We understand commodities

A FAIRFAX Company

NATIONAL COMMODITIES MANAGEMENT SERVICES LIMITED

(Formerly known as National Collateral Management Services Limited)

ANNUAL REPORT 2021-2022

www.ncml.com

BOARD OF DIRECTORS

Mr. Siraj A. Chaudhry (Chairman, Non-Executive Director)
Mr. Sanjay Kumar Gupta (MD & CEO)
Mr. Chandran Ratnaswami (Nominee Director)
Mr. Sumit Maheshwari (Nominee Director)
Mr. Pravir Vohra (Independent Director)
Ms. Renu Kohli (Independent Director)

GROUP CHIEF FINANCIAL OFFICER

Mr. Anuj Kumar Vasdev

COMPANY SECRETARY

Ms. Rupinder Kaur

STATUTORY AUDITORS

Walker Chandiok & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram – 122 002
India
T +91 124 4628099
F +91 124 4628001

REGISTERED OFFICE

D-164, TTC Industrial Area,
Nerul MIDC,
Navi Mumbai,
Mumbai - 400706
Maharashtra

DEBENTURE TRUSTEE

SBICAP Trustee Company Limited
Apeejay House, 6th floor,
3, Dinshaw Wachha Road, Churchgate,
Mumbai - 400 005
Tel: 022-4302 5555
Fax: 022-22040465
Email: prashant.joshi@sbicaptrustee.com

REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai – 400 083
Maharashtra, India
Tel: +91 22 4918 6000
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MESSAGE FROM MD & CEO

Dear Shareholders,

Greetings from NCML. Hope all of you are doing good and are safe.

Lighthouses do not get wobbly when the weather gets rough; they just stand there shining. Our belief in this not just helped us stand steady and strong during the pandemic, sectoral and organizational upheaval but brought us closer to our customers and our mission. The need of the hour was to stay focused on the customers and gear ourselves for the future. Whether it meant a quick review of the strategies or finding effective means and ways to reach out to our customers. Team NCML rose to the occasion, and we have not let the ground beneath our feet slip away. We are rebuilding on our core strengths, quickly transforming the way we function and respond with resilience. We shall continue to pursue our mission to be the trusted solution provider for stakeholders in the value chain of 'Agriculture-to-Food' through services, fostering innovation and efficiency

FY2021-22 Overview

The financial year started with the second wave of Covid-19 in mid-April 2021 and indeed was quite worrisome. However, we adopted a strategy of cautious aggression to ensure just in time working in the offices and field to satisfy our customer requirements, while ensuring the safety of our employees. Considering the extensive impact of the Covid-19 second wave, we had taken every precaution to ensure the safety and health of our employees through regular communication of verified information and support measures wherever required. Our lines of business performed well in these trying times and the processes of support groups were streamlined and strengthened.

The Silo division faced multiple challenges with the impact of Covid-19, farmers agitation and unrest in the state of Punjab, a huge increase in the cost of raw materials (Civil, Steel, Labor) and resultant delay in financing. Notwithstanding all the above, we have been able to hand over two of the silos in the state of Haryana and two more in the state of Punjab is coming up during the next quarter.

We are continuously working to strengthen our support functions through the implementation of best practices fit for the organization viz., digitization of HR practices, implementing an integrated management system with all earnestness and touching base with our customers, and deepening our relationship with them in trying times alongwith audits & governance strengthening protocols. We have focussed on the Learning and Development of Employees, starting with assessing our employees for their prior learning through the Agriculture Skill Council of India-ASCI for various job roles. More than 200 employees in various job roles such as warehouse keeper, warehouse supervisor, quality assayer, and electronic data processor have been assessed and certified. Further, our HR platform has provided self-learning modules on various skills required to conduct business.

We have since successfully completed our mission to implement an integrated management system with the objective of ensuring providing services to the satisfaction of the customers, adhering to health and safety standards, and being environmentally friendly and sustainable.

We are grateful to our shareholders, investors, clients, regulatory authorities, lenders and banks for their continued support, and guidance and sincerely thank them for the same.

