



## The Calcutta Stock Exchange Limited

### NOTICE

Notice is hereby given that the 99th Annual General Meeting of the members of The Calcutta Stock Exchange Limited (The Exchange/Company) will be held on Friday, 16th September, 2022 at 5.30 P.M. Indian Standard Time ("IST"), through Video Conference / Other Audio-Visual Mode to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and the Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Report of the Auditors thereon.
2. To Appoint Dr. Abhirup Sarkar (DIN : 03585624) who retires by rotation and being eligible offered himself for re-appointment as Shareholder Director of the Exchange.

"RESOLVED THAT pursuant to the provisions of 152 of the Companies Act 2013 and Companies (Appointment and Qualification of Directors) Rules 2020 including its amendments, Dr. Abhirup Sarkar (DIN: 03585624), being only Shareholder Director of the company is liable to retire by rotation and has submitted his consent being eligible for re-appointment as a Shareholder Director of the Exchange."

By Order of the Board of Directors

Place: Kolkata

Dated: 15th July, 2022

**Anindo Majumdar**  
Chairman  
DIN: 06984371



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### NOTES:

1. Presently the Board of Directors comprises of Two Public Interest Directors nominated by Securities and Exchange Board of India [SEBI] whose appointment does not require approval of shareholders of the Company and one Director viz. Dr. Abhirup Sarkar was appointed on 27th May, 2022 as Shareholder Director on the Governing Board of the Company as per approval of SEBI.
2. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said Form can be downloaded from the website of the Company [www.cse-india.com](http://www.cse-india.com). Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to the Company's Registrar and Share Transfer Agent M/s. CB Management Services Private Limited in case the shares are held in physical form. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of shares who has made the nomination, by giving a notice of such cancellation or variation, to the company in Form No. SH-14. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received by the Company or by its Registrar and Share Transfer Agent.
3. All documents referred to in the Notice will be available for inspection by the members at the Registered Office of the Company between 10 A.M. to 1.00 P.M. on all working days prior to the date of the AGM and scanned copies will also be available at the meeting.
4. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their Bank particulars, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations and power of attorney as well as any change of name, address, Pin Code, E-mail IDs and mobile / other contact details, amongst others, to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Share Transfer Agent [M/s. CB Management Services Private Limited] to provide efficient services. Members holding shares in physical form are requested to intimate such changes to the Company's Registrar and Share Transfer Agent.
5. Ministry of Corporate Affairs (MCA) has decided that, with effect from 2nd October, 2018 pursuant to Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 securities of all unlisted public companies shall be transferred only in dematerialized form and, therefore, members holding shares in physical form are advised to dematerialize their holding as early as possible. Further pursuant to Regulation 46 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, the securities of a Recognized Stock Exchange are required to be maintained in Demat Form.
6. Members holding shares in physical form are also requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. The Company's equity shares have been admitted in NSDL and CDSL and ISIN: INE510101013 has been allotted. M/s CB Management Services Private Limited are the Registrar and Share Transfer Agents (RSTA). Members can contact the Company or Company's Registrar and Share Transfer Agent M/s. CB Management Services Pvt. Ltd. at P-22, Bondel Road, Kolkata - 700 019 for ease of knowing the process of dematerialization.
7. Mandatory submission of PAN: Government of India has mandated the submission of Permanent Account Numbers (PAN) by every participant in the securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their Demat Account. Members holding shares in physical form are requested to update their PAN with the Company's Registrar and Share Transfer Agent.
8. Non-resident Indian Members are requested to inform the Company's Registrar and Share Transfer Agent immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
9. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member, as soon as possible. Members are advised not to leave their demat account(s) dormant for too long. Periodic statements of holdings should be obtained from the concerned Depository Participants and the holdings should be verified from time to time.



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10. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
11. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Registrar and Share Transfer Agent/Depositories for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
12. Members desiring any information about accounts, to be explained at the meeting are requested to inform the Company at least 5 [Five] days in advance, so that the papers relating thereto may be made available.
13. In terms of Section 124 of the Act the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account and corresponding shares are required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, the Company will be transferring the dividends declared on 23rd November, 2015 and corresponding shares on or before 11th December, 2022. Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund. The due dates for transfer of unclaimed dividend to IEPF are provided in the report on Corporate Governance. Dividends remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account and corresponding shares upto the financial year ending 31st March 2015 stands transferred to IEPF.
14. The Company has uploaded information of unclaimed dividends as on date of the 98th Annual General Meeting held on 31st December, 2021 on the websites of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and of the Company [www.cse-india.com](http://www.cse-india.com).
15. Pursuant to the MCA Circulars, in view of the prevailing situation, owing to the difficulties involved in dispatching of the physical copies of the Notice of the 99th AGM and the Annual Report of the Company for the financial year ended 31st March, 2022 including therein the Audited Financial Statements for the year 2021-22, the afore-mentioned documents are being sent only by email [electronic mode] to the Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website [www.cse-india.com](http://www.cse-india.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com). Therefore, Members whose email addresses are not registered with the Company or with the Registrar and Share Transfer Agent (RTA) or with their respective Depository Participant/s (DPs), and who wish to receive the Notice of the 99th AGM of the Company along with the Annual Report for the year 2021-22 and all other communications from time to time, can get their email addresses registered by following the steps as mentioned herein below:-
  - a. For Members holding shares in physical form, please send KYC documents in Form ISR-1, ISR-2 and SH-13 as mandated by SEBI with a scanned copy of the signed request letter mentioning your Folio Number, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAAR) supporting the registered address of the Member, by email to the RTA's email address: [rta@cbmspl.com](mailto:rta@cbmspl.com)
  - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant(s).
16. During the 99th AGM, Members may access the scanned copies of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act and the Memorandum and Articles of Association of the Company, upon Log-in to CDSL e-Voting system at [www.evotingindia.com](http://www.evotingindia.com).
17. Pursuant to the provisions of Section 108 of the Act read with rules thereof, Mr. Hansraj Jaria, Practising Company Secretary, (Membership No.F7703) has been appointed as the Scrutinizer to scrutinize the Remote e-Voting process and/or vote through the e-Voting system during the Meeting in a fair and transparent manner. The Scrutinizer shall, after the conclusion of e-Voting at the AGM, make a consolidated Scrutinizer's Report.
18. The Results of voting will be declared within 48 hours from the conclusion of AGM. The declared results along with the Scrutinizer's Report will be available forthwith on the website of the Company [www.cse-india.com](http://www.cse-india.com) and on the website of CDSL. Such results will also be displayed on the Notice Board at the Registered Office of the Company.
19. The term 'Members' has been used to denote Shareholders of the Calcutta Stock Exchange Limited.



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20. Instructions and other information relating to remote e-voting are given in the Notice under Note No. 21 and 22 below.
21. General instruction for accessing and participating in the 99th AGM through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) facility:
- A. In view of the current surge of pandemic Covid-19 in Kolkata and rise of positivity rates in the city, again physical distancing is a norm to be followed. Pursuant to the General Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021 followed by Circulars dated 8th and 14th December, 2021 and 5th May, 2022 issued by the Ministry of Corporate Affairs ("MCA"), Government of India, and Circular Numbers SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 issued by Securities And Exchange Board of India ("SEBI") and all other relevant circulars issued from time-to-time companies are allowed to hold AGM upto 31st December, 2022 through Video Conferencing (VC) / Other Audio-Visual Means (OAVM). In compliance with the provisions of the Act, the 99th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 99th AGM shall be the Registered Office of the Company situated at 7, Lyons Range, Kolkata – 700 001. Hence, Members can attend and participate in the AGM through VC/OAVM only.
- B. The Company has engaged the services of Central Depository Services (India) Limited (CDSL), as the authorized agency for conducting the e-AGM and providing remote e-voting and e-voting facility for/ during the 99th AGM of the Company. The instructions for participation by Members are given in the subsequent paragraphs.
- C. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no requirement for the appointment of proxies. Accordingly, the facility to appoint proxies to attend and cast vote for the Members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Act, the Body Corporate(s) are entitled to appoint their authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes during the 99th AGM of the Company. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting at least three (3) days before the AGM.
- D. Since the AGM will be held through VC / OAVM facility, the Route Map is not annexed to this Notice.
- E. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- F. In line with MCA Circulars, the Notice of 99th AGM along with Financial Statements, Auditor's Report and Directors' Report are being sent only by electronic mode to the Members and all other persons so entitled at their email address registered with Company / its Registrar and Share transfer Agent.
- G. Members are encouraged to join the Meeting through Laptops for better experience. Accordingly, all members are requested to get connected through a laptop with webcam / a device with a video / camera along with stable internet speed. When the meeting is in progress, please keep your laptop / device under 'Mute' mode, except when you would be allowed to be a speaker by the Chairman and are invited to speak at the AGM.
- H. 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, strongly recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- I. In case of joint holders attending the meeting, only such joint holder whose name appears first in the Register of Members will be entitled to vote.
- 22. Voting through electronic means:**  
**CDSL e-Voting System – For e-voting and Joining Virtual meetings.**
1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of



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Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars dated April 08, 2020; April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or

body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.cse-india.com](http://www.cse-india.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 followed by Circulars dated 8th and 14th December, 2021 and 5th May, 2022.

### THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on Tuesday, 13th September, 2022 (9.00 A.M.) and ends on Thursday, 15th September, 2022 (5.00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) on Friday, EOD of 9th September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- (iii) It has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to companies in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.



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(iv) Accordingly, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** 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 are <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 evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' 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></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <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; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
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.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. 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. 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at: <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>



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Type of Shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**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

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) 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 Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form 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.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA</li> </ul>
Dividend Bank Details <b>OR</b> 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 company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form 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



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by the demat 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.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of The Calcutta Stock Exchange Limited on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) 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 & enter the details as prompted by the system.
- (xvi) Additional Facility for Non-Individual Shareholders and Custodians For Remote 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 and to the Company at the email address viz [pdutta@cse-india.com](mailto:pdutta@cse-india.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/ EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM 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.
3. 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.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **5 (FIVE) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [pdutta@cse-india.com](mailto:pdutta@cse-india.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 (FIVE) days prior to meeting** mentioning their name, demat account number/folio number, email



## The Calcutta Stock Exchange Limited

- id, mobile number at [pdutta@cse-india.com](mailto:pdutta@cse-india.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
  9. Only those shareholders, who are present in the AGM through VC/OAVM 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.
  10. 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/OAVM 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 meeting.

### PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- 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 email to **Company at [pdutta@cse-india.com](mailto:pdutta@cse-india.com) or to RTA at [rta@cbmsl.com](mailto:rta@cbmsl.com)**
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email 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, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A-Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

Details of Directors seeking Reappointment at the 99th AGM to be held on Friday, the 16th September, 2022 at 5.30 P.M.

Particulars	Description
Name of Director	Dr. Abirup Sarkar
Director Identification Number (DIN)	03585624
Date of Birth	13-06-1955
Qualifications	M.A. (Economics), Ph.D.(Economics)
Expertise in specific functional area	Primary area of his research interest are International Trade and Economic Development
Category Represented	Shareholder
Other Directorship in Public Limited Companies	West Bengal Infrastructure Development Finance Corporation Limited
Chairman/Member of the Committee of the Board of Directors of the other Companies in which he is a Director (Only Audit Committee & Shareholder/ Investors' Grievance Committee)	Chairman : West Bengal Infrastructure Development Finance Corporation Limited Chairman-West Bengal Financial Corporation
Equity shares held in the Exchange	Shares held by West Bengal Infrastructure Development Finance Corporation Limited

By Order of the Board of Directors

Place: Kolkata  
Dated: 15th July, 2022

Anindo Majumdar  
Chairman  
DIN: 06984371

# The Calcutta Stock Exchange Limited



**99th  
Annual  
Report  
2021-22**



## Corporate Information

### Chairman

Anindo Majumdar, IAS (Retd.)  
Public Interest Director

### Public Interest Directors

Chacko Joseph

### Shareholder Director

Dr. Abhirup Sarkar

### Registered Office

7, Lyons Range, Kolkata – 700 001  
Website: [www.cse-india.com](http://www.cse-india.com)

### Registrar & Share Transfer Agents

C B Management Services (P) Limited  
P-22, Bondel Road, Kolkata – 700 019  
Tel. (033) 40116726

### Bankers

Axis Bank  
HDFC Bank Limited  
Punjab National Bank

### Auditors

Ray & Ray  
Chartered Accountants

### Internal Auditors

Mukherjee Biswas Pathak  
Chartered Accountants

### Solicitors

Avijit Deb Partners LLP  
Sinha & Co  
Uttam Kumar Mandal, Advocate

## 99th Annual General Meeting

Day	:	Friday
Date	:	September 16th, 2022
Venue	:	Via Video Conference
Time	:	5.30 PM

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Board of Directors  
**The Calcutta Stock Exchange Limited**



**Anindo Majumdar**  
Chairman,  
Public Interest Director



**Chacko Joseph**  
Public Interest Director



**Dr. Abhirup Sarkar**  
Shareholder Director



**DIRECTORS' REPORT****Dear Shareholders,**

The Board of Directors of The Calcutta Stock Exchange Limited (the 'Exchange / Company / CSE') presents the Company's 99th Annual Report for the Financial Year 2021-22 together with the Audited Financial Statements for the year ended 31st March, 2022. Consolidated financial performance of the Company together with its subsidiaries has been referred to wherever required.

**1. Audited Results:****1.1 Financial Summary and Highlights for the year under review:**

The total income of the Exchange on a stand-alone basis stood at Rs.1674.69 lakhs. The profit before tax and contributions to Settlement Guarantee Fund and Investors' Service Fund was 486.23 lakhs as compared to Rs.181.40 lakhs for the previous year ended 2020-21. After charging the year's contributions to these two funds, the profit for the financial year 2021-22 stood at Rs.11.26 lakhs as compared to a loss of Rs.121.27 lakhs for the previous 2020-21.

The summary of the Financial Results is as under:

Particulars	2021-22	2020-21
	Rupees In lakhs	Rupees in lakhs
Total Revenue (I)	1674.69	1571.20
Total Expenses (II)	1188.46	1389.80
Profit before Tax (I-II) and contribution to Settlement Guarantee Fund and Investors' Protection Fund	486.23	181.40
Total tax Expense	(100.57)	(8.12)
Profit after Tax and before contribution to Settlement Guarantee Fund, Investors' Service Fund and appropriation to general reserve of pre-demutualisation period	385.66	189.52
Apportion to General Reserve of Pre-Demutualisation period	54.76	—
Contribution to Settlement Guarantee Fund (Net of Tax)	245.34	230.64
Contribution to Stock Exchange Investors' Service Fund (Net of Tax)	74.29	80.15
Total of Contribution to Settlement Guarantee Fund & Investors' Service Fund	374.40	310.79
Profit/(Loss) after tax and contribution to Settlement Guarantee Fund and Investors' Service Fund for the year	11.26	(121.27)
Profit/(Deficit) brought forward from last year	(293.06)	(171.79)
Surplus /(Deficit) carried forward to the next year	(281.80)	(293.06)

In accordance with the provisions of Rule 8(1) of the Companies (Accounts) Rules, 2014, the financial highlights and other matters are presented on the basis of the Company's stand-alone financial statements. The financial statements for the year ended 31st March, 2022 have been prepared to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.

**1.2. Appropriations:****1.2.1 Dividend:**

In view of the marginal profit earned during the year under review, the Board has not proposed any dividend for the Financial Year ended 31st March, 2022.

**1.2.2 Transfer to Reserves:**

In view of the marginal profit earned during the year under review, the Board does not propose to transfer any funds to any Reserve contemplated under Section 134 (3) (j) of the Companies Act, 2013.

**1.2.3 Consolidated Financial Statements:**

Consolidated Financial Statements relating to the Company and its Subsidiaries have been prepared in terms of



Accounting Standard AS-21 [Consolidated Financial Statements] on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances, intra-group transactions and any unrealized profit/loss included therein.

## 2. Operations:

In the early half of FY22, India was impacted by the second wave of COVID-19 pandemic. However, the Exchange Management has provided its esteemed members the opportunity to trade uninterruptedly in the capital market as well as in the F&O Segments of both BSE and NSE under Section 13A of the Securities Contract (Regulation) Act, 1956. This was made possible due to the sincerity and dedication of the employees of the Exchange and for this they deserve full credit.

Owing to regulatory policy changes in the past, the Exchange received no application for direct listing during the year under report. However, the Exchange had launched Amnesty Schemes which had continued for part of the current year for collection of old listing dues from suspended companies.

The Exchange, during the year under report, approved the Voluntary Delisting of 45 companies from listing on its Stock Exchange under the SEBI (Voluntary Delisting) Regulations, 2009. The total number of Listed Companies in the Exchange is 2159 as on 31st March, 2022.

The hearing of the appeal filed by the Exchange against the Order dated April 12, 2016, passed by the Hon'ble Single Judge of the Calcutta High Court is in progress before the Hon'ble Division Bench of Calcutta High Court.

## 3. Highlights of the performance of subsidiaries/associates and their contribution to the overall performance of the Company:

Pursuant to the provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(1) of the Companies (Accounts) Rules, 2014 highlights of the performance of subsidiaries/associates and their contribution to the overall performance of the Company are as follows:

### 3.1 Depository Services by CSE Capital Markets Pvt. Ltd.:

CSE Capital Markets Pvt. Ltd. (CCMPL), a wholly owned subsidiary company of the Exchange, is engaged in depository operations with both CDSL and NSDL. At the end of the year under report, the total number of beneficiary accounts at CCMPL stood at 3326 for NSDL and 576 for CDSL respectively. Profit earned after tax for the year amounted to Rs.13.23 lakhs which has been considered for consolidation.

### 3.2 Clearing Corporation services by Lyons Range Securities Clearing Corporation Ltd. (LRSCCL):

Lyons Range Securities Clearing Corporation Ltd. (LRSCCL) continues as an indirectly wholly owned subsidiary of the Exchange. It will commence commercial operations of a Clearing Corporation after receiving approval from SEBI.

The Profit from LRSCCL was Rs.1.03 lakhs mainly through investment income.

## 4. Investor Services:

The Exchange, being a Self-Regulatory Organization, continues to work in the interest of investors and to protect their interests. It is also engaged in the task of educating investors as well as potential investors in stock market operations.

In parallel, the Exchange continues its efforts at collaborating with premier academic institutes in the areas of investor research and related capital market areas. It has set up a Centre of Excellence on Financial Markets (CUCSE-CEFM) at the Calcutta University with an endowment focusing primarily on inter-disciplinary research initiatives in three thrust areas: capital markets, financial inclusiveness and ethics in the financial market. This Centre of Excellence has also been conducting a One Year Post Graduate Diploma Course in Portfolio Management Services through imparting knowledge on corporate financial analysis, portfolio management, asset valuations, depository and stock exchange functioning.

The Investor Services Cell of the Exchange diligently handled complaints received from investors against corporate entities listed on the Exchange and/or against trading members and assisted in the resolution of complaints and other grievances. Additionally, the Exchange took active part in the resolution of investor grievances for complaints uploaded on SEBI's online complaint resolution system "SCORES" in respect of companies listed on the Exchange. Wherever necessary, the Exchange took prompt action and the same was uploaded on SCORES.

## 5. Code of Conduct for CSE Directors:

In order to emphasize the values and principles of CSE and to set standards for professional and ethical behaviour, a Code of Conduct for Directors, as recommended by SEBI, has been adopted. These are applicable to all Directors. All Directors of the Exchange have affirmed compliance with this Code during the year under report. A copy of this Code is available on the Exchange's website at [www.cse-india.com](http://www.cse-india.com).



**6. CSE Board Structure and Governance:**

Pursuant to the SECC Regulations 2018, the Board of Governors of every recognised stock exchange is required to include:

- (a) Public Interest Directors,
- (b) Shareholder Directors, and
- (c) Managing Director

The number of Public Interest Directors shall not be less than the number of shareholder directors in a Recognized Stock Exchange. As at the close of the year under report, there were three Public Interest Directors. However, one Public Interest Director namely Mr. Gautum Ganguli resigned from the Governing Board on 17th May, 2022 due to personal reasons. Dr. Abhirup Sarkar was nominated by the West Bengal Infrastructure Development Finance Corporation Limited (a shareholder of the Company) and he joined the Board of Governors of the Exchange on 27th May, 2022. SEBI has exempted CSE for appointing Managing Director.

**7. Managing Director & CEO:**

SEBI has exempted the Exchange from appointing a new MD & CEO.

**8. Directorate**

Mr. Anindo Majumdar, IAS (Retd.) [DIN: 06984371], Mr. Chacko Joseph [DIN: 07528693] and Mr. Gautam Ganguli [DIN: 00871416] have joined the Board of Governors of the Exchange as Public Interest Directors with the prior approval of SEBI. Their initial appointment is for a term of three years. They are not subject to retirement by rotation and approval of shareholders is not required for their appointment. As mentioned earlier one Public Interest Director namely, Mr. Gautum Ganguli has resigned from the Governing Board on 17th May, 2022 due to personal reasons.

Mr. Purushottam Saraf, a Shareholder Director representing BSE Limited, resigned on 2nd August, 2021 and despite CSE approaching BSE, no name was proposed to represent BSE as a Shareholder Director on the Governing Board of the Exchange.

No Director is disqualified under Section 164(2) of the Companies Act, 2013.

**9. Changes in Board Committees:**

In accordance with the SEBI Circular dated December 13, 2012, read with the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 on procedural norms for recognition, ownership, and governance of Stock Exchanges and Clearing Corporations, new Board Members have been inducted in the various Board

Committees of the Exchange. The names of the various Committees are given in the Corporate Governance Report. The Exchange is not required to appoint committees envisaged under the provisions of Sections 177 or 178 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

**10. Board Meetings:**

During the year under report, ten Board Meetings took place, out of which four meetings were held virtually.

**11. Code of Conduct for Prevention of Insider Trading pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015:**

Board Members as well as the full-time functionaries of the Exchange owe a fiduciary duty to its members and corporate entities whose securities are listed on its trading platform to conduct their personal securities transactions in a manner that does not create any conflict of interest. The Code of Conduct for Prevention of Insider Trading has been adopted, to serve as a guiding charter in this respect. Individual Board Members as well as each full time functionary have made the requisite disclosures under the said Code of Conduct for the Financial Year under report.

**12. Corporate Governance:**

As required under Regulation 35 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, disclosure requirements and corporate governance norms as specified for listed companies apply *mutatis mutandis* to CSE. In accordance with best Corporate Governance practices and in order to comply with the above Regulations, 2018 a report on Corporate Governance as on 31st March, 2022 forms part of the Annual Report. The Exchange is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the Listing Regulations] as applicable, with regard to Corporate Governance. As required under Regulation 17(8) read with Schedule II Part B of the Listing Regulations, the CFO of the Exchange has given the required certifications to the Board of Directors.

As required under Regulation 34(3) read with Schedule V(E) of the Listing Obligations and Disclosure Requirements, 2015 (LODR), a Compliance Certifi-



cate from a practicing company secretary regarding the compliance of conditions of corporate governance is annexed to this Report.

### 13. Directors' Responsibility Statement:

The Company is in compliance with various accounting and financial reporting requirements in respect of the financial statements for the year under review. Pursuant to Section 134(5) of the Companies Act, 2013 and in respect of the Annual Accounts for the year under review, the Directors hereby confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the end of the Financial Year and of the profit of the company for that year;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for the prevention and detection of frauds and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis;
- v. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. 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.

### 14. Public Deposits:

The Exchange has neither accepted nor renewed fixed deposits either from the public or shareholders during the year under report. As such, no amount of principal or interest was outstanding as on 31st March, 2022.

### 15. Material Changes and Commitments:

There were no material changes or commitments affecting the financial position of the Company from 1st April, 2022 and the date of this Report.

### 16. Holding, Subsidiary, Joint Venture and Associate Companies:

As already stated above, the Exchange has two wholly-owned Subsidiary Companies viz. CSE Capital Markets Private Limited (CCMPL) and Lyons Range Securities Clearing Corporation Limited (LRSCCL). It has no other associate or Joint Venture Company. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and these form part of this Annual Report. Further, the Report on the performance and financial position of the subsidiaries and salient features of the financial statements of the subsidiary companies in the prescribed Form AOC-1 is annexed to this report as Annexure – 1. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related Company information and Audited Financial Statements of the Subsidiaries are available on the website [www.cse-india.com](http://www.cse-india.com). There are no companies that have become or ceased to be subsidiaries, joint ventures and associates during or at the end of the year under report.

### 17. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo:

Information as per Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as below:

#### A. Conservation of Energy:

The Company is in business as a stock exchange and is engaged in providing listing and related capital market trading services. Its operations do not account for energy consumption of material nature. Accordingly, the Company is not required to furnish information under the head "Conservation of Energy" as per extant requirements. However, CSE continuously strives to optimize its energy usage and efficiency and has adopted several environment-friendly measures to conserve energy such as –

- i. Installation of an environment friendly 10.2 KWP Grid Connected Solar Power Plant at its Registered Office.
- ii. Installation of Thin – Film Transistor (TFT) monitors that can save power.
- iii. Power shutdown of idle monitors.
- iv. Minimising the usage of air-conditioners.
- v. Shutting off lights when not in use.
- vi. Educating and making employees aware of the need to save power.

**B. Technology Absorption:**

1	Efforts, made towards technology absorption	CSE endeavours to keep itself abreast with technological advancements in its line of operations and ensures continued and sustained efforts towards absorption as well as development of the same to meet operational needs and objectives.
2	Benefits derived like Product improvement, cost reduction, product development, product substitution, or import substitution	Technological absorption has arguably resulted in CSE being able to further improve its quality of service. These benefits are however not quantifiable.
3	In case of imported technology (imported during the last 3 years, reckoned from the beginning of the financial year) following information may be furnished :  (a) Technology imported.	Nil
	(b) Year of import.	Not Applicable
	(c) Has technology been fully absorbed?	Not Applicable
	(d) If not fully absorbed, areas where this has not taken place, reasons thereof	Not Applicable
4.	Expenditure incurred on Research and Development	The Company is primarily engaged in Stock Exchange related operation. There is therefore no material expenditure incurred on research and development.

**C. Foreign Exchange Earnings & Outgo:**

During the year under report, there were no foreign exchange earnings or outgo.

**18. Particulars of Employees:**

There was no employee receiving remuneration in excess of the limits laid down in Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

In accordance with Regulation 27(5) of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 compensation admissible to key management personnel as defined under Regulation 5(2)(1)(i)&(ii) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is disclosed in Corporate Governance Report.

**19. Statutory Auditors:**

At the 98th Annual General Meeting held on 31st December, 2021 the shareholders of the company appointed M/s Ray & Ray, Chartered Accountants, [FRN: No. 301072E] as Statutory Auditors of the company for a term of five consecutive years from the conclusion of 98th Annual General Meeting to

the conclusion of 103<sup>rd</sup> Annual General Meeting. The requirement to place the matter relating to reappointment of auditors for ratification by Members at every Annual General Meeting has been done away by the Companies (Amendment) Act, 2017 with effect from 7 May 2018. Accordingly, no resolution is being placed for ratification of reappointment of Statutory Auditors at the ensuing AGM.

**20. Auditor's Report:**

The notes on Financial Statements of the company for the financial year ended March 31, 2022, referred to in the Auditor's Report are self-explanatory and do not call for any further explanation. During the year under review, the Auditors did not report any matter under Section 143(12) of the Companies Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act. The Auditors have mentioned two points as "Emphasis of Matter" i.e., (i) uncertainty in the recoverability of Rs.94,34,22,919/- receivable from defaulting members; and (ii) uncertainties relating to the outcome of the Company's appeal pending against SEBI before the Division Bench of the Hon'ble High Court at Calcutta, that may cast sig-



nificant doubts about the Company's ability to continue as a going concern in respect of its stock exchange operations only.

The recoverability of the amount of Rs.94,34,22,919/- on which litigation has been pending for about Rs.93,00,50,704/- and the matter is sub judice. The extent of recoverability of the amount from defaulters cannot be ascertained at this stage. However, the company has recognized an identical amount received from Settlement Guarantee Fund (SGF) as liability. As such, the interests of the Exchange stands fully protected.

As per the relevant Auditing Standards of the Institute of Chartered Accountants of India, the concept of going concern is applicable to the company as a whole and not to any individual segment of operations. The Board believes that irrespective of the continuation of Stock Exchange operations, the company has sufficient resources to meet its obligations. Accordingly, there is no uncertainty relating to its ability to continue as a going concern.

**21. Management Discussion & Analysis:**

A Management Discussion & Analysis forms part of this Annual Report.

**22. Cost Audit and Secretarial Audit:**

Secretarial Audit, Cost Audit, and maintenance of cost records are not applicable to the Company.

