tax regime, accumulated Minimum Alternate Tax (MAT) credit is not allowed. Considering the substantial accumulated MAT credit, the management has assessed that it is beneficial not to opt for the option of availing revised income tax rate for certain period of time. The tax liability for the current year and previous year has been accordingly calculated.

(ii) Other comprehensive section

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Remeasurements of the defined benefit plans	(57)	(149)
<b>Total income tax expense recognised in other comprehensive income</b>	<b>(57)</b>	<b>(149)</b>

**(b) Reconciliation of effective tax rate**

PARTICULARS	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(A) Income before income tax	26,110	11,599
(B) Enacted tax rate in india	29.120%	34.944%
(C) Expected tax expenses (A*B)	7,603	4,053
(D) Other than temporary differences		
Investment income	(949)	(1,881)
Income from house property and related expenditure	(90)	(102)
Expenses disallowed / (allowed)	21	(72)
<b>Total</b>	<b>(1,018)</b>	<b>(2,055)</b>
(E) Temporary difference on which deferred tax assets not recognised		
Business loss carried forward	-	(125)
<b>Total</b>	<b>-</b>	<b>(125)</b>
(F) Net adjustments (D+E)	(1,018)	(2,180)
(G) Current tax expense of earlier years	13	-
(H) Tax expenses recognised in Profit or Loss (C+F+G)	6,598	1,873



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**30. EARNINGS PER SHARE (EPS)**

Reconciliation of number of equity shares used in the computation of basic and diluted earnings per share is set out below:

PARTICULARS	For the year ended	
	March 31, 2022	March 31, 2021
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of basic EPS	13,74,12,891	13,74,12,891
Weighted average number of equity shares (issued share capital) outstanding during the year for the calculation of dilutive EPS	13,74,12,891	13,74,12,891
Face Value per Share	₹ 2 each	₹ 2 each
Profit after tax before exceptional items (net of tax)	19,512	10,671
Profit after tax after exceptional items	19,512	9,726
Basic and Diluted EPS before exceptional items (net of tax) (₹)	14.20	7.77
Basic and Diluted EPS after exceptional items (₹)	14.20	7.08

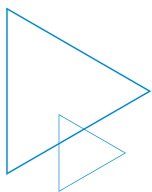
**31. Lease**

As per the assessment of management, there are no lease contracts for which IND AS 116 – Leases is required to be applied.

**32. FINANCIAL INSTRUMENTS**

The carrying value and fair value of financial instruments by categories as at March 31, 2022 and March 31, 2021 is as follows:

PARTICULARS	Carrying Value		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>i) Financial assets</b>				
<b>a) Amortised Cost</b>				
Investment in debt instruments	3,659	1,566	3,659	1,566
Trade receivable	5,254	5,575	5,254	5,575
Cash and cash equivalents	583	11,563	583	11,563
Bank balances other cash and cash equivalents	75,467	39,245	75,467	39,245
Other financial assets	8,222	13,791	8,222	13,791
<b>Total</b>	<b>93,185</b>	<b>71,740</b>	<b>93,185</b>	<b>71,740</b>
<b>b) FVTPL</b>				
Investment in exchange traded fund	4,655	1,047	4,655	1,047
Investment in mutual funds	1,10,595	1,18,922	1,10,595	1,18,922
<b>Total</b>	<b>1,15,250</b>	<b>1,19,969</b>	<b>1,15,250</b>	<b>1,19,969</b>
<b>c) At Cost</b>				
Investment in subsidiaries and associates	77,078	76,228	3,81,749	2,08,620
<b>ii) Financial liabilities</b>				
<b>a) Amortised Cost</b>				
Trade payables	5,264	8,978	5,264	8,978
Other financial liabilities	52,241	45,114	52,241	45,114
<b>Total</b>	<b>57,505</b>	<b>54,092</b>	<b>57,505</b>	<b>54,092</b>



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**32. FINANCIAL INSTRUMENTS (Contd.)..**

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- (a) The fair value of the quoted bonds and debentures are based on price quotations at reporting date. The fair value of unquoted instruments and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities except for unquoted instruments where observable inputs are available.
- (b) The fair values of the unquoted equity shares have been estimated using a discounted cash flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

**Fair value hierarchy**

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of the financial assets (other than subsidiaries) and liabilities:

PARTICULARS		Fair values As at March 31, 2022	Fair values As at March 31, 2021	Fair Value Hierarchy (Level)
<b>i) Financial assets</b>				
<b>a) Amortised cost</b>				
	Investment in debt instruments (Quoted)	3,659	1,566	Level 1
	Investment in debt instruments (Unquoted)	-	-	Level 2
	<b>Total</b>	<b>3,659</b>	<b>1,566</b>	
<b>b) FVTPL</b>				
	Investment in mutual funds	1,10,595	1,18,922	Level 1
<b>c) At cost</b>				
	Investment in equity instruments of associates	3,09,393	1,37,114	Level 1

Except as detailed in the above table, the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the balance sheet approximate their fair values.

There were no transfers between Level 1 and 2 in the period.

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**33. FINANCIAL RISK MANAGEMENT**

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to support its operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including foreign currency and interest rate risk), regulatory risk and clearing & settlement risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

It is the Company's policy that no trading in derivative for speculative purposes maybe undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

- **Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The demographics of the customer, including the default risk of the industry in which the customer operates, also has an influence on credit risk assessment.

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

None of the customers accounted for more than 10% of the receivables and revenue for the year ended March 31, 2022 and March 31, 2021.

- **Investments**

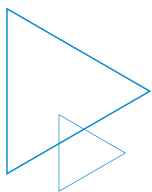
The Company limits its exposure to credit risk by making investment as per the investment policy. The Company addresses credit risk in its investments by mandating a minimum rating against the security / institution where the amounts are invested and is further strengthened by mandating additional requirement like Capital Adequacy Ratio (CAR), Allowable Net Non-Performing Asset (NNPA) Levels, Minimum Average Assets Under Management (AAUM) etc. for certain types of investments. Further the investment committee of the Company reviews the investment portfolio on bi-monthly basis and recommend or provide suggestion to the management. The Company does not expect any losses from non-performance by these counter-parties, other than losses which are provided, and does not have any significant concentration of exposures to specific industry sectors. The Company does not invest in equity instruments unless they are strategic in nature.

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The management monitors the Company's net liquidity position through forecasts on the basis of expected cash flows.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**

(Rupees in Lakh, except share and per share data, unless otherwise stated)

**33. FINANCIAL RISK MANAGEMENT (Contd.)..**

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022 and March 31, 2021.

