



NCDEX Institute of Commodity Markets & Research

Registered Office: First Floor, Ackruti Corporate Park, Near G. E. Garden, L. B. S. Road,
Kanjurmarg West, Mumbai 400 078

Tel. (+91-22) 6640 6789, Fax (+91-22) 6640 6899 website: www.nicrindia.com

Email: askus@ncdex.com

CIN: U74992MH2006PLC163550

NOTICE OF TWELFTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twelfth Annual General Meeting of members of NCDEX Institute of Commodity Markets & Research (the Institute/the Company) will be held on Wednesday, June 26, 2019 at the Board Room, First Floor, Ackruti Corporate Park, Near G. E. Garden, L.B.S. Road, Kanjurmarg West, Mumbai 400078 at 3.30 p.m., to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Financial statements of the Institute for the financial year ended March 31, 2019, the reports of the Board of Directors and Auditors thereon;
2. To appoint a director in place of Mr. Sanjay Kaul (DIN: 01729695) who retires by rotation and, being eligible, offers himself for re-appointment.

By Order of the Board of Directors,

Atul Roongta
Director
DIN: 07878061

Date: June 24, 2019

Registered Office :

1st Floor, Ackruti Corporate Park
Near G. E. Garden, L. B. S. Road
Kanjurmarg West, Mumbai 400 078
CIN: U74992MH2006PLC163550

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF ANNUAL GENERAL MEETING.
2. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
3. All documents referred to in the Notice are open for inspection by the Members at the Registered Office of the Company on working days (excluding Saturdays) from the date of the notice and up to the date of the Meeting.
4. The Register of Members and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.



NCDEX Institute of Commodity Markets & Research

Registered Office: First Floor, Ackruti Corporate Park, Near G. E. Garden, L. B. S. Road,
Kanjurmarg West, Mumbai 400 078

Tel. (+91-22) 6640 6789, Fax (+91-22) 6640 6899 website: www.nicrindia.com

Email: askus@ncdex.com

CIN: U74992MH2006PLC163550

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U74992MH2006PLC163550

Name of the company: NCDEX Institute of Commodity Markets & Research

Registered office: First Floor, Ackruti Corporate Park, Near G E Garden, L.B.S. Road, Kanjurmarg (W), Mumbai 400 078.

Name of the member (s):	
Registered address:	
E-mail Id:	
Folio No/ Client Id:	
DP ID:	

I /We, being the member (s) of shares of the above named company, hereby appoint

1.Name:.....,Address:.....
E-mail Id:....., Signature:..... or failing him

2.Name:.....,Address:.....
E-mail Id:....., Signature:..... or failing him

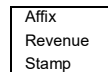
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twelfth Annual General meeting of the Institute, to be held on Wednesday, June 26, 2019, at 3.30 p.m., at the Board Room, First Floor, Ackruti Corporate Park, Near G. E. Garden, L.B.S. Road, Kanjurmarg West, Mumbai 400078 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.

- Adoption of the Financial statement of the Institute for the financial year ended March 31, 2019, the reports of the Board of Directors and Auditors thereon;
- Re-appointment of Mr. Sanjay Kaul (DIN: 01729695), retiring Director

Signed this ____ day of ____, 2019.

.....
Signature of shareholder



.....
Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



NCDEX Institute of Commodity Markets & Research

Registered Office: First Floor, Ackruti Corporate Park, Near G. E. Garden, L. B. S. Road,
Kanjurmarg West, Mumbai 400 078

Tel. (+91-22) 6640 6789, Fax (+91-22) 6640 6899 website: www.nicrindia.com

Email: askus@ncdex.com

CIN: U74992MH2006PLC163550

**TWELFTH ANNUAL GENERAL MEETING
ATTENDANCE SLIP**

Folio No.

No. of Shares held

(To be filled in by the Member)

I hereby record my presence at the Twelfth Annual General Meeting to be held at the Board Room,
First Floor, Ackruti Corporate Park, Near G. E. Garden, L.B.S. Road, Kanjurmarg West, Mumbai
400078 Wednesday, June 26, 2019 at 3:30 p.m.