As we gear up for the future, we will always remember Steve Marabol's words, "Life does not get easier or more forgiving; it is just that we will get stronger and more resilient and be ready for it."

Warm Regards,

Sanjay Kumar Gupta
MD & CEO, NCML

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

Your Directors have pleasure in presenting the Eighteenth Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March 2022.

1. FINANCIAL SUMMARY –

INR in million

Particulars	Mar'2022	Mar'2021	Mar'2022	Mar'2021
	Standalone		Consolidated	
Revenue	2,941.1	5,264.5	3,004.8	5,233.9
Profit / (loss) before Depreciation, Finance Charges and Tax	309.0	139.5	(64.2)	(72.5)
Profit / (Loss) after Tax	(576.0)	(609.9)	(643.8)	(577.7)

2. COMPANY PERFORMANCE

Highlights of the Company's performance on a standalone basis:

- Revenue of Rs. 2941.1 mn (Rs.5264.5 mn. for the year 2020-21)
- PBDIT is at Rs. 309.0 mn (Rs.139.5 mn. for the year 2020-21)
- PAT is at Rs. (576.0) mn. [(Rs. 609.0) mn. for the year 2020-21]

Highlights of the Company's performance on a consolidated basis:

- Revenue of Rs. 3004.8 mn (Rs.5233.9 Mn for the year 2020-21)
- PBDIT is at Rs. (64.2) mn [Rs.(72.5) Mn for the year 2020-21)]
- PAT is at Rs. (643.8) mn. [(Rs. 577.7) mn. for the year 2020-21]

- While there is improvement at EBITDA level in FY 21-22, the Net Profit of the Company is impacted with one-time provisions, non-cash impact, captured during FY 21-22 for INR 393.6 million on Investment in subsidiaries, receivables, deposits and credit loss provisioning. While there are other structural changes in Collateral Management business operations with discontinuation of new business activity in high-risk geographies impacting revenue. Further, the decline in revenue stream is also due to SCM business with reduced financing activity, impacting margins, compensated with marginally lower employee cost with people rationalization, admn cost reduction, finance costs and lower deprecation charge vs last year.

3. INDUSTRY OVERVIEW AND OUTLOOK

Domestic Economy

The financial year began with the onset of the second wave of COVID-19 in mid-April 2021 and ended with the third wave in the last quarter of the financial year. The second wave of Covid-19 indeed had a major health impact which is witnessed across the nations worldwide. Amongst the other macros, last quarter also saw the beginning of the Ukraine-Russia war with having far reaching consequences. However, we at NCML adopted a planned approach to satisfy our customers' requirements, on a consistent basis, while not compromising on the safety of our employees. We ensured regular communication of verified covid-19 information and provided support to our employees wherever required. Our lines of businesses performed well in these trying times, and the processes of support groups were streamlined and strengthened with the implementation of the integrated management system (IMS).

The Indian economy grew 8.7 percent in 2021-22, with the gross domestic product (GDP) taking this year to the economy above its pre-pandemic levels and is an improvement after seeing contraction in 2020-21. The economic growth during entire fiscal of 2021-22 has gradually spiraled downwards with each quarter. Though, the growth expected in real terms in FY 21-22 was 9.2%. It is projected to grow between 7.0 and 7.5% in FY 22-23, which is close to World Bank and Asian Development Bank's forecasts of real GDP growth rates for 2022-23. Good growth in revenue receipts and stability in the macroeconomic indicators, including growth in Capex and foreign exchange reserves suggest that the economy is well placed to achieve its growth target for FY

22-23. Agriculture and allied sectors grew by 3.9 percent; industry by 11.8 percent and the services sector by 8.2 percent in 2021-22. On the demand side, consumption is estimated to grow by 7.0 percent, Gross Fixed Capital Formation (GFCF) by 15 percent, exports by 16.5 percent, and imports by 29.4 percent.