PARTICULARS	As at	
	March 31, 2022	March 31, 2021
Trade payable		
< 1 year	5,264	8,978
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>5,264</b>	<b>8,978</b>
Other financial liabilities		
< 1 year	51,822	44,246
1 - 5 years	419	868
> 5 years	-	-
<b>Total</b>	<b>52,241</b>	<b>45,114</b>
<b>Total</b>	<b>57,505</b>	<b>54,092</b>

The table below provides details regarding the contractual maturities of significant financial assets as at March 31, 2022 and March 31, 2021.

PARTICULARS	As at	
	March 31, 2022	March 31, 2021
Investments*		
< 1 year	1,15,376	98,186
1 - 5 years	3,533	23,349
> 5 years	-	-
<b>Total</b>	<b>1,18,909</b>	<b>1,21,535</b>
Other financial assets		
< 1 year	129	5,255
1 - 5 years	8,093	8,536
> 5 years	-	-
<b>Total</b>	<b>8,222</b>	<b>13,791</b>
Trade receivables		
< 1 year	5,254	5,575
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>5,254</b>	<b>5,575</b>
Cash and cash equivalents		
< 1 year	583	11,563
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>583</b>	<b>11,563</b>

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**33. FINANCIAL RISK MANAGEMENT (Contd.)..**

PARTICULARS	As at	
	March 31, 2022	March 31, 2021
Bank balances other than cash and cash equivalents		
< 1 year	75,467	39,245
1 - 5 years	-	-
> 5 years	-	-
<b>Total</b>	<b>75,467</b>	<b>39,245</b>
<b>Total</b>	<b>2,08,435</b>	<b>1,91,709</b>

\* Investment does not include investment in equity investment of subsidiaries, associates.

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

**Market risk**

The Company's business, financial condition and results of operations are highly dependent upon the levels of activity on the exchange, and in particular upon the volume of financial assets traded, the number of listed securities, the number of new listings and subsequent issuances, liquidity and similar factors, as a significant portion of our revenue depends, either directly or indirectly, on trading, listing, clearing and settlement transaction-based fees.

The Company's financial condition and results of operations are also dependent upon the success of our clearing, settlement and other issuer services, which, in turn, are directly dependent on the liquidity and financial strength of our customers, namely financial intermediaries such as brokers, and their respective clients.

In addition to the above risk, market risk also includes foreign currency risk and interest rate risk.

- **Foreign Currency risk**

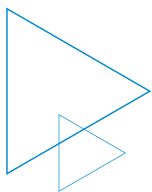
The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. Dollars and Euros). Company's revenues insignificant portion are in these foreign currencies, while a significant portion of its costs are in Indian rupees.

As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Due to lesser quantum of revenue and expenses from foreign currencies the Company is not much exposed to foreign currency risk.

- **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rates are sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the Company's control. Changes in the general level of interest rates can affect the profitability by affecting the spread between, amongst other things, income which Company receives on investments in debt securities, the value of interest-earning investments, its ability to realise gains from the sale of investments.

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



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**33. FINANCIAL RISK MANAGEMENT (Contd.)..**

**Regulatory risk**

The Company requires a number of regulatory approvals, licenses, registrations and permissions to operate business, including at a corporate level as well as at the level of each of its components. For example, the Company has licenses from SEBI in relation to, among others, introducing derivatives contracts on various indices of the exchange, introduction of futures and options contracts on various indices of the exchange, setting up an SME platform and trading in government securities. Some of these approvals are required to be renewed from time to time. The Company's operations are subject to continued review and the governing regulations may change. The Company's regulatory team constantly monitors the compliance with these rules and regulations.

There have been several changes to the form and manner in which recognised stock exchanges must make contributions to a Settlement Guarantee Fund and Core Settlement Guarantee Fund in the last few years. Should SEBI in the future vary the required contribution amounts to the Settlement Guarantee Fund, the Company may have to contribute more of funds to the Settlement Guarantee Fund which could materially and adversely affect the Company's financial ability. The Company's regulatory team keeps a track regarding the amendments in SEBI circulars/regulations pertaining to such settlement guarantee fund.

**Clearing and Settlement Risk**

Parties to a settlement may default on their obligations for reason beyond the control of the Company. The clearing and settlement operations are conducted through a wholly owned subsidiary Indian Clearing Corporation Limited (ICCL). ICCL guarantees the settlement of trade executed on Company's platform and maintains a core settlement guarantee fund to support its guarantee obligations.

**34. CAPITAL MANAGEMENT**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company is predominantly equity financed which is evident from the capital structure. Further, the Company has always been a net cash company with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds being far in excess of financial liabilities.

**Compliance with externally imposed capital requirements:**

In accordance with regulation 14 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, the Company shall have a minimum net worth of ₹ 100 Crore at all times.

**35. RELATED PARTY TRANSACTIONS**

Sr. No.	Control	Entities
a.	<b>Subsidiary Companies</b>	
	<b>Direct</b>	Indian Clearing Corporation Limited BSE Technologies Private Limited (formerly known as Marketplace Technologies Private Limited) BSE Institute Limited BSE Investments Limited BSE Sammaan CSR Limited BSE CSR Integrated Foundation India International Exchange (IFSC) Limited India International Clearing Corporation (IFSC) Limited BSE Administration & Supervision Limited (w.e.f. March 5, 2021)