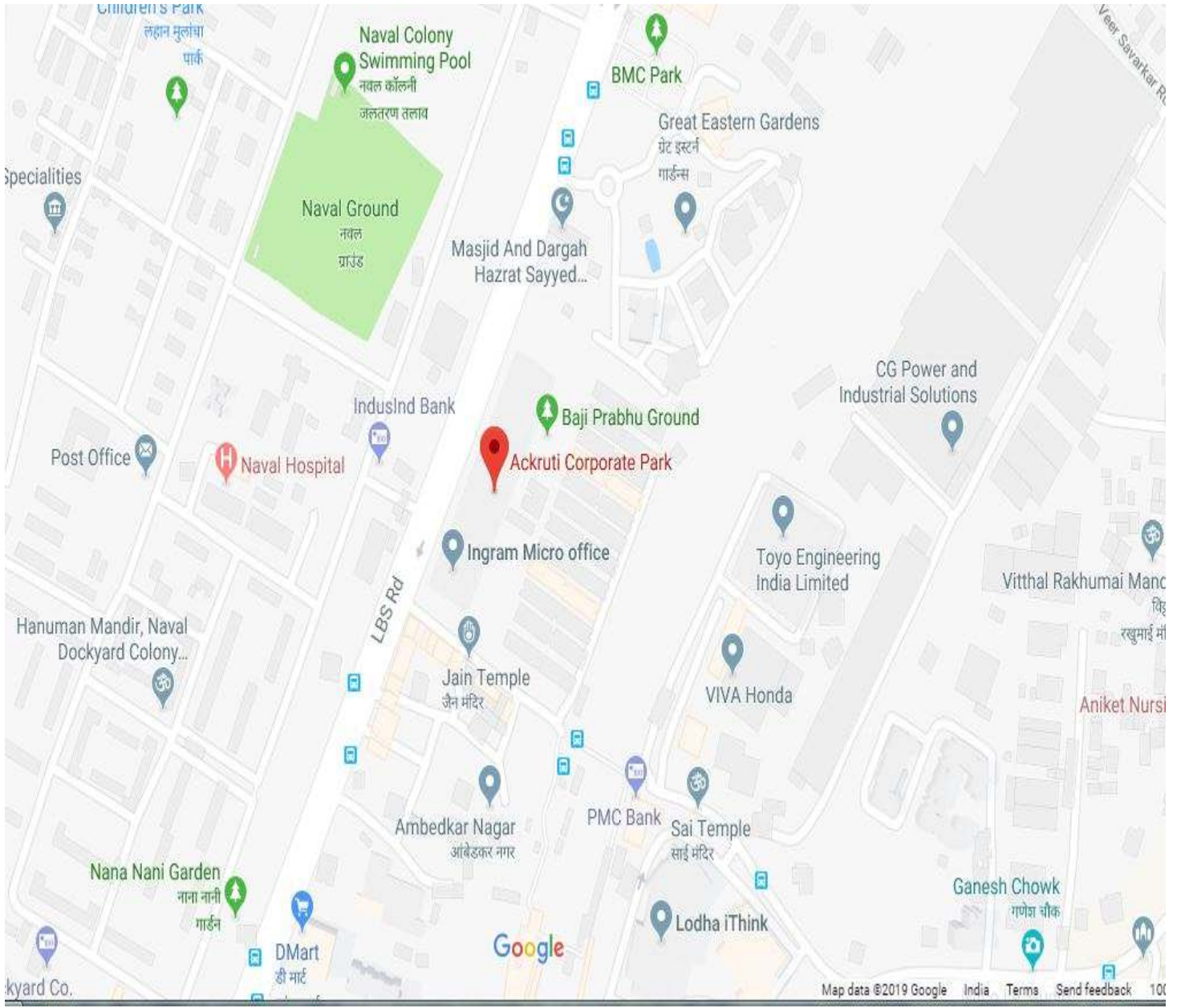
.....
Member's Signature

Note:-

- 1) A Member/Proxy attending the meeting must complete this attendance slip and hand it over at the entrance.

.....
Proxy's Signature

ROUTE – MAP OF THE VENUE OF TWELFTH ANNUAL GENERAL MEETING





NCDEX INSTITUTE OF COMMODITY MARKETS & RESEARCH (NICR)
CIN: U74900MH2007NPL174229
A wholly owned subsidiary of
National Commodity & Derivatives Exchange Limited ('NCDEX')

Company Information

Board Directors	Mr. Vijay Kumar V. Mr. Sanjay Kaul Mr. Atul Roongta
Registered Office	1 st Floor, Ackruti Corporate Park Near G. E. Garden, L. B. S. Road Kanjurmarg West Mumbai 400 078
Statutory Auditors	M/s. Lodha & Co. Chartered Accountants 6, Karim Chambers 40, A. Doshi Marg (Hamam Street) Mumbai 400 023
Bankers	Axis Bank Limited HDFC Bank Limited

DIRECTORS' REPORT

Dear Shareholders,

Your Directors hereby present the Twelfth Annual Report on the operations of the Institute together with the Audited Statement of Accounts for the year ended March 31, 2019.

1. FINANCIAL PERFORMANCE:

(Rs.in Lakhs.)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Authorised capital	5.00	5.00
Issued and subscribed capital	5.00	5.00
Total Income	12.41	17.24
Total expenditure (including Depreciation)	34.33	30.42
Deficit for the year	(21.92)	(13.18)

2. STATE OF COMPANY'S AFFAIRS

Vision

To make NICR recognized nationally as an independent, credible academic and research institute of eminence.

Mission

To conduct high-quality independent research, educate and stimulate debate to provide innovative, practical recommendations that advance three broad goals-

- Strengthen and embed understanding of physical and derivative commodity markets
- Foster the economic and social welfare of individuals and businesses through free and transparent commodity markets
- Secure a more open, safe, prosperous and cooperative trading ecosystem for commodities

The NICR will continue to create value by offering educational courses and training, consultancy services, data analytics and research, event management, and by handling CSR projects on behalf of the parent company and other corporates.

THEMATIC AREAS

The NICR scope of work will be mainly focused on following four pillars of Pragati (progress) or thematic areas:

1. Education
 - a. Certification Courses
 - b. Training and skill building
2. Research & Data analytics
3. Consultancy services / Projects
4. Events & Workshops

ACTIVITIES in FY 2018-19

A. Certification courses

- i. Commodity Certification Course-Content Up-gradation: The NICR Commodity Certification Course was last refurbished in October 2015. Since then there has been regulatory changes and new Market intermediaries formed, viz, NERL and NCCL. The course content has been updated and the changes are re-viewed by an external expert. The new updated course will be re-launched in digital form with an Online test assessment partner. A Hindi version of the revamped course will also be launched.
- ii. NAL Commodity Module & NICR Commodity Certification: NSE Academy Ltd. (NAL) provides a Commodity Market Module to the market participants. The course content has been provided by NICR. The course content is similar to NICR commodity certification course. A discussion has also been held with NAL for continuing to host the updated commodity market module. NICR will update the course module for NAL.
- iii. Commodity Trader Module--New Certification Course: A new course has been designed for Dealers at brokering fraternity, which is a watered down version of the main commodity certificate course. In-house CSG team have developed the course content. NICR will also host this module for dealer community on the website.
- iv. Option Certification courses-New Content Design and Re-Launch: NICR launched Option Certification course in two modules, Basic and Advanced. Since there has been change in the course curriculum a new course design is under process with help of Market Structure and Quant team. Once finalized, the Option Certification course will be re-launched on NICR website in digital form.

B. NICR website- Corrections: NICR website was refurbished long time ago. Since then there has been changes in the hosted web-link and content. The website has been updated with the help of in-house technology team. The updated website is live from 20th Feb 2019.

Consultancy Project: In NICR started a consultancy project in FY 2017-2018 to study the feasibility of establishing a private mandi in Kota district of Rajasthan. NICR signed an MOU with InDev - a Bangalore-based development consultancy firm (www.theindvgroup.com) to partner and jointly submit a proposal in response to a Request for proposal for developing a Private market yard in Kota. This project is now complete. In another development, NICR initiated a discussion with Deloitte Touche Tohmatsu India LLP (DTTILLP) to work as sub-

consultant for the Feasibility Study on setting up of e- Auction and Spot Exchange in selected Agricultural wholesale markets & warehouses under the World Bank financed Assam Agribusiness & Rural Transformation Project (APART). The project is in early discussion phase.

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

The Institute undertakes suitable measures for conservation and optimum utilization of energy. The Institute makes use of technology in its operations and continuously strives to improve the same.

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

4. PUBLIC DEPOSITS

The Institute has not accepted any public deposits and as such no amount towards repayment of principal or payment of interest was outstanding as on March 31, 2019.

5. DETAILS OF MEETINGS OF SHAREHOLDERS

The Eleventh Annual General Meeting of the Institute was held on September 26, 2018. It is proposed to hold the Twelfth General Meeting of the Institute on June 26, 2019 at Mumbai.

6. BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2018-2019

During the financial year 2018-2019, four meetings of the Board were held on May 22, 2018, September 18, 2019, December 21, 2018 and March 29, 2019. The composition and attendance of the Directors is given below:

Name of the Director	Number of meetings held during the relevant period	Number of meetings attended
Mr. Sanjay Kaul	4	4
Mr. Vijay Kumar V.	4	4
Mr. Atul Roongta	4	4

7. EXTRACT OF THE ANNUAL RETURN

The extract of annual return in Form MGT 9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at the link: <https://www.nicrinida.com>

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

All the transactions with related parties are in the ordinary course of business and on an arms' length basis. There are no material contracts or arrangements or transactions on arms' length basis. The details of the related party transactions as required under the Ind AS-24 are set out in Note no.18 to the Financial Statements.

9. INTERNAL FINANCIAL CONTROLS

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

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

No loan or guarantee was given to any person during the year. No investments were made by the Institute during the year under section 186 of the Companies Act, 2013.

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

During the year, there were no employees drawing salary in excess of the limits prescribed under Rule 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014.

12. DIRECTORS:

The Directors of the Institute include Mr. Vijay Kumar V., Managing Director & CEO of NCDEX, Mr. Sanjay Kaul, Managing Director & CEO, National Collateral Management Services Limited and Mr. Atul Roongta, Chief Financial Officer of NCDEX.

Mr. Sanjay Kaul retires by rotation and being eligible offers himself for reappointment. The Directors recommend Mr. Sanjay Kaul to be appointed as a Director of the Institute.

13. STATURORY AUDITORS:

M/s. Lodha & Co., Chartered Accountants, who are the Statutory Auditors of the Institute, hold office until the conclusion of the ensuing Eleventh Annual General Meeting and are eligible for reappointment.

The Institute has received Certificate from the Auditors to the effect that their appointment/reappointment, if made, would be within the prescribed limit under Section 141 of the Companies Act, 2013 and that they are not disqualified for such appointment/reappointment.

14. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i. that in the preparation of accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. that the directors had selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Institute at the end of the financial year and of the deficit of the Institute for that period;
- iii. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Institute and for preventing and detecting fraud and other irregularities;
- iv. that the Directors have prepared the accounts for the financial year ended March 31, 2019 on a 'going concern' basis.
- v. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

15. SECRETARIAL STANDARDS

The Company complies with all applicable Secretarial Standards.

16. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

The Company does not have any Subsidiary, Joint Venture or Associate Company.

17. OTHER DISCLOSURES

There was no change in the nature of the business of the Institute during the financial year 2018-2019. No material changes and commitments affecting the financial position occurred subsequent to the close of the financial year ended March 31, 2019 and the date of the report. During the year, no significant and material order was passed by the regulators or courts or tribunals impacting the going concern status and the Institute operations in future. The Institute during the course of its operations, identifies risk and takes suitable measures for their mitigation.

18. ACKNOWLEDGEMENTS:

The Directors express their sincere thanks to academic institutions and knowledge partners for their support. The Directors are also grateful to NCDEX for its cooperation and support. The Directors further express their appreciation for the outstanding professionalism and commitment exhibited by the consultants.

By order of the Board of Directors

Vijay Kumar V.
Director
DIN: 06651068

Atul Roongta
Director
DIN: 07878061

Place: Mumbai
Date: May 16, 2019

EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2019
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- U74900MH2007NPL174229
- ii) Registration Date: 18/09/2007
- iii) Name of the Company: NCDEX Institute of Commodity Markets and Research
- iv) Category / Sub-Category of the Company: Public Company Limited by Shares
- v) Address of the registered office and contact details: 1st Floor, Ackruti Corporate Park, L.B.S.Marg, Kanjurmarg (W), Mumbai- 400078. Tel.: (+91-22) – 66406789, Fax : (+91-22) – 66406899
- vi) Whether listed company Yes / No: No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: Not Applicable.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

SI. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Other educational services	85499	46.00%
2	Consultancy Fees	70200	50.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/A SSOCIATE	% of shares held	Applicable Section
1	National Commodity & Derivatives Exchange Limited (NCDEX Limited) Add: 1 st Floor, Ackruti Corporate park, L.B.S.Marg, Kanjurmarg (W). Mumbai-400078.	U51909MH2003PLC140116	Holding	100%	Section 2 sub section 46

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (1) Indian a) Individual/HUF b) Central Govt c) State Govt d) Bodies Corp. e) Banks/FI f) Any Other....	Nil	d) 50,000	d) 50,000	d) 100	Nil	d) 50,000	d) 50,000	d) 100	-
Sub-total (A) (1):-	Nil	50,000	50,000	50,000	Nil	50,000	50,000	50,000	-
(2) Foreign									
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	Nil	50,000	50,000	100	Nil	50,000	50,000	100	-
B. Public Shareholding	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	50,000	50,000	100	Nil	50,000	50,000	100	Nil

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	National Commodity & Derivatives Exchange Limited	50,000 (including 600 equity shares held jointly with 6 individuals)	100	-	50,000 (including 600 equity shares held jointly with 6 individuals)	100	-	-
	Total	50,000	100	-	50,000	100	-	-

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Share	Nil	Nil	Nil	Nil

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	holding during the year Specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	NCDEX j/w. Atul Roongta At the beginning of the year	100	0.2	100	0.2
	At the end of the year	100	0.2	100	0.2
2.	NCDEX j/w. Sanjay Kaul At the beginning of the year	100	0.2	100	0.2
	At the end of the year	100	0.2	100	0.2

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	1,27,21,107	-	1,27,21,107
ii) Interest due but not paid	-	41,30,509	-	41,30,509

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	1,68,51,616	-	1,68,51,616
Change in Indebtedness during the financial year				
• Addition				
i) Principal Amount	-	10,00,000	-	10,00,000
ii) Interest due but not paid	-	14,25,658	-	14,25,658
iii) Taxes paid by NCDEX	-	184640	-	184640
iv) Interest due but not paid	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	26,10,298	-	26,10,298
Indebtedness at the end of the financial year				
i) Principal Amount	-	13721107	-	13721107
ii) Interest due but not paid	-	55,56,167	-	55,56,167
iii) Taxes paid by NCDEX	-	184,640	-	184,640
iv) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	1,94,61,914	-	1,94,61,914

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager:
The Company does not have any Managing Director, Whole-time Directors or Manager.