**23. Particulars of loans, guarantees or investments:**

The Company has not granted any loan or made any investments or given guarantees or provided security on any matter covered under section 186 of the Companies Act, 2013.

**24. Related Party Disclosures:**

All related party transactions, entered into during the year under report were on arm's length basis and in the ordinary course of business.

Material Transactions entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 during the year under report, which were in the ordinary course of business and on an arm's length basis are disclosed as required under Section 134(1)(h) of the Companies Act, 2013 in Form AOC – 2. This is attached in **Annexure -2**.

**25. Annual Return:**

In terms of the provisions of Sections 92(3) and 134(3)(a) of the Companies Act, 2013, the Annual Return as on 31st March, 2022 will be placed on the website [www.cse-india.com](http://www.cse-india.com)

**26. Internal Financial Control:**

The Board confirms that the Company has a robust system of Internal Financial Control with reference to the Financial Statements and this is commensurate with the size, scale, complexity and operations of the Company. These are so designed to ensure proper recording of financial and operational information and compliance with various internal control and other regulatory and statutory compliances. The Company's internal control system comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational performance, compliance with policies, procedures, applicable laws and regulations and the safeguarding of all Company assets and other resources. Self-certification exercises are conducted by which senior management certify as to the effectiveness of the Company's internal control system, adherence to code of conduct and laid down corporate policies.

**27. Risk Management:**

Risks are events, situations or circumstances which may lead to negative consequences on the company's business. Risk management is the process of identifying, quantifying and managing the risks that an organization faces. The Company has in place an Enterprise Risk Management framework, based on which the risks are identified and managed. Key business risks and the related key performance indicators, along with the mitigating action plans are reviewed on need-based periodicity to assess the threats and opportunities that will impact the objectives set for the Company as a whole. The Risk Assessment and Minimization Procedures are periodically reviewed to ensure that risk management controls are operating satisfactorily. As on the date of this Report, the Board does not envisage any risk that could jeopardize the very existence of the Company.

**28. Employee Relations / Human Resource Development:**

The Company continued to maintain cordial personnel relations. The Board expresses its appreciation for the dedication, commitment and sincere services rendered by the employees at all levels throughout the year under report.

**29. Corporate Social Responsibility:**

The Corporate Social Responsibility Policy [CSR Policy] appears on the Company's website [www.cse-india.com](http://www.cse-india.com). Disclosures, as required under Rule-9 of the Companies (Accounts) Rules, 2014 and the Annual Report on CSR activities is attached in **Annexure-3** to this Report.



**30. Unpaid/Unclaimed Dividend:**

The relevant regulatory provisions relating to unpaid/unclaimed dividend have been duly complied with.

**31. Performance Evaluation:**

This aspect has been dealt with in the Corporate Governance Report.

**32. Adherence to Secretarial Standards:**

Applicable Secretarial Standards issued by The Institute of Company Secretaries of India have been adhered to during the year under report.

**33. Covid-19 Impact:**

As mentioned earlier in the Report, under “operations”, the Exchange operated normally despite the COVID pandemic and even during the “lockdowns” imposed from time to time.

The Board reiterates that the health and safety of the Exchange’s employees and their families constitute high priority and the Exchange addresses emerging issues on a continuous basis.

**34. General:**

The Board is of the opinion that no separate disclosure or reporting is called for in respect of the following items during the year under Report:

- a) No loan has been granted to any employee for the purchase of Exchange’s shares under any scheme.
- b) The Exchange has not, during the year under report, issued any equity shares with differential rights as to dividend, voting or otherwise.
- c) There was no issue of shares (including sweat equity shares / ESOP / ESPS) to employees of the Exchange under any Scheme.

- d) No Director receives any remuneration or commission from any of its subsidiaries.
- e) No significant or material orders were passed by the Regulators/ Courts /Tribunals during the year under report that could impact the Company’s going concern status.
- f) No application was filed against the Company during the year under report under the Insolvency and Bankruptcy Code, 2016
- g) The Exchange has in place an Internal Complaints Committee in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Order constituting such Committee and the penal consequences of violation has been conspicuously displayed at all workplaces of the Exchange. During the year under Report, no such case has either been reported or filed.

**35. Acknowledgement**

The Board places on record its sincere appreciation for the continued assistance, co-operation and guidance provided by the Government, Regulators and all other Statutory Bodies during the year under Report. The Board further wishes to put on record its gratitude to all members of the Exchange for their consistent support and confidence in the Exchange’s functioning.

**For and on behalf of the Board**

**Anindo Majumdar**

**Chairman**

**DIN: 06984371**

Place: Kolkata

Date: 15th July, 2022

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with  
Rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/  
associate companies/joint ventures**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details	Details
1.	Name of the subsidiary	CSE Capital Markets Pvt. Ltd.	Lyons Range Securities Clearing Corporation Ltd
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year ended 31st March, 2022	Year ended 31st March, 2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (Rupees)	INR (Rupees)
4.	Share capital	5,77,50,020	50,00,000
5.	Reserves & surplus	4,00,31,957	(11,55,055)
6.	Total Assets	10,49,49,603	39,59,442
7.	Total Liabilities	10,49,49,603	39,59,442
8.	Investments	25,00,000	0
9.	Turnover	69,85,288	1,97,299
10.	Profit before taxation	18,72,377	1,62,302
11.	Provision before taxation	5,49,103	59,024
12.	Profit after taxation	13,23,274	1,03,278
13.	Proposed Dividend	Nil	Nil
14.	% of shareholding	100%	100%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries that are yet to commence operations: Lyons Range Securities Clearing Corporation Ltd
- Names of subsidiaries that have been liquidated or sold during the year: NIL

**For and on behalf of the Board**

**Anindo Majumdar**  
Chairman  
DIN: 06984371

Place: Kolkata  
Date: 15th July, 2022

**Form No. AOC – 2**

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

**Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereof.**

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

Sl. No.	Name(s) of the related Party and nature of relationship	Nature of Contract /arrangements /transactions	Duration of the contracts/ arrangements /transactions	Salient terms of the contract or arrangements or transactions, including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis:-**

Sl. No.	Name(s) of the related Party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient features of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	Stock Exchange Investors' Protection Fund	As per SEBI guidelines	Ongoing [Throughout the year]	Not applicable	N.A.*	No
2.	CSE Capital Markets Private Limited	Reimbursement Transactions	Ongoing [Throughout the year]	Not applicable		Not ascertainable
3.	Lyons Range Securities Clearing Corporation Ltd	Reimbursement Transactions	Ongoing [Throughout the year]	Not applicable		No

\* No Board approval is required since Sec 188 of the Companies Act, 2013 is not applicable

**For and on behalf of the Board**

**Anindo Majumdar**  
Chairman  
DIN: 06984371

Place: Kolkata  
Date: 15th July, 2022



### Annual Report on CSR Activities of the Company for the Financial Year ended 31st March, 2022

[Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014]  
[Format for Annual Report on CSR Activities to be Included in the Board's Report for Financial Year commencing on or After 1st Day of April, 2020]

#### 1. Brief outline on CSR Policy of the Company:

The Calcutta Stock Exchange Ltd formulated its Corporate Social Responsibility as an integral part of our vision. It is the endeavor of the company to function as a responsible corporate entity and work for the communities and society at large in and around its area of operations with an objective to energize, involve and enable them to realise their potential.

#### 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	Mr. Chacko Joseph	Chairman	Nil	Nil
2	Mr. Anindo Majumdar	Member	Nil	Nil
3	Mr. Gautum Ganguli	Member	Nil	Nil

#### 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: Details of CSR Policy and CSR activities have been stated in the website of the Company [www.cse-india.com](http://www.cse-india.com)

#### 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 - Not Applicable.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2018-19	NIL	NIL
2	2019-20	NIL	NIL
3	2020-21	NIL	NIL
	<b>Total</b>	NIL	NIL

#### 6. Average net profit of the company as per section 135(5) of the Companies Act, 2013: Rs.100.69 Lacs

Rs. in lacs

7.	(a)	Applicable contribution based on profits	2.01
	(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 Applicable contribution for the financial year (7a+7b-7c):	2.01

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

Total Amount Spent for the Financial Year(in Rs.)	Amount Unspent (in Rs.)				
	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 the Fund	Amount.	Date of transfer.
2.25	Nil	N.A.	Missionaries of Charity	2.25	31.03.2002



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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project. State District	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency Name CSR Registration number.
	Total						NIL			

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.

(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) – Nil

(g) Excess amount for set off, if any – Nil

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



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

Not Applicable for the current year.

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (In Rs.)	Amount spent in the reporting Financial Year (in Rs.)	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 Rs.)
				Name of the Fund	Amount (In Rs)	Date of transfer	
1.	2020-21	7.17		PM National Relief Fund	7.17		Nil
2.							
3.							
Total							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
1.								
2.								
3.								
Total								

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

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

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

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

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

## 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

For and on behalf of the Board

Anindo Majumdar  
Chairman  
DIN: 06984371

Place: Kolkata  
Date: 15th July, 2022



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Economic Environment:

During the last fiscal year, the COVID pandemic had adversely impacted a large number of sectors and industries in the country. Capital markets were also not immune to its impact. During the initial phase of lockdown, the index registered a huge drop caused by the major fall in equity prices. Although the retail investors had left in droves, the floating of Initial Public Offerings (IPOs) remained buoyant during FY 2021. This can be substantiated from the reports of Prime Database Group. As per their records, Indian Corporates had a record high collection of Rs. 1,11,417 Crore through the Main Board IPO. Global markets experienced significant volatility during FY 2021-22 which also adversely affected the Indian Stock Market and caused a mixed impact on the post IPO prices.

The prospects of the Indian economy up until the beginning of F.Y. 2022 looked promising for the near-term with all sectors of the economy showing steady recovery. However, this outlook was significantly impacted by inflationary headwinds. Through much of F.Y. 2020-21 and F.Y. 2021-22, the headline Consumer Price Index (CPI) inflation rate remained well above the 4% target of the RBI and often even above the 6% upper limit of the tolerance band. The Wholesale Price Index (WPI) has been in double digits throughout F.Y. 2021-22 and has exceeded to an alarming level of over 15% in April and May 2022.

Rising inflation in the country is likely to have adverse impact on economic growth, purchasing power and consequently the stock markets. Moreover, with rising inflation, interest rates will soar impacting rate sensitive sectors like housing, consumer durables, and renewable energy. The global headwinds continue to pose a downside risk to growth as crude oil and edible oil being major imported components in the consumption bracket, have driven inflation in India. Globally inflation has hit 9.1% in the US and 8.1% in the Eurozone during recent months. COVID broke supply chains across the world, causing shortages of many items leading to rising inflation. The ongoing Russia-Ukraine conflict has further aggravated the situation and has led to severe global disruptions in supply of food and fuel and spiraling of commodity prices.

Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential.

### Industry Structure & Development:

In an economic environment that concentrates on all round growth of all means of production and services,

financial intermediaries such as the stock exchange play a vital role. For instance, they help in usefully channelizing funds for more effective deployment.

The capital market in India has generally been on a growth mode ever since the Securities and Exchange Board of India (SEBI) as the Capital Markets Regulator came into existence and began introducing codified regulations for orderly functioning of the capital market and security of the retail investors.

The Government appears to be keen to maximize the benefits of three separately developing economic activities i.e., the upcoming economic corridors, revitalization of manufacturing activities and Technology and the demands of aspirational classes.

### Current Market Developments:

The Indian capital market is going through qualitative as well as quantitative changes. Reforms in the securities market, particularly after the establishment and empowerment of SEBI, has resulted in enhanced investor awareness and protection, screen-based nationwide trading including derivative trading, dematerialisation and electronic transfer of securities etc. These initiatives have enhanced efficiencies in trading and settlement. Sophisticated risk management has greatly supported the regulatory framework and efficiency of trading and settlement. Further, segregation and reporting of margins at clients level have improved the disclosure of securities at clients level and also introduction of settlement at T+1 day in some selected scrips with an initiative to broaden the base with more scrips, will create a positive sentiment in the capital markets in respect of faster settlement. A clean, reliable and robust financial sector is seen as a critical enabler of the economy.

Foreign Portfolio Investors/Foreign Institutional Investors (FPIs/FIIs) have been significant drivers of the Indian stock markets. India has recorded the highest ever annual Foreign Direct Investments (FDIs) inflow of Rs. 83.57 billion in F.Y. 2021-22. However, in the capital markets, FPIs remained net sellers for the seven months up to April 2022 withdrawing a massive amount of Rs. 1.65 lac crores from equity markets

The Calcutta Stock Exchange (CSE) continues to function by providing to its members facilities to trade on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) under Section-13A of the SCRA, despite its own trading platform being non-operational since April 2013. CSE also allows its eligible listed companies to be traded in NSE and BSE without being required to be separately listed at those Exchanges. CSE members have been availing the benefit of depository services through its wholly owned subsidiary viz. CSE Capital Markets Pvt. Limited.



**Competitive Strength and Opportunities:**

CSE is one of the oldest stock exchange in the country, having been established over a century back, has certain inherent strengths. With 2159 listed companies and around 683 registered trading members, CSE has always been an important player in the Indian capital market and maintains a net worth in tune with the regulatory requirements. The Governing Board of the Exchange comprises of eminent professionals having rich experience in corporate governance. The Exchange has a team of experienced professional and competent staff who are capable of successfully meeting the challenges that lie ahead. CSE has a strong brand value, strong links with investors, issuers and intermediaries and an extensive network of brokers. The Exchange has its own trading platform. There is considerable business potential in Eastern and North Eastern India, particularly in the SME segment. CSE is capable of leveraging its strengths to channelize the considerable financial resources that are available in the region for meeting the investment needs of industry. It can thereby contribute significantly to development of the Eastern and North Eastern states and the country as a whole.

**Threats:**

CSE operations today are critically dependent on the volume and value of trades executed by its trading

members on the trading platforms of BSE & NSE under Section 13A of the Securities Contracts (Regulation) Act, 1956. This severely limits the role of CSE on a broader landscape. For example, CSE cannot at present participate in Initial Public Offers or even offer direct listing.

**KEY STRATEGIES GOING FORWARD :**

With a rich legacy of 114 years, CSE is today well poised to scale greater heights. CSE will leverage its strengths and pursue a focused strategy for growth in close consultation with SEBI. With the approval of the SEBI, CSE expects to resume its trading and settlement functions on its own platform in the near future and to also expand its portfolio to include currency and commodity trading. CSE also proposes to strengthen its ongoing Investor Awareness, Research and Capacity building programme and to also provide advisory support for promoting a start up culture.

For and on behalf of the Board

Anindo Majumdar

Chairman

DIN: 06984371

Place: Kolkata

Date: 15th July, 2022



## REPORT ON CORPORATE GOVERNANCE

The Calcutta Stock Exchange Limited (CSE) is a Public Limited Company whose securities are not listed on any Stock Exchange. Regulation 33 of The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ("SECC Regulations, 2018") provides that the Corporate Governance norms are applicable to The Calcutta Stock Exchange Limited.

### 1. The Company's philosophy on Code of Governance

The philosophy of CSE in relation to Corporate Governance is to ensure transparency, disclosures and reporting that conforms fully with the laws and regulations of the country.

### 2. Board of Directors

#### 2.1 Composition and Category of Directors

At the end of the Financial Year, i.e. on 31st March 2022 the Governing Board of the Exchange was comprised of three Public Interest Directors (PIDs) Mr. Anindo Majumdar, IAS (Retd.) [having DIN: 06984371] who joined in the Governing Board of Exchange on 3rd November, 2021 and Mr. Chacko Joseph [having DIN: 07528693] and Mr. Gautam Ganguli [having DIN: 00871416] who have joined on 08th September, 2021. Mr. Purushottam Saraf, Shareholder Director [having DIN: 06570445] representing BSE Limited had resigned on 2nd August, 2021 and till date BSE Limited has not proposed any person to be appointed as a Shareholder Director on the Governing Board of the Exchange. During the period under review, the terms of Dr. Bhaskar Banerjee, Prof. Ashok Banerjee and Mr. G.D. Gautam had expired. The Board of the Company confirms that all the Public Interest Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as 'Listing Regulations'] and are independent of the Management. Mr. Gautam Ganguli, Public Interest Director has resigned from the Board on 17th May, 2022 citing his personal grounds. Consequent upon his resignation the Governing Board of the Exchange now is comprised of two Public Interest Directors (PIDs) and one Shareholder Director. Pursuant to the recommendation of the Board of Directors and subsequent approval received from the shareholders in the Extra-Ordinary General Meeting held on 7th March, 2022, Securities and Exchange Board of India [SEBI] have approved the name of Dr. Abhirup Sarkar to act as Shareholder Director in the Governing Board of the Company and his name was nominated by West Bengal Infrastructure Development Finance Corporation Limited (a stakeholder of the Company). Dr. Abhirup Sarkar [having DIN : 03585624] joined the Governing Board on 27th May, 2022

All the Directors are Non-Executive.

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). Pursuant to Regulation 20 of SECC Regulations, all the Directors of the Company ensured to be fit and proper persons at all times during the FY 2021-22.

#### 2.2 Attendance of Directors at Board meetings and last Annual General Meetings

Sl. No.	Name and Designation of Director	Board Meetings in 2020-21		Attendance in last AGM
		Held	Attended	
1	Mr. Anindo Majumdar* DIN: 06984371	6	6	YES
2	Mr. Chacko Joseph* DIN: 07528693	8	8	YES
3	Mr. Gautam Ganguli* DIN: 00871416	8	8	YES
4	Dr. Bhaskar Banerjee** DIN : 00603201	2	2	N.A
5	Mr. Gyan Dutt Gautama** DIN : 08243156	5	5	N.A.
6	Prof. Ashok Banerjee** DIN : 684670	4	4	N.A.
7	Purushtottam Saraf*** DIN: 06570445	2	Nil	N.A.

\*Joined during 2021-22

\*\*Term ended during 2021-22

\*\*\* Resigned on 02.08.2021

#### 2.3 Number of other Board of Directors or Committees in which a Director is a Member or Chairperson and the category of Directorships:

Name of the Director	Category of Directorship	Number of Directorships held in other Public Limited Companies incorporated in India	Directorship in other listed entity (Category of Directorships)	Number of shares held in the company*
Mr. Anindo Majumdar DIN: 06984371	Non-Executive	1	1	Nil
Mr. Chacko Joseph DIN: 07528693	-Do-	3	1	Nil
Mr. Gautam Ganguli DIN: 00871416	-Do-	Nil	Nil	Nil
Dr. Abhirup Sarkar DIN : 03585624	-Do-	2	Nil	Nil

\* The company has not issued any Convertible Debentures.

#### 2.4 Number of Meetings of the Board of Directors held and dates thereof during FY 2020-21:

During the Financial Year 2021-22, Ten (10) meetings of the Board were convened and held on 30th June, 2021, 22nd July, 2021, 8th September, 2021, 16th September, 2021, 3rd November, 2021, 29th November, 2021, 20th January, 2022, 7th February, 2022, 7th March, 2022 and 15th March, 2022.

None of the Directors were related with each other and there was no inter-se relationship in any manner. None of the Directors hold any shares in the Company.

#### 2.5 Confirmation of Independence

All the Public Interest Directors have submitted their declaration of independence during the year of joining in



FY 2021-22 and carried out due assessment of the veracity of the same, noting that the Public Interest Directors of the Exchange fulfilled the conditions specified under Section 149(6) of the Act, 2013 and are independent of the Management.

## 2.6 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 as recommended by SEBI. A copy of the Code has been put on the Company's website: [www.cse-india.com](http://www.cse-india.com)

The Board Members and the Senior Management Personnel affirm compliance with the Code of Conduct on an annual basis. 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 professional and ethical standards in functioning of the Company.

The necessary declaration by the Chairman of the Exchange 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**.

## 2.7 Familiarization Programmes

The management conducts familiarization programmes for its Directors which includes discussion on industry outlook and updates on various matters viz. Regulatory, Business, Stock Exchange Operations, Finance, Internal Control, Information Technology etc. Details of familiarisation programmes imparted to Public Interest Directors (Independent Directors) been put on the Company's website: [www.cse-india.com](http://www.cse-india.com)

## 2.8 Matrix setting out skills / expertise / competence of the Board of Directors:

The Board has identified the skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board. The eligibility of a person to be appointed as a Director of the Exchange is dependent on whether the person possesses the requisite skill sets identified by the Board as above or is a proven academician in the field relevant to the Company's business or civil servants. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the capital market operations / listing/ delisting and / or similar fields from where they come. Names of Directors having identified skill / expertise are as stated in the Table below:

Sl. No.	Names of Directors	Areas of Expertise							
		Legal & Administrative	Stakeholder relationship	Strategy development	Finance	Corporate Governance	Leadership	Capital Market Understanding	Technology
a.	Mr. Anindo Majumdar	✓	✓	✓	✓	✓	✓	✓	
b.	Mr. Chacko Joseph	✓	✓	✓	✓	✓	✓	✓	✓
c.	Mr. Gautum Ganguli	✓	✓	✓	✓	✓	✓	✓	
d.	Dr. Abhirup Sarkar	✓	✓	✓	✓	✓	✓	✓	
e.	Dr. Bhaskar Banerjee	✓	✓	✓	✓	✓	✓	✓	
f.	Prof. Ashok Banerjee	✓	✓	✓	✓	✓	✓	✓	
g.	Gyan Dutt Gautama	✓	✓	✓	✓	✓	✓	✓	
h.	Purusohattam Saraf	✓			✓	✓	✓	✓	

## 3. Audit Committee:

### 3.1 Brief description and terms of reference:

The provisions of Section 177 of the Companies Act, 2013 are not applicable for the 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. The present terms of reference of Audit Committee includes the power as laid down in Regulation 18 and Part C of Schedule II of the Listing Regulations. The Audit Committee also reviews information as per the requirement of Part C of Schedule II of the Listing Regulations.

**Terms of Reference:** The terms of reference of Audit Committee are as follows:

1. Review and monitor the auditors' independence and performance and effectiveness of audit process.
2. Approval or any subsequent modification of transactions of the company with related parties.
3. Scrutiny of inter-corporate loans and investments.
4. Valuation of undertakings or assets of the company wherever it is necessary.
5. Evaluation of internal financial control and risk management system.
6. Monitoring the end use of the funds raised through public offer and related matters.
7. The Audit Committee has authority to investigate into any matter in relation to the items above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information containing the records of the company.



### Review of Information

The Committee mandatorily reviews 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, if any; and
5. The appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the Committee.

### 3.2 Composition, name of members and Chairperson:

The composition of the Audit Committee is in accordance with the requirements of Regulation 18(1) of the Listing Regulations. As on 31st March 2022, the Committee comprised of three Public Interest Directors. The Chairman of the Committee is a Public Interest Director. All the members of the Audit Committee are financially literate and have relevant finance or audit exposure.

### 3.3 Audit Committee Meetings and Attendance Details:-

Four Audit Committee Meetings were held on 29th November, 2021, 20th January, 2022, 30th March, 2022 and 31st March, 2022 respectively.

Sl. No.	Name of Director	Position	No. of Meetings attended
1.	Mr. Chacko Joseph	Chairman	4
2.	Mr. Anindo Majumdar	Member	4
3.	Mr. Gautum Ganguli	Member	4

### 4. Nomination, Remuneration, Compensation and HR Committee:

#### 4.1 Brief description and terms of reference:

The provisions of Section 178 of the Companies Act, 2013 are not applicable for the composition of the Nomination and Remuneration Committee. The Nomination, Remuneration, Compensation and HR Committee is vested with all the necessary powers and authority to identify persons who are qualified to become Directors and who may be appointed in senior management capacity 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 invites those executives, as it considers appropriate. The minutes of the meetings of the Committee are placed before the Board for noting.

The present terms of reference of Nomination & Remuneration Committee includes the power as laid down in Regulation 19 and Part D of Schedule II of the Listing Regulations.

Terms of Reference: The terms of the Nomination, Remuneration, Compensation and HR Committee are as under: The Committee is vested with powers to:

- Lay down the policy for employee compensation
- Determine the tenure of Managing Director & CEO and operational heads

- Deal with HR issue of selection, recruitment, promotion, termination and training of employees
- Finalise and amend service manual
- Deal with and approve Employees' Governing Rules
- To frame suitable policy and system to ensure that there is no violation of SEBI regulations
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

### 4.2 Composition, name of members and Chairperson:

As at 31st March, 2022, the Committee consisted of three Public Interest Directors viz. Mr. Anindo Majumdar, Mr. Chacko Joseph and Mr. Gautum Ganguli. Mr. Anindo Majumdar was the Chairman of the Committee.

### 4.3 Meeting and attendance during the year:

Two meetings of the Committee were held during the Financial Year 2021-22 that is on 7th February, 2022 and 7th March, 2022

### 4.4 Performance Evaluation criteria for Independent Directors:

Pursuant to the relevant SEBI regulations, a policy on performance review of individual Public Interest Director has been framed by the Board's Remuneration and Compensation Committee and this has Board approval. In respect of the year under report, the existing Public Interest Director of the Board have been evaluated in a fair and objective manner.

### 4.5 Disclosures as prescribed under SEBI circular dated February 5, 2019 are given below:

Observations of Board evaluation carried out for the year: **No observations.**

Proposed actions based on current year observations: **Since no observations were received, no actions were taken.**

### 4.6 Public Interest Directors Meetings

The Company has complied with Regulation 26 read with Part A and Part B of Schedule II of SECC Regulations, 2018. As per the aforesaid Regulations, Public Interest Directors shall meet separately, at least once in six months to exchange views on critical issues.

#### Composition and Attendance

During the FY 2021-22, two Public Interest Directors' Meetings were held on 30th June, 2021 and 16th November, 2021. All the PIDs were present in the meetings and formed quorum.



**5. Risk Management Committee:**

**(a) Brief description of terms of reference:**

The provisions of Listing Regulations relating to constitution and other terms of Risk Management Committee are not applicable to the Exchange. The Committee invites those executives / outside experts, as it considers appropriate. The minutes of the meetings of the Committee are placed before the Board for noting.

The present terms of reference of Risk Management Committee are as under:

1. Review and oversight with regards to identification, evaluation and mitigation of the strategic, operational, technology and compliance risks
2. Reviewing and approving risk related disclosures
3. Monitoring and approving the risk management framework and associated practices of the Company
4. To review the Annual plan for Risk Management Presentations by various departments.

5. To review the action taken report of Risk Management committee meetings.

**(b) Composition, Name of Members and Chairperson:**

The Committee is comprised of two Public Interest Directors viz. Mr. Chacko Joseph, Mr. Anindo Majumdar both are PIDs and Mr. Chanchal Mukherjee (Outside Expert).

Mr. Chacko Joseph is the chairman of the Committee.

- (c) No meeting of the Risk Management Committee was held during the financial year.

**6. Remuneration of Directors**

**6.1 Criteria / Details of remuneration and sitting fees of Directors & KMPs:**

As per Regulation 24(9) of SECC Regulations, Public Interest Directors shall be remunerated only by way of sitting fees. The following table sets out the details of sitting fees paid [In Rupees] to the Directors for FY 2021-22:

Particulars of Remuneration	Mr. Anindo Majumdar	Mr. Chacko Joseph	Mr. Gautam Ganguli	Dr. Bhaskar Banerjee
Sitting Fees for attending meetings of the Board / Committees	Rs. 2,42,500	Rs. 2,77,500	Rs. 2,77,500	Rs. 72,500
Sitting Fees for attending meetings of the Board / Committees	Prof. Ashok Banerjee	Mr. Gyan Dutt Gautama	Mr. Purushottam Saraf	
	Rs. 1,07,500	Rs. 1,25,000	NIL	

- 6.2** Apart from payment of sitting fees, there was no other pecuniary relationship or transactions of the non-executive directors vis-à-vis the Exchange requiring any disclosure in the annual report. Additional disclosures with respect to remuneration under Companies Act, 2013 in the nature of elements of remuneration package of individual directors summarized under major groups - such as salary, benefits, bonus, stock option, pension etc; details of fixed component and performance linked incentives, along with the performance criteria; service contracts, notice period, severance fees; stock option details are not applicable for the Financial Year 2021-22.

- 6.3** None of the Directors were in receipt of any Commission from the Company or any remuneration from its subsidiaries.

- 6.4** As per SECC Regulations Managing Director is a key managerial personnel of the Exchange. SEBI has exempted the appointment of Managing Director in the Exchange.

**7. Stakeholders' Relationship Committee:**

At the end of the Financial Year, i.e. on 31st March 2022 the **Stakeholders' Relationship Committee** of the Exchange comprised of three Public Interest Directors (PIDs) i.e., Mr. Anindo Majumdar, Mr. Chacko Joseph and Mr. Gautam Ganguli. At present the Committee comprises of:- Dr. Abhirup Sarkar, Mr. Anindo Majumdar and Mr. Chacko Joseph.