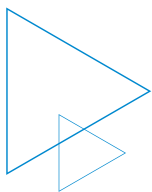




**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**35. RELATED PARTY TRANSACTIONS (Contd.)..**

Sr. No.	Control	Entities
	<b>Indirect</b>	BSE Tech Infra Services Private Limited (formerly known as Marketplace Tech Infra Services Private Limited) BFSI Sector Skill Council of India BIL - Ryerson Technology Startup Incubator Foundation India INX Global Access IFSC Limited BSE Institute of Research Development & Innovation BSE E-Agricultural Markets Limited (w.e.f. December 1, 2020)
<b>b.</b>	<b>Trusts set-up by the Company</b>	BSE Investors' Protection Fund The Stock Exchange Education & Research Services The Stock Exchange Foundation The Stock Exchange Charities Seth K. R. P. Shroff Stock Exchange Sarvajanik Fund Shri Phiroze Jeejeebhoy Memorial Trust BSE Employee's Gratuity Fund BSE Employee's Provident Fund
<b>c.</b>	<b>Associates</b>	
	<b>Direct</b>	Central Depository Services (India) Limited Asia Index Private Limited
	<b>Indirect</b>	CDSL Ventures Limited CDSL Insurance Repository Limited CDSL Commodity Repository Limited CDSL IFSC Limited (w.e.f. May 30, 2021) BSE EBIX Insurance Broking Private Limited BSE EBIX Insuretech Private Limited (formerly known as Marketplace EBIX Technology Services Private Limited) India International Bullion Holding IFSC Ltd (w.e.f. June 04, 2021) India International Bullion Exchange IFSC Ltd (w.e.f. August 17, 2021) Hindustan Power Exchange Limited (Formerly Pranurja Solutions Limited)
<b>d.</b>	<b>Key Management Personnel and their relatives</b>	Justice Vikramajit Sen – Chairman & Public Interest Director Shri Ashishkumar Chauhan – Managing Director and Chief Executive Officer Shri Sumit Bose – Public Interest Director Shri S S Mundra – Public Interest Director Shri David Wright – Public Interest Director Shri Umakant Jayaram – Public Interest Director Sushri Jayshree Vyas – Public Interest Director Shri T C Suseel Kumar – Shareholder Director (with effect from October 22, 2020) Smt. Usha Sangwan – Shareholder Director (upto July 30, 2020) Shri Nayan Mehta – Chief Financial Officer Smt. Prajakta Powle – Company Secretary (Upto March 14, 2022) Shri Vishal Kamalaksha Bhat – Company Secretary (from March 15, 2022)



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**35. RELATED PARTY TRANSACTIONS (Contd.)..**

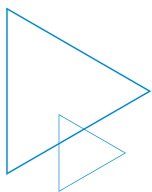
Following are the transactions with related parties and the year-end balances:

PARTICULARS	For the year ended	
	March 31, 2022	March 31, 2021
<b>Subsidiary Companies</b>		
<b>Income</b>		
<b>Indian Clearing Corporation Limited</b>		
Rent and Infrastructure Charges	205	205
Administrative and Other Expenses (Recoveries)	207	84
<b>BSE Institute Limited</b>		
Rent and Infrastructure Charges	361	371
Administrative and Other Expenses (Recoveries)	89	65
<b>BSE Technologies Private Limited</b>		
Rent and Infrastructure Charges	1	-
Administrative and Other Expenses (Recoveries)	0^	-
<b>BSE Sammaan CSR Limited</b>		
Rent and Infrastructure Charges	-	5
Administrative and Other Expenses (Recoveries)	-	1
<b>BFSI Sector Skill Council of India</b>		
Rent and Infrastructure Charges	-	20
Administrative and Other Expenses (Recoveries)	4	1
<b>India International Exchange (IFSC) Limited</b>		
Rent and Infrastructure Charges	35	35
Administrative and Other Expenses (Recoveries)	3	2
<b>India International Clearing Corporation (IFSC) Limited</b>		
Rent and Infrastructure Charges	16	16
Administrative and Other Expenses (Recoveries)	2	1
<b>BSE Administration &amp; Supervision Limited (w.e.f. March 5, 2021)</b>		
Rent and Infrastructure Charges	15	1
Administrative and Other Expenses (Recoveries)	7	0
<b>Expenditure</b>		
<b>Indian Clearing Corporation Limited</b>		
Clearing house expenses	2,743	1,230
Administrative and Other Expenses	15	11
<b>Other transaction</b>		
Transfer of Compensated absence liabilities from ICCL	-	4
Transfer of Gratuity liabilities from ICCL	-	10
<b>BSE Technologies Private Limited</b>		
Computer Technology Related Expenses (net of recovery)	3,312	2,802
Purchase of Intangible Assets	0^	356
Intangible assets under development	0^	21
Administrative and Other Expenses	0^	-
<b>BSE Institute Limited</b>		
Reimbursement of services	17	13
<b>BSE CSR Integrated Foundation</b>		
Contribution to corporate social responsibility	167	224

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**35. RELATED PARTY TRANSACTIONS (Contd.)..**

PARTICULARS	For the year ended	
	March 31, 2022	March 31, 2021
<b>Others</b>		
<b>Investments</b>		
India International Exchange (IFSC) Limited	-	2,055
BSE Investments Limited	750	600
BSE Administration and Supervision Limited	100	-
<b>Indirect Subsidiary Companies</b>		
<b>Income</b>		
<b>BSE E-Agricultural Markets Limited (w.e.f. December 1, 2020)</b>		
Rent and Infrastructure Charges	8	3
Administrative and Other Expenses (Recoveries)	3	0
<b>India INX Global Access IFSC Limited</b>		
Administrative and Other Expenses (Recoveries)	0^	-
<b>Expenditure</b>		
<b>BSE Tech Infra Services Private Limited</b>		
Computer Technology Related Expenses (net of recovery)	1,296	700
<b>Trusts set-up by the Company</b>		
<b>Income</b>		
<b>BSE Investors' Protection Fund</b>		
Administrative and Other Expenses (Recoveries)	447	294
Rent and Infrastructure Charges	13	13
<b>Expenditure</b>		
Contribution to IPF (a proportion of listing fee)	207	144
Rent and Infrastructure Charges	73	69
Provision for Additional Contribution to IPF	9	-
<b>Associates</b>		
<b>Income</b>		
<b>Asia Index Private Limited</b>		
Rent and Infrastructure Charges	182	170
Administrative and Other Expenses (Recoveries)	21	23
<b>Central Depository Services (India) Limited</b>		
Rent and Infrastructure Charges	1	1
Miscellaneous Income	22	18
Dividend Income	1,881	941
Other charges	22	52



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**35. RELATED PARTY TRANSACTIONS (Contd.)..**

PARTICULARS	For the year ended	
	March 31, 2022	March 31, 2021
<b>Expenditure</b>		
<b>Central Depository Services (India) Limited</b>		
Administrative and Other Expenses	634	343
<b>Indirect Associate</b>		
<b>Income</b>		
<b>BSE EBIX Insurance Broking Private Limited</b>		
Rent and Infrastructure Charges	2	2
Administrative and Other Expenses (Recoveries)	5	1
<b>Other transaction</b>		
Transfer of Compensated absence liabilities to BSE Ebix	-	7
Transfer of Gratuity liabilities to BSE Ebix	-	3
<b>Hindustan Power exchange Limited (Formerly Pranurja Solutions Limited)</b>		
Rent and Infrastructure Charges	2	2
Administrative and Other Expenses (Recoveries)	2	0^
<b>Expenditure</b>		
<b>BSE EBIX Insurance Broking Private Limited</b>		
Administrative and Other Expenses	0^	-
<b>Key Managerial Personal:</b>		
<b>Expenditure</b>		
<b>Salaries, Allowances and Bonus* (Short term employee benefits)</b>		
Shri. Ashishkumar Chauhan	919	842
Shri. Nayan Mehta	190	170
Smt. Prajakta Powle	47	34
Shri. Vishal Kamalaksha Bhat	1	-

\*Includes the variable pay of the prior years and variable pay charged in the statement of profit and loss to the extent of payment made as required by Securities Contract (Regulation) (Stock Exchanges and Clearing Corporations) Regulations 2018.