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA				

	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	
2.	Stock Option	
3.	Sweat Equity	
4.	Commission	
5.	Others, please specify	
	Total (A)	
	Ceiling as per the Act	

B. Remuneration to other directors:

The Company does not pay any remuneration to its Directors.

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		
	1. Independent Directors	NA				
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (1)					
	4. Other Non-Executive Directors					
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)					
	Total (B) = (1 + 2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:

The Company does not have any Key Managerial Personnel.

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA			

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total				

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

For NCDEX Institute of Commodity Markets & Research

Vijay Kumar V.
Director
DIN: 06651068

Atul Roongta
Director
DIN: 07878061

Place: Mumbai
Date: May 16, 2019

INDEPENDENT AUDITORS' REPORT

**TO,
THE MEMBERS OF
NCDEX INSTITUTE OF COMMODITY MARKET & RESEARCH**

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **NCDEX INSTITUTE OF COMMODITY MARKET & RESEARCH**, which comprise the Balance Sheet as at 31st March, 2019, the Statement of Income and Expenditure (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by 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 31st March, 2019 and its deficit, total comprehensive income, change in equity and cash flows for the year ended on that date.

Basis of opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 27 in the financial statements, which indicates that the Company incurred a net loss of Rs. 21.92 lakhs during the year ended March 31, 2019 and the accumulated losses as on that date is Rs.194.77 lakhs. The Company's net worth has been fully eroded. As matters and conditions stated in aforesaid note indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the financial statements have been prepared by the management on the assumption of a going concern in view of the Company's ability to continue in its operation for a foreseeable future with the continued support from NCDEX, the Holding Company. Our opinion is not modified in respect of this matter.

Information Other than the Standalone 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 Annexures to Board's Report Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the ability of the Company 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 Responsibility for the Audit of the Financial Statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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 the 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 entity'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 standalone 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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the standalone financial statements of such entities included in the consolidated financial statements of which we are 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 standalone financial statements that individually or in aggregate makes it probable that the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As the Company is registered under Section 8 of the Act, the clauses under the Companies (Auditor's Report) Order, 2016 are not applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Income and Expenditure including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

During the year, the Company has not paid any remuneration to its directors, except for sitting fees.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company does not have any pending litigations which would impact its financial position- Refer Note 20 to the financial statements;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For LODHA & COMPANY
Chartered Accountants
Firm Registration No. 301051E

Place: Mumbai
Date : 16th May, 2019

R. P. Baradiya
Partner
Membership No: 44101

“Annexure A”**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of **NCDEX INSTITUTE OF COMMODITY MARKET & RESEARCH** (“the Company”) as of March 31, 2019 in conjunction with our audit of Standalone Ind AS financial statements of the Company for the year ended March 31, 2019.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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

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

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 issued by ICAI.

For LODHA & COMPANY
Chartered Accountants
Firm Registration No: 301051E

R. P. Baradiya
Partner
Membership No: 44101

Place: Mumbai
Date : 16th May, 2019

NCDEX Institute Of Commodity Markets And Research

Balance Sheet as at March 31, 2019

Particulars	Note No.	As at	
		March 31, 2019	March 31, 2018
Assets			
Non-current Assets			
(a) Property, Plant and Equipment	2A	-	0.00
(b) Other Intangible assets	2B	-	-
(c) Income Tax Assets (net)	3	1.88	1.15
Total non-current assets		1.88	1.15
Current Assets			
(a) Financial Assets	4		
(1) Trade Receivables	4(1)	0.12	3.08
(2) Cash & Cash equivalents	4(2)	10.18	9.67
(b) Other current assets	5	4.50	1.63
Total current assets		14.80	14.38
Total Assets		16.68	15.53
Equity & Liabilities			
Equity			
(a) Equity Share capital	6(A)	5.00	5.00
(b) Other Equity	6(B)	(194.77)	(172.85)
Total Equity		(189.77)	(167.85)
Liabilities			
Non-current Liabilities			
(a) Deferred tax liabilities (net)	15(D)	-	-
Total non-current liabilities		-	-
Current Liabilities			
(a) Financial Liabilities	7		
(1) Total Outstanding dues of micro enterprises and small enterprises		-	-
(2) Total Outstanding dues of other than micro enterprises and small enterprises		9.04	9.60
(3) other financial liabilities		194.62	170.72
(b) Other current liabilities	8	2.79	3.06
Total current liabilities		206.45	183.38
Total Liabilities		206.45	183.38
Total Equity and Liabilities		16.68	15.53

Summary of significant accounting policies 1

The notes are an integral part of the financial statements.

As per our report of even date attached

For LODHA & CO.
Chartered Accountants
Firm Regn. No. 301051E

For and on behalf of the Board of Directors
NCDEX INSTITUTE OF COMMODITY MARKETS AND RESEARCH

R.P. Baradiya
Partner
Membership No. 44101

VIJAY KUMAR V.
Director
DIN : 06651068

ATUL ROONGTA
Director
DIN : 07878061

Place : Mumbai
Date : May 16, 2019

NCDEX Institute Of Commodity Markets And Research

Statement of Income and Expenditure for the year ended March 31, 2019

(Rs. in Lakhs)

Particulars	Note No.	For the year ended	For the year ended
		March 31, 2019	March 31, 2018
INCOME			
Revenue from operations	9	12.41	15.04
Other Income	10	-	2.19
Total Income		12.41	17.24
EXPENSES			
Employee benefits expense	11	6.10	6.63
Finance Cost	12	13.20	11.92
Depreciation & Amortization Expense	13	-	0.20
Other Expenses	14	15.03	11.67
Total Expenses		34.33	30.42
Surplus / (deficit) before income tax		(21.92)	(13.18)
Exceptional Item		-	-
Tax expense	15	-	-
Surplus / (deficit) for the period		(21.92)	(13.18)
Total comprehensive income for the period		(21.92)	(13.18)
Earnings per equity share			
(1) Basic (Rs.)		(43.84)	(26.37)
(2) Diluted (Rs.)		(43.84)	(26.37)
Nominal Value of Share (Rs.)		10.00	10.00

Summary of significant accounting policies

1

The notes are an integral part of the financial statements.