Coming to the Agri commodity side, sowing of rabi (winter) crops mostly consists of wheat, pulses, oilseeds, and coarse cereals is poised well. The total area sown during the rabi season (October to February) stood at 700.8 lakh hectares (LH) marginally higher than the 2020-21 level, registering a growth of 1.5% in 2021-22. Out of the total area sown, approximately 85 percent was under food grains (wheat, Pulses, Coarse cereals and Rice) while the remaining 15 percent was under Oilseeds. Wheat has been sown in 343 LH, as compared to 346 LH in the previous year, registering a marginal decline of 0.8%. The rabi pulses such as Chana, Lentil, Moong and Urad have been planted in 168 LH this year as against 166 LH reported last year.

There was lower coverage under coarse-cum-Nutri cereals as the total sown area stood at 51 LH this year as against 52 LH reported in the previous year. Acreage under oilseeds increased significantly from 83 LH in 2020-21 to 102 LH this year, an increase of 22.8 percent over the previous year. This increase is mainly led by safflower and rapeseed and mustard with a year-on-year increase of 30% and 25% respectively. The higher area is reported from the States of Rajasthan (9.62 LH), Madhya Pradesh (4.09 LH), Uttar Pradesh (1.86 LH), and Haryana (1.57 LH), Gujarat (1.25 LH) among others. The increase in area sown for major oilseeds was intended to increase production and reduce import dependence and thereby improve self-sufficiency.

The total procurement of rice during Kharif marketing season 2021-22 up to 31.03.2022 was 50.28 million metric tonnes (MMT) as against 46.58 million tonnes during the corresponding period of last year.

Russia's invasion of Ukraine has led to volatility in several sectors of the global economy. For India trade is being disrupted in the grains, oilseeds, fertilizer, and energy sectors, not to mention a likely disruption in India's exports of agricultural products including coffee, rice, and fruits. The disruption has also been in production, processing, logistics, and shipping. This has contributed to a historic shock to commodity markets that will keep global prices high through the end of 2024. Food prices are expected to soar by 22.9% this year, driven by a 40% rise in wheat prices, it added. This is because Ukraine and Russia together account for about 14% of global wheat production, and about 29% of all wheat exports. Ukraine is among the top five global exporters of a variety of key agricultural products, including Corn, Wheat, Barley, Sunflower oil, and meal. Vital shipments of agricultural exports, including an estimated 20 million tons of grain, are stuck in Ukraine because Odesa and its other Black Sea ports have been blocked by Russian forces.

After five consecutive record crops and rising mammoth government wheat inventories, both the government and private traders are keen to capitalize on any opportunity to liquidate the surplus wheat in the world market.

4. DIVIDEND

Your Directors do not recommend any dividend during the Year under review.

5. RESERVES

Rupees 320 million have been transferred towards Debenture Redemption Reserve. As per section 71(4) of companies Act, 2013 a sum of Rupees 320 million is allocated as at 31 March 2022 (31 March 2021: Rupees nil) has been transferred from retained earnings to debenture redemption reserve.

6. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIRS

NCML during the financial year 2021-22 faced a lot of impeding factors for conducting normal course of business. The year started with the second wave of Covid-19, which was severe both externally and internally, while a relatively subdued form was witnessed during last quarter in the form of third wave. On a standalone basis, NCML owns the three business segments at standalone level which includes Storage, Trading & others whereas at consolidated level, Company owns the additional segments of finance and Silos.

Segment -Storage

During the year, despite the impediments, the overall performance of Storage segment has been robust in FY 22 on Net Revenue with Year-on-Year revenue growth of 18%, segment recorded revenue of Rs.107 Crores. In the collateral management services, a formal process of disengagement with existing third-party structure categories continued throughout the year resulting in significant reduction in asset under management to sub 1000 cr. at the end of the year. Tightness in availability of credit facilities, high volatility in commodity prices throughout the year coupled with stock limit and future trading ban imposed by Govt. on select commodities to keep control on the increasing commodity prices resulted in restricted business volumes only with existing clients with limited scope of new business.