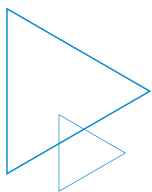


**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**35. RELATED PARTY TRANSACTIONS (Contd.)..**

Company provides long term benefits in the form of Gratuity to Key managerial person along with all employees, cost of same is not identifiable separately and not disclosed.

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Subsidiary</b>		
<b>Assets</b>		
<b>Investments</b>		
Indian Clearing Corporation Limited	35,400	35,400
BSE Technologies Private Limited	4,250	4,250
BSE Institute Limited	5,000	5,000
BSE Investments Limited	5,050	4,300
BSE Sammaan CSR Limited	260	260
BSE CSR Integrated foundation	4	4
BFSI Sector Skill Council of India	100	100
India International Exchange (IFSC) Limited	14,555	14,555
India International Clearing Corporation (IFSC) Limited	8,000	8,000
BSE Administration & Supervision Limited (w.e.f. March 5, 2021)	100	-
<b>Receivable (Net)</b>		
BSE Institute Limited	72	109
BSE Sammaan CSR Limited	-	1
India International Exchange (IFSC) Limited	3	3
India International Clearing Corporation (IFSC) Limited	1	1
BSE Administration & Supervision Limited (w.e.f. March 5, 2021)	9	1
BFSI Sector Skill Council of India	3	-
<b>Liabilities</b>		
<b>Payable (Net)</b>		
Indian Clearing Corporation Limited	398	259
BSE Technologies Private Limited	376	594
BFSI Sector Skill Council of India	-	0^
<b>Trusts set-up by the Company</b>		
<b>Assets</b>		
<b>Receivable</b>		
BSE Investors' Protection Fund	86	70
<b>Net defined benefit assets</b>		
BSE Employee's Gratuity Fund	2,875	2,800



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**

(Rupees in Lakh, except share and per share data, unless otherwise stated)

**35. RELATED PARTY TRANSACTIONS (Contd.).**

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Liabilities</b>		
<b>Deposit</b>		
BSE Investors' Protection Fund	6	6
<b>Indirect Subsidiary</b>		
<b>Assets</b>		
<b>Receivables (Net)</b>		
BSE E-Agricultural Markets Limited (w.e.f. December 1, 2020)	1	3
India INX Global Access IFSC Limited	0 <sup>^</sup>	-
<b>Liabilities</b>		
<b>Payable (Net)</b>		
BSE Tech Infra Services Private Limited	171	420
<b>Associates</b>		
<b>Assets</b>		
<b>Investments</b>		
Asia Index Private Limited	1	1
Central Depository Services (India) Limited	4,722	4,722
<b>Receivable</b>		
Asia Index Private Limited	-	30
<b>Liabilities</b>		
<b>Deposit</b>		
Asia Index Private Limited	92	92
<b>Payable</b>		
Central Depository Services (India) Limited	124	261
<b>Indirect Associates</b>		
<b>Assets</b>		
<b>Receivable</b>		
BSE EBIX Insurance Broking Private Limited	0 <sup>^</sup>	1
Hindustan Power Exchange Limited (Formerly Pranurja Solutions Limited)	1	1

**Note :** <sup>^</sup> Less than ₹ 50,000/-

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**36. CONTINGENT LIABILITIES**

Sr. No.	PARTICULARS	As at March 31, 2022	As at March 31, 2021
a)	Claims against the Exchange not acknowledged as debts in respect of:		
	i) Income tax matters	17,742	6,803
	ii) Service tax matters	324	324
	iii) Others matters	10,590	10,351
	iv) Out of 'iii' above in the opinion of the Management unfavorable outcome are remote	10,590	10,351
b)	Guarantees given by the Company	209	211

**Notes:**

- During the year ended March 31, 2020, the company has received SEBI Directives on BSE towards Cyber Security Audit and in response to the above, the company has submitted its reply to SEBI for reconsideration and to the extent the amount of ₹ 70 is considered as contingent liability.
- The Company's pending litigations comprise of claims against the Company primarily by the customers/ vendors and proceedings pending with Tax and other regulatory authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements at March 31, 2022.

**37. CAPITAL COMMITMENTS**

Estimated amount of contracts remaining to be executed on capital account and not provided for are ₹ 6,188 as at March 31, 2022 (₹ 617 as at March 31, 2021)

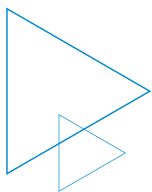
- The Managing Director and CEO of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources.
- The "Company" or the "Exchange" operates only in one Operating Segment i.e. "Facilitating Trading in Securities and other related ancillary Services", hence have only one reportable Segment as per Indian Accounting Standard 108 "Operating Segments". The reportable business segments are in line with the segment wise information which is being presented to the CODM.

**38.2 Information about geographical area**

**38.2.1 The Company revenue from customers**

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
Within India	69,292	53,552
Outside India	3,110	2,953
<b>Total Income</b>	<b>72,402</b>	<b>56,505</b>

**38.2.2** The Company does not have non-current assets outside India.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**39. Employee Benefits:**

**39.1 Defined Benefit Plan – Gratuity:**

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee’s compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees.

Such plan exposes the Company to actuarial risks such as: investment risk, interest rate risk, demographic risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan’s debt investments.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, medical cost inflation, discount rate and vesting criteria.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan’s liability.