As per our report of even date attached

For LODHA & CO.
Chartered Accountants
Firm Regn. No. 301051E

For and on behalf of the Board of Directors
NCDEX INSTITUTE OF COMMODITY MARKETS AND RESEARCH

R.P. Baradiya
Partner
Membership No. 44101

VIJAY KUMAR V.
Director
DIN : 06651068

ATUL ROONGTA
Director
DIN : 07878061

Place : Mumbai
Date : May 16, 2019

CASHFLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A) CASHFLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	(21.92)	(13.18)
Add : Adjustments for :		
- Depreciation	-	0.20
- Old Balance written back (net)	-	(2.17)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(21.92)	(15.16)
Adjustments for :		
Trade Receivables	2.96	(2.99)
Other Current Assets	(3.60)	(1.30)
Other Financial Liabilities	23.90	18.54
Trade Payables	(0.56)	10.57
Other Current Liabilities	(0.27)	(0.97)
CASH GENERATED FROM OPERATIONS	0.50	8.70
Direct Taxes paid (Net of Refunds)	-	-
NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	0.50	8.70
B) CASHFLOW FROM INVESTING ACTIVITIES	-	-
NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	-	-
C) CASHFLOW FROM FINANCING ACTIVITIES	-	-
NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	0.50	8.70
CASH AND CASH EQUIVALENTS : OPENING BALANCE [includes fixed deposit with banks of Rs.NIL (Previous Year Rs. NIL)]	9.67	0.97
CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE [includes fixed deposit with banks of Rs.NIL (Previous Year Rs. NIL)]	10.18	9.67
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT	0.51	8.70

0.51 (0.01)

Notes to Cash Flow Statement :

- Components of Cash and cash equivalent represent bank balances in current account : Rs. 10.18 Lakhs (Previous Year Rs. 9.67 Lakhs)
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on Cash Flow Statements notified under Section 133 of the Act, read with relevant rules issued thereunder.

As per our report of even date attached

For LODHA & CO.
Chartered Accountants
Firm Regn. No. 301051E

For and on behalf of the Board of Directors
NCDEX INSTITUTE OF COMMODITY MARKETS AND RESEARCH

R.P. Baradiya
Partner
Membership No. 44101

VIJAY KUMAR V.
Director
DIN : 06651068

ATUL ROONGTA
Director
DIN : 07878061

Place : Mumbai
Date : May 16, 2019

NCDEX Institute Of Commodity Markets And Research
Notes to the financial statements for the year ended March 31, 2019

Background and Significant Accounting Policies

Background

NCDEX Institute of Commodity Markets and Research is an institute promoted by National Commodity & Derivates Exchange Limited (NCDEX) and incorporated under section 25 of the Companies Act, 1956 (Now section 8 of Companies Act, 2013) on September 18, 2007. The main object of the Institute is to operate as a charitable statistical research institute to promote knowledge and research relating to commodity markets, associated derivatives and disseminate information for the benefit of the participants in markets for products, goods, commodities, currency bonds, fixed income, intangibles, indices etc.

The Institute has been registered as a Company under the provisions of the Companies Act, 1956 and by virtue of the license granted to the institute by the Central Government under Section 25 of the Act (Now section 8 of Companies Act 2013), the word "LIMITED" is not required to be suffixed in its name.

The financial statements were authorised for issuance by the Company's Board of Directors on May 16, 2019.

1 Significant accounting policies :

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

a) Statement of compliance

The financial statements as at and for the year ended March 31, 2019 and March 31,2018 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies act 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (India Accounting Standards) Amendment Rules, 2016 and other relevant provision of the act to the extent applicable.

b) Basis of preparation

These financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, on accrual basis and are drawn up in accordance with the provisions of the Companies Act, 2013 (the Act) and Indian Accounting Standards ("Ind AS") notified under Section 133 of Act read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, amendment to the Rules and other relevant provisions of the Act.

(i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets that is measured at fair value,

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, leasing transactions that are within the scope of Ind AS 17 Leases, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36, Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

c) Revenue recognition

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

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

The sources of revenue are:

(i) Course fees

Course fees are accrued and recognized as revenue in the year of enrollment.

NCDEX Institute Of Commodity Markets And Research
Notes to the financial statements for the year ended March 31, 2019

(ii) **Interest Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the statement of income and expenditure.

(iii) **Agency Charges for NCSML CSR Projects**

Agency Charges for NCSML CSR Projects is recognized @ 10% of actual expenditure incurred for conducting CSR Programs.

(iv) Whether Report : Whether Report are accrued and recognized as revenue at point in time when customer opt for.

d) Income Taxes

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

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

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of income and expenditure 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 issued by the Institute of Chartered Accountant of India (ICAI), on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of income and expenditure 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.

e) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). An impairment loss is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

f) Cash Flow Statements & Cash and cash equivalents

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

NCDEX Institute Of Commodity Markets And Research
Notes to the financial statements for the year ended March 31, 2019

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Restricted cash:

Other bank balances comprise of Fixed deposits with maturity of more than three months and less than twelve months, other non current financial assets contains Fixed deposits with maturity of more than one year.

g) Trade receivables

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

h) Investments and other financial assets

(i) Recognition

All financial assets are recognized and de-recognized on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

(ii) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of income and expenditure or other comprehensive income. For investment in debt instruments, this will depend on business model in which the investment is held.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of income and expenditure.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in statement of income and expenditure when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in statement of income and expenditure. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of income and expenditure and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been significant increase in credit risk.

NCDEX Institute Of Commodity Markets And Research
Notes to the financial statements for the year ended March 31, 2019

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(v) De-recognition of financial assets

A financial asset is de-recognized only when

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

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

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

(vi) Income recognition

Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of financial assets. When calculating the effective interest rates, the Company estimates the expected cash flows by considering all the contractual term of the financial instruments but does not consider expected credit losses.

Dividends

Dividends are recognized in the statement of income and expenditure only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

i) Financial liabilities

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit or loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the statement of income and expenditure.

(iv) Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

j) Property, plant and equipment (including CWIP)

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of income and expenditure during the reporting period in which they are incurred.

- (i) Depreciation is provided on the "straight line method" based on the estimated useful life of assets which are either equal to or are lower than those suggested in Part C of schedule II of the Act. Depreciation on additions is provided on pro-rata basis from the date of acquisition/ upto the date of deletion.

Assets	Useful Life of Asset
Computer hardware	5 years
Furniture & Fixtures	10 years

NCDEX Institute Of Commodity Markets And Research
Notes to the financial statements for the year ended March 31, 2019

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

(ii) **Intangible Assets:**

Intangible assets comprising of "Software" are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Depreciation on additions is provided on pro-rata basis from the date of acquisition/ upto the date of deletion.