Dr. Abhirup Sarkar is the Chairman of the Committee.

No meeting of Stakeholders' Relationship Committee held during the financial year.

CSE has an Investors' Relationship Committee [IGRC] comprising of three outside experts.

Two meetings of the IGRC were held during the Financial Year 2021-22.

- 7.1** Name of Non -Executive Director heading the IGRC Committee: Nil

- 7.2** Name of Compliance Officer: Mr. Dhiraj Chakraborty,

- 7.3** Details of shareholders' complaint

Number of shareholders' complaint received during the financial year	Number not solved to the satisfaction of shareholders	Number of pending complaints
Nil	Nil	Nil

**7.4. Corporate Social Responsibility Committee:**

The Company has in place a Corporate Social Responsibility [CSR] Committee constituted as per the requirements of Section 135 of the Act. At the end of the Financial Year, i.e. on 31st March 2022 the Corporate Social Responsibility Committee of the Exchange comprised of three Public Interest Directors (PIDs) i.e., Mr. Anindo Majumdar, Mr. Chacko Joseph and Mr. Gautam Ganguli.

At present, the Committee comprises of two Public Interest Directors viz. Mr. Chacko Joseph, Mr. Anindo Majumdar and one Shareholder Director viz. Dr. Abhirup Sarkar.



Mr. Chacko Joseph is the Chairman of the Committee.

The company donated Rs.2.25 lakhs to Missionaries of Charity, Kolkata Office towards CSR Contribution. As the CSR contribution is less than Rs.50 lacs based on the 2% of the average net profit of the company, CSR contribution has been made with the approval of the Board. Other details relating to composition of CSR Committee, CSR Policy and CSR Expenditure have been given in **Annexure** to the Directors Report.

## 8. General Body Meetings:

8.1 The last three Annual General Meetings with details of special resolutions passed:

Details of General Meetings	Date	Time	Venue
96th Annual General Meeting for FY 2018-19	23rd October, 2019	4.00 P.M.	7, Lyons Range, Kolkata-1
97th Annual General Meeting for FY 2019-20	31st December, 2020	4.00 P.M.	7, Lyons Range, Kolkata-1
Extra Ordinary General Meeting during FY 2018-19	01st March, 2019	4.00 P.M.	7, Lyons Range, Kolkata-1
98th Annual General Meeting for FY 2020-21	31st December, 2021 [Virtually]	4.00 P.M.	7, Lyons Range, Kolkata-1
Extra Ordinary General Meeting during FY 2021-22	7th March, 2022 [Virtually]	4.00 P.M.	7, Lyons Range, Kolkata-1

8.2 Passing of Resolution by Postal Ballot: No special resolution was passed in last year through postal ballot.

## 9. Means of Communication:

9.1 Relevant information and details of The Calcutta Stock Exchange Ltd., are posted on the Company's website: [www.cse-india.com](http://www.cse-india.com).

Name of the Company Secretary: Chandrani Datta

Email id - [secretary@cse-india.com](mailto:secretary@cse-india.com)

9.2 Whenever the Company issues any notice, it is posted on the Company's website. The Company's website contains two separate dedicated sections viz Information Centre and Statutory Documents. These contain comprehensive database of information of interest to its members / investors including the Annual Report of the Company.

## 10. General Shareholder Information:

(a) 99th Annual General Meeting

Day & Date	16th September, 2022
Time	5:30 P.M.
Venue	The Company is conducting meeting through Video Conferencing/Other Audio Visual Means pursuant to the MCA Circular dated May 5, 2022. For details, please refer Notice of this AGM. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located at The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata -700001, which shall be the deemed venue of AGM.
Financial Year	01st April, 2021 to 31st March, 2022
Registrar & Share Transfer Agent	C B Management Services Pvt. Limited. P-22, Bondel Road, Kolkata-700019 Ph.No.: 033-40116726
Share Transfer System	Transfer of the shares is done through depository with no involvement of the company. with effect from 2nd October, 2018 pursuant to Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 securities of all unlisted public companies shall be transferred only in dematerialized form and, therefore, members holding shares in physical form are advised to dematerialize their holding as early as possible. Further pursuant to Regulation 46 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, the securities of a Recognized Stock Exchange are required to be maintained in Demat Form.
ISIN	INE 510101013
Dematerialization of shares and liquidity	84.34% of shares of the company are in electronic form / dematerialized. The Exchange being an unlisted public company, its shares are considered illiquid.
Address for correspondence	The Calcutta Stock Exchange Limited. 7, Lyons Range, Kolkata - 700001 Phone: .033-4025-3000 Email: <a href="mailto:cseadm@n@cse-india.com">cseadm@n@cse-india.com</a> Website : <a href="http://www.cse-india.com">www.cse-india.com</a>



Other information like listing details with stock exchanges, payment of listing fees, stock code, market price data, performance in comparison to broad base indices, securities suspended for trading, outstanding global depository receipts or any other convertible instruments, commodity price risk, foreign exchange risk, hedging activities, plant locations and credit ratings of the entity for all debt instruments are not applicable.

**(b) Distribution of Shareholding as on 31st March, 2022**

Range of shares	Share	Folio	%Share	%Folios
1-500	230755	1150	37.75	94.34
501-1000	17111	22	2.80	1.80
1001-2000	22060	15	3.61	1.23
2001-3000	14551	6	2.38	0.50
3001-4000	7000	2	1.15	0.16
4001-5000	18481	4	3.02	0.33
5001-10000	68334	9	11.18	0.74
10001-50000	232958	11	38.11	0.90
50001-100000	NIL	NIL	NIL	Nil
Total	611250	1219	100.00	100.00

**(c) Category of Shareholders as on 31.03.2022**

Category	No. of shareholders	No. of shares	%
Resident Individual	1004	252617	41.33
Bodies Corporate	210	296096	48.44
HUF	-	-	-
Trust	-	-	-
Bank/Financial Institution	2	21157	3.46
Non-Resident Indians	2	255	0.04
Foreign Bodies Corporate	-	-	-
Foreign Institutional Investor	-	-	-
Venture Capital	-	-	-
I E PF	1	41125	6.73
Total	1219	611250	100.00

**(d) List of top 10 Shareholders as on 31st March, 2022**

Sl. No	FOLIO_NO	NAME	SHARES	%
1	1301190300069932	BSE LIMITED	30875	4.99
2	0001090	WEST BENGAL INFRASTRUCTURE DEV FIN CORPN LTD	20907	3.37
3	IN30002011740499	KIRTIVARDHAN FINVEST SERVICES LIMITED	20907	3.37
4	IN30032710224535	EAST INDIA SECURITIES LTD.	20907	3.37
5	IN30125028422773	PATTON INTERNATIONAL LTD	20907	3.37
6	IN30302852108896	MANNAKRISHNA INVESTMENTS PVT LTD	20907	3.37
7	IN30297810029846	DEEVEE COMMERCIALS ITD	20607	3.33
8	IN30292710025324	ARADHANA INVESTMENTS LTD	14907	2.41
9	IN30009510125005	KESORAM INDUSTRIES LTD	10455	1.69
10	IN30355910022020	SAVITRI DEVI CHOWDHURY	10454	1.69



(e) Bifurcation of the category of shares in physical and electronic mode as on March 31, 2022 is given below:

MODE	FOLIO	SHARES	Shares %
MODE	FOLIO	SHARES	Shares %
PHYSICAL	277	95662	15.65
N S D L	665	380717	62.28
CDSL	277	134871	22.07
<b>TOTAL</b>	<b>1219</b>	<b>611250</b>	<b>100.00</b>

#### 11. Other Disclosures:

- Disclosure on materially-significant related party transactions of the Company that may have potential conflict with the interests of the Company at large:  
The Company does not have any material-related party transactions, which may have potential conflict with its interests at large. In any case, disclosures regarding the transactions with related parties are given in the Notes to the Accounts.
- Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets during the last three years:  
There have been no penalties or strictures imposed by SEBI or any statutory authority on any matter related to the capital markets during the last three years.
- Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:  
The Company's code of conduct encourages all its employees who have concerns about their work or the business of the Company, to discuss these issues with their line managers. The employees also have free access to Human Resource and Internal Audit for resolving their concerns.  
Your Company has in place a whistle blower policy with a view to provide a mechanism for its Directors/employees/customers to approach the Chairman of Audit Committee, in case of any grievance or concern.

#### Compliance with mandatory requirements

The Company has complied with all the mandatory requirements prescribed under the Listing Regulations related to Corporate Governance read with SECC Regulations 2018 to the extent these are applicable for an unlisted public limited company.

#### Disclosure on non-mandatory requirements:

- The Board has a Non-Executive Chairman. The Chairman and other PIDs receive sitting fees only for attending meetings.
- Shareholders Rights: Annual Accounts are circulated through email to the shareholders who have registered email ids and also published in the website of the company after passing by the shareholders in the Annual General Meeting.
- Audit qualifications: There is no audit qualification on the financial statement for the year ended 31st March, 2022.
- Training of Board members: The Directors are also appraised of all important changes in applicable legislation, enactment, guidelines, accounting standards, etc. to enable them to take informed decisions.
- Disclosures of web-link for disclosing policy for determining 'material' subsidiaries, policy on dealing with related party transactions, disclosure of commodity price risks and commodity hedging activities and disclosure of details of utilization of funds raised through preferential allotment or qualified institutions placement as specified

under Regulation 32(7A) are published in the website of the Company.

#### 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 re-appointed under retirement by rotation and/or continuing as Directors of the Company by SEBI, Ministry of Corporate Affairs or any other statutory authorities is attached as **Annexure - B**.

It is confirmed that the Board had accepted all recommendations of all Committees of the Board.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Statutory & Tax Audit Fee :: Rs.10,00,000/-

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- number of complaints filed during the financial year: Nil
- number of complaints disposed of during the financial year: Nil
- number of complaints pending as on end of the financial year: Nil

#### 12. 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.

#### Chief Executive Officer/Chief Financial Officer Certificate

In terms of Regulation 17(8) of the Listing Regulations, 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 Committees and taken on record by the Board. The same is attached as **Annexure - C**.

#### COMPLIANCE CERTIFICATE

Certificate from CS Hansraj Jaria Company Secretaries, confirming compliances with the conditions of Corporate Governance as stipulated under the Listing Regulations is attached as **Annexure - D**.

Equity Shares in the Suspense Account: NIL

#### Annual Report

Annual Report containing, inter alia, Audited Financial Statement, Auditor's Report, Boards' Report, Corporate Governance Report, Business Discussions and Analysis Report and other material and related matters / information is circulated by email to the Shareholders and others entitled thereto. The copy of Annual Report is also available on Company's website at [www.cse-india.com](http://www.cse-india.com).



## Certificate of Compliance with Code of Conduct Policy

To  
The Members of  
The Calcutta Stock Exchange Limited

This is to declare that to the best of my knowledge and belief, all the members of the Board and Senior Management Personnel of the Company have affirmed their respective compliance with the Code of Conduct as laid down by the Company for the Year ended 31st March, 2022.

For and on behalf of the Board

Place: Kolkata  
Dated: 15th July, 2022

Anindo Majumdar  
**Chairman**  
DIN 06984371

Note:

- (a) In this report 'the company' or 'the Exchange' or 'CSE' has been used to denote The Calcutta Stock Exchange Limited.
- (b) 'Members' has been used to denote shareholders of The Calcutta Stock Exchange Limited

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V, Para C, Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members of  
The Calcutta Stock Exchange Limited  
7, Lyons Range,  
Kolkata – 700 001

1. This certificate is issued in accordance with the terms of our engagement letter dated 15th July, 2022.
2. We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of The Calcutta Stock Exchange Limited having CIN: U67120WB1923PLC004707 and having its Registered Office at 7, Lyons Range, Kolkata – 700 001 [hereinafter referred to as 'the Company'], produced before us 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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number(s) [DIN] status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sl. No.	Name of Director	DIN	Date of appointment in the Company
1.	Mr. Anindo Majumdar	06984371	3rd November, 2021
2.	Mr. Chacko Joseph	07528693	8th September, 2021
3.	Mr. Gautum Ganguli	00871416	8th September, 2021
4.	Dr. Abhirup Sarkar	03585624	27th May 2022

4. Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.
5. 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 CS Hansraj Jaria  
Practising Company Secretaries

(CS Hansraj Jaria)  
Proprietor  
FCS-7703

Place: Kolkata  
Date: 15th July, 2022

C.P. No. 19394  
UDIN: F007703D000785381



## CEO/ CFO COMPLIANCE CERTIFICATE

The Board of Directors  
The Calcutta Stock Exchange Limited  
7, Lyons Range,  
Kolkata 700001

**I, Prosenjit Dutta, Chief Financial Officer do hereby certify the following:**

- a) I have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of my knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) 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 my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2022 which are fraudulent, illegal or in violation of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting, and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or proposed to take, to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit Committee:
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) that there was no instances of fraud.

Place: Kolkata  
Dated: 15th July, 2022

**Prosenjit Dutta**  
Chief Financial Officer



## Certificate on Corporate Governance

To  
The Members of  
The Calcutta Stock Exchange Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 15th July, 2022.
2. We, have examined the compliance of conditions of Corporate Governance by The Calcutta Stock Exchange Limited ('the Company') for the year ended on 31st March, 2022 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['the Listing Regulations'] as amended upto date and applicable for the time being in force with Stock Exchanges in India.  
The Company is not listed on any Stock Exchange. As per Regulation 33 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 [SECC Regulations']; 'the disclosure requirements and corporate governance norms as specified for listed companies shall mutatis mutandis apply to a recognised stock exchange'. CSE being a recognised stock exchange is required to adhere to the corporate governance norms.

### Management's Responsibility:

3. The compliance of conditions of Corporate Governance is the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations read with SECC Regulations.

### Practicing Company Secretary's Responsibility:

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We state that such compliance 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.
6. We have examined the extract of relevant records and documents maintained by the Company and communicated to us for the purposes of providing reasonable assurance on the compliance with corporate governance requirements by the Company.
7. We have carried out examination of the relevant records and documents of the Company in accordance with the Guidance Note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India (the ICSI), in so far as applicable for the purpose of this certification, and as per the Guidance Note on Non-Financial Disclosures and Guidance Note on Code of Conduct for CS issued by the ICSI requiring us to combine ethical standards with the performance of technical skills.
8. We have complied with the relevant applicable requirements of the Guidance Manual on Quality of Audit & Attestation Services issued by ICSI for the related service engagement.

### Opinion:

9. Based on our examination of the relevant records and according to information and explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the of the Listing Regulations read with Regulation 33 of the SECC Regulations, 2018 during the financial year ended 31st March, 2022.

For CS Hansraj Jaria.  
Practising Company Secretaries

(CS Hansraj Jaria)  
Proprietor  
FCS-7703

Place: Kolkata  
Date: 15th July, 2022

C.P. No. 19394  
UDIN: F007703D000785304



## INDEPENDENT AUDITOR'S REPORT

To The Members The Calcutta Stock Exchange Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying standalone Financial Statements of The Calcutta Stock Exchange Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended and notes to the standalone 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 Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Emphasis of Matter

- (i) Attention is drawn to note 31(i) regarding aggregate amount of Rs 94,34,22,919/- recoverable from members on account of default in settlement pay-in during 2000-01. Out of this, money suits have been filed against the defaulters for recovery to the extent Rs. 93,00,50,704/-. As the matter is sub-judice, the extent of recoverability of the amount from defaulters cannot be ascertained at this stage. However, as referred to in Note 31(ii) liabilities side of the Exchange Balance Sheet includes an identical amount of 94.34 crores already received from Settlement Guarantee Fund. Hence no impact on the financial position of the Exchange is foreseen and as such in the opinion of the management, Exchange's interest stands fully protected.

- (ii) We draw attention to note 38 in the standalone financial statements which fully describes the uncertainties relating to the outcome of the Company's appeal pending before the Division Bench of the Hon'ble High Court of Calcutta. This indicates the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern in respect of its stock exchange operations only. However management has made an internal evaluation and concluded that irrespective of the Hon'ble High Court's decision the Company has sufficient resources to meet its current obligation including those arising from past events. In view of the aforesaid matters, management has considered it appropriate to prepare these financial statements on a going concern basis. Our opinion is not qualified in respect of these matters.

#### Other Matter

Financial statements of the previous period were audited by S.R Batliboi & Co, LLP.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's information, but does not include the financial statements and our auditor's report thereon.

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

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

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

#### Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards speci-



fied under section 133 of the Act, read with relevant rules issued there under, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, 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 responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are

also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's Report) Order, 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 the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



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

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder.
- 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 31st March, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended by the Companies (Audit & Auditors) Amendment Rules, 2021, 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 against the Company on its financial position in its Financial Statements. Refer Note 26,31,36,37 and 38 of the 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 were no amounts that are 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,

other than as disclosed in the notes to the accounts, 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, other than as disclosed in the notes to the accounts, 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 audit procedures we have 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) No dividend is declared or paid by the Company during the year.

For **RAY & RAY**

Chartered Accountants

(Firm's Registration No. 301072E)

**(Abhijit Neogi)**

Partner

Membership No. 061380

UDIN: 22061380AOTQQF1249

Place: Kolkata

Date: 15th July, 2022



### Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i) a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE).  
(B) The Company is maintaining proper records showing full particulars of intangible assets.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, Property, Plant and Equipment of the Company are physically verified by management once every financial year which in our opinion reasonable having regard to the size of the Company and nature of the assets. No material discrepancies as compared to book records was noticed in respect of the fixed assets physically verified during the year.
- c) According to the information, representation and explanations given to us and on the basis of our examination of the title deeds of all the immovable properties disclosed in the financial statements and as provided to us, the same appeared to be held in the name of the Company.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment and Intangible Assets during the year.
- e) According to the information, representation and explanations given to us and on the basis of our examination of the records of the Company as provided to us, no proceedings were initiated during the year or pending against the Company as on March 31, 2022 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 as amended and rules made thereunder.
- ii) a) The Company's business does not involve any inventory. Accordingly, provision of clause 3 (ii) (a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not obtained any working capital limits in excess of five crores rupees from banks or financial institution during the year on the basis of the security of current assets. Accordingly, provision of clause 3 (ii) (b) of the Order is not applicable to the Company.
- iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided any guarantees or securities during the year to companies, firms or limited liability partnerships and other parties.
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.
- b) The Company has not made, or provided any guarantee or security. The terms and conditions of any investments made, in our opinion, prima facie, are not prejudicial to the Company's interest.
- iv) According to the information and explanations given to us, provisions of Section 186 of the Companies Act, 2013 in respects of investments made have been complied with by the Company. There are no loans guarantees or securities in respect of which provisions of Section 185 and 186 are applicable and hence not commented upon.
- v) According to the information and explanations given to us, the Company has not accepted any deposit, in terms of the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- vi) As informed to us, the Central Government has not been prescribed the maintenance of cost record under Section 148(1) of the Companies Act, 2013. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- vii) a) According to information and explanations provided to us, to the records of the Company, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues, including provident fund, employees' state insurance, income-tax, custom duty, excise duty, goods and service tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, sales tax, value added tax, custom duty, excise duty, goods and service tax, income tax, service tax and cess were outstanding, as at March 31, 2022 for a period of more than six months from the date they became payable.



- b) According to the information and explanations given to us, the disputed statutory dues as on March 31, 2022, which have not been deposited by the Company is stated below.

Name of the statute	Nature of dues	Amount (Rs)	Period to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Certain receipts considered by the Company as capital receipts, but treated as revenue receipt by the Income Tax department	3,66,74,684	A.Y-1991-92 & 1992-93	Hon'ble High Court of Kolkata
Income Tax Act, 1961	Non-allowable income as per section 14A	10,49,464 including penalty of 4,99,745	A.Y 2009-10	Income Tax officer.
Income Tax Act, 1961	Interest on late deposit of dividend distribution tax.	35,277	A.Y 2018-19	Commissioner of Income Tax, (Appeals)
Employee State Insurance Act, 1948	Demand of contribution	44,59,799	1999-00	Hon'ble High Court of Calcutta

- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961, as income during the year.
- ix) a) According to the records of the Company examined by us and as per the information and explanation given to us, the Company has not taken any loans from banks, government, or issued any debentures during the year. Accordingly, clauses 3(ix) a), b), c) and d) are not applicable to it.
- e) According to the information, representation and explanations given to us and on the basis of our examination of the records of the Company, the Company did not raise any money from any person or entity for the account of or to pay the obligations of its subsidiary or associate or joint venture during the year.
- f) According to the information, representation and explanations given to us and on the basis of our examination of the records of the Company, the Company did not raise any loans during the year by pledging securities held in their subsidiary or associate or joint venture.
- x) a) According to the information, representation and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.
- b) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- xi) a) To the best of our knowledge and according to the information, representation and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by us or others in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us, no cases were received by the Company under Whistle Blower Policy of the Company.
- xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii) On the basis of our examination of the books of account of the Company and according to the information and explanations given to us, the transactions entered into with the related parties are in compliance with section 188 of the Act where applicable and the same has been disclosed in the Notes to the financial statements as required by the applicable Accounting Standards.
- xiv) a) Based on information and explanations provided to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have been provided and have considered the internal audit reports of the Company for the year 2021-22.
- xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions during the year with its Directors



or persons connected to its Directors and hence the provisions of Section 192 of the Companies Act, 2013 is not applicable to the Company.

- xvi) a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) According to the information and explanations given to us, the Company is not carrying on non-Banking financial activities and hence clause 3 (xvi)(b) is not applicable to it.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, clause (xvi) (c) and (d) of paragraph 3 of the Order is not applicable to the Company.
- d) The Company is not a part of any Group and accordingly reporting under clause (xvi) (d) of the Order is not applicable.
- xvii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii) There has not been any resignation of statutory auditor during the year. Hence clause (xviii) of Para 3 of the order is not applicable.
- xix) According to the information, representation and explanations given to us and on the basis of the financial ratios, 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 relevant evidence, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report and that the 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has transferred unspent amount of the year 2020-21 amounting to Rs. 7,17,000/- to the Prime Minister's National Relief Fund.

For **RAY & RAY**

Chartered Accountants

(Firm's Registration No. 301072E)

**(Abhijit Neogi)**

Partner

Membership No. 061380

UDIN: 22061380AOTQQF1249

Place: Kolkata

Date: 15th July, 2022



**“Annexure- B” TO INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on Financial statements)

**Report on the Internal Financial Control over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Calcutta Stock Exchange Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our

audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

According to the information and explanations given to us and based on our audit, in our opinion, the Company has generally maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 ICAI.

**For RAY & RAY**

Chartered Accountants  
(Firm’s Registration No. 301072E)

**(Abhijit Neogi)**

Partner  
Membership No. 061380  
UDIN: 22061380AOTQQF1249  
Place: Kolkata  
Date: 15th July, 2022

**BALANCE SHEET AS AT 31st MARCH, 2022**

Particulars	Notes	As at 31st March, 2022 (INR in Thousand)	As at 31st March, 2021 (INR in Thousand)
<b>I. EQUITIES AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUND</b>			
Share Capital	3	619	619
Reserves and Surplus	4	1,903,247	1,823,317
<b>2. NON CURRENT LIABILITIES</b>			
Long Term Liabilities	5	943,423	949,617
<b>3. CURRENT LIABILITIES</b>			
Trade Payables	6		
Total outstanding dues of micro enterprises and small enterprises	-	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises		8,953	13,908
Other Current Liabilities	6	1,011,804	430,496
Short Term Provisions	7	20,626	23,680
		<b>3,888,672</b>	<b>3,241,637</b>
<b>II. ASSETS</b>			
<b>1. NON CURRENT ASSETS</b>			
Property, Plant and Equipment	8A	279,030	280,266
Intangible Assets	8B	491	457
Non Current Investments	9	324,477	231,658
Deferred Tax Assets (net)	10	6,206	10,977
Loans and Advances	11	1,016,341	1,019,116
Other Assets	15	832,381	832,757
<b>2. CURRENT ASSETS</b>			
Current Investments	12	111,938	167,015
Trade Receivables	13	10,930	10,028
Cash and Bank Balances	14	811,282	643,303
Loans and Advances	11	13,875	9,524
Other Assets	15	481,721	36,536
		<b>3,888,672</b>	<b>3,241,637</b>
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements.

As per our Report of even date

**For Ray & Ray**

Chartered Accountants

Firm Registration No. 301072E

per **Abhijit Neogi**

Partner

Membership No. 61380

Place: Kolkata

Date: 15th July, 2022

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

**Anindo Majumdar**  
Director

**Chacko Joseph**  
Director

**Dr. Abhirup Sarkar**  
Director

**Prosenjit Dutta**  
Chief Financial Officer

**Chandrani Datta**  
Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

Particulars	Notes	2021-22		2020-21	
		(INR in Thousand)	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)
<b>Income :</b>					
Revenue from Operations	16		42,689		43,996
Other Income	17		124,780		113,124
<b>Total (I)</b>			<b>167,469</b>		<b>157,120</b>
<b>Expenses :</b>					
Employee Benefits Expense	18		83,500		84,297
Other Expenses (Previous year's figure includes prior period item - Rs.8,483 thousand)	19		25,512		45,169
Depreciation and Amortization Expense	20		1,966		2,266
Contribution to SEBI			2,141		2,635
Contribution to Stock Exchange Investors' Protection Fund			5,727		4,613
<b>Total (II)</b>			<b>118,846</b>		<b>138,980</b>
<b>Profit before Tax and contribution to Settlement Guarantee Fund and Investors' Service Fund (III = I-II)</b>			<b>48,623</b>		<b>18,140</b>
<b>Tax Expenses :</b>					
Total Current Tax (Net)					
Pertaining to profit for the current year		7,310		7,539	
MAT Credit utilised during the year (Refer Note no - 35)		(2,024)	5,286	(3,811)	3,728
Deferred Tax			4,771		(4,540)
<b>Total Tax Expense (IV)</b>			<b>10,057</b>		<b>(812)</b>
<b>Profit after tax before contribution to Settlement Guarantee Fund, Investors' Service Fund and apportioned to General Reserve (V = III-IV)</b>			<b>38,566</b>		<b>18,952</b>
Apportioned to General Reserve of Pre-Demutualisation period		7,587		-	
Less: Tax on above		(2,111)	5,476	-	-
Contribution to Settlement Guarantee Fund (net of tax)	21		24,535		23,064
Contribution to Investors' Service Fund (net of tax)	22		7,429		8,015
<b>Total of Contributions to Settlement Guarantee Fund, Investors' Service Fund and apportioned to General Reserves of Pre-Demutualisation Period (net of tax) [VI]</b>			<b>37,440</b>		<b>31,079</b>
<b>Profit / (Loss) after tax for the year (V-VI)</b>			<b>1,126</b>		<b>(12,127)</b>
<b>Earnings per equity share</b>					
Basic and Diluted (Rs.)	23		1.84		(19.84)
Nominal value of share (Re.)			1		1
Summary of significant accounting policies	2				

The accompanying notes are an integral part of the Standalone financial statements.