The following table sets out the funded status of the Gratuity benefit scheme and the amount recognised in the Financial Statements as at March 31, 2022 and March 31, 2021:

<b>PARTICULARS</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
<b>Change in benefit obligation</b>		
Benefit obligations at the beginning	2,522	2,676
Service cost	156	158
Interest expense	131	137
Benefits paid	(90)	(73)
Remeasurements – Actuarial (gains) / losses	(133)	(384)
Liabilities assumed / settled *	(10)	8
<b>Benefit obligations at the end</b>	<b>2,576</b>	<b>2,522</b>
<b>Change in Plan assets</b>		
Fair value of plan assets at the beginning	2,800	2,680
Employer Contribution	0	0
Interest income	152	152
Remeasurements – Actuarial (gains) / losses	31	43
Assets assumed / settled *	(10)	(2)
Benefits paid	(90)	(73)
<b>Fair value of plan assets at the end</b>	<b>2,883</b>	<b>2,800</b>
Funded status	2,883	2,800
Prepaid / (payable) gratuity benefit	307	278

\* On account of transfer to other trust.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**39. Employee Benefits: (Contd.)..**

Amount for the year ended March 31, 2022 and year ended March 31, 2021 recognised in the Profit or Loss under employee benefits expense:

PARTICULARS	March 31, 2022	March 31, 2021
Service cost	156	158
Net interest on the net defined benefit liability/asset	(21)	(15)
<b>Net gratuity cost</b>	<b>135</b>	<b>143</b>

Amount for the year ended March 31, 2022 and year ended March 31, 2021 recognised in the other comprehensive income:

PARTICULARS	March 31, 2022	March 31, 2021
<b>Remeasurements of the net defined benefits liability / (asset)</b>		
Experience adjustments	(93)	(119)
(Gain)/loss from change in financial assumptions & Actual return on plan assets less interest on plan asset	(71)	(340)
Changes in demographic assumptions	0	33
Amount recognised in OCI	(164)	(426)

The weighted-average assumptions used to determine benefit obligations for the year ended March 31, 2022 and year ended March 31, 2021:

PARTICULARS	March 31, 2022	March 31, 2021
Discount rate	6.10%	5.69%
Increase in compensation levels	7.00%	7.00%
Withdrawal rate	16.44%	16.44%
Rate of return on plan assets	6.10%	5.69%

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

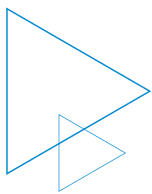
The following table summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points:

PARTICULARS	For the year ended March 31, 2022	
	Discount rate	Salary escalation rate
Impact of increase in 50 bps on defined benefit obligation	(47)	48
Impact of decrease in 50 bps on defined benefit obligation	49	(47)

Sensitivity for the significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 50 basis points, keeping all other actuarial assumption constant.

**Composition of Plan Assets**

PARTICULARS	March 31, 2022	March 31, 2021
Government of India Securities	15%	15%
Insurer Managed Assets	85%	85%
Others	0%	0%



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**

(Rupees in Lakh, except share and per share data, unless otherwise stated)

**39. Employee Benefits: (Contd.)..**

Actual return on the assets for the period ended March 31, 2022 and year ended March 31, 2021 were ₹ 183 and ₹ 195 respectively.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan.

The plan assets in respect of gratuity represent funds managed by the BSE employee Gratuity Fund. The Employer's best estimate of the contributions expected to be paid to the plan during the next year is ₹ 162.

**Maturity profile of defined benefit obligations**

PARTICULARS	March 31, 2022
Expected benefits for year 1-3	1,276
Expected benefits for year 4-5	755
Expected benefits for year 6-10	887
Expected benefits for above year 10	259

The weighted average duration to the payment of these cash flows is 4.00 years.

- **Discount Rate:** The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.
- **Salary Escalation Rate:** The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

**39.2 Defined Contribution Plan - Provident fund, Pension Fund and New pension Scheme:**

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. The Company offers its employees defined contribution plan in the form of provident fund and family pension fund. Provident fund and family pension fund cover substantially all regular employees. While both, the employees and the Company pay predetermined contributions into the provident fund and New National Pension Scheme, contributions into the family pension fund are made by only the Company. The contributions are based on a certain proportion of the employee's salary.

The Company has an obligation to fund any shortfall on the yield of the trust's investment over the administered interest rates on an annual basis. These administered interest rates are determined annually predominantly considering the social rather than economic factors and, in most cases, the actual return earned by the Company has been higher in the past years. There is no provision for diminution in value of investment except provision for accrued interest.

The Company recognised charge for the year ended March 31, 2022 and for the year ended March 31, 2021 of ₹ 200 and ₹ 205 respectively for provident fund and family pension fund contribution in the Profit or Loss.

The Company recognised charge for the year ended March 31, 2022 and for the year ended March 31, 2021 of ₹ 36 and ₹ 38 respectively for New National pension Scheme contribution in the Profit or Loss.

**39.3 Compensated Absences**

The Company recognised charge for the year ended March 31, 2022 and for the year ended March 31, 2021 of ₹ 484 and ₹ 611 respectively for Compensated Absences in the Profit or Loss.

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**40.** S & P Dow Jones Indices LLC and SPDJ Singapore Pte Ltd (hereinafter collectively called as “SPDJ”) had filed arbitration proceedings against BSE under Singapore International Arbitration Center’s rules, inter alia, challenging the termination of index licensing arrangement by BSE Limited. The Final Award passed by the Arbitrator Tribunal dated September 17, 2020 inter-alia, held that the termination of the Agreements by BSE is invalid, the Agreement continue to remain in force and the costs of arbitration, legal and other costs incurred by SPDJ shall be borne by BSE. Accordingly, an amount of ₹ 1,453 is paid by BSE to SPDJ with interest upto the date of payment. The said amount has been paid and has been disclosed as an “Exceptional item” for the year ended March 31, 2021. Interest paid to SPDJ of ₹ 17 has also been disclosed as finance cost for the year ended March 31, 2021.

**41.** Interoperability among clearing corporations was implemented from June 2019. After implementation of interoperability, the members have the option to choose the clearing corporation to clear their trades. Based on their selection, the trades of BSE are cleared by respective clearing corporations.

As per the requirement arising out of August 27, 2014 SEBI Circular on CIR\MRD\DRMNP\25\2014, for contribution by exchange to Core Settlement Guarantee Fund (“Core SGF”), BSE needs to contribute to Core SGFs of all the Clearing corporations through which its trades are cleared.

BSE has already contributed ₹ 14,488 to Indian Clearing Corporation Ltd., which is in excess by ₹ 11,777 as compared to the requirement, as of March 31, 2021. Based on the transactions executed on BSE and which are cleared by other Clearing Corporations, requirement of Core SGF is ₹ 1,599 as on March 31, 2021, which has been duly paid.

Based on representation made by the company, SEBI allowed transfer of excess contribution made by the Stock Exchanges from Core SGF of one Clearing Corporation to the Core SGF of another Clearing Corporation and hence there is no additional charge to profit and loss account in this regard.

**42.** The Company had earlier received observations from SEBI in respect of inspection conducted for the period 2005 – 2017, in which the Company was asked to plough back certain amount to Investors’ Services Fund (“ISF”) and BSE Investors Protection Fund Trust (“IPF”) in respect of expenses charged in the earlier years to these funds. On the basis of response submitted by the Company, in the year ended March 2020, SEBI concluded and instructed the Company to plough back an amount of ₹ 1,037 along with interest to the said funds. Consequently, an expense of ₹ 1,385 was charged to the profit and loss account for the year ended March 31, 2020 along with expense of ₹ 476 for the year ended March 31, 2018. Accordingly, an amount aggregating to ₹ 1,861 was disclosed as “Provision for Additional Contribution to ISF and IPF” for the year ended March 31, 2020. Subsequently, based on final amount arrived by SEBI, the Company had reassessed amount chargeable to the fund for earlier years and has written back ₹ 595 to “Other income” in the year ended March 31, 2021.