Assets	Estimated Useful Life of Asset
Software	5 years

k) Trade and other payables

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

l) Provisions

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation to be settled at future date. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

m) Contingent Liabilities and Contingent Assets

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

Contingent assets are not recognized in the financial statements. However if the inflow of economic benefits is probable, then it is disclosed in the financial statements.

n) Earnings per share

(i) **Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

(ii) **Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

o) Foreign currency translation and transactions

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of income and expenditure.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in statement of income and expenditure as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

p) Leases

As a lessee

Leases of property, plant and equipment, where the terms of the lease has substantially transferred all the risks and rewards of ownership to the Company are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of income and expenditure over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of income and expenditure on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

q) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

r) Contributed Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

s) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

t) Current versus Non-current classification and operating cycle

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle i.e. 12 months
- Held primarily for purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle i.e. 12 months.
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

u) Rounding of Amounts

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

v) Critical Accounting Estimates And Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of useful life of property, plant and equipment and intangible asset refer Note 1(j)

Estimation of current tax expense and payable Note 15

Estimation of contingent liabilities refer Note 20

Estimation of Impairment of Assets refer Note 1(e)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

NCDEX Institute Of Commodity Markets And Research

(All amounts are Rs. In Lakhs)

Notes to Financial Statements for the year ended March 31, 2019

2A Property, Plant and equipment

Particulars	Furniture & Fixtures	Hardware	Total
Year ended March 31, 2018			
Gross carrying amount			
Opening balance as at April 1, 2017	0.43	-	0.43
Additions	-	-	-
Disposals / Adjustments	-	-	-
Closing gross carrying amount	0.43	-	0.43
Accumulated depreciation and impairment			
Accumulated depreciation as at April 1, 2017	0.20	-	0.20
Depreciation for the year	0.23	-	0.23
Disposals / Adjustments	-	-	-
Closing accumulated depreciation	0.43	-	0.43
Net carrying amount as at March 31, 2018	-	-	0.00
Year ended March 31, 2019			
Gross carrying amount			
Opening balance as at April 1, 2018	-	-	-
Additions	-	-	-
Disposals / Adjustments	-	-	-
Closing gross carrying amount	-	-	-
Accumulated depreciation and impairment			
Opening balance as at April 1, 2018	-	-	-
Depreciation for the year	-	-	-
Disposals / Adjustments	-	-	-
Closing accumulated depreciation	-	-	-
Net carrying amount as at March 31, 2019	-	-	-

2B Other Intangible Assets and Intangible Assets under development

Particulars	Software	Total
Year ended March 31, 2018		
Gross carrying amount		
Deemed cost as at April 01, 2017	-	-
Additions	-	-
Disposals / Adjustments	-	-
Closing gross carrying amount	-	-
Accumulated amortisation and impairment losses		
Accumulated amortisation as at April 1, 2017	-	-
Additions	-	-
Disposals / Adjustments	-	-
Closing accumulated amortisation	-	-
Net carrying amount as at March 31, 2018	-	-
Year ended March 31, 2019		
Gross carrying amount		
Opening balance as at April 1, 2017	-	-
Additions	-	-
Capitalisation	-	-
Closing gross carrying amount	-	-
Accumulated amortisation and impairment losses		
Opening balance as at April 1, 2017	-	-
Additions	-	-
Disposals / Adjustments	-	-
Closing accumulated amortisation	-	-
Net carrying amount as at March 31, 2019	-	-

NCDEX Institute Of Commodity Markets And Research
 (All amounts are Rs. In Lakhs)
 Notes to Financial Statements for the year ended March 31, 2019

3 Income Tax Assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Advance income tax (net of provisions)	1.88	1.15
	1.88	1.15

4 Current Financial Assets

Particulars	As at March 31, 2019	As at March 31, 2018
1. Trade Receivables		
(a) Unsecured, considered good;	0.12	3.08
2. Cash & Cash Equivalents		
Balance with banks;	10.18	9.67
	10.30	12.75

5 Other Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
(b) Advance recoverable in cash or kind	-	0.08
(c) Advance to Holding cos. Employee	0.70	0.50
(d) Balance with Government Authorities	3.80	1.05
	4.50	1.63

Statement of Changes in Equity for the year ended March 31, 2018

(A) Equity Share Capital	Rs. In Lakhs
Balance as at April 1, 2018	5.00
Changes in share capital during the year	-
Balance as at March 31, 2019	5.00

(B) Other equity	March 31, 2019		Rs. In Lakhs
Particulars	Retained earning	Total	
Balance as at April 1, 2018	(172.85)	(172.85)	
(Deficit) for the year	(21.92)	(21.92)	
Balance as at March 31, 2019	(194.77)	(194.77)	

NCDEX Institute Of Commodity Markets And Research
(All amounts are Rs. In Lakhs)
Notes to Financial Statements for the year ended March 31, 2019

6A Share Capital

	As at March 31, 2019	As at March 31, 2018
Authorised	5.00	5.00
50,000 Equity Shares of Rs 10 Each		
Issued, Subscribed and Paid-up		
50,000 (Previous Year : 50,000) Equity Shares Rs.10 each fully paid up. (of the above shares 50,000 (Previous Year : 50,000) are held by the holding Company National Commodity & Derivatives Exchange Limited and its nominees)	5.00	5.00
Total	5.00	5.00

Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	March 31, 2019		March 31, 2018	
	No. of Shares	Rs. In Lakhs	No. of Shares	Rs. In Lakhs
Equity Shares of Rs 10 each fully paid				
At the beginning of the year	50,000	5.00	50,000	5.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	50,000	5.00	50,000	5.00

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holder of the equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholder.

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

	As at March 31, 2019		As at March 31, 2018	
	No.	% holding	No.	% holding
National Commodity and Derivatives Exchange Limited (and its nominees)	50,000	100.00%	50,000	100.00%

The Company has not issued any shares by way of bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding the reporting date.

No shares are reserved for issue under options and contract or commitment for the sale of shares or disinvestments.