As per our Report of even date

For and on behalf of the Board of Directors

**For Ray & Ray**

Chartered Accountants

Firm Registration No. 301072E

**Anindo Majumdar**  
Director

**Chacko Joseph**  
Director

**Dr. Abhirup Sarkar**  
Director

per **Abhijit Neogi**

Partner

Membership No. 61380

Place: Kolkata

Date: 15th July, 2022

**Prosenjit Dutta**  
Chief Financial Officer

**Chandrani Datta**  
Company Secretary



**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH, 2022**

	Particulars	2021-22	2020-21
		(INR in Thousand)	(INR in Thousand)
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	Profit before Tax and contribution to Settlement Guarantee Fund and Investors' Service Fund	48,623	18,140
	Adjustment to reconcile profit before tax to net cash flows :-		
	Depreciation and Amortization expense	1,966	2,266
	Loss on sale/discard of property, plant and equipment	4	-
	Provision for Doubtful Debts and Advances	1,196	5,636
	Sundry balance written off	164	6
	Liabilities/Provisions no longer required, written back	(15,087)	(634)
	Interest on Fixed Deposits	(85,326)	(92,457)
	Interest on Bonds	(1,101)	(872)
	Dividend Income from Investments	(4,235)	(572)
	Profit on sale of Investments	(10,837)	(11,365)
	<b>Operating profit before working capital changes</b>	<b>(64,633)</b>	<b>(79,852)</b>
	<b>Movements in working capital:</b>		
	(Decrease) in Long Term Liabilities	(6,194)	-
	(Decrease)/Increase in Short Term Provisions	(3,054)	10,561
	(Decrease) in Trade Payables	(4,955)	(1,082)
	Increase in Other Current Liabilities	6,315	61,925
	Increase in SGF - Other Current Liabilities on account of Shares and Fixed Deposits of members	632,444	-
	(Increase) in Trade Receivables	(2,098)	(1,760)
	(Increase) in Long Term Loans & Advances	(1,661)	(23,793)
	(Increase) / Decrease in Short Term Loans & Advances	(4,515)	1,004
	Increase in SGF - Other Assets on account of Shares of members	(464,171)	-
	Increase/(Decrease) in Other Current Assets	901,529	(434)
	<b>Cash used in operations</b>	<b>989,007</b>	<b>(33,431)</b>
	Payment of direct taxes (net)	(850)	(7,711)
	<b>Net Cash used in Operating Activities</b>	<b>988,157</b>	<b>(41,142)</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Proceeds from sale of property, plant and equipment	83	-
	Purchase of property, plant and equipment	(349)	(458)
	Proceeds from Sale of Non Current Investments (net)	-	21,683
	Proceeds from Sale of Current Investments (net)	10,837	(5,122)
	Dividend income from Investments	4,235	572
	Investment in SGF - Fixed Deposits of members	(98,024)	-
	Investment in SGF - Other Assets on account of Fixed Deposits of members	(70,249)	-
	Investment in Fixed Deposits	(807,216)	(696,139)
	Proceeds from maturity of Fixed Deposits	(137,382)	707,382
	Interest on Fixed Deposits	85,327	80,594
	Interest on Bonds	1,101	872
	<b>Net cash flow from investing activities</b>	<b>(1,011,637)</b>	<b>109,384</b>

Contd. in next page

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH, 2022 (Contd.)**

Particulars		2021-22	2020-21
		(INR in Thousand)	(INR in Thousand)
<b>C.</b>	<b>Cash Flow from Financing Activities</b>		
	Dividend Paid on equity shares for earlier years	(1,000)	(1,094)
	<b>Net Cash used in Financing Activities</b>	<b>(1,000)</b>	<b>(1,094)</b>
	<b>Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(24,480)</b>	<b>67,148</b>
	Cash and Cash Equivalents as at the beginning of the year	111,258	44,110
	<b>Cash and Cash equivalents as at the end of the year</b>	<b>86,778</b>	<b>111,258</b>

<b>Components of Cash &amp; Cash Equivalents</b>	<b>2021-22</b>	<b>2020-21</b>
Cash on hand	12	17
Balance with Scheduled Banks on Current Account		
Own Fund	78,859	91,678
Investors' Service Fund *	787	1,326
Settlement Guarantee Fund *	1,309	11,426
Unpaid Dividend Account **	5,811	6,811
	<b>86,778</b>	<b>111,258</b>

\* These can be utilised only towards the purpose of the respective funds (Refer Note no.14)

\*\* These can be utilised only towards settlement of the respective unpaid dividend (Refer Note no.14)

Summary of significant accounting policies (Refer Note 2)

As per our Report of even date

**For Ray & Ray**

Chartered Accountants

Firm Registration No. 301072E

per **Abhijit Neogi**

Partner

Membership No. 61380

Place: Kolkata

Date: 15th July, 2022

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

**Anindo Majumdar**  
Director

**Chacko Joseph**  
Director

**Dr. Abhirup Sarkar**  
Director

**Prosenjit Dutta**  
Chief Financial Officer

**Chandrani Datta**  
Company Secretary



NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

**NOTE – 1 : Basis of preparation of Financial Statements**

The standalone financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these standalone financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The standalone financial statements have been prepared on an accrual basis and under the historical cost convention. In accordance with clause 7 of the Chapter-XVII of the Bye-Laws of the Company on Composition of Settlement Guarantee Fund (SGF) and directions received from the Security Exchange board of India (SEBI), the Company is required to transfer all the income earned from the investments from the corpus of the Company's Settlement Guarantee fund net of certain permitted expenses to that fund. Similarly, in accordance with directions received from SEBI, the Company is also required to transfer income earned from investments from the corpus of the Investor Service Funds (ISF) net of permitted expenses to that fund. Taking into consideration the Company's obligation to transfer such net income to those funds, such transfers have been recognized as charge in the Profit & Loss Account. The accounting policies adopted in the preparation of standalone financial statements are consistent with those of previous years.

**NOTE – 2 : Summary of Significant Accounting Policies**

**i) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liability in future periods.

**ii) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The Company collects goods and services tax (GST) on behalf of the government and, therefore, it is not an economic benefit flowing to

the company. Hence, it is excluded from revenue. Revenue in respect of services rendered is recognized when the service is rendered and there is certainty of realization.

Revenue from Listing Fees and Subscription Fees are recognized when there is reasonable certainty of its ultimate realization/collection.

**Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.

**Dividend**

Dividend income is recognized when the Company's right to receive payment is established by the reporting date.

**iii) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

**iv) Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment is calculated on a written down value method as per the rates prescribe under Schedule – II of the Companies Act, 2013 which is in accordance with management estimates for the useful life of the underlying assets. Depreciation on property, plant and equipment added/disposed-off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



**v) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Software costs related to computers are amortized on written down value basis over a period of six years from the date the asset becomes available for use.

**vi) Impairment of property, plant and equipments and intangible assets**

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the higher of the net selling price and value in use of the assets. The estimated future cash flows considered for determining the value in use, are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risk specific to the asset.

**vii) Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**Investment Property:**

An investment in land, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as

investment property. Investment properties are stated at cost, net of accumulated amortization and accumulated impairment losses, if any.

The cost comprises purchase price and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Investment Property comprising of the leasehold land is amortized over the period of lease, i.e. 99 years.

On disposal of an investment property, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**viii) Taxes**

Tax expense comprises current and deferred tax. Current income tax is measured as the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forwarded tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.



The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

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

**ix) Retirement and other Employee Benefits**

a) Retirement benefit in the form of provident fund and superannuation fund are defined contribution scheme. The Company has no obligation, other than the contribution payable to such funds. The Company recognizes contribution payable to these funds as an expenditure, when an employee renders the related service. If the contribution payable to the funds for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the funds are recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the

pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) The Company operates two defined benefit plans for its employees, viz., Gratuity and leave liability. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

c) Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss immediately.

**x) Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

**xi) Provisions**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying



economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect to current best estimates.

**xii) Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the

control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize the contingent liability but discloses its existence in the financial statements.

**xiii) Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 3 : Share Capital

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR in thousand	INR in thousand
a) <b>AUTHORISED SHARES :</b> 10,00,00,000 (31st March 2021 : 10,00,00,000) equity shares of Re.1 each	100,000	100,000
b) <b>ISSUED SHARES :</b> 6,18,750 (31st March 2021 : 6,18,750) equity shares of Re.1 each	619	619
c) <b>SUBSCRIBED &amp; PAID UP SHARES :</b> 6,11,250 (31st March 2021 : 6,11,250) equity shares of Re.1 each fully paid up	611	611
<b>Add : Forfeited Shares:</b> 7,500 (31st March 2021 : 7,500) equity shares paid up of Re.1 each	8	8
	<b>619</b>	<b>619</b>

A. **Terms / rights attached to equity shares :**

The Company has only one class of equity shares having par value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

B. There are no individual shareholders who are holding more than 5% shares in the Company.

NOTE – 4 : Reserve and Surplus

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR in thousand	INR in thousand
<b>I. Own Reserves</b>		
<b>Capital Reserve - Pre-Demutualisation period</b>	<b>619</b>	<b>619</b>
<b>Securities Premium Account</b>		
Pre-Demutualisation period	3,015	3,015
Post-Demutualisation period	631,778	631,778
<b>Total Securities Premium Account</b>	<b>634,793</b>	<b>634,793</b>
<b>Development Fee Fund - Pre-Demutualisation period</b>	<b>134,050</b>	<b>134,050</b>
<b>General Reserve</b>		
<b>Pre-Demutualisation period</b>		
Opening balance as on April 1	502,400	502,400
Addition during the year	5,476	
<b>Closing balance as on March 31</b>	<b>507,876</b>	<b>502,400</b>
<b>Post-Demutualisation period</b>		
Opening balance as on April 1	51,415	51,415
Closing balance as on March 31	51,415	51,415
<b>Total General Reserve</b>	<b>559,291</b>	<b>553,815</b>
<b>Surplus in the Statement of Profit and Loss -</b>		
<b>Post-Demutualisation period</b>		
(Loss) / Profit for the year	(29,308)	(17,181)
<b>Net surplus in the Statement of Profit and Loss</b>	<b>(28,182)</b>	<b>(29,308)</b>
<b>Total of own Reserves</b>	<b>1,300,571</b>	<b>1,293,969</b>



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 4 : Reserve and Surplus (Contd.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR in thousand	INR in thousand
<b>II. Investors' Service Fund - Post-Demutualisation period</b>		
Opening balance as on April 1	106,282	98,267
Addition during the year (Refer Note no.-22)	7,443	8,031
Deductions/adjustments during the year (Refer Note no.-22)	(14)	(16)
<b>Total of Investors' Service Fund</b>	<b>113,711</b>	<b>106,282</b>
<b>III. Settlement Guarantee Fund - Post-Demutualisation period</b>		
<b>Settlement Guarantee Fund for CSE-NSE Cash Segment</b>		
Opening balance as on April 1	10,301	10,273
Addition during the year (Refer Note no. 21)	34	28
Closing balance as on March 31	<b>10,335</b>	<b>10,301</b>
<b>Settlement Guarantee Fund for CSE-NSE Future and Option Segment</b>		
Opening balance as on April 1	10,548	10,508
Addition during the year (Refer Note no. 21)	43	40
Closing balance as on March 31	<b>10,591</b>	<b>10,548</b>
<b>Settlement Guarantee Fund for CSE-BSE Cash Segment</b>		
Opening balance as on April 1	10,261	10,251
Addition during the year (Refer Note no. 21)	11	10
Closing balance as on March 31	<b>10,272</b>	<b>10,261</b>
<b>Settlement Guarantee Fund for CSE-BSE Future and Option Segment</b>		
Opening balance as on April 1	10,007	10,007
Closing balance as on March 31	<b>10,007</b>	<b>10,007</b>
<b>Settlement Guarantee Fund Initial Membership Fees</b>		
Opening balance as on April 1	260	260
Closing balance as on March 31	<b>260</b>	<b>260</b>
<b>Settlement Guarantee Fund (Governed by the Bye-Laws of the Settlement Guarantee Fund of the Exchange)</b>		
Opening balance as on April 1	381,689	358,703
Addition during the year [Net (Refer Note no. 21)]	24,447	22,986
Liabilities related to Settlement Guarantee Fund, written back [Refer Note - 27 (e) & (f)]	41,364	-
Closing balance as on March 31	<b>447,500</b>	<b>381,689</b>
<b>Total of Settlement Guarantee Fund</b>	<b>488,965</b>	<b>423,066</b>
<b>Total of I+II+III</b>	<b>1,903,247</b>	<b>1,823,317</b>

NOTE – 5 : Long Term Liabilities

	As at 31st March, 2022			As at 31st March, 2021		
Particulars	Pre-Demutualisation Period	Post Demutualisation Period	Total	Pre-Demutualisation Period	Post Demutualisation Period	Total
	INR in thousand	INR in thousand	INR in thousand	INR in thousand	INR in thousand	INR in thousand
Sundry Deposits						
[Refer Note no.31(ii) & 31 (iii)]	943,423	-	943,423	949,617	-	949,617
	943,423	-	943,423	949,617	-	949,617



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 6 : Trade Payables and Other Current Liabilities

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Pre-Demutalisation Period	Post Demutalisation Period	Total	Pre-Demutalisation Period	Post Demutalisation Period	Total
	INR in Thousand	INR in Thousand	INR in Thousand	INR in Thousand	INR in Thousand	INR in Thousand
<b>Trade Payables</b>						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	8,953	8,953	-	13,908	13,908
	-	8,953	8,953	-	13,908	13,908
<b>Other Liabilities :</b>						
Sundry Deposits	11,667	20,462	32,129	21,689	57,355	79,044
<b>Members' Security Deposits for Base Capital Requirements [Refer Note no.32]</b>						
<b>Settlement Guarantee Fund:</b>						
In cash	-	196,666	196,666	-	200,304	200,304
In fixed deposits [(Previous year's amount is Rs.1,73,925) Refer Note-32]	-	168,273	168,273	-	-	-
In shares [(Previous year's amount is Rs.3,97,485) Refer Note-32]	-	464,171	464,171	-	-	-
Members' deposit for additional base capital requirement and margin in Cash	-	140,661	140,661	-	138,754	138,754
<b>Payable to related party:</b> [Refer Note no.34]						
Stock Exchange Investors' Protection Fund	-	2,013	2,013	-	2,357	2,357
Statutory Dues	-	2,080	2,080	-	3,226	3,226
Unclaimed Dividend	-	5,811	5,811	-	6,811	6,811
	11,667	1,000,137	1,011,804	21,689	408,807	430,496
	11,667	1,009,090	1,020,757	21,689	422,715	444,404

Note: Based on the information/documents available, no creditor is covered under the Micro, Small and Medium Enterprises Development Act, 2006 and hence no disclosure thereof is required to be made.

Annexure to Note - 6: Trade Payable Ageing Schedule

INR in thousand

Particulars	Outstanding for following periods from the due date of payments					
	< 6 mths	6 mths - 1 year	1-2 years	2-3 years	> 3 years	TOTAL
(i) MSME						
As at March 31, 2022	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-	-
(ii) Others						
As at March 31, 2022	5,874	291	50	618	2,119	8,952
As at March 31, 2021	5,982	163	86	1,026	6,650	13,907
(iii) Disputed Dues - MSME						
As at March 31, 2022	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-	-
(iii) Disputed Dues - Others						
As at March 31, 2022	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-	-
<b>Total as at March 31, 2022</b>	<b>5,874</b>	<b>291</b>	<b>50</b>	<b>618</b>	<b>2,119</b>	<b>8,952</b>
<b>Total as at March 31, 2021</b>	<b>5,982</b>	<b>163</b>	<b>86</b>	<b>1,026</b>	<b>6,650</b>	<b>13,907</b>

NOTE – 7 : Short Term Provisions

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR in Thousand	INR in Thousand
<b>Provision for Employee Benefits:</b>		
Leave	7,259	8,135
Provision for Gratuity [Refer Note no.33]	2,033	3,894
<b>Other Provisions:</b>		
CSR Expenses	1,434	2,151
Property Tax	9,900	9,500
	<b>20,626</b>	<b>23,680</b>



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE - 8A : Property, Plant and Equipment		(INR in Thousand)									
Cost or Valuation	Freehold Land	Building	Electrical Equipments	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total			
<b>ASSETS OF PRE-DEMUTUALISATION PERIOD :</b>											
At 1st April 2020	415	2,158	12,701	6,813	8,389	-	162,279	192,755			
At 31st March 2021	415	2,158	12,701	6,813	8,389	-	162,279	192,755			
Additions	-	-	-	-	1,347	-	-	-			
Disposals/Adjustment	-	-	-	-	-	-	-	1,347			
At 31st March 2022	415	2,157	12,701	6,813	7,042	-	162,279	191,407			
<b>Depreciation</b>											
At 1st April 2020	-	1,652	12,086	6,521	8,034	-	161,560	189,853			
Charge For the Year	-	21	-	-	-	-	-	21			
At 31st March 2021	-	1,673	12,086	6,521	8,034	-	161,560	189,874			
Charge For the Year	-	21	-	-	-	-	-	21			
Disposals/Adjustment	-	-	-	-	1,279	-	-	1,279			
At 31st March 2022	-	1,696	12,086	6,521	6,755	-	161,560	188,618			
<b>Net Block</b>											
At 31st March 2021	415	485	615	292	355	-	719	2,881			
At 31st March 2022	415	461	615	292	287	-	719	2,789			
<b>ASSETS OF POST-DEMUTUALISATION PERIOD :</b>											
At 1st April 2020	269,000	11,729	6,947	5,604	3,026	1,824	21,181	319,311			
Additions	-	-	19	-	28	-	411	458			
At 31st March 2021	269,000	11,729	6,966	5,604	3,054	1,824	21,592	319,769			
Additions	-	-	22	-	35	-	106	163			
Disposals/Adjustment	-	-	54	-	91	-	173	318			
At 31st March 2022	269,000	11,729	6,934	5,604	2,998	1,824	21,525	319,614			
<b>Depreciation</b>											
At 1st April 2020	-	5,870	5,855	5,045	2,870	1,283	19,856	40,779			
Charge For the Year	-	571	291	148	12	170	413	1,605			
At 31st March 2021	-	6,441	6,146	5,193	2,882	1,453	20,269	42,384			
Charge For the Year	-	515	219	109	20	117	309	1,289			
Disposals/Adjustment	-	-	48	-	86	-	165	299			
At 31st March 2022	-	6,955	6,317	5,302	2,816	1,570	20,413	43,373			
<b>Net Block</b>											
At 31st March 2021	269,000	5,288	820	411	172	371	1,323	277,385			
At 31st March 2022	269,000	4,774	617	302	182	254	1,112	276,241			
<b>Total Net Block</b>											
At 31st March 2021	269,415	5,773	1,435	703	527	371	2,042	280,266			
At 31st March 2022	269,415	5,235	1,232	594	469	254	1,831	279,030			



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

## NOTE – 8B : Intangible Assets

(INR in Thousand)

Particulars	Computer Softwares	Total
<b>ASSETS OF PRE-DEMUTUALISATION PERIOD :</b>		
<b>Gross Block</b>		
At 1st April 2020	30,036	30,036
At 31st March 2021	30,036	30,036
At 31st March 2022	30,036	30,036
<b>Amortization</b>		
At 1st April 2020	30,036	30,036
At 31st March 2021	30,036	30,036
Charge For the Year	-	-
At 31st March 2022	30,036	30,036
<b>Net Block</b>		
At 31st March 2021	-	-
At 31st March 2022	-	-
<b>ASSETS OF POST-DEMUTUALISATION PERIOD :</b>		
<b>Gross Block</b>		
At 1st April 2020	5,710	5,710
At 31st March 2021	5,710	5,710
Additions	186	186
At 31st March 2022	5,896	5,896
<b>Amortization</b>		
At 1st April 2020	5,120	5,120
Charge For the Year	133	133
At 31st March 2021	5,253	5,253
Charge For the Year	152	152
At 31st March 2022	5,405	5,405
<b>Net Block</b>		
At 31st March 2021	457	457
At 31st March 2022	491	491
<b>Total Net Block</b>		
At 31st March 2021	457	457
At 31st March 2022	491	491



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

## NOTE – 9 : Non Current Investments (At Cost)

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR in Thousand	INR in Thousand
<b>INVESTMENT PROPERTY</b> (at cost less accumulated amortization) (Refer Note No.- 37)		
<b>Pre-Demutualisation Period</b>		
Cost of leasehold land	49,667	49,667
Less : Accumulated amortization	(10,595)	(10,091)
<b>Net Block</b>	<b>39,072</b>	<b>39,576</b>
<b>INVESTMENTS OF PRE-DEMUTUALISATION PERIOD</b>		
<b>Non-trade (valued at cost unless stated otherwise)</b>		
<b>Debentures - Quoted</b>		
117 (31st March 2021 : 117) debentures of Rs.100 each fully paid up of 15% Bengal Paper Mills Co Ltd *	-	-
	-	-
<b>INVESTMENTS OF POST-DEMUTUALISATION PERIOD</b>		
<b>Trade (valued at cost unless stated otherwise)</b>		
<b>Equity shares - Unquoted</b>		
<b>Investment in Subsidiaries</b>		
57,75,000 (31st March 2021: 57,75,000) equity shares of Rs.10 each fully paid up of CSE Capital Markets Pvt Ltd	64,575	64,575
25,00,000 (31st March 2021: 25,00,000) equity shares of Re.1 each fully paid up of Lyons Range Securities Clearing Corporation Ltd	2,500	2,500
<b>Non-Trade (valued at cost unless stated otherwise)</b>		
<b>Equity shares - Quoted</b>		
400 (31st March 2021: 400) equity shares of Rs.10 each fully paid up of Beeyu Overseas Ltd	7	7
<b>Investments in fixed maturity mutual funds - Unquoted</b>		
5,00,000 (31st March 2021: 5,00,000) units of Rs.10 each fully paid up of Aditya Birla Sun Life Fixed Term Plan -Series SN (1099 days) - Direct Growth	5,000	5,000
<b>Investments in Government of India Securities - Quoted</b>		
2,00,000 (31st March 2021 : Nil) units of Rs.10 each GOVT OF INDIA#ZERO COUPON (NI) GS 2051-15.12.2051	19,823	-
<b>Investments in Fixed Deposits with Financial Institution - Unquoted</b>		
LIC Housing Finance Ltd	-	45,000
PNB Housing Finance Ltd	193,500	70,000
<b>Settlement Guarantee Fund</b>		
PNB Housing Finance Ltd	-	5,000
	<b>285,405</b>	<b>192,082</b>
	<b>324,477</b>	<b>231,658</b>

## Aggregate cost of Investments:

Quoted	19,830	7
Unquoted	265,575	192,075
Value of investment property	39,072	39,576
Market value of quoted investments	19,823	-
Net asset value of mutual fund units	6,235	5,985



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 10 : Deferred Tax Assets (Net)

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR in Thousand	INR in Thousand
<b>Deferred Tax Liability</b>		
Impact of expenditure allowed for tax purposes on payment basis in the current year	-	-
<b>Gross Deferred Tax Liability</b>	-	-
<b>Deferred Tax Asset</b>		
Provision for doubtful debts and advances	1,586	6,275
Property, Plant and Equipment: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	437	533
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	4,183	4,169
<b>Gross Deferred Tax Asset</b>	<b>6,206</b>	<b>10,977</b>
<b>Net Deferred Tax Asset</b>	<b>6,206</b>	<b>10,977</b>

NOTE – 11 : Loans and Advances (Unsecured, considered good unless stated otherwise)

Particulars	Current			
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
	INR in Thousand	INR in Thousand	INR in Thousand	INR in Thousand
Receivable from defaulting members [Refer Note No.- 31(i)]	9,43,424	9,49,617	-	-
	<b>9,43,424</b>	<b>9,49,617</b>	-	-
Advances to related parties: [Refer Note No.- 34]				
CSE Capital Markets Private Limited	-	-	6,022	1,382
Lyons Range Securities Clearing Corporation Limited	-	-	84	21
	-	-	<b>6,106</b>	<b>1,403</b>
Advance Income Tax and Tax Deducted at Source				
Considered good [Net of provision Rs. 1,08,832 thousand (31st March 2021 : Rs.1,08,826 thousand)]	64,794	60,358	-	-
Considered doubtful	3,311	3,311	-	-
	68,105	63,669	-	-
Less : Provision for doubtful advance	(3,311)	(3,311)	-	-
	64,794	60,358	-	-
Prepaid expenses	-	-	3,059	3,752
Loan to employees - Interest bearing	7,776	8,793	2,693	2,885
	<b>72,570</b>	<b>69,151</b>	<b>5,752</b>	<b>6,637</b>
Receivable from others				
Considered good	347	348	2,017	1,484
Considered doubtful	1,183	1,183	-	-
	1,530	1,531	2,017	1,484
Less : Provision for doubtful advances	(1,183)	(1,183)	-	-
	<b>347</b>	<b>348</b>	<b>2,017</b>	<b>1,484</b>
	<b>10,16,341</b>	<b>10,19,116</b>	<b>13,875</b>	<b>9,524</b>



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 12 : Current Investments

Particulars	As at 31st March, 2022 (INR in Thousand)	As at 31st March, 2021 (INR in Thousand)
<b>INVESTMENTS OF POST-DEMUTUALISATION PERIOD</b> <b>(Valued at lower of cost and fair value)</b>		
<b>Non - Trade</b>		
<b>Investments in mutual funds - Unquoted</b>		
Nil (31st March 2021: 15,725) units of Rs.1,112.88 each fully paid up of Aditya Birla Sun Life Overnight Fund - Growth Direct Plan	-	17,500
Nil (31st March 2021: 2,60,226) units of Rs.269 each fully paid up of Aditya Birla Sun Life Floating Rate Fund - Growth Direct Plan	-	70,000
9,99,950 (31st March 2021: Nil) units of Rs.10 each fully paid up of Aditya Birla Sun Life Nifty SDL April 2027 Index Fund - Direct Growth	10,000	-
60,548 (31st March 2021: 60,548) units of Rs.19.64 each fully paid up of Aditya Birla Sun Life Interval Income Fund - Qrtly Plan- Series 1 Growth- Direct Plan *	1,189	1,189
1,55,804 (31st March 2021: 1,55,804) units of Rs.10.51 each fully paid up of Baroda BNP Paribas Banking and PSU Bond Fund - Direct Plan Growth *	1,638	1,558
Nil (31st March 2021: 8,162) units of Rs.1,044.65 each fully paid up of Franklin India Overnight Fund-Direct-Growth	-	8,527
Nil (31st March 2021: 2,35,481) units of Rs.110.41 each fully paid up of Nippon India Overnight Fund - Direct Growth Plan	-	26,000
Nil (31st March 2021 : 583 ) units of Rs.2,232.24 each fully paid up of Axis Liquid Fund - Direct Growth	-	1,301
20,032 (31st March 2020 : 18,670 ) units of Rs.1,123.20 each fully paid up of Axis Overnight Fund - Direct Growth	22,500	20,300
20,085 (31st March 2021: Nil) units of Rs.1,075.97 each fully paid up of BOI-AXA Overnight Fund-Direct Plan-Growth	21,611	-
<b>Investments in fixed maturity mutual funds - Unquoted</b>		
Nil (31st March 2021: 10,00,000) units of Rs.10 each fully paid up of Aditya Birla Sun Life Fixed Term Plan -Series OY (1218 days) - Direct Growth	-	10,000
<b>Bonds - Quoted</b>		
Nil (31st March 2021: 5,696) 8.2% Bonds of Rs.1,000 each fully paid up of 10 years Power Finance Corporation Ltd (N4 Series)	-	5,696
Nil (31st March 2021: 4,944) 8.2% Bonds of Rs.1,000 each fully paid up of 10 years National Highways Authority of India (N1 Series)	-	4,944
<b>Investments in Fixed Deposits with Financial Institution - Unquoted</b>		
<b>Settlement Guarantee Fund</b>		
PNB Housing Finance Ltd	5,000	-
<b>Own Fund</b>		
LIC Housing Finance Ltd	45,000	-
PNB Housing Finance Ltd	5,000	-
	<b>111,938</b>	<b>167,015</b>

\* Investment out of Investors' Service Fund

**Aggregate cost of Investments:**

Quoted	-	10,640
Unquoted	111,938	156,375
Market value of quoted investments	-	11,402
Net asset value of mutual fund units	57,542	160,236



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

## NOTE – 13 : Trade Receivables

Particulars	As 31st March, 2022		As at 31st March, 2021	
	INR in Thousand	INR in Thousand	INR in Thousand	INR in Thousand
Secured, Considered good	1,078		2,359	
Unsecured Considered good	9,852		7,669	
Unsecured, Considered doubtful	4,012		20,868	
	14,942		30,896	
Less: Provision for Doubtful Debts	(4,012)	10,930	(20,868)	10,028
		<b>10,930</b>		<b>10,028</b>

## Ageing of Trade Receivables

(INR in Thousand)

Particulars	Outstanding for following periods from the due date of payments					
	< 6 mths	6 mths - 1 year	1-2 years	2-3 years	> 3 years	TOTAL
Undisputed – considered good						
As at March 31, 2022	801	5,682	3,817	590	40	<b>10,930</b>
As at March 31, 2021	1,140	4,975	3,616	4	293	<b>10,028</b>
Undisputed – considered doubtful						
As at March 31, 2022	-	-	-	1,196	2,816	<b>4,012</b>
As at March 31, 2021	-	-	-	-	20,868	<b>20,868</b>
Disputed - considered good						
As at March 31, 2022	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-	-
Disputed - considered doubtful						
As at March 31, 2022	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>801</b>	<b>5,682</b>	<b>3,817</b>	<b>1,786</b>	<b>2,856</b>	<b>14,942</b>
<b>As at March 31, 2021</b>	<b>1,140</b>	<b>4,975</b>	<b>3,616</b>	<b>4</b>	<b>21,161</b>	<b>30,896</b>



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 14 : Cash and Bank Balances

Particulars	Non-Current		Current	
	As at 31st March, 2022 (INR In Rupees)	As at 31st March, 2021 (INR In Rupees)	As at 31st March, 2022 (INR In Rupees)	As at 31st March, 2021 (INR In Rupees)
<b>a. CASH AND CASH EQUIVALENTS</b>				
Balance with Scheduled Banks on current accounts:				
Own Fund	-	-	78,859	91,678
Investors' Service Fund	-	-	787	1,326
Settlement Guarantee Fund	-	-	1,309	11,426
Unpaid Dividend Account	-	-	5,811	6,811
Cash on hand	-	-	12	17
	-	-	<b>86,778</b>	<b>111,258</b>
<b>b. OTHER BANK BALANCES</b>				
<b>Fixed deposits with remaining maturity of not less than 12 months :</b>				
<b>Pre-Demutualisation Period</b>				
Own Funds *	11,667	21,689	-	-
<b>Post-Demutualisation Period</b>				
Own Funds	277,241	402,926	-	-
Earmarked Funds:				
Settlement Guarantee Fund	277,900	185,056	-	-
Investors' Service Fund	43,250	76,399	-	-
<b>Fixed deposits with remaining maturity for less than 12 months :</b>				
<b>Post-Demutualisation Period</b>				
Own Funds	-	-	363,615	243,000
Earmarked Funds:				
Settlement Guarantee Fund	-	-	187,967	257,295
Investors' Service Fund	-	-	74,898	31,750
	<b>610,058</b>	<b>686,070</b>	<b>626,480</b>	<b>532,045</b>
<b>Members deposits for Base Capital Requirement Settlement Guarantee Fund</b>				
<b>Fixed deposits with remaining maturity of not less than 12 months :</b>				
In Fixed Deposits [(Previous year's amount is Rs.17,39,24,939) Refer Note-32]	70,249	-	-	-
<b>Fixed deposits with remaining maturity for less than 12 months :</b>				
In Fixed Deposits [(Previous year's amount is Rs.17,39,24,939) Refer Note-32]	-	-	98,024	-
	<b>70,249</b>	<b>-</b>	<b>98,024</b>	<b>-</b>
	<b>680,307</b>	<b>686,070</b>	<b>724,504</b>	<b>532,045</b>
Amount disclosed under Non-current assets (Refer Note 15)	(680,307)	(686,070)	-	-
	<b>-</b>	<b>-</b>	<b>811,282</b>	<b>643,303</b>
* Appropriated out of total year end fixed deposits to the extent of year end net liabilities pertaining to pre-demutualisation period.				
<b>Details of fixed deposits lien marked (included above)</b>				
<b>Deposits with remaining maturity of not less than 12 months pledged with :</b>				
Indian Clearing Corporation Limited (ICCL) *	70,400	327,100		
HDFC Bank Ltd **	63,299	83,651		
BSE Ltd *	1,500	1,500		
<b>Deposits with remaining maturity for less than 12 months pledged with :</b>				
Indian Clearing Corporation Limited (ICCL) *	-	-	196,000	-
HDFC Bank Ltd **	-	-	21,352	-
	<b>135,199</b>	<b>412,251</b>	<b>217,352</b>	<b>-</b>
Deposits with remaining maturity of not less than 12 months [Refer Note no.26(g)]	17,716	17,716	-	-
Deposits with remaining maturity for less than 12 months [Refer Note no.26(g)]	<b>17,716</b>	<b>17,716</b>	<b>-</b>	<b>-</b>

\* The aforesaid fixed deposits are under lien with indicated entities for utilization of their Trading Platform by the members of the Company.