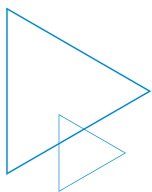
**43.** MD and CEO is paid remuneration based on the resolution approved by SEBI and shareholders.

The Board of Directors of the company has approved compensation to employees in lieu of capping of increment during 2020-21 due to COVID-19 pandemic. Accordingly, an amount of ₹ 99 is proposed to be paid to MD & CEO which has been provided in the statement of profit and loss for the quarter and year ended 31 March 2022. The payment of said compensation is subject to approval from SEBI and shareholders.

The total compensation payable to MD & CEO including the additional compensation mentioned above is within the limits specified under Section 197 read with Schedule V of the Companies Act, 2013.

**44.** Pursuant to SEBI Circular CIR/MRD/DP/14/2014 dated April 23,2014 and BSE Notice no-20190805-10, 20190925-31, 20191108-25, with effect from November 25, 2019, the Company has introduced the Liquidity Enhancement Scheme (LES) in derivatives. An expense of ₹ 2,174 and ₹ 1,910 has been incurred towards the scheme for the year ended March 31, 2022 and year ended March 31, 2021 respectively.

**45.** The Code on Social Security,2020 (‘Code’) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the code will come into effect has



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**

(Rupees in Lakh, except share and per share data, unless otherwise stated)

not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

**46.** The management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of its assets and liabilities is minimal.

**47. LONG TERM CONTRACT INCLUDING DERIVATIVE CONTRACTS**

The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses during the year ended March 31, 2022 and March 31, 2021.

**48. STANDARDS NOTIFIED BUT NOT YET EFFECTIVE**

Ministry of corporate affairs have made amendments on March 23, 2022 in certain Indian Accounting Standards (Ind AS) namely Ind AS 101, Ind AS 103, Ind AS 109, Ind AS 16, Ind AS 37 and Ind AS 41. The Same are effective from April 01, 2022.

**49. RELATIONSHIP WITH STRUCK OFF COMPANIES**

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding as at current period	Balance outstanding as at previous period	Relationship with the Struck off company, if any, to be disclosed
Ajnee Finance Pvt.Ltd.	Rendering of services	1	2	Trade Receivable
Alpic Securities Ltd.	Rendering of services	-	-	Trade Receivable
Bansal Finstock Pvt.Ltd.	Rendering of services	-	-	Trade Receivable
BCC Fuba India Ltd.	Rendering of services	0^	0^	Trade Receivable
Bharatendu Investments & Financial Services Pvt. Ltd.	Rendering of services	6	6	Trade Receivable
BPS Stocks Pvt Limited	Rendering of services	2	3	Trade Receivable
Display Commercial Private Limited	Rendering of services	-	-	Trade Receivable
Excel Mercantile Pvt.Ltd.	Rendering of services	-	-	Trade Receivable
Gandhi And Shah Corporate Services Private Limited	Rendering of services	-	-	Trade Receivable
Jash Securities Pvt.Ltd.	Rendering of services	1	1	Trade Receivable
Krishana Fabrics Limited	Rendering of services	0^	-	Trade Receivable
Maxus Securities Pvt.Ltd.	Rendering of services	-	-	Trade Receivable
Mayur Share Broking Pvt.Ltd.	Rendering of services	0^	0^	Trade Receivable
Mefcom Agro Industries Ltd	Rendering of services	4	-	Trade Receivable
Milan Mahendra Securities Pvt Limited	Rendering of services	4	-	Trade Receivable
MKB Securities Pvt Ltd	Rendering of services	-	-	Trade Receivable
Omji Securities Ltd.	Rendering of services	-	-	Trade Receivable
Red Ribbon Stock Broking Pvt Ltd	Rendering of services	-	-	Trade Receivable
Sailesh H.Doshi Broking Pvt.Ltd.	Rendering of services	-	-	Trade Receivable

^ Less than ₹ 50,000/-

**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**50. TITLE DEEDS OF IMMOVABLE PROPERTY NOT HELD IN THE NAME OF THE COMPANY**

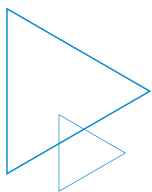
Descriptions of Property	Gross Carrying Value	Title Deed held in name of*	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Period for which held	Reason for not being held in the name of the company
P. J. Towers & Rotunda Towers – Land	22	Trustees of Native Share & Stock Brokers Associates	No	43 years to 69 years for different parcels	Pending transfer from erstwhile trustees – Refer Note
P. J. Towers – Building	1,874	The Trustees of the Bombay Stock Exchange	No	43 years	Pending transfer from erstwhile trustees – Refer Note
Rotunda Towers – Building	1,653	The Trustees of the Bombay Stock Exchange	No	35 years	Pending transfer from erstwhile trustees – Refer Note
CAMA – Land & Building	69	Trustees of Native Share & Stock Brokers Associates	No	50 years	Pending transfer from erstwhile trustees – Refer Note
Office at Machinery House	307	The Trustees of the Bombay Stock Exchange	No	28 years	Pending transfer from erstwhile trustees – Refer Note

\* Not as promoter, director or their relative or employee of the Company.

**Note:** The application has been made with the land authority for transfer of property in the favour of the company.

**51. ANALYTICAL RATIOS**

Sr. No.	Ratios	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
1	Current ratios (in times)	1,98,185	85,207	2.33	2.02	15.35%	NA
2	Return on equity ratio	19,512	2,23,557	8.73%	4.47%	95.30%	Market condition improved and accordingly profit increased by more than 100%
3	Trade receivable turnover ratio (in times)	60,698	10,242	5.93	4.38	35.39%	The Company has made extra efforts to recover its outstanding dues and accordingly turnover ratio has improved.
4	Trade Payables turnover ratio (in times)	32,042	7,121	4.50	3.95	13.92%	NA
5	Net capital turnover ratios (in times)	60,698	1,12,978	0.54	0.52	3.85%	NA
6	Net profit ratio	19,512	60,698	32.15%	22.94%	40.15%	Market condition improved and accordingly profit increased by more than 100%
7	Return on capital employed	26,110	2,28,503	11.43%	5.99%	90.82%	Market condition improved and accordingly profit increased by more than 100%
8	Return on investment	7,241	1,58,131	4.58%	6.98%	(34.38%)	MTM loss impact on mutual fund investment