6B Other Equity

Particulars	Retained earnings
Balance as at April 1, 2018	(172.85)
(Deficit) for the year	(21.92)
Balance as at March 31, 2019	(194.77)

7 Current Financial Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Payable to Related party	7.47	4.50
Other trade payable	1.57	5.10
Payable to Micro, Small and Medium Enterprises	-	-
2. Others		
a) Loan from Related party (Holding co.)	194.62	168.52
b) Deposit from NCSML CSR Project	-	2.20
	203.66	180.32

*Trade payable includes amount of Rs. Nil (Previous year Rs.Nil) including interest of Rs. Nil (Previous year Rs. Nil) payable to Micro, Small and Medium Enterprises. Total outstanding dues to Micro, Small & Medium Enterprises have been determined to the extent such parties have been identified on the basis

8 Other Current Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Statutory Liabilities	1.68	2.00
(b) Other Payables	1.11	1.06
	2.79	3.06

9 Revenue from operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<u>Sale of services</u>		
Course fees	4.85	11.48
Exam Fees	0.87	1.81
Consultancy Fees	6.22	1.13
Agency Charges for NCSML CSR	0.24	0.63
Whether Report	0.23	-
	12.41	15.04

10 Other Income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on Income Tax Refund	-	0.02
Old Balance written back (net)	-	2.17
	-	2.19

11 Employee benefits expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus including Contribution to provident and other fund (Reimbursement to Holding co.)	6.10	6.63
	6.10	6.63

12 Finance costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Finance Costs:		
Interest expenses-(Holding Co)	13.20	11.92
	13.20	11.92

13 Depreciation & Amortization

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation	-	0.20
	-	0.20

14 Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Professional Fees	10.69	8.01
Travelling & Conveyance	0.11	0.01
Printing & Stationary	-	0.31
Insurance - Business	0.01	0.02
Rent	1.17	1.67
Rates & Taxes	-	0.00
Electricity Charges	0.20	0.06
Office Exp	0.20	0.22
ROC Expenses	0.02	0.02
Repair & Maint - Others	0.15	0.35
Bank Charges	0.01	0.01
Transaction Processing Charges	0.06	0.08
Legal Expenses	0.24	0.27
Advertisement And Publicity	0.08	-
Security Charges	0.11	-
Whether report Expenses	1.45	-
Auditors' Remuneration	-	-
Audit Fees	0.45	0.45
Other services	-	0.10
Out of Pocket Expenses	0.08	0.09
	15.03	11.67

*Reimbursed to Holding co.

15 Current and Deferred Tax

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax	-	-
Deferred Tax	-	-
	-	-

NCDEX Institute Of Commodity Markets And Research
(All amounts are Rs. In Lakhs)
Notes to Financial Statements for the year ended March 31, 2019

- A) The major components of income tax expense statement of income and expenditure

Statement of income and expenditure

	March 31, 2019	March 31, 2018
	Rs. In Lakhs	Rs. In Lakhs
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of current income tax of prior period	-	-
Total current tax expense	-	-
Deferred tax:		
Decrease(increase) in deferred tax assets	-	-
(Decrease)increase in deferred tax liabilities	-	-
Total deferred tax expense (benefit)	-	-
Income tax expense reported in the statement of income and expenditure	-	-

- B) Reconciliation of tax expense and the accounting profit multiplied by tax rate

	March 31, 2019	March 31, 2018
	Rs. In Lakhs	Rs. In Lakhs
Particulars		
Profit before income tax expense	(21.92)	(13.18)
Tax rate (%)	27.55%	33.06%
Tax expenses	-	-
Adjustments in respect of current income tax of previous years	-	-
Net (gain)/loss on financial assets mandatorily measured at fair value through profit or loss - Mutual Funds	-	-
Non-deductible expenses for tax purposes:		
Depreciation	-	-
Income Tax Expense	-	-

- C) Income tax asset/liability at the end of the period

	March 31, 2019	March 31, 2018
	Rs. In Lakhs	Rs. In Lakhs
Particulars		
Opening Balance	0.91	0.87
Income tax paid/(refund)	0.97	0.04
Current Income Tax payable for the year	-	-
Provision for tax of earlier years	-	-
Net income tax asset/liability at the end of the year	1.88	0.91

- D) Deferred tax liabilities (net)

The balance comprises temporary difference attributable to;

	March 31, 2019	March 31, 2018
	Rs. In Lakhs	Rs. In Lakhs
Particulars		
Deferred Income Tax assets		
Property, plant and equipment and intangible assets under development	-	-
Financial assets at fair value through profit and loss	-	-
Total deferred tax assets (a)	-	-
Deferred Income Tax liabilities		
Property, plant and equipment and intangible assets under development	-	-
Financial assets at fair value through profit and loss	-	-
Total deferred tax liabilities (b)	-	-
Net deferred tax assets/(liabilities) (a-b)	-	-

NCDEX Institute Of Commodity Markets And Research
(All amounts are Rs. In Lakhs)
Notes to Financial Statements for the year ended March 31, 2019

E) Movement in Deferred Tax Assets

Particulars	Property, plant and equipment	Financial assets at fair value through profit and loss	Total
As at April 1, 2016	-	-	-
Charged/(credited)			
- to surplus or deficit	-	-	-
As at March 31, 2018	-	-	-
As at April 1, 2017			
Charged/(credited)	-	-	-
- to surplus or deficit			
As at March 31, 2019	-	-	-

F) Movement in Deferred Tax Liabilities

Particulars	Property, plant and equipment	Financial assets at fair value through profit and loss	Total
As at April 1, 2016	-	-	-
Charged/(credited)			
- to surplus or deficit	-	-	-
As at March 31, 2018	-	-	-
As at April 1, 2017			
Charged/(credited)	-	-	-
- to surplus or deficit			
As at March 31, 2019	-	-	-

- 16 Payments to employees represents the amount reimbursed by the Company to National Commodity & Derivatives Exchange Limited (NCDEX) in respect of employees on deputation to the Company. These includes charges for all retirement benefits and other long term employee benefits as per the requirements of Ind AS 19-“ Employee Benefits” notified under section 133 of the Companies Act 2013 read with relevant rules issued thereunder. Necessary provisions are carried by NCDEX.
- 17 In the opinion of the management, as Research & Development is the only operating segment, the disclosures required in terms of Ind AS 108 - “Operating Segment” under section 133 of the Companies Act 2013 read with relevant rules issued thereunder are not applicable.
- 18 In compliance with Ind AS 24 - “Related Party Disclosures” under section 133 of the Companies Act 2013 read with relevant rules issued thereunder, the required disclosures are given in the table below:

Related Party	Nature of Relationship
National Commodity & Derivatives Exchange Limited (NCDEX)	Holding Company
NCDEX e Markets Limited (Formerly known as NCDEX Spot Exchange Limited)	Fellow Subsidiary
National Commodity Clearing Limited	Fellow Subsidiary
National E-Repository Limited (NERL)	Fellow Subsidiary
Vijay Kumar V. (w.e.f. March 15, 2018)	Director
Atul Roongta (w.e.f. March 15, 2018)	Director
Sanjay Kaul	Director
M.K. Ananda Kumar (Till date March 15, 2018)	Director
Samir Shah (Till date March 15, 2018)	Director

NCDEX Institute Of Commodity Markets And Research
(All amounts are Rs. In Lakhs)
Notes to Financial Statements for the year ended March 31, 2019

(b) Details of transactions (excluding taxes wherever levied/credit taken) with related parties are as follows:

		(Rs. in Lakhs)	
Name of the Related Party	Nature of Transactions	Year ended March 31, 2019	Year ended March 31, 2018
National Commodity & Derivatives Exchange Limited	• Unsecured Loan taken	10.00	7.10
	• Unsecured Loan repaid	-	0.21
	• Reimbursement paid for expenses on staff on deputation	6.10	6.63
	• Reimbursement paid for other expenses incurred	3.64	2.31
	• Interest provided	13.20	11.92
	• Closing Balance of Unsecured	(194.62)	(168.52)
	• Closing Balance of Trade Payables	(7.47)	(4.50)

19 In accordance with Ind AS - 33 "Earning per Share" notified under section 133 of the Companies Act 2013 read with relevant rules issued thereunder, the required disclosure is given below.