\*\* Against sanctioned credit limit yet to be utilized



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 15 : Other Assets (Unsecured, considered good unless stated otherwise)

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)
<b>Non-current bank balances (Refer Note no. 14)</b>				
<b>Security Deposits</b>				
Considered good	148,901	143,892	-	-
Considered doubtful	506	506	-	-
	149,407	144,398	-	-
Less : Provision for doubtful deposits	(506)	(506)	-	-
	<b>148,901</b>	<b>143,892</b>	-	-
<b>Other receivables</b>				
Secured, Considered good				
Rent & Electricity	-	-	3,874	3,195
Others	-	-	103	104
	-	-	<b>3,977</b>	<b>3,299</b>
<b>Members deposits for Base Capital Requirment Settlement Guarantee Fund</b>				
In shares [(Previous year's amount is Rs.39,74,84,850) Refer Note-32]	-	-	464,171	-
	-	-	<b>464,171</b>	-
<b>Interest accrued on fixed deposits:</b>				
Own Funds	2,469	2,338	6,213	13,077
Settlement Guarantee Fund	103	92	6,414	19,182
Investors' Service Fund	601	365	571	563
<b>Interest accrued on investments in Government Securities / Bonds:</b>				
Own Funds	-	-	375	415
	<b>3,173</b>	<b>2,795</b>	<b>13,573</b>	<b>33,237</b>
	<b>832,381</b>	<b>832,757</b>	<b>481,721</b>	<b>36,536</b>

NOTE – 16 : Revenue from Operations

Particulars	2021-22	2020-21
	INR in Thousand	INR in Thousand
<b>SALE OF SERVICES :</b>		
Turnover charges on other trading platform	3,941	2,903
Listing fees	18,283	22,468
Subscriptions	1,501	1,590
Processing charges	11,149	10,598
Commission on PAN services	-	12
<b>Other operating revenue :</b>		
Bad debts recovered		
- Listing	1,632	2,386
Recovery of penal charges from clients	4,933	3,713
Income from NISM Operation	1,225	326
Technology charges from new members	25	-
	<b>42,689</b>	<b>43,996</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

## NOTE – 17 : Other Income

Particulars	2021-22	2020-21
	(INR in Thousand)	(INR in Thousand)
Interest on fixed deposits of Investors' Service Fund	6,550	6,184
Interest on fixed deposits of Settlement Guarantee Fund	27,361	31,827
	<b>33,911</b>	<b>38,011</b>
Interest income on own fund:		
Fixed deposits	51,415	54,446
Tax Free PSU bonds	726	872
Government Securities	375	-
Security deposit with CESC Ltd	152	140
Security deposit with National Stock Exchange of India Ltd	-	49
Security deposit with Indian Clearing Corporation Ltd	1,302	-
Interest on delayed payment of listing fees	3,026	2,841
Others	1,262	1,290
	<b>58,258</b>	<b>59,638</b>
Profit on sale of Current investments	8,031	6,261
Profit on sale of Current investments of Investors' Service Fund	80	391
Profit on sale of Current investments of Settlement Guarantee Fund	-	467
Profit on sale of Long term investments	2,726	4,246
	<b>10,837</b>	<b>11,365</b>
Dividend income from investments:		
Long term investments of own fund	-	565
Current investments of own fund	4,235	7
	<b>4,235</b>	<b>572</b>
Other Income:		
Rent	1,329	1,103
Tenancy right transfer fees	-	553
Miscellaneous receipts	1,123	1,248
Liabilities/Provisions no longer required, written back	15,087	634
	<b>17,539</b>	<b>3,538</b>
	<b>124,780</b>	<b>113,124</b>

## NOTE – 18 : Employee Benefits Expense

Particulars	2021-22	2020-21
	(INR in Thousand)	(INR in Thousand)
Salaries, bonus etc.	68,046	67,896
Contribution to provident and other funds [Refer Note no.33(iii)]	10,872	10,249
Gratuity Expense [Refer Note no.33]	1,841	3,058
Staff welfare Expense	2,741	3,094
	<b>83,500</b>	<b>84,297</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

## NOTE – 19 : Other Expenses

Particulars	2021-22		2020-21	
	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)
Advertisement		68		25
Electricity charges	5,696		5,813	
Less : recovered from tenants	(548)	5,148	(476)	5,337
Rates & Taxes [Refer Note - 36]		1,279		9,803
Insurance		156		169
Printing & Stationary		154		170
Telephone charges		502		623
Travelling & Conveyance		22		21
Motor car expenses		187		206
Repairs & Maintenance:				
Building	317		157	
Others *	8,566	8,883	9,887	10,044
Expenses for Other Trading Platform:				
BSE		132		152
NSE		112		185
Interest on delayed payment of statutory dues		49		6
Security Expenses		902		890
Legal & Professional Fees		3,080		5,193
Auditor's Remuneration:				
Audit Fee	900		2,100	
Tax Audit Fee	100		200	
In other capacity	-		25	
Reimbursement of Expenses	12	1,012	10	2,335
Investors' Service Expenses		14		16
Directors Sitting Fee		1,102		570
CSR Expenditure		225		2,151
Provision for Doubtful Debts and Advances		1,196		5,636
Bad Debts	18,052		-	
Less : Adjusted against Provision for Doubtful Debts	(18,052)	-	-	-
Miscellaneous Expenses		1,289		1,637
		<b>25,512</b>		<b>45,169</b>

\* Including Rs.6,519 Thousand (31st March 2021 : Rs. 8,410 Thousand) for computer maintenance and service charges.

## NOTE – 20 : Depreciation and Amortization Expense

Particulars	2021-22	2020-21
	(INR in Thousand)	(INR in Thousand)
Depreciation of property, plant and equipment	1,310	1,628
Amortization of Intangible Assets	152	134
Depreciation on Investment Property	504	504
	<b>1,966</b>	<b>2,266</b>



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

**NOTE – 21 : Contribution to Settlement Guarantee Fund**

Particulars	2021-22		2020-21	
	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)
Interest on Fixed Deposits of Settlement Guarantee Fund		27,361		31,827
Profit on sale of Current investments of Settlement Guarantee Fund		-		467
Dividend on shares of Base Capital Requirement under SGF		7,717		-
Less : Expenses of Settlement Guarantee Fund				
Legal & Professional expenses	(929)		(170)	
Audit expenses	(250)		(250)	
Other expenses	(28)	(1,208)	(29)	(449)
Less : Tax expenses (Net of above expenses)		(9,423)		(8,859)
		<b>24,447</b>		<b>22,986</b>
Add : Contribution to Settlement Guarantee Fund on Turnover				
Exchange's contribution to CSE-NSE SGF on turnover for Cash Segment	34		28	
Exchange's contribution to CSE-NSE SGF on turnover for FO Segment	43		40	
Exchange's contribution to CSE-BSE SGF on turnover for Cash Segment	11	88	10	78
		<b>24,535</b>		<b>23,064</b>

**NOTE – 22 : Contribution to Investors' Service Fund**

Particulars	2021-22		2020-21	
	(INR In Thousand)	(INR In Thousand)	(INR In Thousand)	(INR In Thousand)
Interest on fixed deposits of Investors' Service Fund	6,550		6,184	
Profit on sale of Current investments of Investors' Service Fund	80		391	
20% Listing fees contribution on collection	3,676	10,306	4,545	11,120
Less : Expenses of Investors' Service Fund				
Service Charges for ISC	-		(3)	
Miscellaneous Expenses	(14)		(13)	
Loss on fair valuation of current investments of Investors' Service Fund	-	(14)	-	(16)
Less : Tax expenses (Net of above expenses)		(2,863)		(3,089)
		<b>7,429</b>		<b>8,015</b>

**NOTE – 23 : Earning Per Share (EPS)**

Particulars	2021-22	2020-21
	(INR in Thousand)	(INR in Thousand)
Net (Loss) / Profit after Tax as per Statement of Profit and Loss	1,126	(12,127)
Weighted average number of equity shares	611,250	611,250
<b>Earnings per share - Basic &amp; Diluted (Rs.)</b>	<b>1.84</b>	<b>(19.84)</b>
<b>Nominal Value of share (Re.)</b>	<b>1</b>	<b>1</b>



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

24. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instruction in respect of Accounting Standards specified under section 133 of the Act, read together with Paragraph 7 of the Companies (Accounts) Rules, 2014. Accordingly, the Company has complied with the Accounting Standards as applicable to a small and medium sized company. In particular, Accounting Standard-17, "Segment Reporting" and disclosure requirements of Para-119 to 123 of Accounting Standard 15(Revised), "Employee Benefits", in respect of accounting for defined benefit plans, are not applicable to the Company.

25. The Securities and Exchange Board of India (SEBI) vide its order dated 29.08.2005, had approved the Demutualisation Scheme ("the Scheme") for conversion of The Calcutta Stock Exchange Association Ltd to The Calcutta Stock Exchange Limited and it was notified in the official Gazette on the same date. Pursuant to the aforesaid Scheme, a trading member may or may not be a shareholder of the Company and vice versa, it was directed to the Company that it shall not use its assets and reserves as on the date of publication of the scheme or the proceeds from disposal of such assets or the proceeds from disposal of successive assets acquired from the proceeds of disposal of such assets for any purpose other than discharging the current liabilities outstanding as on the date of publication of the Scheme or for the business operations of the Company. Accordingly, the reserves and surplus, liabilities, property, plant and equipment and investments have been segregated between pre-demutualisation and post-demutualisation period and have been disclosed accordingly in the standalone financial statements.

26. **Contingent Liabilities not provided for:**

Claims against the Company not acknowledged as debts.

**Taxation matters:**

a) In respect of Assessment Years 1991-92 and 1992-93, total demands aggregating Rs. 36675 thousand raised by the Assessing Officer due to development fees received from members was considered revenue receipt instead of capital receipt. The aforesaid demand had been vacated by the Income Tax Appellate Tribunal vide its Order dated 28.02.2006. However, the Income Tax Department filed an application before the Hon'ble High Court at Calcutta for condonation of delay in filing an appeal against the order of the Income

Tax Appellate Tribunal which is pending disposal.

- b) In respect of Assessment Year 2001-02, the Assessing Officer raised a demand for Rs.26922 thousand on the Company. The Income Tax Appellate Tribunal had given an Order allowing contribution to Settlement Guarantee Fund as application of income and referred back the other matters to Assessing Officer. The Assessing Officer, while giving effect of the Order of the Income Tax Appellate Tribunal dated 16.06.2006 reversed the demand and confirmed that Rs. 35770 thousand including interest of Rs. 8849 thousand is refundable vide Order dated 29.08.2006. However, the Income Tax Department filed an application for condonation of delay for filing an appeal before the Hon'ble High Court at Calcutta against the above Order of the Income Tax Appellate Tribunal. The Company has received the refund for the aforesaid amount along with applicable interest in June 2017 from the office of the Deputy Commissioner of Income Tax, after deducting Rs.1288 thousand being outstanding demand for various years which is pending resolutions.
- c) In respect of Assessment Year 2009-10, the Assessing Officer has raised a demand of Rs.550 thousand under section 14A of the Income Tax Act, 1961 and have also imposed a penalty of Rs. 500 thousand. The Company filed an appeal before the Commissioner of Income Tax (Appeals) against the aforesaid demand by the Income Tax Authorities, however the same was dismissed on July 19, 2016 due to technical ground. The Company has further filed an application to the Assessing Officer on June 21, 2017 to reconsider the case.
- d) In respect of Assessment year 2018-19, the Assessing Officer has raised a demand of Rs. 35 thousand on account of interest on late deposit of dividend distribution tax. The Exchange has filed an appeal before Ld. Commissioner of Income Tax (Appeals) against the said Assessment Order on 28.04.2021, which is pending disposal as on date.

**Other matters:**

- e) During the year 1999-2000, the Company had received three show cause notices from the Employees State Insurance Corporation of West Bengal demanding an amount



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

- aggregating to Rs.4,460 thousand as contribution payable by the Company. The Company has filed a Writ Petition before the Hon'ble High Court at Calcutta for quashing the notices. As the matter is Sub-Judice, the claim has not been acknowledged and no provision has been made for the same.
- f) Stock Holding Corporation of India Limited (SHCIL) was registered on the online trading system of the Calcutta Stock Exchange (CSE) as a "Custodian" for settling the Institutional Trades. In 2001, SHCIL introduced a scheme "Sell n Cash" (payment on sale of securities) Scheme for the benefit of investors. The "Sell n Cash" scheme allowed a seller to receive payment on the day of sale through SHCIL's registered broker after delivering the shares to SHCIL. On 2nd March 2001 Harish Chandra Biyani, a CSE Broker, sold certain shares of DSQ Industries Ltd., amounting to Rs.244548 thousand through Biyani Securities Pvt. Ltd. (another broker of CSE). On finding that the transaction between Harish Chandra Biyani and Biyani Securities Pvt. Ltd., was a malafide and fund accommodation in nature and was at an artificial price created through circular trading, CSE expunged/annulled the trade and informed the same. SHCIL, being aggrieved by the decision of the CSE for expunge of those transactions for which the consideration was already paid to Harish Chandra Biyani,
- g) filed the instant Civil Suit in Hon'ble High Court of Calcutta against CSE and Harish Chandra Biyani. The principal sum of such claim is Rs. 244548 thousand and interest of Rs. 161402 thousand, which is pending disposal by Hon'ble High Court of Calcutta.
- g) The office premises taken by the Company on rental together with furniture fixtures etc., from Turner Morrison Limited was vacated by the Company on 31.01.2013. There is a disputed amount of property taxes related to the rental property amounting to Rs.27418 thousand. During an earlier year, the Division Bench of High Court of Calcutta directed the company to pay a sum of Rs.10000 thousand to Turner Morrison Limited on account of property tax in respect of 5100 sq. ft. and to reinvest the amount of Rs.17716 thousand by way of fixed deposit to be kept with the concerned lawyer on record till further order or disposal of the case. During the current year, the fixed deposit was renewed after maturity and hence this renewed fixed deposit was lying with the Company as on March 31, 2022. The Company is in the process of complying with the directions of the Division Bench of High Court of Calcutta as regards to placement of fixed deposit with the concerned lawyer on record. These fixed deposits are separately disclosed as part of the Cash and bank balance in the Note 14.
- h) Other miscellaneous claims not acknowledged as debts: (INR in Thousand)

Particulars	As at March 31, 2022	As at March 31, 2021
Demand of penalty from HIDCO for non-utilisation of land at New Town, Kolkata	50,000	50,000
Others	232	232

**27. Settlement Guarantee Fund (SGF):**

- (a) In 1998, the Company had set up Settlement Guarantee Fund (SGF) to guarantee the settlement of bonafide transactions of members of the Company, so as to ensure timely completion of settlement of trades and thereby protect the interest of investors and the members of the Company. The Fund and its rules and byelaws were set up by the Company and duly approved by the Securities and Exchange Board of India (SEBI). Every member contributes a fixed sum at the time of commencement of business and the Company contributes thereafter a percentage of the gross turnover as prescribed in the bye-laws of the SGF. In accordance with clause 7 of the Chapter-XVII of the Bye-Laws of the Company on Composition of Settlement Guarantee Fund (SGF) and directions received from the Security Exchange board of India (SEBI), the Company is required to transfer all the income earned from the investments from the corpus of the Company's Settlement Guarantee fund net of certain permitted expenses to that fund. Taking into consideration the Company's obligation to transfer such net income to those funds, such transfers have been recognized as charge in the statement of Profit & Loss.

The Non-Interest bearing amount to the extent which is refundable to the members are disclosed under "Current Liabilities" and non-refundable amount is disclosed as "Reserve and Surplus" of the Settlement



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

Guarantee Fund. Accordingly, the assets pertaining to the SGF has also been disclosed in the respective note as indicated in Note 27(d) below.

- (b) Additional contribution of Rs.199355 thousand made by the Company to the Settlement Guarantee Fund during 2000-01 was charged off to the Profit and Loss Account in the said year in accordance with the decision of the erstwhile Board of Directors taken at its meeting dated 03.10.2001. In the same meeting it was also decided to adjust the additional contribution against the future contribution payable to Settlement Guarantee Fund. Accordingly, a sum of Rs.13035 thousand which would have accrued since 2001-02 to 2013-14 towards annual contribution payable by the Company to its Settlement Guarantee Fund has not been recognized in these financial statements for year commencing after March 31, 2001. Similarly, the balance additional contribution of Rs.186321 thousand has not been carried forward towards adjustment against annual contribution in subsequent year since the aforesaid amount has already been charged off to Statement of Profit and Loss.

As directed by the Securities and Exchange Board of India, the Company had suspended trading operation w.e.f. April 3, 2013. In view of all trading transactions being settled till that date in accordance with the applicable regulations of the Company, no additional contributions to the Settlement Guarantee Fund after the aforesaid date was considered necessary.

- (c) Settlement Guarantee Fund at the year-end comprises of the following: (INR in Thousand)

Sl No	Particulars	As at March 31, 2022	As at March 31, 2021
	<b>Under Reserves &amp; Surplus (Settlement Guarantee Fund):</b>		
I	Settlement Guarantee Fund of the Exchange	4,15,777	3,84,553
II	Members' Ad-hoc contribution to SGF	23,992	23,992
III	Dividend on Members Security Deposit	49,196	14,521
	<b>Total</b>	<b>4,88,965</b>	<b>4,23,066</b>
	<b>Under Other Current Liabilities (Settlement Guarantee Fund):</b>		
IV	Members BMC/SGF in Cash	1,86,133	1,89,023
V	Interest Adjustable with BMC/ABMC	8,760	9,368
VI	Members' deposit towards BSE/NSE-SGF	1,773	1,913
	<b>Total</b>	<b>1,96,666</b>	<b>2,00,304</b>
VII	Members BMC/SGF in Fixed Deposits	1,68,273	-
VIII	Members BMC/SGF in Shares	4,64,170	-
	<b>Total</b>	<b>6,32,443</b>	<b>-</b>
	<b>Grand Total</b>	<b>13,18,074</b>	<b>6,23,370</b>

- (d) The aforesaid fund is represented by the followings which has been included in the respective schedules. (INR in Thousand)

Sl No	Particulars	As at March 31 2021	As at March 31 2020
I	Investments in Fixed Deposits	4,65,867	4,42,351
II	Investments in Fixed Deposit with Financial Institution	5,000	5,000
III	Balances in Current Account	1,309	11,426
IV	Interest accrued on Fixed Deposits	6,516	19,274
V	Deposit with BSE Ltd	58,125	58,125
VI	Deposit with Indian Clearing Corporation Ltd	1,875	1,875
VII	Members BMC/SGF in Fixed Deposits	1,68,273	-
VIII	Members BMC/SGF in Shares	4,64,171	-
IX	Receivable/(Payable) to the Exchange	1,46,938	85,320
	<b>Total</b>	<b>13,18,074</b>	<b>6,23,370</b>

- (e) In terms of the decision taken by the erstwhile administrator, appointed by the Securities and Exchange Board of India, dividend on Members' security Deposits, in respect of shares/securities lodged with the Company by members towards security deposit was not required to be distributed to the members and



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

hence, Rs.34675 thousand was transferred to Settlement Guarantee Fund during the year under the head "Reserve & Surplus".

- (f) Further, Rs.6689 thousand being liabilities lying for prolonged period in relation to Settlement Guarantee Fund, written back and credited to Settlement Guarantee Fund during the year under the head "Reserve & Surplus".

**28. Transfer of Profit:**

As per the notification issued by the Securities and Exchange Board of India (SEBI) dated June 20, 2012, every stock exchange is required to credit twenty five percent of its profit every year to the fund of a recognized clearing corporation(s), which clears and settles trade executed on that stock exchange.

As directed by SEBI, the Company had suspended trading operations w.e.f. April 3, 2013. Till then the Company had settled all trading transactions through its own clearing/settlement mechanism. Consequently, the aforesaid order of SEBI is not applicable to the Company after April 3, 2013.

**29. Investors' Services Fund (ISF):**

As required by the bye-laws of the Company, a separate fund called the Investors' Services Fund ("the Fund") was established in a prior year by setting aside twenty percent of the annual listing fee collections as prescribed by SEBI. The Fund is being used for the purposes of providing different kind of services to the investing public as stated in bye-laws and to create awareness among the investors. All expenses incurred in providing such services are borne by the Investors' Service Fund.

30. As per the policy framed by the Company in accordance with the requirement of SEBI, expenses are allocated to Settlement Guarantee Fund and Investors' Service Fund as stated below: (INR in Thousand)

Particulars	2021-22	2020-21
<b>Settlement Guarantee Fund Expenses:</b>		
- Telephone Charges	25	25
- Computer Maintenance and Service Charges	4	4
- Audit Expenses	250	250
- Miscellaneous Expenses	-	-
- Legal & Professional Fees	929	170
	<b>1208</b>	<b>449</b>
<b>Investors' Service Expenses</b>	<b>14</b>	<b>16</b>

31. i) Receivables from defaulting members in Note 11 "Loans and Advances" includes Rs.943423 thousand (Rs.949617 thousand) due from members on account of settlements in prior years comprising Rs.936065 thousand (Rs.942259 thousand) towards Hand Delivery Settlement, Rs.2637 thousand (Rs.2637 thousand) for Cash Settlement and Rs.4722 thousand (Rs.4722 thousand) on account of Demat Settlement as on 31.03.2022. Out of the above, the Company has filed recovery suits amounting to Rs.931053 thousand (Rs.931053 thousand) from 15 defaulting members. As the matter is sub-Judice, the extent of recoverability of the aforesaid amounts is presently not ascertainable.
- ii) Sundry Deposits as at 31.03.2022, in Note-5, under the head "Long Term Liabilities" includes Rs.943423 thousand (Rs.949617 thousand) being contribution received from Settlement Guarantee Fund on account of payment crisis in earlier years which is refundable on receipt of settlement amount from defaulting members. The above balance of Rs.949617 thousand was partially contributed by part of corpus in members' base minimum capital amounting to Rs.239081 thousand as well as ad-hoc contribution from certain members amounting to Rs.280690 thousand. Such contribution by members are refundable only out of the money recovered by the Company from the defaulters and such refund shall be subject to resolution of specific issues, which are sub-judice in certain cases.
- During an earlier year, an amount of Rs.13684 thousand, being realization of settlement dues, net of legal expenses, has been distributed on pro-rata basis to the aforesaid contributories, including Settlement Guarantee Fund, excluding Rs.5,030 thousand payable to ad-hoc contributories, which has been kept on hold as per decision taken by the Board.
- iii) In a prior year, the Company had recognized adhoc contribution of Rs.7100 thousand receivable from a member towards Settlement Guarantee Fund. The said contribution is yet to be received and, conse-



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

quently, management has considered it appropriate to adjust the said receivable against balance in Settlement Guarantee Fund. Management will continue to take steps for receipt of such contribution.

- iv) The Company had further received ad-hoc non-refundable contributions aggregating Rs.23992 thousand to the Settlement Guarantee Fund from certain members in earlier years. These had not been utilized for any purpose until date. The amount so contributed is lying in reserves and surplus of Settlement Guarantee Fund.

32. i) Security deposits in cash or securities lying with stock exchange have been transferred to Settlement Guarantee Fund as per the Bye-laws of Settlement Guarantee Fund. Such fixed deposits and shares are deposits of the Settlement Guarantee Fund. The value of such shares of Rs.464171 thousand (Rs.452180 thousand) and fixed deposits of Rs.168273 thousand (Rs.173925 thousand) as at 31.03.2022, have been included in the financial statements under the head of "Other Current Liabilities" and "Other Assets". In the earlier years, the aforesaid fixed deposits and shares were disclosed by way of notes. Out of the fixed deposits for Rs.168273 thousand, Rs.18933 thousand (Rs.17523 thousand) belongs to members under litigation.
- ii) The value of pledged shares for Rs.60176 thousand (Rs.54695 thousand) have not been included in the financial statements and has been disclosed by way of Notes to the standalone financial statement.

**33. Employee Benefits:**

The Company has a defined benefit gratuity plan for its employees. Every employee who has completed five years or more of services is entitled to gratuity on departure @15 days of last drawn salary for each completed year of service. The scheme is funded with the Life Insurance Corporation of India.

Disclosures in accordance with the requirements of Accounting Standard 15 (Revised) are given below.

- i) The principle actuarial assumptions are as follows:

Particulars	2021-22	2020-21
Discount rate	7.00%	6.71%
Salary escalation rate (Inflation rate)	6.50%	6.50%
Withdrawal rates	1.00% - 3.00%	1.00% - 3.00%

- ii) The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The enhance provision made on actuarial valuation prepared on the basis of Payment of Gratuity (Amended) Act, 2018, which came in force w.e.f. 29th March 2018.

- iii) Amount incurred as expenses for defined contribution plans:

(INR in Thousand)

Particulars	2021-22	2020-21
Contribution to Provident/Pension Fund	6461	6402
Contribution to Superannuation Fund	3029	2720
Contribution to National Pension Scheme	1369	1112
Contribution to Employees State Insurance Scheme	13	15

**34. Related party disclosures:**

Name of related parties and related party relationship

**Related parties where control exists**

Subsidiaries (wholly owned)

CSE Capital Markets Private Limited

Lyons Range Securities Clearing Corporation Limited

Trust set-up by the Company

Stock Exchange Investors' Protection Fund



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

Following are the transactions with related parties and the year-end balances:

**Trust set-up by the Company**

(INR in Thousand)

Name	Particulars	2021-22	2020-21
<b>Stock Exchange Investors' Protection Fund</b>	Contribution to Stock Exchange Investors' Protection Fund	5,757	4,656
	Expenses recoverable / incurred on behalf related party	101	179
	Amount paid / (Received)	6,000	5,000
	Amount (payable) outstanding	(2,013)	(2,357)

**Subsidiaries (wholly owned)**

(INR in Thousand)

Name	Particulars	2021-22	2020-21
<b>CSE Capital Markets Private Limited</b>	Expenses incurred on behalf of Subsidiary	5,554	5,948
	Received from Subsidiary	59	3,637
	Expenses payable to subsidiary	855	635
	Amount (payable) / receivable outstanding	6,022	1,382

(INR in Thousand)

Name	Particulars	2021-22	2020-21
<b>Lyons Range Securities Clearing Corporation Limited</b>	Expenses incurred on behalf of Subsidiary	63	11
	Received from Subsidiary	—	1950
	Amount receivable outstanding	84	21

There is no loans or advances in the nature of loan granted to promoters, directors, KMPs and related parties.