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**52. OTHER STATUTORY INFORMATION**

- i) There are no promoters identified for the Company.
- ii) The Company, for the current year as well as previous year, do not have any Benami property, where any proceedings has been initiated or pending against the company for holding any Benami property.
- iii) The Company, for the current year as well as previous year, does not have any charges or satisfaction to be registered with ROC.
- iv) The Company, during the current year as well as previous year, has not carried out or traded or invested in crypto currency or virtual currency.
- v) The Company, for the current year as well as previous year, has not carried out any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961 (Such as search, survey any any other relevant provisions of the Income Tax Act, 1961).
- vi) The Company, for the current year as well as previous year, has not advanced any loan or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediaries shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner, whatsoever by or on behalf of the Company (Ultimate Beneficiary) or
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiary.
- vii) The Company, for the current year as well as previous year, has not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner, whatsoever by or on behalf of the Funding Party (Ultimate Beneficiary) or
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiary.
- viii) The Company has not been declared as willful defaulter by any bank or financial institution or other lender, since the company has not undertaken any borrowing during the current year and previous year.
- ix) The Company, during the current year and previous year has not made any investment in downstream companies which are not in compliance with clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.
- x) The Company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013 during the current year and previous year.
- xi) The Company has not revalued its property plant and equipment or intangible assets or both during current year or previous year.
- xii) The Company has not granted/given any loans or advances during the current year and previous year to the directors, KMP and the related party (as defined under companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.



**Significant accounting policies and notes to the financial statements for the year ended March 31, 2022**  
(Rupees in Lakh, except share and per share data, unless otherwise stated)

**53.** Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report of even date attached

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

**Per Jayesh Gandhi**

Partner

Membership No.: 037924

Date: May 11, 2022

Place: Mumbai

For and on behalf of the Board of Directors

**Justice Vikramajit Sen**

Chairman

DIN: 00866743

**Nayan Mehta**

Chief Financial Officer

**Ashishkumar Chauhan**

Managing Director & CEO

DIN: 00898469

**Vishal Bhat**

Company Secretary

## FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

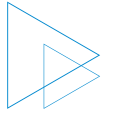
### Part "A": Subsidiaries - Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (Information in respect of each subsidiary to be presented with amounts in ₹ Lakh)

Sr. No.	Name of the subsidiary	Indian Clearing Corporation Limited	BSE Institute Limited	BSE Investments Limited <sup>1</sup>	BSE Sammaan CSR Limited <sup>6</sup>	BSE Technologies Private Limited	BFSI Sector Skill Council of India <sup>2</sup>	BSE Tech Infra Services Private Limited <sup>3</sup>	BIL-Ryerson Technology Startup Incubator Foundation <sup>4</sup>	BSE Institute of Research Development & Innovation <sup>7</sup>	BSE CSR Integrated Foundation <sup>5</sup>	India International Exchange (IFSC) Limited	India International Clearing Corporation (IFSC) Limited	India INX Global Access IFSC Limited <sup>6</sup>	BSE E-Agricultural Markets Limited <sup>8</sup>	BSE Administration & Supervision Limited
1	The date since when subsidiary was acquired	26-Apr-07	28-Sep-10	27-Feb-14	10-Sep-14	29-Sep-09	16-Sep-11	9-Feb-11	5-Nov-15	5-Dec-19	7-Mar-16	12-Sep-16	12-Sep-16	5-Apr-18	1-Dec-20	5-Mar-21
2	Share capital	35,400	5,000	5,050	260	2,500	205	701	1	1	5	23,503	13,350	1,000	1,000	100
3	Reserves & surplus	39,342	1,859	201	(241)	2,138	337	375	40	(9)	9	(14,437)	(471)	(154)	(301)	(60)
4	Total assets	2,86,432	7,931	5,251	22	6,728	679	1,403	714	10	14	10,904	16,462	886	989	341
5	Total Liabilities	2,11,690	1,072	1	3	2,090	138	327	673	18	0	1,838	3,583	40	290	301
6	Investments	18,577	5,243	4,000	-	4,451	213	686	32	-	-	2,138	1,028	-	0	-
7	Turnover	14,794	1,914	61	0	5,595	325	1,645	307	-	366	361	164	40	43	34
8	Profit before taxation	4,923	36	45	(6)	503	(17)	28	18	(1)	(564)	(2,837)	(352)	(83)	(228)	(60)
9	Provision for taxation	1,438	(7)	15	-	134	2	16	-	-	-	-	-	-	-	-
10	Profit after taxation	3,485	43	30	(6)	369	(19)	12	18	(1)	(564)	(2,837)	(352)	(83)	(228)	(60)
11	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	48.78%	100.00%	51.00%	100.00%	100.00%	61.93%	59.93%	61.93%	60.00%	100.00%
		India	India	India	India	India	India	India	India	India	India	India	India	India	India	India

#### Note:

- 1 BSE Investments Limited was incorporated on February 27, 2014 which is yet to commence operations.
- 2 BFSI Sector Skill Council of India is a Section 8 company under the Companies Act, 2013. Hence, the same has not been considered for consolidation. Additional 2.44% of share are held by BSE Institute Limited.
- 3 Wholly owned subsidiary of BSE Technologies Private Limited.
- 4 BIL-Ryerson Technology Startup Incubator Foundation (Subsidiary of BSE Institute Limited and was incorporated on November 5, 2015) is a Section 8 company under the Companies Act, 2013. Hence, the same has not been considered for consolidation. The numbers are based on management certified accounts as the financials are yet to be audited till the date of approval by Board of BSE.
- 5 BSE CSR Integrated Foundation is a Section 8 company under the Companies Act, 2013. Hence, the same has not been considered for consolidation. Additional 25% of share are held by Subsidiaries of BSE Limited.
- 6 India INX Global Access IFSC Limited was incorporated on April 5, 2018 and it is a wholly owned subsidiary of India International Exchange (IFSC) Limited.
- 7 BSE Institute of Research Development & Innovation (Subsidiary of BSE Institute Limited and was incorporated on December 5, 2019) is a Section 8 company under the Companies Act, 2013. Hence, the same has not been considered for consolidation. The numbers are based on management certified accounts as the financials are yet to be audited till the date of approval by Board of BSE.
- 8 BSE E-Agricultural Markets Limited (subsidiary of BSE Investments Limited) was incorporated on December 1, 2020.
- 9 BSE Sammaan CSR Limited Board Meeting held on January 27, 2021 formed an opinion for liquidation of the company and the same is under liquidation.