Earning per share

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Net deficit attributable to Equity Shareholders (Rs. In Lakhs)	(21.92)	(13.18)
Weighted Average number of equity shares issued (No.)	50,000	50,000
Basic earnings per share of Rs. 10/- each (in Rs.)	(43.84)	(26.37)

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

20 **Contingent liabilities and Commitments including capital commitments :**

The Company was granted registration under section 12AA of the Income Tax Act, 1961 (Act) with effect from 1.4.2008 for income tax exemption. The Director of Income Tax (Exemption) vide its Order dated 16.12.2011 cancelled the said registration on the ground that the activities of the Company were in relation to trade or business and not for charitable purpose since the gross receipts had exceeded the prescribed limit of Rs. 10 lakhs during the financial year 2008-09. Accordingly, the assessment for the financial year 2008-09 was completed disallowing the Company's claim of deduction under section 11 and 12 of the Act. The Department had also issued notice initiating penalty proceedings.

ITAT vide its Order dated 28-02-2017, set aside the Order of DIT (Exemption) by restoring the registration granted to the Company. Further, as per directions given in the Order, the Company has represented before Assessing Officer that the activities carried out by the Company were charitable in nature and not in the nature of business. However, even as per the earlier Assessment Orders, there were no demand of income tax in view of loss and unabsorbed depreciation. Pending the final outcome of the dispute, the liability if any, that may be imposed on the Company for financial years commencing from 2008-09, on account of income tax, interest and penalty is presently not ascertainable.

The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statement. The Company does not expect the outcome of these proceedings to have a material impact on its financial statement.

21 Other expenses also include expenses allocated by the holding company, The National Commodity & Derivatives Exchange Limited on proportionate sharing basis.

NCDEX Institute Of Commodity Markets And Research
(All amounts are Rs. In Lakhs)
Notes to Financial Statements for the year ended March 31, 2019

22 A Fair value measurement

(i) Fair value Hierarchy

There are no financial instruments which are fair valued as per Ind AS.

B Financial Instruments by category

(Rs. In Lakhs)

Particulars	March 31, 2019	March 31, 2018
	Amortized Cost	Amortized Cost
Financial Assets		
Trade Receivables	0.12	3.08
Cash & Bank Balance	10.18	9.67
Total Financial Assets	10.30	12.75
Financial Liabilities		
Trade payables	-	-
Other financial Liabilities	194.62	170.72
Total Financial Liabilities	194.62	170.72

23 Financial Risk Management

The Company is not having any investment hence it is not exposed to financial risk.

A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintains a conservative funding strategy, with a positive cash balance during the year ended 31st March, 2018. This was the result of cash generated from operating activities to provide the funds to service the financial liabilities on a day-to-day basis.

Particulars	Carrying amount	Payable on demand	Less Than 12 Month	More than 12 months
As at March 31, 2019				
Trade payables	-	-	-	-
Statutory liabilities	1.68	-	1.68	-
Other liabilities	1.11	-	1.11	-

Particulars	Carrying amount	Payable on demand	Less Than 12 Month	More than 12 months
As at March 31, 2018				
Trade payables	-	-	-	-
Statutory liabilities	2.00	-	2.00	-
Other liabilities	1.06	-	1.06	-

B MANAGEMENT OF MARKET RISK

The Company's size and operations is not exposed any market risk.

24 In accordance with relevant provision of the Companies Act, 2013, the Company did not have any long term contracts including derivative contracts as at March 31, 2019.

25 For the year 2018-19, the Company is not required to transfer any amount into the Investors education and protection fund as required under relevant provisions of the Companies Act, 2013.

NCDEX Institute Of Commodity Markets And Research
(All amounts are Rs. In Lakhs)
Notes to Financial Statements for the year ended March 31, 2019

- 26 On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit & loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application either by:
 Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
 - Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
 - An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

The Company will adopt the standard on April 1, 2019 .The effect on adoption of Ind AS 115 is expected to be insignificant.

- 27 The loss for the year ended March 31, 2019 is Rs.21.32 Lakhs (P.Y. 13.18 Lakhs) and accumulated losses as on March 31, 2019 is Rs. 194.17 Lakhs (Rs. 172.85 Lakhs as on March 31, 2018). The loan from holding company as on March 31, 2019 is Rs. 194.59 Lakhs (Rs. 168.52 Lakhs as on March 31, 2018). Though, the net worth of the holding company is fully eroded, the financial statements have been prepared on the assumption of a going concern in view of the Institute's ability to continue in its operation for a foreseeable future with the continued support from NCDEX, the Holding Company.

28 **Net debt reconciliation**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Cash and cash equivalents	10.18	9.67
Current borrowings (Including Interest payable)	(194.62)	(168.52)
Net debt	(184.44)	(158.84)

Particulars	Cash and cash equivalents	Current borrowings (Including Interest payable)	Total
Net debt as at April 1, 2018	9.67	(168.52)	(158.84)
Cash Flows	0.51	(12.90)	(12.40)
Finance Cost	-	(13.20)	(13.20)
Interest Paid	-	-	-
Net debt as at 31st March 2019	10.18	(194.62)	(184.44)

- 29 Previous year figures have been regrouped / reclassified wherever necessary to confirm to current year presentation.

For LODHA & CO.
 Chartered Accountants
 Firm Regn. No. 301051E

For and on behalf of the Board of Directors
 NCDEX INSTITUTE OF COMMODITY MARKETS AND RESEARCH

R.P. Baradiya
 Partner
 Membership No. 44101

VIJAY KUMAR V.
 Director
 DIN : 06651068

ATUL ROONGTA
 Director
 DIN : 07878061

Place : Mumbai
 Date : May 16, 2019