<u>Segment - Trading</u>

Technology based crop and farmer field validation using remote sensing technology was used at village level and integrated with cadastral maps. With the help of our customized mobile application, 79,100 CCEM (Crop Cutting Experiment Monitoring) & Crop Loss Survey in 2 states and 10 districts. The core service of providing near-real time weather data to insurance companies continued with a network of more than 3330 Automatic weather stations accounting for 77% capacity utilization. The division also diversified into Hydrology space and two projects in Telangana and Assam are under execution. Further, Remote Sensing technology-based crop production forecasting and price risk consulting services are being offered for Soybean, Kharif Maize, Wheat, Mustard, and Rabi maize on Pan India basis. The division also, initiated commodity research and price consulting services in Sugar, Wheat, Maize, Soybean, Pulses & Tomato. Consulting projects on bulk silo storage study in India for Austrade (Australian Embassy), Shrimp value chain and finding infrastructure gaps for MOFPI (Govt of India) and also executing Silo operational consulting project in Nepal for Nepal Warehousing Company Ltd. and Kemin in India.

Logistics is one of the largest industries across the world and in India it contributes almost 14 per cent to the GDP. Road transportation being a significant component, with almost 45 per cent share of the overall logistics spend in the country.

Road transportation sector is highly fragmented on both demand and supply sides and has negligible technology penetration, leading to a long chain with multiple intermediaries. This is resulting in poor price realization, higher costs, and poor service levels.
About 76% of this market is unorganized. In the 24% organized sector, there are about 10% of fleet owners, rest work as collaborators/aggregators. NCML, provides services to a niche segment, non-agri finished Goods companies at the moment which started gaining traction by onboarding new customers in the last one year.

<u>Segment – Others</u>

During this period large impact was seen on the testing business since the Hotels, Restaurants and Catering services/ HoReCa were highly skeletal in their services and additionally they had relaxed food safety compliance norms as well. Major Kharif crops Cotton and Soya were affected due to untimely rains, resulting in high commodity prices. This triggered government to impose stock limits and ban futures trading in many commodities. Volatility in the prices also had an impact on the availability of funds for SCM operations. All of these had a bearing on the storage volumes. However, fresh commodity arrivals during Rabi along with continued storage of cotton ensured capacity usage. Further, internally, reduction in the leased warehouses and enhancement in the franchisee structures helped reduce operational costs significantly. Additionally, restricting all the collateral management business to professional NCML warehouse(s) helped the cause of warehouse capacity utilization.

Testing & Certification gained momentum in the last quarter with Food Safety and Security Authority of India (FSSAI) awarding Pan-India food products survey project to NCML Labs. As a Survey service provider, NCML labs shall sample about 4000 food products, empanel required number of laboratories to test and provide survey report to identify ‘geographical hot spots’ where higher prevalence of Unsafe, misbranded, and substandard food product occurs. This in fact is a time sensitive, field extensive and lab intensive activity being efficiently taken up by NCML labs on a project mode ensuring higher lab capacity utilization. As a part of continual improvement and competency enhancement, NCML Labs successfully participated in Proficiency test conducted by “Wageningen Food Safety Research institute Netherlands, one among few laboratories from India approved by Textile Exchange, OCA and GOTS to perform GMO testing in cotton. This will also enable NCML Labs to test more cotton samples for GMO contamination testing across organic cotton value chain. Set-up, own, operate and transfer [SOOT] model of PPP, NCML Labs has established National Food Laboratory at Chennai, which shall be commercially operational by the end of first quarter of FY 22-23.

Whereas, MktYard.com revenues and GMV saw a decline. However, the total number of auctions posted an overall growth of 24% at 6815 auctions vs 5500 auctions for FY 21-22. Despite the reduction in GMV, the consequent reduction in net revenue was not as much due to the average fee percentage earning from the auctions going up, and higher percentage of non-agri auctions. Net revenues for the year FY 21-22 were at INR 48 Lakhs, marginally lower vs LY. There was a surge in the total number of users in the system owing to improved portal features. National Seeds Corporation and Gujarat Seeds Corporation have been added to our list of government customers. For the first time, we conducted auctions in geopolitically difficult areas such as Arunachal Pradesh, Manipur, Sikkim, Gurez, Ramban, Bandipora Etc.