35. The Company has paid taxes as per provisions of section 115JB of the Income Tax Act, 1961 in the year 2017-18. However, the Company had not recognized Minimum Alternative Tax (MAT) Credit entitlement of Rs.3045 thousand (after adjusting MAT credit utilized during the current year Rs.2024 thousand) in the absence of convincing evidence to claim the above tax credit in future years.

36. In an earlier year, the demand towards property tax from Kolkata Municipal Corporation in respect of The Calcutta Stock Exchange Building was shown as contingent liability. The Company has made a representation to Kolkata Municipal Corporation to re-assess the property tax payable to them for the said property. Pending re-assessment, the management, during the year, has estimated a liability of Rs.9900 thousand (Rs. 9500 thousand) provided in the standalone financial statements, based on an estimated annual valuation of the property.

**37. Reclassification of Property, Plant and Equipment to Investment Property:**

The original lease deeds of E.M. Bypass land has been deposited in the Alipore Court in respect of the Title Suit No. 298 of 2011 filed by the Company against Chittaranjan Prasad & Others. This title suit 298 of 2011 was subsequently withdrawn by the Company and an application was filed for withdrawal of original lease deeds submitted to the court. However, various other cases were filed by Chittaranjan Prasad & Others claiming to be owner of a portion of those land and on few other matters. In terms of the order received from the learned court, the documents filed by the Company including original lease deeds has been kept under safe custody of the court until the disposal of the case. Based on the management assessment and duly supported with a legal opinion obtained by the management, the outcome of this matter is expected to be in favour of the Company.

The Company in an earlier year had decided to sub lease its lease hold land situated at E.M. Bye-pass and has also received approval from SEBI in this regard. Accordingly, since the above lease hold land is not intended to be occupied substantially for use by, or in the operations of, the Company, this had been reclassified from "Property, Plant and Equipment" disclosed under Note 8A to "Non-Current Investment" as investment property disclosed under Note 9 of these standalone financial statements in an earlier year, in terms of AS-13: Accounting for Investments.

38. In an earlier year, the Company had received intimation from Securities Exchange Board of India (SEBI) regarding initiation of the process of the Compulsory exit of the Company from operating as a stock exchange. Accordingly, the Company had suspended its own stock market including clearing operations with effect from April 3, 2013 and has currently made arrangements with NSE and BSE to enable its members to trade on those exchanges and thereby earn turnover charges from members who are engaged in such trading.

The Company had filed a petition with the Hon'ble High court at Calcutta against the aforesaid decision. In accordance to the directions issued by the Hon'ble High Court at Calcutta, meetings were held between the Company and the SEBI to work out the various matters of concerns. However, such meeting did not yield any

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022**

result and on May 18, 2015, the Company received another intimation from SEBI informing that the process of compulsory exit has been initiated and a valuation agency would be appointed by SEBI for verification and valuation of assets and liabilities of the Stock Exchange.

Pursuant to SEBI's decision to proceed with the process of compulsory exit, the Company had filed a supplementary petition with the Hon'ble High Court at Calcutta seeking relief from such exit. The Company's supplementary petition was dismissed by the Hon'ble High Court at Calcutta, vide order dated April 12, 2016. Being aggrieved by the aforesaid order, the Company filed appeal before a Division Bench of the Hon'ble High Court at Calcutta (the Division Bench) seeking a stay against the exit process initiated by SEBI and other reliefs. The Division Bench vide order dated March 29, 2017 has stayed the exit process initiated by SEBI till the appeals are heard. The Appeal is still pending.

Management believes that the Company's appeal pending before the Division Bench has merits and considers it probable that the decision will be in favour of the Company which is duly supported by a legal opinion obtained. However, Management has also made an internal evaluation and concluded that irrespective of the Hon'ble High Court decision, the Company has sufficient resources to meet its current obligation including arising from past events as on now and foreseeable future. In view of the aforesaid matters, management has considered it appropriate to prepare these financial statements on a going concern basis.

**39. Contribution to Corporate Social Responsibility****(INR in Thousand)**

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Amount required to be spent	201	717
Amount of expenditure incurred	942	Nil
Shortfall at the end of the year	Nil	717
Total of the previous years' shortfall	Nil	717
Reasons for shortfall	Not Applicable	The adverse effect of the lockdown considerably disrupted the administration functioning the Exchange, although the stock exchange operation was not subject to disruption. This is because regulatory approval was only available for functioning of the stock exchange operations.
Nature of CSR activities	Payment to Missionaries of Charity amounting to Rs.225 thousand for Promoting livelihood enhancement projects as well as education among children.	
	Contributed Rs.717 thousand to the "Prime Minister's National Relief Fund".	

40. The company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under. Hence relevant disclosure is not applicable.

41. The company is not declared as wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by Reserve Bank of India.

42. The Company has not entered any transactions with companies struck off under section 248 of the Companies Act, 2013.

43. The Company has not invested or traded in the Crypto Currency or Virtual Currency during the financial year.

**44. Shareholding of the Promoters**

	Shares held by promoters at the end of the year			% of change during the year
Sl No	Promoter Name	No of shares	% of total shared	
Total	Nil	Nil	NA	NA

**25. Ratio Analysis**

The following are analytical ratios for the year ended March 31, 2022, and March 31, 2021



Sr No	Ratio	Numerator	Denominator	31.03.2022	31.03.2021	% Change
1	Current ratio	Current Assets	Current Liabilities	1.37	1.85	-25.83
2	Debt-Equity ratio	Total Debt	Shareholder's Equity	NA	NA	NA
3	Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + non cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	NA	NA	NA
4	Return on Equity ratio %	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.096	-1.045	-109.23
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA	NA	NA
6	Trade Receivable Turnover ratio	Net Credit Sales	Average Accounts Receivable	2.20	1.73	27.07
7	Trade Payable Turnover ratio	Net Credit Purchases	Average Trade Payables	2.51	3.23	-22.25
8	Net Capital Turnover Ratio	Net sales	Working Capital	0.11	0.11	-0.48
9	Net Profit ratio %	Net Profit after tax	Net Sales	2.64	-27.56	-109.57
10	Return capital Employed %	Earnings before interest and taxes	Capital Employed = Tangible Net Worth	0.96	-1.11	-185.94
11	Return on Investment %	Investment Income	Average Investment	0.06	0.07	-2.36

1. Decrease in Current Ratio due to a part of the MSD-FD have been shown in non-current assets, as per respective tenure, but the entire liability of the same have been shown in current.
2. Increases in Return on Equity Ratio, Net Profit Ratio and Return on Capital Employed Ratio are due to net loss, after tax and contributions, in the previous year.

46. Previous year's figures including those given in brackets, have been regrouped/reclassified wherever considered necessary to conform to current year's classification.

As per our Report of even date

**For Ray & Ray**

Chartered Accountants

Firm Registration No. 301072E

per **Abhijit Neogi**

Partner

Membership No. 61380

Place: Kolkata

Date: 15th July, 2022

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

**Anindo Majumdar**  
Director

**Chacko Joseph**  
Director

**Dr. Abhirup Sarkar**  
Director

**Prosenjit Dutta**  
Chief Financial Officer

**Chandrani Datta**  
Company Secretary



## INDEPENDENT AUDITOR'S REPORT

To

The Members of

The Calcutta Stock Exchange Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Calcutta Stock Exchange Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated statement of Profit and Loss and the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as 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 their consolidated state of affairs of the Group as at March 31, 2022, of consolidated profit and its consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

a) Attention is drawn to note 31(i) regarding aggregate amount of Rs. 94.34 crore recoverable from members on account of default in settlement pay-in during 2000-01. Out of this, money suits have

been filed against the defaulters for recovery to the extent Rs. 93.01 crore. As the matter is sub-judice, the extent of recoverability of the amount from defaulters cannot be ascertained at this stage. However, as referred to in Note 31(ii), liabilities side of the Exchange Balance Sheet includes an identical amount of Rs. 94.34 crore already received from Settlement Guarantee Fund. Hence no impact on the financial position of the Exchange is foreseen and as such in the opinion of the management, Exchange's interest stands fully protected

b) We draw attention to note 38 in the consolidated financial statements which fully describes the uncertainties relating to the outcome of the Holding Company's appeal pending before the Division Bench of the Hon'ble High Court of Calcutta. This indicates the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern in respect of its stock exchange operations only. However, management has made an internal evaluation and concluded that irrespective of the Hon'ble High Court's decision the Company has sufficient resources to meet its current obligation including arising from past events as on now and foreseeable future. In view of the aforesaid matters, management has considered it appropriate to prepare these financial statements on a going concern basis.

Our opinion is not modified in respect of these matters.

#### Other Matters

1) We did not audit the financial statements of two subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of Rs 10.89 crore as at March 31, 2022, total revenues of Rs. 0.718 crore, total net profit after tax of Rs 0.1426 crore and net cash flows of Rs.0.5667 Crores for the year ended on March 31, 2022, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management up to 31st March 2022 and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors after considering the requirements of Standard of Auditing (SA 600) on 'using the work of another auditor including materiality' and the procedures performed by us as already stated above.

2) The consolidated financial statements as at and for the year ended March 31, 2022, have been audited by the predecessor auditor.



### Other information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to Board's report, Corporate Governance and Shareholder's information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated 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 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 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 Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of

the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 con-



ditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Group included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company included in the consolidated 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.

#### Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books of account;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the relevant rules issued thereunder.
  - (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 of the Holding Company, and the reports of the statutory auditors of its subsidiaries incorporated in India, 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 internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure – A"**.
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amendment Rules, 2021, 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 the other auditors in case of subsidiaries as noted in the "Other Matters" paragraph:
    - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 26, 31, 36, 37 and 38 to the consolidated financial statements.
    - (ii) The Group 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 the amount, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India.



- (iv) (a) The management of the respective companies included in the Group has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 of the respective companies included in the Group has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 audit procedures respective auditors have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause(a) and (b) contain any material mis-statement.
- (v) No dividend is declared or paid by the Holding Company or any of its subsidiaries during the year.
- 2) None of the separate auditors has expressed modified opinion in their CARO report on standalone financial statements.

For **RAY & RAY**  
Chartered Accountants  
(Firm's Registration No. 301072E)

**(Abhijit Neogi)**  
Partner  
Membership No. 061380  
UDIN: 22061380AOTRQX8413  
Place: Kolkata  
Date: 15th July, 2022



**“Annexure- A” TO INDEPENDENT Auditor’s report**

(Referred to in paragraph 1(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on Financial statements)

**Report on the Internal Financial Control over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Calcutta Stock Exchange Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The respective Board of Director’s of the companies included in the group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on “the internal financial 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with respect to consolidated financial statements.

**Meaning of Internal Financial Controls with reference to Consolidated Statements**

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

**Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements.**

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

### **Opinion**

According to the information and explanations given to us and based on the reports issued by other auditors on internal financial controls financial reporting with reference to consolidated financial statements, in our opinion, the Company has generally maintained in all material respects, an adequate internal financial controls system over financial reporting with reference to consolidated financial statements and such internal financial controls over financial reporting with reference to consolidated 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 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 financial statements insofar as it relates to these 2 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

### **For RAY & RAY**

Chartered Accountants  
(Firm's Registration No. 301072E)

### **(Abhijit Neogi)**

Partner  
Membership No. 061380  
UDIN: 22061380AOTRQX8413  
Place: Kolkata  
Date: 15th July, 2022



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES  
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2022

Particulars	Notes	As at 31st March, 2022 (INR in Thousand)	As at 31st March, 2021 (INR in Thousand)
<b>I. EQUITIES AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUND</b>			
Share Capital	3	619	619
Reserves and Surplus	4	1,935,299	1,853,943
<b>2. NON CURRENT LIABILITIES</b>			
Long Term Liabilities	5	943,423	949,617
<b>3. CURRENT LIABILITIES</b>			
Trade Payables	6	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		9,278	14,314
Other Current Liabilities	6	1,012,600	431,107
Short Term Provisions	7	20,649	23,753
		<b>3,921,868</b>	<b>3,273,353</b>
<b>II. ASSETS</b>			
<b>1. NON CURRENT ASSETS</b>			
Property, Plant and Equipment	8A	279,064	280,346
Intangible Assets	8B	498	465
Non Current Investments	9	272,480	164,583
Deferred Tax Assets (net)	10	6,197	10,968
Loans and Advances	11	1,016,341	1,019,116
Other Assets	15	863,381	896,021
<b>2. CURRENT ASSETS</b>			
Current Investments	12	111,966	167,042
Trade Receivables	13	14,997	13,967
Cash and Bank Balances	14	864,716	674,904
Loans and Advances	11	8,103	8,385
Other Assets	15	484,125	37,556
		<b>3,921,868</b>	<b>3,273,353</b>
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our Report of even date

**For Ray & Ray**

Chartered Accountants

Firm Registration No. 301072E

For and on behalf of the Board of Directors

**Anindo Majumdar**  
Director

**Chacko Joseph**  
Director

**Dr. Abhirup Sarkar**  
Director

per **Abhijit Neogi**

Partner

Membership No. 61380

Place: Kolkata

Date: 15th July, 2022

**Prosenjit Dutta**  
Chief Financial Officer

**Chandrani Datta**  
Company Secretary



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

Particulars	Notes	2021-22		2020-21	
		(INR in Thousand)	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)
<b>Income :</b>					
Revenue from Operations	16		44,380		45,556
Other Income	17		130,271		118,786
<b>Total (I)</b>			<b>174,651</b>		<b>164,342</b>
<b>Expenses :</b>					
Employee Benefits Expense	18		85,174		85,847
Other Expenses (Previous year's figure includes prior period item - Rs.8483 thousand)	19		28,937		48,636
Depreciation and Amortization Expense	20		2,015		2,282
Contribution to SEBI			2,141		2,635
Contribution to Stock Exchange Investors' Protection Fund			5,727		4,613
<b>Total (II)</b>			<b>123,994</b>		<b>144,013</b>
<b>Profit before Tax and contribution to Settlement Guarantee Fund and Investors' Service Fund (III = I-II)</b>			<b>50,657</b>		<b>20,329</b>
<b>Tax Expenses :</b>					
Total Current Tax (Net)					
Pertaining to profit for the current year		7,840		8,095	
Adjustment of tax relating to earlier years		78		-	
MAT Credit utilised during the year (Refer Note no - 35)		(2,024)	5,894	(3,811)	4,284
Deferred Tax			4,771		(4,541)
<b>Total Tax Expense (IV)</b>			<b>10,665</b>		<b>(257)</b>
<b>Profit after tax before contribution to Settlement Guarantee Fund, Investors' Service Fund and apportioned to General Reserve (V = III-IV)</b>			<b>39,992</b>		<b>20,586</b>
Apportioned to General Reserve of Pre-Demutualisation period		7,587	-		-
Less: Tax on above		(2,111)	5,476	-	-
Contribution to Settlement Guarantee Fund (Net of Tax)	21		24,535		23,064
Contribution to Investors' Service Fund (Net of Tax)	22		7,429		8,015
<b>Total of Contributions to Settlement Guarantee Fund, Investors' Service Fund and apportioned to General Reserves of Pre-Demutualisation Period (net of tax) [VI]</b>			<b>37,440</b>		<b>31,079</b>
<b>Profit / (Loss) after tax for the year (V-VI)</b>			<b>2,552</b>		<b>(10,493)</b>
<b>Earnings per equity share</b>					
Basic and Diluted (Rs.)	23		4.18		(17.17)
Nominal value of share (Re.)			1		1
Summary of significant accounting policies	2				

The accompanying notes are an integral part of the consolidated financial statements.

As per our Report of even date

For and on behalf of the Board of Directors

**For Ray & Ray**

Chartered Accountants

Firm Registration No. 301072E

**Anindo Majumdar**  
Director

**Chacko Joseph**  
Director

**Dr. Abhirup Sarkar**  
Director

per **Abhijit Neogi**

Partner

Membership No. 61380

**Prosenjit Dutta**  
Chief Financial Officer

**Chandrani Datta**  
Company Secretary

Place: Kolkata

Date: 15th July, 2022



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

	Particulars	2021-22	2020-21
		(INR in Thousand)	(INR in Thousand)
A.	<b>Cash Flow from Operating Activities</b>		
	Profit before Tax and contribution to Settlement Guarantee Fund, Investors' Service Fund and apportioned to General Reserves of Pre-Demutualisation Period	50,658	20,329
	Adjustment to reconcile profit before tax to net cash flows :-		
	Depreciation and Amortization expense	2,014	2,282
	Loss on sale/discard of property, plant and equipment	4	-
	Provision for Doubtful Debts and Advances	1,196	5,636
	Bad Debts (net of provision)	-	-
	Sundry balance written off	164	6
	Liabilities/Provisions no longer required, written back	(15,109)	(634)
	Interest on Fixed Deposits	(90,794)	(98,114)
	Interest on Bonds	(1,101)	(872)
	Interest on Income Tax Refunds	-	-
	Dividend Income from Investments	(4,235)	(574)
	Profit on sale of Investments	(10,838)	(11,365)
	<b>Operating profit before working capital changes</b>	<b>(68,041)</b>	<b>(83,305)</b>
	<b>Movements in working capital:</b>		
	(Decrease) in Long Term Liabilities	(6,194)	-
	(Decrease)/Increase in Short Term Provisions	(3,136)	10,953
	(Decrease) in Trade Payables	(4,955)	(1,609)
	Increase in Other Current Liabilities	10,014	62,209
	Increase in SGF - Other Current Liabilities on account of Shares and Fixed Deposits of members	632,443	-
	(Increase) in Trade Receivables	(2,225)	(2,305)
	(Increase) in Long Term Loans & Advances	(1,662)	(23,793)
	(Increase) / Decrease in Short Term Loans & Advances	(4,537)	685
	Increase in SGF - Other Assets on account of Shares of members	(464,171)	-
	Increase/(Decrease) in Other Current Assets	901,529	(434)
	<b>Cash used in operations</b>	<b>989,066</b>	<b>(37,598)</b>
	Payment of direct taxes (net)	(279)	(8,194)
	<b>Net Cash used in Operating Activities</b>	<b>988,787</b>	<b>(45,792)</b>
B.	<b>Cash Flow from Investing Activities</b>		
	Proceeds from sale of property, plant and equipment	82	-
	Purchase of property, plant and equipment	(348)	(532)
	Proceeds from Sale of Non Current Investments (net)	-	21,716
	Proceeds from Sale of Current Investments (net)	10,837	(5,122)
	Investment in Mutual Fund	-	(1)
	Dividend income from Investments	4,235	574
	Investment in SGF - Fixed Deposits of members	(98,024)	-
	Investment in SGF - Other Assets on account of Fixed Deposits of members	(70,248)	-
	Investment in Fixed Deposits	(838,220)	(704,618)
	Proceeds from maturity of Fixed Deposits	(106,630)	711,881
	Interest on Fixed Deposits	90,616	87,088
	Interest on Bonds	1,101	872
	<b>Net cash flow from investing activities</b>	<b>(1,006,600)</b>	<b>111,857</b>



## THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022 (Contd.)

Particulars	2021-22	2020-21
	(INR in Thousand)	(INR in Thousand)
<b>C. Cash Flow from Financing Activities</b>		
Dividend Paid on equity shares for earlier years	(1,000)	(1,094)
<b>Net Cash used in Financing Activities</b>	<b>(1,000)</b>	<b>(1,094)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(18,813)</b>	<b>64,972</b>
<b>Cash and Cash Equivalents as at the beginning of the year</b>	<b>115,139</b>	<b>50,168</b>
<b>Cash and Cash equivalents as at the end of the year</b>	<b>96,327</b>	<b>115,139</b>

**Components of Cash & Cash Equivalents**

	2021-22	2020-21
Cash on hand	15	20
Cheques / Drafts on hand	-	-
Balance with Scheduled Banks on Current Account		
Own Fund	88,405	95,557
Investors' Service Fund *	787	1,326
Settlement Guarantee Fund *	1,309	11,426
Unpaid Dividend Account **	5,811	6,811
	<b>96,327</b>	<b>115,139</b>

\* These can be utilised only towards the pupose of the respective funds (Refer Note no.14)

\*\* These can be utilised only towards settlement of the respective unpaid dividend (Refer Note no.14)

Summary of significant accounting policies (Refer Note 2)

The accompanying notes are an integral part of the consolidated financial statements.

As per our Report of even date

**For Ray & Ray**

Chartered Accountants

Firm Registration No. 301072E

per **Abhijit Neogi**

Partner

Membership No. 61380

Place: Kolkata

Date: 15th July, 2022

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

**Anindo Majumdar**  
Director

**Chacko Joseph**  
Director

**Dr. Abhirup Sarkar**  
Director

**Prosenjit Dutta**  
Chief Financial Officer

**Chandrani Datta**  
Company Secretary



## THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

**NOTE – 1: Principles of Consolidation**

- (i) The Consolidated Financial Statements present the consolidated Accounts of The Calcutta Stock Exchange Limited (“the Company”) and its following Subsidiaries (collectively the “Group”):

Name of the Subsidiaries	Country of Incorporation	Proportion of Ownership / interest	
		As at March 31, 2022	As at March 31, 2021
CSE Capital Markets Private Limited	India	100%	100%
Lyons Range Securities Clearing Corporation Ltd	India	100%	100%

- (ii) The financial statements of the Company and its subsidiaries have been consolidated in terms of Accounting Standard- 21, “Consolidated Financial Statements” on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and any unrealized profit/loss included therein.
- (iii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and are presented to the extent possible in the same manner as the Company’s separate financial statements.
- (iv) The excess/shortfall of cost to the Company of its investments in the subsidiary companies is recognized in the financial statements as goodwill/ capital reserve as the case may be.
- (v) Minority interest in the net asset of subsidiaries consists of:
- The amount of Equity attributable to minority at the date on which investment in a subsidiary is made.
  - Minority’s share of movements in equity since the date parent subsidiary relationship came into existence.

earned from the investments from the corpus of the Holding Company’s Settlement Guarantee fund net of certain permitted expenses to that fund. Similarly, in accordance with directions received from SEBI, the Holding Company is also required to transfer income earned from investments from the corpus of the Investor Service Funds (ISF) net of permitted expenses to that fund. Taking into consideration the Holding Company’s obligation to transfer such net income to those funds, such transfers have been recognized as charge in the Profit & Loss Account.

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous years.

**NOTE – 2: Summary of Significant Accounting Policies****i) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liability in future periods.

**ii) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The Group collects goods and services tax (GST) on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Revenue in respect of services rendered is recognized when the service is rendered and there is certainty of realization.

Revenue from Listing Fees and Subscription Fees are recognized when there is reasonable certainty of its ultimate realization/collection.

**NOTE – 1.1: Basis of preparation of Accounts**

The consolidated financial statements of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Group has prepared these consolidated financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention. In accordance with clause 7 of the Chapter-XVII of the Bye-Laws of the Holding Company on Composition of Settlement Guarantee Fund (SGF) and directions received from the Security Exchange board of India (SEBI), the Holding Company is required to transfer all the income



### Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.

### Dividend

Dividend income is recognized when the Group's right to receive payment is established by the reporting date.

### iii) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

### iv) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment has been provided on the written down value method as per the rates prescribe under Schedule – II of the Companies Act, 2013 which is in accordance with management estimates for the useful life of the underlying assets. Depreciation on Property, Plant and Equipment added/disposed-off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### v) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Software costs related to computers are amortized on straight line basis over a period of six years from the date the asset become available for use.

### vi) Impairment of property, plant and equipments and intangible assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on internal/

external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and value in use of the assets. The estimated future cash flows considered for determining the value in use, are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risk specific to the asset.

### vii) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### Investment Property:

An investment in land, which is not intended to be occupied substantially for use by, or in the operations of, the Group, is classified as investment property. Investment properties are stated at cost, net of accumulated amortization and accumulated impairment losses, if any.

The cost comprises purchase price and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Investment Property comprising of the leasehold land is amortized over the period of lease, i.e. 99 years.

On disposal of an investment property, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### viii) Taxes

Tax expense comprises current and deferred tax. Current income tax is measured as the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in



India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forwarded tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e.,

the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

**ix) Retirement and other Employee Benefits**

a) Retirement benefit in the form of provident fund and superannuation fund are defined contribution scheme. The Group has no obligation, other than the contribution payable to such funds. The Group recognizes contribution payable to these funds as an expenditure, when an employee renders the related service. If the contribution payable to the funds for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the funds are recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) The Group operates two defined benefit plans for its employees, viz., Gratuity and leave liability. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit



method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

- c) Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss immediately.

**x) Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to the equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

**xi) Provisions**

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the

obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect to current best estimates.

**xii) Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize the contingent liability but discloses its existence in the financial statements.

**xiii) Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand.

**THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022**

**NOTE – 3 : Share Capital**

Particulars	As at 31st March, 2022 (INR in Thousand)	As at 31st March, 2021 (INR in Thousand)
<b>a) AUTHORISED SHARES :</b> 10,00,00,000 (31st March 2020 : 10,00,00,000) equity shares of Re.1 each	100,000	100,000
<b>b) ISSUED SHARES :</b> 6,18,750 (31st March 2020 : 6,18,750) equity shares of Re.1 each	619	619
<b>c) SUBSCRIBED &amp; PAID UP SHARES :</b> 6,11,250 (31st March 2020 : 6,11,250) equity shares of Re.1 each fully paid up	611	611
<b>Add : Forfeited Shares:</b> 7,500 (31st March 2020 : 7,500) equity shares paid up of Re.1 each	8	8
	<b>619</b>	<b>619</b>

**A. Terms / rights attached to equity shares :**

The Company has only one class of equity shares having par value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

**B. There are no individual shareholders who are holding more than 5% shares in the Company.**



## THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

## NOTE – 4 : Reserve and Surplus

Particulars	As at 31st March, 2022 (INR in Thousand)	As at 31st March, 2021 (INR in Thousand)
<b>I. Own Fund</b>		
<b>Capital Reserve - Pre-Demutualisation period</b>	<b>619</b>	<b>619</b>
<b>Securities Premium Account</b>		
Pre-Demutualisation period	3,015	3,015
Post-Demutualisation period	631,778	631,778
<b>Total Securities Premium Account</b>	<b>634,793</b>	<b>634,793</b>
<b>Development Fee Fund - Pre-Demutualisation period</b>	<b>134,050</b>	<b>134,050</b>
<b>General Reserve</b>		
<b>Pre-Demutualisation period</b>		
Opening balance as on April 1	502,400	502,400
Addition during the year	5,476	-
Closing balance as on March 31	<b>507,876</b>	<b>502,400</b>
<b>Post-Demutualisation period</b>		
Opening balance as on April 1	51,415	51,415
Closing balance as on March 31	<b>51,415</b>	<b>51,415</b>
<b>Total General Reserve</b>	<b>559,291</b>	<b>553,815</b>
<b>Surplus in the Statement of Profit and Loss - Post-Demutualisation period</b>		
(Loss) / Profit for the year	1,318 2,552	11,811 (10,493)
<b>Net surplus in the Statement of Profit and Loss</b>	<b>3,870</b>	<b>1,318</b>
<b>Total of own fund</b>	<b>1,332,623</b>	<b>1,324,595</b>
<b>II. Investors' Service Fund - Post-Demutualisation period</b>		
Opening balance as on April 1	106,282	98,267
Addition during the year (Refer Note no.-22)	7,443	8,031
Deductions/adjustments during the year (Refer Note no.-22)	(14)	(16)
<b>Total of Investors' Service Fund</b>	<b>113,711</b>	<b>106,282</b>



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 4 : Reserve and Surplus (Contd.)