**PART "B": ASSOCIATES AND JOINT VENTURES**  
**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(Information in respect of each associate to be presented with amounts in ₹ Lakh)

Sr. No.	Name of Joint Ventures / Associate Companies	Asia Index Private Limited	Central Depository Services (India) Limited (CDSL Group) <sup>1</sup>	BSE EBIX Insurance Broking Private Limited	Hindustan Power Exchange Limited <sup>2</sup>	India International Bullion Holding IFSC Limited (Group) <sup>3</sup>	BSE EBIX Insuretech Private Limited <sup>4</sup>
1	Latest audited Balance Sheet Date (Financial year ended)	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22
2	Date on which the Associate or Joint Venture was associated or acquired	30-Aug-13	16-Jun-10	15-Mar-18	7-May-19	4-Jun-21	3-Apr-18
3	Shares of Associate/Joint Ventures held by the company on the year end						
	a. No. of shares	5,000	20,900,000	2,004,000	125,000,000	200,000,000	4,000
	b. Amount of Investment in Associates/Joint Venture (₹)	1	4,722	200	1,250	2,000	140
	c. Extent of Holding %	50%	20%	40%	22.62%	21.40%	40%
4	Description of how there is significant influence	50% Equity Shares Stake	20% Equity Shares Stake	40% Equity Shares Stake	22.62% Equity Shares Stake	21.40% Equity Shares Stake	40% Equity Shares Stake
5	Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Networth attributable to Shareholding as per latest audited Balance Sheet (₹)	3,158	109,292	349	5,166	8,895	364
7	Profit / (Loss) for the year	450	6,224	(41)	(70)	(152)	6
	i. Considered in Consolidation (₹)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	ii. Not Considered in Consolidation						

**Note:**

- 1 CDSL Group consists of:
  - a) CDSL Ventures Limited
  - b) CDSL Insurance Repository Limited
  - c) CDSL Commodity Repository Limited
  - d) CDSL IFSC Limited incorporated on March 30, 2021 and yet to commence business
- 2 Pranurja Solutions Limited incorporated on April 24, 2018 and it is an associate and it is yet to commence the business and also during the financial year under review, the name of the company has been changed from 'Pranurja Solutions Limited' to 'Hindustan Power Exchange Limited' with effect from November 24, 2021.
- 3 India International Bullion Holding IFSC Limited is associate of India International Exchange (IFSC) Limited and India International Clearing Corporation (IFSC) Limited having equity stake of 10.70% each w.e.f. June 04, 2021 and India International Bullion Exchange IFSC Limited is subsidiary of India International Bullion Holding IFSC Limited.
- 4 Marketplace EBIX Technology Services Private Limited incorporated on April 3, 2018 and it is an associate of BSE Technologies Private Limited, the name of the company has been changed from 'Marketplace EBIX Technology Services Private Limited' to 'BSE EBIX Insuretech Private Limited' with effect from January 20, 2022.

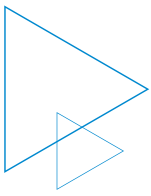
**For and on behalf of the Board of Directors**

**Vikramajit Sen**  
Chairman  
DIN: 00866743

**Ashishkumar Chauhan**  
Managing Director & CEO  
DIN: 00898469

**Nayan Mehta**  
Chief Financial Officer

**Vishal Bhat**  
Company Secretary



**LISTING CEREMONIES 2021-22**



Listing Ceremony of Shyam Metals and Energy Limited on June 24, 2021.



Listing Ceremony of India Pesticides Limited on July 5, 2021.



Listing Ceremony of G R Infraprojects Limited on July 19, 2021.



Listing Ceremony of Tatva Chintan Pharma Chem Limited on July 29, 2021.



Listing Ceremony of Glenmark Life Sciences Limited on August 6, 2021.



Listing Ceremony of Windlas Biotech Limited on August 16, 2021.



LISTING CEREMONIES 2021-22



Listing Ceremony of Nuvoco Vistas Corporation Limited on August 23, 2021.



Listing Ceremony of Ami Organics Limited on September 14, 2021.



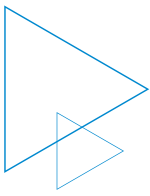
Listing Ceremony of Sansera Engineering Limited on September 24, 2021.



Listing Ceremony of Marcolines Traffic Controls Limited on September 27, 2021.



Listing Ceremony of Paras Defence & Space Technologies Limited on October 1, 2021.



**LISTING CEREMONIES 2021-22**



Listing Ceremony of Getalong Enterprise Limited on October 8, 2021.



Migration Ceremony of IRIS Business Services Limited on November 8, 2021.



Listing Ceremony of Fino Payments Bank Limited on November 12, 2021.



Listing Ceremony of Sigachi Industries Limited on November 15, 2021.



Listing Ceremony of Suyog Gurbaxini Funicular Ropeways Limited on November 16, 2021.

LISTING CEREMONIES 2021-22



Listing Ceremony of Paytm on November 18, 2021.



Listing Ceremony of Latent View Analytics Limited on November 23, 2021.



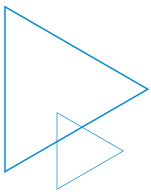
Listing Ceremony of Tarsons Products Limited on November 26, 2021.



Listing Ceremony of Anand Rathi Wealth Limited on December 14, 2021.



Listing Ceremony of CE Infosystems (MapMyIndia) Limited on December 21, 2021.



**LISTING CEREMONIES 2021-22**



Listing Ceremony of Metro Brands Limited on December 22, 2021.



Listing Ceremony of MedPlus Health Services Limited on December 23, 2021.



Listing Ceremony of Supriya Lifescience Limited on December 28, 2021.



Listing Ceremony of CMS Infosystems Limited on December 31, 2021.



Listing Ceremony of AGS Transact Technologies Limited on January 31, 2022.



LISTING CEREMONIES 2021-22



Listing Ceremony of Gateway Distriparks Limited on March 22, 2022.



Listing Ceremony of Motherson Sumi Wiring India Limited on March 28, 2022.



Listing Ceremony of Vadodara Municipal Corporation Bonds on March 30, 2022.



Listing Ceremony of Ruchi Soya Industries Limited on April 8, 2022.



Listing Ceremony of Veranda Learning Solutions Limited April 11, 2022.



The logo for BSE (Bombay Stock Exchange) is displayed in a bold, blue, sans-serif font. The letters 'B', 'S', and 'E' are stylized with rounded, blocky forms. The 'B' has three horizontal bars, the 'S' has two, and the 'E' has three. The logo is centered within a white triangular shape that points to the right.

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