Segment - NCML Finance

NCML Finance saw a muted growth, however the lower revenue had limited impact on the bottom-line due to various management initiatives including cost optimization, selective lending with higher yields and better risk management protocols with lower credit costs for the year. The company continues to be rated as A- stable in the midst of down-scaling in the loan book and managed its cost of funds through renewal of Bank lines at optimal cost. The focus on asset quality of the loan book ensured that the company closed the year with the lowest NPA levels.

Segment - FCI Silo Projects:

As of March 2022, NCML has been carrying contracts from FCI for setting up Silo Complexes at various awarded locations. These locations are spread across four states – UP, Punjab, Haryana and Bihar. Out of these locations, Silo projects at Bhattu and Sonepat are completed last year and handed over to FCI along with having generating revenue on Actual Utilisation Basis (AUB) and revenue recovery respectively. Both these sites are certified for complying with ISO 22000:2018, Food safety management system. No Load trial/ Dry Run for silo terminal at Batala and Chhehreatta are also complete for handing over by end of the first quarter to FCI. In the FY 22-23, revenue is expected from projects – at Basti (UP) and Kaimur – Buxar (Bihar), aside to Batala, Chehreatta asconstruction activities are going on at full pace. Major land has been acquired in Faizabad (UP), Deoria (UP) and Jalalabad (Punjab) and construction is expected to start towards end of FY 2022 – 2023. For the 3 locations – Motihari, Saran and Madhepura in Bihar, no land procurement has been done so far and therefore LOC for these has not been issued yet and these projects from continuation/ otherwise being evaluated. Plans are underway to generate additional source of revenue for NCML at these sites, on the likes of Private Freight Terminals (PFT). Indian Railways had issued a circular regarding "Gati Shakti" model in Dec 2021 which has numerous provisions to grant concessions to PFT sidings.

7. RESEARCH AND DEVELOPMENT:

The Research & Development division of NCML has a valid MoU with International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) and Green Hills Trust. During the year, the project granted by the Uttarakhand Council for Science and Technology, "Effect of various treatments in reducing phytate content of Finger millet for improved nutrition" has been completed. The final project report has been submitted to the donor agency. The other project, "Exploring Livelihood Potential of Wild Growing Stinging Nettle (*Urtica dioica*) in Uttarakhand" awarded by the National Mission for Himalayan Studies is progressing satisfactorily as per the timelines. During the year, the department has published a book chapter in the book published by Scrivener – Wiley while a manuscript titled, "Study on the existence of pesticides in Indian grapes (*Vitis Vinifera*) and their compliance for export to EU Nations through advanced analytical instrumentation" has been submitted to the peer-reviewed journal – Environmental Science and Pollution Research. Since there is a change in company name and board of directors, a fresh application must be filed for seeking DSIR recognition, for FY 22-23 which is being initiated.

8. IT AND COMPUTERIZATION

- **Implementation of Storeman for NCML Client:**
  NCML IT team has developed & deployed a unique solution for **Nepal Warehousing Company Limited (NWCL).** The software enables NWCL team to handle all business operations i.e real time positions of the stock management, daily transactions (deposit, withdrawal, pledged, unpledged stock and Warehouse receipt(WHR) from all the godowns. It also captures the Masters of Clients, Godown, District, Locations, Rate card, User and their access management, billing information and details of services.

- **Implementation of Managed Threat Response for end points**

NCML IT team has deployed S1 managed threat response solutions for his cloud servers & critical endpoints. This solution prevents real time cyber/ransomware attack and alert to the IT team for quick action and response for the preventive actions to minimize any damage or loss of data.

- **Implementation of WLM (Weather Intelligence Application) for clients**
  NCML IT has installed software application for NHP State data centre for Telangana and Assam for synchronisation of data from SDC to WIMS server and regular maintenance of server. This new application supports better User Interface, Improved Performance, Data API's, Data Requests, and data downloads etc. Whereas the hourly and daily data sent to the state server and it sync with WIMS server in every 5 minutes.