Particulars	As at 31st March, 2022 (INR in Thousand)	As at 31st March, 2021 (INR in Thousand)
<b>III. Settlement Guarantee Fund - Post-Demutualisation period</b>		
<b>Settlement Guarantee Fund for CSE-NSE Cash Segment</b>		
Opening balance as on April 1	10,301	10,273
Addition during the year (Refer Note no. 21)	34	28
Closing balance as on March 31	<b>10,335</b>	<b>10,301</b>
<b>Settlement Guarantee Fund for CSE-NSE Future and Option Segment</b>		
Opening balance as on April 1	10,548	10,508
Addition during the year (Refer Note no. 21)	43	40
Closing balance as on March 31	<b>10,591</b>	<b>10,548</b>
<b>Settlement Guarantee Fund for CSE-BSE Cash Segment</b>		
Opening balance as on April 1	10,261	10,251
Addition during the year (Refer Note no. 21)	11	10
Closing balance as on March 31	<b>10,272</b>	<b>10,261</b>
<b>Settlement Guarantee Fund for CSE-BSE Future and Option Segment</b>		
Opening balance as on April 1	10,007	10,007
Closing balance as on March 31	<b>10,007</b>	<b>10,007</b>
<b>Settlement Guarantee Fund Initial Membership Fees</b>		
Opening balance as on April 1	260	260
Closing balance as on March 31	<b>260</b>	<b>260</b>
<b>Settlement Guarantee Fund (Governed by the Bye-Laws of the Settlement Guarantee Fund of the Exchange)</b>		
Opening balance as on April 1	381,689	358,703
Addition during the year [Net (Refer Note no. 21)]	24,447	22,986
Liabilities related to Settlement Guarantee Fund, written back [Refer Note - 27 (e) & (f)]	41,364	-
Closing balance as on March 31	<b>447,500</b>	<b>381,689</b>
<b>Total of Settlement Guarantee Fund</b>	<b>488,965</b>	<b>423,066</b>
<b>Total of I+II+III</b>	<b>1,935,299</b>	<b>1,853,943</b>

NOTE – 5 : Long Term Liabilities

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Pre-Demutualisation Period (INR in Thousand)	Post Demutualisation Period (INR in Thousand)	Total (INR in Thousand)	Pre-Demutualisation Period (INR in Thousand)	Post Demutualisation Period (INR in Thousand)	Total (INR in Thousand)
Sundry Deposits [Refer Note no.31(ii) & 31 (iii)]	943,423	-	943,423	949,617	-	949,617
	943,423	-	943,423	949,617	-	949,617



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 6 : Trade Payables and Other Current Liabilities

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Pre-Demutalisation Period	Post Demutalisation Period	Total	Pre-Demutalisation Period	Post Demutalisation Period	Total
	INR in Thousand	INR in Thousand	INR in Thousand	INR in Thousand	INR in Thousand	INR in Thousand
<b>Trade Payables</b>						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	9,278	9,278	-	14,314	14,314
	-	9,278	9,278	-	14,314	14,314
<b>Other Liabilities :</b>						
Sundry Deposits	11,667	21,234	32,901	21,689	57,947	79,636
<b>Members' Security Deposits for Base Capital Requirements [Refer Note no.32]</b>						
<b>Settlement Guarantee Fund:</b>						
In cash	-	196,666	196,666	-	200,304	200,304
In fixed deposits	-	168,273	168,273	-	-	-
[(As on 31.03.2021 - Rs.1,73,925 thousand) Refer Note-32]	-	168,273	168,273	-	-	-
In shares [(As on 31.03.2021 - Rs.3,97,485 thousand) Refer Note-32]	-	464,171	464,171	-	-	-
<b>Members' deposit for additional base capital requirement and margin in Cash</b>	-	140,661	140,661	-	138,754	138,754
<b>Payable to related party:</b>						
[Refer Note no.34]						
Stock Exchange Investors' Protection Fund	-	2,013	2,013	-	2,350	2,350
Statutory Dues	-	2,104	2,104	-	3,253	3,253
Unclaimed Dividend	-	5,811	5,811	-	6,810	6,810
	11,667	1,000,933	1,012,600	21,689	409,418	431,107
	11,667	1,010,211	1,021,878	21,689	423,732	445,421

Note: Based on the information/documents available, no creditor is covered under the Micro, Small and Medium Enterprises Development Act, 2006 and hence no disclosure thereof is required to be made.

Annexure to Note - 6: Trade Payable Ageing Schedule

INR in Thousand

Particulars	Outstanding for following periods from the due date of payments					
	< 6 mths	6 mths - 1 year	1-2 years	2-3 years	> 3 years	TOTAL
(i) <b>MSME</b>						
As at March 31, 2022	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-	-
(ii) <b>Others</b>						
As at March 31, 2022	6,185	306	50	618	2,119	9,278
As at March 31, 2021	6,373	178	86	1,026	6,651	14,314
(iii) <b>Disputed Dues - MSME</b>						
As at March 31, 2022	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-	-
(iii) <b>Disputed Dues - Others</b>						
As at March 31, 2022	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-	-
<b>Total as at March 31, 2022</b>	<b>6,185</b>	<b>306</b>	<b>50</b>	<b>618</b>	<b>2,119</b>	<b>9,278</b>
<b>Total as at March 31, 2021</b>	<b>6,373</b>	<b>178</b>	<b>86</b>	<b>1,026</b>	<b>6,651</b>	<b>14,314</b>

NOTE – 7 : Short Term Provisions

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR in Thousand	INR in Thousand
<b>Provision for Employee Benefits:</b>		
Leave	7,259	8,135
Provision for Gratuity [Refer Note no.33]	2,033	3,894
<b>Other Provisions:</b>		
CSR Expenses	1,434	2,151
Property Tax	9,900	9,500
Income Tax	23	73
	<b>20,649</b>	<b>23,753</b>



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

(INR in Thousand)										
Cost or Valuation	Freehold Land	Building	Electrical Equipments	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total		
<b>ASSETS OF PRE-DEMUTUALISATION PERIOD :</b>										
At 1st April 2020	415	2,157	12,701	6,813	8,389	-	162,280	192,755		
At 31st March 2021	415	2,157	12,701	6,813	8,389	-	162,280	192,755		
Disposals/Adjustment	-	-	-	-	1,347	-	-	1,347		
At 31st March 2022	415	2,157	12,701	6,813	7,042	-	162,280	191,408		
<b>Depreciation</b>										
At 1st April 2020	-	1,653	12,086	6,521	8,034	-	161,560	189,854		
Charge For the Year	-	22	-	-	-	-	-	22		
At 31st March 2021	-	1,675	12,086	6,521	8,034	-	161,560	189,876		
Charge For the Year	-	21	-	-	-	-	-	21		
Disposals/Adjustment	-	-	-	-	1,279	-	-	1,279		
At 31st March 2022	-	1,696	12,086	6,521	6,755	-	161,560	188,618		
<b>Net Block</b>										
At 31st March 2021	415	482	615	292	355	-	720	2,879		
At 31st March 2022	415	461	615	292	287	-	720	2,790		
<b>ASSETS OF POST-DEMUTUALISATION PERIOD :</b>										
At 1st April 2020	269,000	11,729	6,947	5,604	3,026	1,824	21,385	319,515		
Additions	-	-	19	-	28	-	485	532		
At 31st March 2021	269,000	11,729	6,966	5,604	3,054	1,824	21,870	320,047		
Additions	-	-	21	-	36	-	106	163		
Disposals/Adjustment	-	-	54	-	91	-	173	318		
At 31st March 2022	269,000	11,729	6,933	5,604	2,999	1,824	21,803	319,892		
<b>Depreciation</b>										
At 1st April 2020	-	5,870	5,855	5,045	2,870	1,283	20,035	40,958		
Charge For the Year	-	571	291	148	12	170	430	1,622		
At 31st March 2021	-	6,441	6,146	5,193	2,882	1,453	20,465	42,580		
Charge For the Year	-	515	219	109	20	117	358	1,338		
Disposals/Adjustment	-	-	48	-	87	-	165	300		
At 31st March 2022	-	6,956	6,317	5,302	2,815	1,570	20,658	43,618		
<b>Net Block</b>										
At 31st March 2021	269,000	5,288	820	411	172	371	1,405	277,467		
At 31st March 2022	269,000	4,773	616	302	184	254	1,145	276,274		
<b>Total Net Block</b>										
At 31st March 2021	269,415	5,770	1,435	703	527	371	2,125	280,346		
At 31st March 2022	269,415	5,234	1,231	594	471	254	1,865	279,064		

NOTE - 8A : Property, Plant and Equipment



## THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

## NOTE – 8B : Intangible Assets

(INR in Thousand)

Particulars	Computer Softwares	Total
<b>ASSETS OF PRE-DEMUTUALISATION PERIOD :</b>		
<b>Gross Block</b>		
At 1st April 2020	30,036	30,036
At 31st March 2021	30,036	30,036
At 31st March 2022	30,036	30,036
<b>Amortization</b>		
At 1st April 2020	30,036	30,036
At 31st March 2021	30,036	30,036
Charge For the Year	-	-
At 31st March 2022	30,036	30,036
<b>Net Block</b>		
At 31st March 2021	-	-
At 31st March 2022	-	-
<b>ASSETS OF POST-DEMUTUALISATION PERIOD :</b>		
<b>Gross Block</b>		
At 1st April 2020	5,840	5,840
At 31st March 2021	5,840	5,840
Additions	185	185
At 31st March 2022	6,025	6,025
<b>Amortization</b>		
At 1st April 2020	5,242	5,242
Charge For the Year	133	133
At 31st March 2021	5,375	5,375
Charge For the Year	152	152
At 31st March 2022	5,527	5,527
<b>Net Block</b>		
At 31st March 2021	465	465
At 31st March 2022	498	498
<b>Total Net Block</b>		
At 31st March 2021	465	465
At 31st March 2022	498	498



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 9 : Non Current Investments (At Cost)

Particulars	As at 31st March, 2022 (INR in Thousand)	As at 31st March, 2021 (INR in Thousand)
<b>INVESTMENT PROPERTY</b> (at cost less accumulated amortization) (Refer Note No.- 37)		
<b>Pre-Demutualisation Period</b>		
Cost of leasehold land	49,667	49,667
Less : Accumulated amortization	(10,595)	(10,091)
<b>Net Block</b>	<b>39,072</b>	<b>39,576</b>
<b>INVESTMENTS OF PRE-DEMUTUALISATION PERIOD</b>		
<b>Non-trade (valued at cost unless stated otherwise)</b>		
<b>Debentures - Quoted</b>		
117 (31st March 2021 : 117) debentures of Rs.100 each fully paid up of 15% Bengal Paper Mills Co Ltd	-	-
(Since the market value is not available, the same has been valued at Re.1)	-	-
<b>INVESTMENTS OF POST-DEMUTUALISATION PERIOD</b>		
<b>Non-Trade (valued at cost unless stated otherwise)</b>		
<b>Equity shares - Quoted</b>		
400 (31st March 2021: 400) equity shares of Rs.10 each fully paid up of Beeyu Overseas Ltd	7	7
<b>Investments in fixed maturity mutual funds - Unquoted</b>		
5,00,000 (31st March 2021 : 5,00,000) units of Rs.10 each fully paid up of Aditya Birla Sun Life Fixed Term Plan-Series SN (1099 days) - Direct Growth	5,000	5,000
<b>Investments in Government of India Securities - Quoted</b>		
2,00,000 (31st March 2021 : Nil) units of Rs.100 each GOVT OF INDIA#ZERO COUPON (NI) 6.99% GS 2051-15.12.2051	19,823	-
1,20,000 (31st March 2021 : Nil) units of Rs.100 each GOVT OF INDIA#ZERO COUPON (NI) 6.67% GS 2050-16.12.2050	11,638	-
35,000 (31st March 2021 : Nil) units of Rs.100 each GOVT OF INDIA#ZERO COUPON (NI) 6.76% GS 2061-15.12.2061	3,440	-
<b>Investments in Fixed Deposits with Financial Institution - Unquoted</b>		
LIC Housing Finance Ltd	-	45,000
PNB Housing Finance Ltd	1,93,500	70,000
<b>Settlement Guarantee Fund</b>		
PNB Housing Finance Ltd	-	5,000
	<b>2,33,408</b>	<b>1,25,007</b>
	<b>2,72,480</b>	<b>1,64,583</b>

Aggregate cost of Investments:

Quoted	34,908	7
Unquoted	1,98,500	1,25,000
Value of investment property	39,072	39,576
Market value of quoted investments	34,901	-
Net asset value of mutual fund units	6,235	5,985



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 10 : Deferred Tax Assets (Net)

Particulars	As at 31st March, 2022 (INR in Thousand)	As at 31st March, 2021 (INR in Thousand)
<b>Deferred Tax Liability</b>		
Impact of expenditure allowed for tax purposes on payment basis in the current year	-	-
<b>Gross Deferred Tax Liability</b>	-	-
<b>Deferred Tax Asset</b>		
Provision for doubtful debts and advances	1,586	6,275
Property, Plant and Equipment: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	428	524
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	4,183	4,169
<b>Gross Deferred Tax Asset</b>	<b>6,197</b>	<b>10,968</b>
<b>Net Deferred Tax Asset</b>	<b>6,197</b>	<b>10,968</b>

NOTE – 11 : Loans and Advances (Unsecured, Considered good unless stated otherwise)

Particulars	Non-Current		Current	
	As at 31st March, 2022 (INR in Thousand)	As at 31st March, 2021 (INR in Thousand)	As at 31st March, 2022 (INR in Thousand)	As at 31st March, 2021 (INR in Thousand)
Receivable from defaulting members [Refer Note No.- 31(i)]	9,43,424	9,49,617	-	-
	<b>9,43,424</b>	<b>9,49,617</b>	-	-
<b>Receivable from related party:</b> [Refer Note No.- 34]				
Stock Exchange Investors' Protection Fund	-	-	8	-
	-	-	<b>8</b>	-
<b>Advance Income Tax and Tax Deducted at Source</b>				
Considered good [Net of provision Rs.1,09,362 thousand (31st March 2021 Rs.1,16,188 thousand)]	64,794	60,358	284	211
Considered doubtful	3,311	3,311	-	-
	68,105	63,669	284	211
Less : Provision for doubtful advance	(3,311)	(3,311)	-	-
	<b>64,794</b>	<b>60,358</b>	<b>284</b>	<b>211</b>
Prepaid expenses	-	-	3,059	3,769
Loan to employees - Interest bearing	7,776	8,793	2,693	2,885
Balances with statutory/ government authorities	-	-	42	6
	<b>7,776</b>	<b>8,793</b>	<b>5,794</b>	<b>6,660</b>
<b>Receivable from others</b>				
Considered good	347	348	2,017	1,514
Considered doubtful	1,183	1,183	-	-
	1,530	1,531	2,017	1,514
Less : Provision for doubtful advances	(1,183)	(1,183)	-	-
	<b>347</b>	<b>348</b>	<b>2,017</b>	<b>1,514</b>
	<b>10,16,341</b>	<b>10,19,116</b>	<b>8,103</b>	<b>8,385</b>



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 12 : Current Investments

Particulars	As at 31st March, 2022 (INR in Thousand)	As at 31st March, 2021 (INR in Thousand)
<b>INVESTMENTS OF POST-DEMUTUALISATION PERIOD (Valued at lower of cost and fair value)</b>		
<b>Non - Trade</b>		
<b>Investments in mutual funds - Unquoted</b>		
Nil (31st March 2021: 15,725) units of Rs.1,112.88 each fully paid up of Aditya Birla Sun Life Overnight Fund - Growth Direct Plan	-	17,500
Nil (31st March 2021 : 2,60,226) units of Rs.269 each fully paid up of Aditya Birla Sun Life Floating Rate Fund - Growth Direct Plan	-	70,000
9,99,950 (31st March 2021: Nil) units of Rs.10 each fully paid up of Aditya Birla Sun Life Nifty SDL April 2027 Index Fund - Direct Growth	10,000	-
60,548 (31st March 2021: 60,548) units of Rs.19.64 each fully paid up of Aditya Birla Sun Life Interval Income Fund - Qrtly Plan- Series 1 Growth- Direct Plan *	1,189	1,189
1,55,804 (31st March 2021: 1,55,804) units of Rs.10 each fully paid up of Baroda Banking and PSU Bond Fund - Direct Plan Growth *	1,638	1,558
Nil (31st March 2021: 8,162) units of Rs.1,044.65 each fully paid up of Franklin India Overnight Fund - Direct - Growth	-	8,527
Nil (31st March 2021: 2,35,481) units of Rs.110.41 each fully paid up of Nippon India Overnight Fund - Direct Growth Plan	-	26,000
Nil (31st March 2021 : 583 ) units of Rs.2,232.24 each fully paid up of Axis Liquid Fund - Direct Growth	-	1,301
20,032 (31st March 2021 : 18,670 ) units of Rs.1,123.20 each fully paid up of Axis Overnight Fund - Direct Growth	22,500	20,300
20,085 (31st March 2021: Nil) units of Rs.1,075.97 each fully paid up of BOI-AXA Overnight Fund - Direct Plan - Growth	21,611	-
28 (31st March 2021: 27) units of Rs.1,008 each fully paid up of Nippon India Low Duration Fund - Daily Dividend Plan Dividend Reinvestment	28	27
<b>Investments in fixed maturity mutual funds - Unquoted</b>		
Nil (31st March 2021: 10,00,000) units of Rs.10 each fully paid up of Aditya Birla Sun Life Fixed Term Plan -Series OY (1218 days) - Direct Growth	-	10,000
<b>Bonds - Quoted</b>		
Nil (31st March 2021: 5,696) 8.2% Bonds of Rs.1,000 each fully paid up of 10 years Power Finance Corporation Ltd (N4 Series)	-	5,696
Nil (31st March 2021: 4,944) 8.2% Bonds of Rs.1,000 each fully paid up of 10 years National Highways Authority of India (N1 Series)	-	4,944
<b>Investments in Fixed Deposits with Financial Institution - Unquoted</b>		
<b>Settlement Guarantee Fund</b>		
PNB Housing Finance Ltd	5,000	-
<b>Own Fund</b>		
LIC Housing Finance Ltd	45,000	-
PNB Housing Finance Ltd	5,000	-
	<b>1,11,966</b>	<b>1,67,042</b>

\* Investment out of Investors' Service Fund

\*\* Investment out of Settlement Guarantee Fund

**Aggregate cost of Investments:**

Quoted	-	10,640
Unquoted	1,11,966	1,56,402
Net asset value of mutual fund units	57,542	11,402
Market value of quoted investments	-	1,60,263



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 13 : Trade Receivables

Particulars	As 31st March, 2022		As at 31st March, 2021	
	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)
Secured, Considered good	5,145		676	
Unsecured Considered good	9,852		13,291	
Unsecured, Considered doubtful	4,012		20,869	
	19,009		34,836	
Less: Provision for Doubtful Debts	(4,012)	14,997	(20,869)	13,967
		<b>14,997</b>		<b>13,967</b>

Ageing of Trade Receivables

(INR in Thousand)

Particulars	Outstanding for following periods from the due date of payments					
	< 6 mths	6 mths - 1 year	1-2 years	2-3 years	> 3 years	TOTAL
Undisputed – considered good						
As at March 31, 2022	1,797	6,686	4,971	1,395	148	<b>14,997</b>
As at March 31, 2021	2,066	5,683	4,339	1,475	404	<b>13,967</b>
Undisputed – considered doubtful						
As at March 31, 2022	-	-	-	1,196	2,816	<b>4,012</b>
As at March 31, 2021	-	-	-	-	20,869	<b>20,869</b>
Disputed - considered good						
As at March 31, 2022	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-	-
Disputed - considered doubtful						
As at March 31, 2022	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>1,797</b>	<b>6,686</b>	<b>4,971</b>	<b>2,591</b>	<b>2,964</b>	<b>19,009</b>
<b>As at March 31, 2021</b>	<b>2,066</b>	<b>5,683</b>	<b>4,339</b>	<b>1,475</b>	<b>21,273</b>	<b>34,836</b>



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 14 : Cash and Bank Balances

Particulars	Non-Current		Current	
	As at 31st March, 2022 (INR In Thousand)	As at 31st March, 2021 (INR In Thousand)	As at 31st March, 2022 (INR In Thousand)	As at 31st March, 2021 (INR In Thousand)
<b>a. CASH AND CASH EQUIVALENTS</b>				
Balance with Scheduled Banks on current accounts:				
Own Fund	-	-	88,405	95,556
Investors' Service Fund	-	-	787	1,326
Settlement Guarantee Fund	-	-	1,309	11,426
Unpaid Dividend Account	-	-	5,811	6,811
Cash on hand	-	-	15	20
	-	-	<b>96,327</b>	<b>1,15,139</b>
<b>b. OTHER BANK BALANCES</b>				
<b>Fixed deposits with remaining maturity of not less than 12 months :</b>				
<b>Pre-Demutualisation Period</b>				
Own Funds *	11,667	21,689	-	-
<b>Post-Demutualisation Period</b>				
Own Funds	3,08,241	4,64,679	-	-
Earmarked Funds:				
Settlement Guarantee Fund	2,77,900	1,85,056	-	-
Investors' Service Fund	43,250	76,399	-	-
<b>Fixed deposits with remaining maturity for less than 12 months :</b>				
<b>Post-Demutualisation Period</b>				
Own Funds	-	-	4,07,500	2,70,720
Earmarked Funds:				
Settlement Guarantee Fund	-	-	1,87,967	2,57,295
Investors' Service Fund	-	-	74,898	31,750
	<b>6,41,058</b>	<b>7,47,823</b>	<b>6,70,365</b>	<b>5,59,765</b>
<b>Members deposits for Base Capital Requirement Settlement Guarantee Fund</b>				
<b>Fixed deposits with remaining maturity of not less than 12 months :</b>				
In Fixed Deposits [(As on 31.03.2021 - Rs.77,652 thousand) Refer Note-32]	70,249	-	-	-
<b>Fixed deposits with remaining maturity for less than 12 months :</b>				
In Fixed Deposits [(As on 31.03.2021 - Rs.96,273 thousand) Refer Note-32]	-	-	98,024	-
	<b>70,249</b>	<b>-</b>	<b>98,024</b>	<b>-</b>
	<b>7,11,307</b>	<b>7,47,823</b>	<b>8,64,716</b>	<b>6,74,904</b>
Amount disclosed under Non-current assets (Refer Note 15)	(7,11,307)	(7,47,823)	-	-
	<b>-</b>	<b>-</b>	<b>8,64,716</b>	<b>6,74,904</b>
<b>* Appropriated out of total year end fixed deposits to the extent of year end net liabilities pertaining to pre-demutualisation period.</b>				
<b>Details of fixed deposits lien marked (included above)</b>				
<b>Deposits with remaining maturity of not less than 12 months pledged with :</b>				
Indian Clearing Corporation Limited (ICCL) *	70,400	3,27,100		
HDFC Bank Ltd **	63,299	83,651		
BSE Ltd *	1,500	1,500		
<b>Deposits with remaining maturity for less than 12 months pledged with :</b>				
Indian Clearing Corporation Limited (ICCL) *			1,96,000	
HDFC Bank Ltd **			21,352	
	<b>1,35,199</b>	<b>4,12,251</b>	<b>2,17,352</b>	<b>-</b>
Deposits with remaining maturity of not less than 12 months [Refer Note no.26(g)]	17,716	17,716		
Deposits with remaining maturity for less than 12 months [Refer Note no.26(g)]	<b>17,716</b>	<b>17,716</b>	<b>-</b>	<b>-</b>



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 15 : Other Assets (Unsecured, considered good unless stated otherwise)

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)
<b>Non-current bank balances (Refer Note no. 14)</b>	<b>7,11,307</b>	<b>7,47,823</b>	-	-
<b>Security Deposits</b>				
Considered good	1,48,901	1,45,403	1,511	-
Considered doubtful	506	506	-	-
Less : Provision for doubtful deposits	1,49,407 (506)	1,45,909 (506)	1,511	-
	<b>1,48,901</b>	<b>1,45,403</b>	<b>1,511</b>	-
<b>Other receivables</b>				
Secured, Considered good				
Rent & Electricity	-	-	3,874	3,195
Others	-	-	103	153
	-	-	<b>3,977</b>	<b>3,348</b>
<b>Members deposits for Base Capital Requirement Settlement Guarantee Fund</b>				
In shares [(As on 31.03.2021 - Rs.3,97,485 thousand) Refer Note-32]	-	-	4,64,171	-
	-	-	<b>4,64,171</b>	-
<b>Interest accrued on fixed deposits:</b>				
Own Funds	2,469	2,338	7,106	14,048
Settlement Guarantee Fund	103	92	6,414	19,182
Investors' Service Fund	601	365	571	563
<b>Interest accrued on investments in bonds:</b>				
Own Funds	-	-	375	415
	<b>3,173</b>	<b>2,795</b>	<b>14,466</b>	<b>34,208</b>
	<b>8,63,381</b>	<b>8,96,021</b>	<b>4,84,125</b>	<b>37,556</b>

NOTE – 16 : Revenue from Operations

Particulars	2021-22	2020-21
	(INR in Thousand)	(INR in Thousand)
<b>SALE OF SERVICES :</b>		
Turnover charges on other trading platform	3,941	2,903
Listing fees	18,283	22,468
Subscriptions	1,501	1,590
Processing charges	11,149	10,598
Income from depository participant operation	1,691	1,561
Commission on PAN services	-	12
<b>Other operating revenue :</b>		
Bad debts recovered		
- Listing	1,632	2,385
Recovery of penal charges from clients	4,933	3,713
Income from NISM Operation	1,225	326
Technology charges from new members	25	-
	<b>44,380</b>	<b>45,556</b>



## THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

## NOTE – 17 : Other Income

Particulars	2021-22	2020-21
	(INR in Thousand)	(INR in Thousand)
Interest on fixed deposits of Investors' Service Fund	6,550	6,184
Interest on fixed deposits of Settlement Guarantee Fund	27,361	31,826
	<b>33,911</b>	<b>38,010</b>
Interest income on own fund:		
Fixed deposits	56,882	60,104
Tax Free PSU bonds	726	872
Government Securities	375	-
Security deposit with CESC Ltd	152	141
Security deposit with National Stock Exchange of India Ltd	-	49
Security deposit with Indian Clearing Corporation Ltd	1,302	-
Income Tax refunds	-	2
Interest on delayed payment of listing fees	3,026	2,841
Others	1,262	1,290
	<b>63,725</b>	<b>65,299</b>
Profit on sale of Current investments	8,032	6,261
Profit on sale of Current investments of Investors' Service Fund	80	391
Profit on sale of Current investments of Settlement Guarantee Fund	-	468
Profit on sale of Long term investments	2,726	4,245
	<b>10,838</b>	<b>11,365</b>
Dividend income from investments:		
Long term investments of own fund	-	565
Current investments of own fund	4,235	9
	<b>4,235</b>	<b>574</b>
Other Income:		
Rent	1,329	1,103
Tenancy right transfer fees	-	553
Miscellaneous receipts	1,123	1,248
Liabilities/Provisions no longer required, written back	15,110	634
	<b>17,562</b>	<b>3,538</b>
	<b>1,30,271</b>	<b>1,18,786</b>

## NOTE – 18 : Employee Benefits Expense

Particulars	2021-22	2020-21
	(INR in Thousand)	(INR in Thousand)
Salaries, bonus etc.	69,720	69,446
Contribution to provident and other funds [Refer Note no.33(iii)]	10,871	10,249
Gratuity Expense [Refer Note no.33]	1,841	3,058
Staff welfare Expense	2,742	3,094
	<b>85,174</b>	<b>85,847</b>



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE – 19 : Other Expenses

Particulars	2021-22		2020-21	
	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)
Advertisement		68		26
Electricity charges	5,696		5,813	
Less : recovered from tenants	(548)	5,148	(476)	5,337
Rates & Taxes [Refer Note - 36]		1,302		9,849
Insurance		156		169
Printing & Stationary		157		216
Telephone charges		502		623
Travelling & Conveyance		22		21
Motor car expenses		187		206
Repairs & Maintenance:				
Building	317		157	
Others *	8,678	8,995	10,030	10,187
Expenses for Other Trading Platform:				
BSE		132		152
NSE		112		185
Interest on delayed payment of statutory dues		53		13
Security Expenses		902		890
Expenses for depository services		671		517
Legal & Professional Fees		5,666		7,888
Auditor's Remuneration:				
Audit Fee	922		2,100	
Tax Audit Fee	100		200	
In other capacity	-		25	
Reimbursement of Expenses	12	1,034	10	2,335
Investors' Service Expenses		14		16
Directors Sitting Fee		1,102		570
CSR Expenditure		225		2,151
Provision for Doubtful Debts and Advances		1,196		5,636
Bad Debts	18,052		-	
Less : Adjusted against Provision for Doubtful Debts	(18,052)	-	-	-
Miscellaneous Expenses		1,293		1,649
		<b>28,937</b>		<b>48,636</b>

\* Including Rs.6,631 thousand (31st March 2021 : Rs.8,552 thousand) for computer maintenance and service charges.