9. CHANGE IN THE NATURE OF BUSINESS, IF ANY

No Changes have occurred in the Nature of the Business of the Company, during the Year under Review. Further there has been no change in the nature of business of its subsidiaries.

10. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes affecting the financial position of the Company between the date of Balance Sheet and the date of this Report.

11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no Material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

12. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES AND FINANCIAL PERFORMANCE THEREOF

As on 31st March 2022, your Company had 18 wholly owned subsidiaries.

A statement containing the salient features of the financial statements of our subsidiaries in the prescribed format AOC-1 forms part of the Annual Report.

13. DEPOSITS

During the financial year 2021-22, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

14. STATUTORY AUDITORS AND THEIR REPORT

At the last Annual General Meeting of the Company, M/s. Walker Chandiok & Co LLP Chartered Accountants (FRN: 001076N/N500013) were appointed as the Auditors to hold office till the conclusion of the Annual General Meeting to be held for FY 2024-25.

The Auditors' Report for the financial year 2021-22, does not contain any qualification, observation, or adverse remarks and accordingly no comments required by your Board of Directors on the same.

15. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Sharma Rahul Associates, Company Secretaries, to undertake the Secretarial Audit of the Company for the year ended 31st March 2022.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following remark:

i. *As per Reg. 52(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity has not submitted Financial Results for a Second quarter (July – September 2021) within 45 days from the end of the quarter to the stock exchange during the year under review.*

Opinion: Due to bona fide unavoidable circumstances, the submission of un-audited financial results for the period ended September 30, 2021 with BSE has got delayed.

ii. *As per Reg. 57(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity has not submitted the details of payable obligations during the (Oct- Dec, 2021) quarter within 5 working days prior to the beginning of the quarter to the stock exchange during the year under review.*

Opinion: Due to some technical reason, the submission got delayed.

The Secretarial Audit Report is enclosed and marked as Annexure A to this report:

16. COST AUDITOR

Since the Company is engaged in providing warehousing services and rendering of such services are not covered under the Notification dated 31st December 2014 issued by the Central Government to amend the Companies (Cost Records and Audit) Rules, 2014, appointment of Cost Auditor is not applicable.

In terms with the provisions of section 148 of the Companies act, 2013 read with the Companies (Cost records and audit) Rules 2014, maintenance of cost records and appointment of Cost Auditors are not applicable on your Company.

17. INTERNAL AUDITOR

The Company has appointed Deloitte Haskins & Sells LLP, Chartered Accountants as Internal Auditor of the company for the financial Year 2021-22.

18. CORPORATE GOVERNANCE

The Company recognizes its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of Corporate Governance through its transparent practices and processes. The Company is accountable to its customers, government, regulatory authorities and other stakeholders. The Company's activities are carried out in accordance with good corporate governance practices and are constantly striving towards enhancing our Corporate Governance Framework. The Company believes that good Corporate Governance practices enable the Board and the Management to direct and control the affairs of the Company in an efficient manner thereby helping the Company to achieve its goal and benefit the interest of all its stakeholders.

19. SHARE CAPITAL

A) Increase in Share Capital

The Company has allotted 27,000 equity shares to one of the employee under ESOP Scheme, 2014.
The issued, subscribed and paid-up share capital of the Company stands increased to Rs. 147,43,87,360/- divided into 14,74,38,736 equity shares of face value of Rs. 10/- each.

B) Issue of equity shares with differential rights

No Equity Shares with differential rights were issued during the Year under Review.

C) Issue of sweat equity shares

No Sweat Equity Shares were issued during the Year under Review.

D) Issue of Employee Stock Options

There is no change in ESOP scheme of the company as floated previously and no new ESOP's given in the year FY22.

In terms of Section 62 of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, the disclosures for FY ended on 31st March 2022 is annexed in Annexure C to this report.

E) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

Not Applicable

F) Debentures

Compulsorily Convertible Debentures

The Company has 10,02,74,482 (Ten Crores Two Lakhs Seventy-Four Thousand Four Hundred and Eighty-Two only) Compulsorily Convertible Debentures ("CCDs") of a face value of Rs. 10/- each.