NOTE – 20 : Depreciation and Amortization Expense

Particulars	2021-22	2020-21
	(INR in Thousand)	(INR in Thousand)
Depreciation of property, plant and equipment	1,359	1,644
Amortization of Intangible Assets	152	134
Depreciation on Investment Property	504	504
	<b>2,015</b>	<b>2,282</b>



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

NOTE – 21 : Contribution to Settlement Guarantee Fund

Particulars	2021-22		2020-21	
	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)
Interest on Fixed Deposits of Settlement Guarantee Fund		27,361		31,826
Profit on sale of Current investments of Settlement Guarantee Fund		-		468
Dividend on shares of Base Capital Requirement under SGF		7,717		-
Less : Expenses of Settlement Guarantee Fund (Refer Note - 30)				
Legal & Professional expenses	(929)		(170)	
Audit expenses	(250)		(250)	
Other expenses	(29)	(1,208)	(29)	(449)
Less : Tax expenses (Net of above expenses)		(9,423)		(8,859)
		24,447		22,986
Add : Contribution to Settlement Guarantee Fund on Turnover				
Exchange's contribution to CSE-NSE SGF on turnover for Cash Segment	34		28	
Exchange's contribution to CSE-NSE SGF on turnover for FO Segment	43		40	
Exchange's contribution to CSE-BSE SGF on turnover for Cash Segment	11	88	10	78
		24,535		23,064

NOTE – 22 : Contribution to Investors' Service Fund

Particulars	2021-22		2020-21	
	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)	(INR in Thousand)
Interest on fixed deposits Investors' Service Fund	6,550		6,184	
Profit on sale of Current investments of Investors' Service Fund	80		391	
20% Listing fees contribution on collection	3,676	10,306	4,545	11,120
Less : Expenses of Investors' Service Fund				
Service Charges for ISC	-		(3)	
Miscellaneous Expenses	(14)		(13)	
Loss on fair valuation of current investments of Investors' Service Fund	-	(14)	-	(16)
Less : Tax expenses (Net of above expenses)		(2,863)		(3,089)
		7,429		8,015

NOTE – 23 : Earning Per Share (EPS)

Particulars	2021-22	2020-21
	(INR in Thousand)	(INR in Thousand)
Net Loss after Tax as per Statement of Profit and Loss	2,552	(10,493)
Weighted average number of equity shares	611,250	611,250
Earnings per share - Basic & Diluted (Rs.)	4.18	(17.17)
Nominal Value of share (Re.)	1	1



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

24. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instruction in respect of Accounting Standards specified under section 133 of the Act, read together with Paragraph 7 of the Companies (Accounts) Rules, 2014. Accordingly, the Group has complied with the Accounting Standards as applicable to a small and medium sized Company. In particular, Accounting Standard-17, "Segment Reporting" and disclosure requirements of Para-119 to 123 of Accounting Standard 15 (Revised), "Employee Benefits", in respect of accounting for defined benefit plans, are not applicable to the Group.
25. The Securities and Exchange Board of India (SEBI) vide its order dated 29.08.2005, had approved the Demutualisation Scheme ("the Scheme") for conversion of The Calcutta Stock Exchange Association Ltd to The Calcutta Stock Exchange Limited and it was notified in the official Gazette on the same date. Pursuant to the aforesaid Scheme, a trading member may or may not be a shareholder of the Company and vice versa, it was directed to the Company that it shall not use its assets and reserves as on the date of publication of the scheme or the proceeds from disposal of such assets or the proceeds from disposal of successive assets acquired from the proceeds of disposal of such assets for any purpose other than discharging the current liabilities outstanding as on the date of publication of the Scheme or for the business operations of the Company. Accordingly, the reserves and surplus, liabilities, property, plant and equipment and investments have been segregated between pre-demutualisation and post-demutualisation period and have been disclosed accordingly in the financial statements.

26. **Contingent Liabilities not provided for:**

Claims against the Group not acknowledged as debts.

**Taxation matters:**

- a) In respect of Assessment Years 1991-92 and 1992-93, total demands aggregating Rs.36,675 thousand raised by the Assessing Officer on the Holding Company due to development fees received from members was considered revenue receipt instead of capital receipt. The aforesaid demand had been vacated by the Income Tax Appellate Tribunal vide its Order dated 28.02.2006. However, the Income Tax Department filed an application before the Hon'ble High Court at Calcutta for condonation of delay in filing an appeal against the order of the Income Tax Appellate Tribunal which is pending disposal.

- b) In respect of Assessment Year 2001-02, the Assessing Officer raised a demand for Rs.26,922 thousand on the Holding Company. The Income Tax Appellate Tribunal had given an Order allowing contribution to Settlement Guarantee Fund as application of income and referred back the other matters to Assessing Officer. The Assessing Officer, while giving effect of the Order of the Income Tax Appellate Tribunal dated 16.06.2006 reversed the demand and confirmed that Rs.35,770 thousand including interest of Rs.8,849 thousand is refundable vide Order dated 29.08.2006. However, the Income Tax Department filed an application for condonation of delay for filing an appeal before the Hon'ble High Court at Calcutta against the above Order of the Income Tax Appellate Tribunal. The Holding Company has received the refund for the aforesaid amount along with applicable interest in June, 2017 from the office of the Deputy Commissioner of Income Tax after deducting Rs.1,288 thousand being outstanding demand for various years which is pending resolutions.
- c) In respect of Assessment Year 2009-10, the Assessing Officer has raised a demand of Rs.550 thousand under section 14A of the Income Tax Act, 1961 and have also imposed a penalty of Rs.500 thousand. The Holding Company filed an appeal before the Commissioner of Income Tax (Appeals) against the aforesaid demand by the Income Tax Authorities, however the same was dismissed on July 19, 2016 due to technical ground. The Holding Company has further filed an application to the Assessing Officer on June 21, 2017 to reconsider the case.
- d) In respect of Assessment year 2018-19, the Assessing Officer has raised a demand of Rs.35 thousand on account of interest on late deposit of dividend distribution tax. The Exchange has filed an appeal before Ld. Commissioner of Income Tax (Appeals) against the said Assessment Order on 28.04.2021, which is pending disposal as on date.

**Other matters:**

- e) During the year 1999-2000, the Holding Company had received three show cause notices from the Employees State Insurance Corporation of West Bengal demanding an amount aggregating to Rs.4,460 thousand as contribution payable by the Holding Company. The Holding Company has filed a Writ Petition before the Hon'ble High Court at Calcutta for



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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

quashing the notices. As the matter is Sub-Judice, the claim has not been acknowledged and no provision has been made for the same.

- f) Stock Holding Corporation of India Limited (SHCIL) was registered on the online trading system of the Calcutta Stock Exchange (CSE) as a "Custodian" for settling the Institutional Trades. In 2001, SHCIL introduced a scheme "Sell n Cash" (payment on sale of securities) Scheme for the benefit of investors. The "Sell n Cash" scheme allowed a seller to receive payment on the day of sale through SHCIL's registered broker after delivering the shares to SHCIL. On 2nd March 2001 Harish Chandra Biyani, a CSE Broker, sold certain shares of DSQ Industries Ltd., amounting to Rs.2,44,548 thousand through Biyani Securities Pvt. Ltd. (another broker of CSE). On finding that the transaction between Harish Chandra Biyani and Biyani Securities Pvt. Ltd., was a malafide and fund accommodation in nature and was at an artificial price created through circular trading, CSE expunged/annulled the trade and informed the same. SHCIL, being aggrieved by the decision of the CSE for expunge of those transactions for which the consideration was already paid to Harish Chandra Biyani, filed the instant Civil Suit in Hon'ble High Court of Calcutta against CSE and Harish

- g) Chandra Biyani. The principal sum of such claim is Rs.2,44,548 thousand and interest of Rs.1,61,402 thousand, which is pending disposal by Hon'ble High Court of Calcutta. The office premises taken by the Holding Company on rental together with furniture fixtures etc., from Turner Morrison Limited was vacated by the Holding Company on 31.01.2013. There is a disputed amount of property taxes related to the rental property amounting to Rs.27,418 thousand. During an earlier year, the Division Bench of High Court of Calcutta directed the Holding Company to pay a sum of Rs.10,000 thousand to Turner Morrison Limited on account of property tax in respect of 5100 sq. ft. and to reinvest the amount of Rs.17,716 thousand by way of fixed deposit to be kept with the concerned lawyer on record till further order or disposal of the case. During the current year, the fixed deposit was renewed after maturity and hence this renewed fixed deposit was lying with the Holding Company as on March 31, 2022. The Holding Company is in the process of complying with the directions of the Division Bench of High Court of Calcutta as regards to placement of fixed deposit with the concerned lawyer on record. These fixed deposits are separately disclosed as part of the Cash and bank balance in the Note 14.

#### h) Other miscellaneous claims not acknowledged as debts by Holding Company (INR in Thousand)

Particulars	As at March 31, 2022	As at March 31, 2021
Demand of penalty from HIDCO for non-utilisation of land at New Town, Kolkata	50,000	50,000
Others	232	232

#### 27. Settlement Guarantee Fund (SGF):

- (a) In 1998, the Holding Company had set up Settlement Guarantee Fund (SGF) to guarantee the settlement of bonafide transactions of members of the Holding Company, so as to ensure timely completion of settlement of trades and thereby protect the interest of investors and the members of the Holding Company. The Fund and its rules and byelaws were set up by the Holding Company and duly approved by the Securities and Exchange Board of India (SEBI). Every member contributes a fixed sum at the time of commencement of business and the Holding Company contributes thereafter a percentage of the gross turnover as prescribed in the bye-laws of the SGF. In accordance with clause 7 of the Chapter-XVII of the Bye-Laws of the Holding Company on Composition of Settlement Guarantee Fund (SGF) and directions received from the Security Exchange board of India (SEBI), the Holding Company is required to transfer all the income earned from the investments from the corpus of the Holding Company's Settlement Guarantee fund net of certain permitted expenses to that fund. Taking into consideration the Holding Company's obligation to transfer such net income to those funds, such transfers have been recognized as charge in the statement of Profit & Loss.

The non-interest bearing amount to the extent which is refundable to the members are disclosed under "Current Liabilities" and non-refundable amount is disclosed as "Reserve and Surplus" of the Settlement



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Guarantee Fund. Accordingly, the assets pertaining to the SGF has also been disclosed in the respective note as indicated in Note 27(d) below.

- (b) Additional contribution of Rs.1,99,355 thousand made by the Holding Company to the Settlement Guarantee Fund during 2000-01 was charged off to the Profit and Loss Account in the said year in accordance with the decision of the erstwhile Board of Directors taken at its meeting dated 03.10.2001. In the same meeting it was also decided to adjust the additional contribution against the future contribution payable to Settlement Guarantee Fund. Accordingly, a sum of Rs.13,035 thousand which would have accrued since 2001-02 to 2013-14 towards annual contribution payable by the Holding Company to its Settlement Guarantee Fund has not been recognized in these financial statements for year commencing after March 31, 2001.

Similarly, the balance additional contribution of Rs.1,86,321 thousand has not been carried forward towards adjustment against annual contribution in subsequent year since the aforesaid amount has already been charged off to Statement of Profit and Loss.

As directed by the Securities and Exchange Board of India, the Holding Company had suspended trading operation w.e.f. April 3, 2013. In view of all trading transactions being settled till that date in accordance with the applicable regulations of the Holding Company, no additional contributions to the Settlement Guarantee Fund after the aforesaid date was considered necessary.

- c) Settlement Guarantee Fund at the year-end comprises of the following:: (INR in Thousandd)

SI No	Particulars	As at March 31, 2022	As at March 31, 2021
	<b>Under Reserves &amp; Surplus (Settlement Guarantee Fund):</b>		
I	Settlement Guarantee Fund of the Exchange	4,15,777	3,84,553
II	Members' Ad-hoc contribution to SGF	23,992	23,992
III	Dividend on Members Security Deposit	49,196	14,521
	<b>Total</b>	<b>4,88,965</b>	<b>4,23,066</b>
	<b>Under Other Current Liabilities (Settlement Guarantee Fund):</b>		
IV	Members BMC/SGF in Cash	1,86,133	1,89,023
V	Interest Adjustable with BMC/ABMC	8,760	9,368
VI	Members' deposit towards BSE/NSE-SGF	1,773	1,913
	<b>Total</b>	<b>1,96,666</b>	<b>2,00,304</b>
VII	Members BMC/SGF in Fixed Deposits (Refer Note – 32)	1,68,273	-
VIII	Members BMC/SGF in Shares (Refer Note – 32)	4,64,170	-
	<b>Total</b>	<b>6,32,443</b>	<b>-</b>
	<b>Grand Total</b>	<b>13,18,074</b>	<b>6,23,370</b>

- (d) The aforesaid fund is represented by the followings, which has been included in the respective schedules. (INR in Thousandd)

SI No	Particulars	As at March 31, 2022	As at March 31, 2021
I	Investments in Fixed Deposits	4,65,867	4,42,351
II	Investments in Fixed Deposit with Financial Institution	5,000	5,000
III	Balances in Current Account	1,309	11,426
IV	Interest accrued on Fixed Deposits	6,516	19,274
V	Deposit with BSE Ltd	58,125	58,125
VI	Deposit with Indian Clearing Corporation Ltd	1,875	1,875
VII	Members BMC/SGF in Fixed Deposits (Refer Note – 32)	1,68,273	-
VIII	Members BMC/SGF in Shares (Refer Note – 32)	4,64,171	-
IX	Receivable/(Payable) to the Exchange	1,46,938	85,320
	<b>Total</b>	<b>13,18,074</b>	<b>6,23,370</b>

- (e) In terms of the decision taken by the erstwhile administrator, appointed by the Securities and Exchange Board of India, dividend on Members' security Deposits, in respect of shares/securities lodged with the Company by members towards security deposit was not required to be distributed to the members and hence, Rs.34,675 thousand was transferred to Settlement Guarantee Fund during the year under the head "Reserve & Surplus".



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- (f) Further, Rs.6,689 thousand, being liabilities lying for prolonged period in relation to Settlement Guarantee Fund, written back and credited to Settlement Guarantee Fund during the year under the head "Reserve & Surplus".

**28. Transfer of Profit:**

As per the notification issued by the Securities and Exchange Board of India (SEBI) dated June 20, 2012, every stock exchange is required to credit twenty five percent of its profit every year to the fund of a recognized clearing corporation(s), which clears and settles trade executed on that stock exchange.

As directed by SEBI, the Holding Company had suspended trading operations w.e.f. April 3, 2013. Till then the Holding Company had settled all trading transactions through its own clearing/settlement mechanism. Consequently, the aforesaid order of SEBI is not applicable to the Holding Company after April 3, 2013.

**29. Investors' Services Fund (ISF):**

As required by the bye-laws of the Holding Company, a separate fund called the Investors' Services Fund ("the Fund") was established in a prior year by setting aside twenty percent of the annual listing fee collections as prescribed by SEBI. The Fund is being used for the purposes of providing different kind of services to the investing public as stated in bye-laws and to create awareness among the investors. All expenses incurred in providing such services are borne by the Investors' Service Fund.

30. As per the policy framed by the Holding Company in accordance with the requirement of SEBI, expenses are allocated to Settlement Guarantee Fund and Investors' Service Fund as stated below: (INR in Thousand)

Particulars	2021-22	2020-21
<b>Settlement Guarantee Fund Expenses:</b>		
- Telephone Charges	25	25
- Computer Maintenance and Service Charges	4	4
- Audit Expenses	250	250
- Miscellaneous Expenses	-	-
- Legal & Professional Fees	929	170
	<b>1208</b>	<b>449</b>
<b>Investors' Service Expenses</b>	<b>14</b>	<b>16</b>

31. i) Receivables from defaulting members in Note 11 "Loans and Advances" includes Rs.9,43,423 thousand (Rs.9,49,617 thousand) due from members on account of settlements in prior years comprising Rs.9,36,065 thousand (Rs.9,42,259 thousand) towards Hand Delivery Settlement, Rs.2,637 thousand (Rs.2,637 thousand) for Cash Settlement and Rs.4,722 thousand (Rs.4,722 thousand) on account of Demat Settlement as on 31.03.2022. Out of the above, the Holding Company has filed recovery suits amounting to Rs.9,31,053 thousand (Rs.9,31,053 thousand) from 15 defaulting members. As the matter is sub-Judice, the extent of recoverability of the aforesaid amounts is presently not ascertainable.
- ii) Sundry Deposits as at 31.03.2022, in Note-5, under the head "Long Term Liabilities" includes Rs.9,43,423 thousand (Rs.9,49,617 thousand) being contribution received from Settlement Guarantee Fund on account of payment crisis in earlier years which is refundable on receipt of settlement amount from defaulting members. The above balance of Rs.9,49,617 thousand was partially contributed by part of corpus in members' base minimum capital amounting to Rs.2,39,081 thousand as well as ad-hoc contribution from certain members amounting to Rs.2,80,690 thousand. Such contribution by members are refundable only out of the money recovered by the Company from the defaulters and such refund shall be subject to resolution of specific issues, which are sub-judice in certain cases.

During an earlier year, an amount of Rs.13,684 thousand, being realization of settlement dues, net of legal expenses, has been distributed on pro-rata basis to the aforesaid contributories, including Settlement Guarantee Fund, excluding Rs.5,030 thousand payable to ad-hoc contributories, which has been kept on hold as per decision taken by the Board.



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- iii) In a prior year, the Holding Company had recognized adhoc contribution of Rs.7,100 thousand receivable from a member towards Settlement Guarantee Fund. The said contribution is yet to be received and, consequently, management has considered it appropriate to adjust the said receivable against balance in Settlement Guarantee Fund. Management will continue to take steps for receipt of such contribution.
- iv) The Holding Company had further received ad-hoc non-refundable contributions aggregating Rs.23,992 thousand to the Settlement Guarantee Fund from certain members in earlier years. These had not been utilized for any purpose until date. The amount so contributed is lying in reserves and surplus of Settlement Guarantee Fund.
32. i) Security deposits in cash or securities lying with Holding Company have been transferred to Settlement Guarantee Fund as per the Bye-laws of Settlement Guarantee Fund. Such fixed deposits and shares are deposits of the Settlement Guarantee Fund. The value of such shares of Rs.4,64,171 thousand (Rs.4,52,180 thousand) and fixed deposits of Rs.1,68,273 thousand (Rs.1,73,925 thousand) as at 31.03.2022, have been included in the financial statements under the head of "Other Current Liabilities" and "Other Assets". In the earlier years, the aforesaid fixed deposits and shares were disclosed by way of notes. Out of the fixed deposits for Rs.1,68,273 thousand, Rs.18,933 thousand (Rs.17,523 thousand) belongs to members under litigation.
- ii) The value of pledged shares for Rs.60,176 thousand (Rs.54,695 thousand) have not been included in the financial statements and has been disclosed by way of Notes to the consolidated financial statement.

## 33. Employee Benefits:

The Group has a defined benefit gratuity plan for its employees. Every employee who has completed five years or more of services is entitled to gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with the Life Insurance Corporation of India.

Disclosures in accordance with the requirements of Accounting Standard 15 (Revised) are given below.

- i) The principle actuarial assumptions are as follows:

Particulars	2021-22	2020-21
Discount rate	7.00%	6.71%
Salary escalation rate (Inflation rate)	6.50%	6.50%
Withdrawal rates	1.00% - 3.00%	1.00% - 3.00%

- ii) The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The enhance provision made on actuarial valuation prepared on the basis of Payment of Gratuity (Amended) Act, 2018, which came in force w.e.f. 29th March 2018.

- iii) Amount incurred as expenses for defined contribution plans:(INR in Thousand)

Particulars	2021-22	2020-21
Contribution to Provident/Pension Fund	6,461	6,402
Contribution to Superannuation Fund	3,029	2,720
Contribution to National Pension Scheme	1,369	1,112
Contribution to Employees State Insurance Scheme	13	15

## 34. Related party disclosures:

Name of related parties and related party relationship

Trust set-up by the Holding Company      Stock Exchange Investors' Protection Fund



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Following are the transactions with related parties and the year-end balances:

**Trust set-up by the Holding Company**

(INR in Thousand)

Name	Particulars	2021-22	2020-21
<b>Stock Exchange Investors' Protection Fund</b>	Contribution to Stock Exchange Investors' Protection Fund	5,757	4,656
	Expenses recoverable / incurred on behalf related party	101	179
	Amount paid	6,000	5,000
	Amount (payable) / receivable outstanding	(2,013)	(2,357)

There is no loans or advances in the nature of loan granted to promoters, directors, KMPs and related parties.

35. The Holding Company has paid taxes as per provisions of section 115JB of the Income Tax Act, 1961 in the previous year. However, the Holding Company had not recognized Minimum Alternative Tax (MAT) Credit entitlement of Rs.3,045 thousand (after adjusting MAT credit utilized during the current year Rs.2,024 thousand) in the absence of convincing evidence to claim the above tax credit in future years.

36. In an earlier year, the demand towards property tax from Kolkata Municipal Corporation in respect of The Calcutta Stock Exchange Building was shown as contingent liability. The Holding Company has made a representation to Kolkata Municipal Corporation to re-assess the property tax payable to them for the said property. Pending re-assessment, the management, during the year, has estimated a liability of Rs.9,900 thousand (Rs.9,500 thousand) provided in the consolidated financial statements, based on an estimated annual valuation of the property.

37. **Reclassification of Property, Plant and Equipment to Investment Property:**

The original lease deeds of E.M. Bypass land has been deposited in the Alipore Court in respect of the Title Suit No. 298 of 2011 filed by the Holding Company against Chittaranjan Prasad & Others. This title suit 298 of 2011 was subsequently withdrawn by the Holding Company and an application was filed for withdrawal of original lease deeds submitted to the court. However, various other cases were filed by Chittaranjan Prasad & Others claiming to be owner of a portion of those land and on few other matters. In terms of the order received from the learned court, the documents filed by the Holding Company including original lease deeds has been kept under safe custody of the court until the disposal of the case. Based on the management assessment and duly supported with a legal opinion obtained by the management, the outcome of this matter is expected to be in favour of the Holding Company.

The Holding Company in an earlier year had decided to sub lease its lease hold land situated at E.M. Bye-pass and has also received approval from SEBI in this regard. Accordingly, since the above lease hold land is not intended to be occupied substantially for use by, or in the operations of, the Holding Company, this had been reclassified from "Property, Plant and Equipment" disclosed under Note 8A to "Non-Current Investment" as investment property disclosed under Note 9 of these consolidated financial statements in an earlier year, in terms of AS-13: Accounting for Investments.

38. In an earlier year, the Holding Company had received intimation from Securities Exchange Board of India (SEBI) regarding initiation of the process of the Compulsory exit of the Holding Company from operating as a stock exchange. Accordingly, the Holding Company had suspended its own stock market including clearing operations with effect from April 3, 2013 and has currently made arrangements with NSE and BSE to enable its members to trade on those exchanges and thereby earn turnover charges from members who are engaged in such trading.

The Holding Company had filed a petition with the Hon'ble High court at Calcutta against the aforesaid decision. In accordance to the directions issued by the Hon'ble High Court at Calcutta, meetings were held between the Holding Company and the SEBI to work out the various matters of concerns. However, such meeting did not yield any result and on May 18, 2015, the Holding Company received another intimation from SEBI informing that the process of compulsory exit has been initiated and a valuation agency would be appointed by SEBI for verification and valuation of assets and liabilities of the Stock Exchange.

Pursuant to SEBI's decision to proceed with the process of compulsory exit, the Holding Company had filed a supplementary petition with the Hon'ble High Court at Calcutta seeking relief from such exit. The Holding Company's supplementary petition was dismissed by the Hon'ble High Court at Calcutta, vide order dated



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April 12, 2016. Being aggrieved by the aforesaid order, the Holding Company filed appeal before a Division Bench of the Hon'ble High Court at Calcutta (the Division Bench) seeking a stay against the exit process initiated by SEBI and other reliefs. The Division Bench vide order dated March 29, 2017 has stayed the exit process initiated by SEBI till the appeals are heard. The Appeal is still pending.

Management believes that the Holding Company's appeal pending before the Division Bench has merits and considers it probable that the decision will be in favour of the Holding Company which is duly supported by a legal opinion obtained. However, Management has also made an internal evaluation and concluded that irrespective of the Hon'ble High Court decision, the Holding Company has sufficient resources to meet its current obligation including arising from past events as on now and foreseeable future. In view of the aforesaid matters, management has considered it appropriate to prepare these financial statements on a going concern basis.

**39. Contribution to Corporate Social Responsibility (INR in Thousand)**

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Amount required to be spent	201	717
Amount of expenditure incurred	942	Nil
Shortfall at the end of the year	Nil	717
Total of the previous years' shortfall	Nil	717
Reasons for shortfall	Not Applicable	The adverse effect of the lockdown considerably disrupted the administration functioning the Exchange, although the stock exchange operation was not subject to disruption. This is because regulatory approval was only available for functioning of the stock exchange operations.
Nature of CSR activities	Payment to Missionaries of Charity amounting to Rs.225 thousand for Promoting livelihood enhancement projects as well as education among children.	
	Contributed Rs.717 thousand to the "Prime Minister's National Relief Fund".	

40. The Holding Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under. Hence relevant disclosure is not applicable.
41. The Holding Company is not declared as willful defaulter by any bank or financial institution or other lender in accordance with the guidelines on willful defaulters issued by Reserve Bank of India.
42. The Holding Company has not entered any transactions with companies struck off under section 248 of the Companies Act, 2013.
43. The Holding Company has not invested or traded in the Crypto Currency or Virtual Currency during the financial year.

**44. Shareholding of the Promoters**

	Shares held by promoters at the end of the year			% of change during the year
Sl No	Promoter Name	No of shares	% of total shared	
Total	Nil	Nil	NA	NA



THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

45. Ratio Analysis

The following are analytical ratios for the year ended March 31, 2022, and March 31, 2021

Sr No	Ratio	Numerator	Denominator	31.03.2022	31.03.2021	% Change
1	Current ratio	Current Assets	Current Liabilities	1.42	1.92	-25.95
2	Debt-Equity ratio	Total Debt	Shareholder's Equity	NA	NA	NA
3	Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + non cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	NA	NA	NA
4	Return on Equity ratio %	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.213	-0.881	-124.16
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA	NA	NA
6	Trade Receivable Turnover ratio	Net Credit Sales	Average Accounts Receivable	1.95	1.60	21.88
7	Trade Payable Turnover ratio	Net Credit Purchases	Average Trade Payables	0.43	0.35	22.53
8	Net Capital Turnover Ratio	Net sales	Working Capital	0.11	0.11	-4.50
9	Net Profit ratio %	Net Profit after tax	Net Sales	5.75	-23.06	-124.97
10	Return capital Employed %	Earnings before interest and taxes	Capital Employed = Tangible Net Worth	1.10	-0.90	-222.14
11	Return on Investment %	Investment Income	Average Investment	0.08	0.07	8.63

1. Decrease in Current Ratio due to a part of the MSD-FD have been shown in non-current assets, as per respective tenure, but the entire liability of the same have been shown in current.
2. Increases in Return on Equity Ratio, Net Profit Ratio and Return on Capital Employed Ratio are due to net loss, after tax and contributions, in the previous year.



## THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

46. Additional information in respect of net assets and profit/loss of each entity within the Group and their proportionate share of the totals: (INR in Thousand)

Name of the entity	2021-2022		2021-2022		2020-2021		2020-2021	
	Net Assets, i.e. total assets minus total liabilities		Share in Profit or Loss		Net Assets, i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of Consolidated net assets	Amount in Rs.	As % of Consolidated Profit or loss	Amount in Rs.	As % of Consolidated net assets	Amount in Rs.	As % of Consolidated Profit or loss	Amount in Rs.
Parent								
The Calcutta Stock Exchange Limited	94.57%	18,30,684.97	44.11%	1,126.06	94.52%	17,52,957.42	115.58%	(12,127.26)
Indian Subsidiary								
CSE Capital Markets Private Limited	5.23%	1,01,304.37	51.84%	1,323.27	5.28%	97,840.80	-14.35%	1,506.17
Lyons Range Securities Clearing Corporation Limited	0.20%	3,928.90	4.05%	103.28	0.20%	3,763.17	-1.22%	128.41

47. Previous year's figures including those given in brackets, have been regrouped/reclassified wherever considered necessary to conform to current year's classification

As per our Report of even date

**For Ray & Ray**

Chartered Accountants

Firm Registration No. 301072E

per **Abhijit Neogi**

Partner

Membership No. 61380

Place: Kolkata

Date: 15th July, 2022

For and on behalf of the Board of Directors

**Anindo Majumdar**  
Director

**Chacko Joseph**  
Director

**Dr. Abhirup Sarkar**  
Director

**Prosenjit Dutta**  
Chief Financial Officer

**Chandrani Datta**  
Company Secretary



## Notes



## Notes

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## Notes





## **The Calcutta Stock Exchange Limited**

7, Lyons Range, Kolkata - 700 001

Ph: 033 4025 3000, Fax: 033 4025 3030, E-mail: [cseadm@se-india.com](mailto:cseadm@se-india.com), Website: [www.cse-india.com](http://www.cse-india.com)