The Company has not issued or allotted CCD during the Year.

Non-Convertible Debentures
The Company has 3,200 secured, rated, listed, redeemable, non-convertible debentures bearing a face value of 10,00,000 (Rupees Ten lakhs only) each which is listed on BSE Limited.

The Company has not issued or allotted NCD during the Year.

20. EXTRACT OF THE ANNUAL RETURN
Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website on https://www.ncml.com/

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO
As the Company does not have any Manufacturing activities, disclosure of Information in accordance with the provisions of the Act regarding Conservation of Energy and Technology absorption is not applicable to the Company. However, the Company has fully made use of the latest available technology in building its operational systems.

22. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Amount (In Rs. million)

Total Foreign Exchange Inflow	1.33
Total Foreign Exchange outflow	2.27

23. CORPORATE SOCIAL RESPONSIBILITY (CSR)
The Company has a duly constituted CSR Committee, with its composition, quorum, powers, role and scope in line with the Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

During the Year the company was not required to make CSR expenditure as the three-year average profit is negative in numbers. (CSR Report is attached as annexure D)

The CSR Policy is uploaded on the website of the Company at https://www.ncml.com/corporate-policies.

24. DIRECTORS
(A) Changes in Directors and Key Managerial Personnel

During the year under review, Mr. Unupom Kausik has resigned from the position of Whole Time Director of the company.

Term of Mr. Sunil Behari Mathur as Independent Director has got ceased on September 29, 2021.

In accordance with the provisions of the Companies Act, 2013, Mr. Chandran Ratnaswami (DIN: 00109215) shall retire by rotation at the Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

Mr. Siraj A. Chaudhry has resigned as MD & CEO of the Company and Mr. Sanjay Kumar Gupta has replaced him as MD & CEO w.e.f June 01,2022.

Mr. Siraj A. Chaudhry has been appointed as Chairman.

(B) Declaration by an Independent Director(s) and re- appointment, if any
The Company has received declaration from independent directors pursuant to the provisions of Section 149 sub-section (6) of the Companies Act, 2013.

(C) Woman Director

In terms of the provisions of Section 149 of the Companies Act, 2013, a company shall have at least one Woman Director on the Board of the Company. The Company has Ms. Renu Kohli, as an Independent Director on the Board.

(D) Annual Evaluation of Board Performance and Performance of its Committee and of individual Directors:

Pursuant to the provisions of the Companies Act, 2013 the company has adopted a Board Evaluation policy which forms integral part of Nomination and remuneration Policy. The Board has carried out evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The Independent Directors of the Company held a separate meeting in the FY 2021-22 without the attendance of non-independent Directors and members of management. At the said meeting, they reviewed the performance of non-independent Directors and the Board as a whole, including the Chairman of the Company.

25. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company had met 4 times during the year under review:

Date of the meeting	No. of Directors attended the meeting
16.08.2021	07
29.11.2021	05
14.02.2022	05
25.03.2022	04

The Composition and attendance of the Board members is given below:

Name of Director	Number of Meetings held during the year	Number of Meetings attended
Mr. S. B. Mathur	4	1
Mr. Chandran Ratnaswami	4	3
Mr. Sumit Maheshwari	4	4
Ms. Zohra Chatterji	4	4
Mr. Unupom Kausik	4	1
Mr. Pravir Vohra	4	4
Mr. Siraj A. Chaudhry	4	4

26. COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The following Committees re-constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee

AUDIT COMMITTEE

Composition of Audit Committee

Name of Member	Designation
Mr. Pravir Vohra	Chairman
Ms. Renu Kohli	Member
Mr. Sumit Maheshwari	Member
Ms. Zohra Chatterji	Member*

*ceased to be as a member on May 30, 2022

Details of attendance

Three Audit Committee meetings were held during the year under review on 16th August, 2021, 29th November, 2021 & 14th February, 2022. The details of attendance of the Directors at the Audit Committee meetings are as under –

Name of Director	Number of meetings attended	Number of meetings held during the tenure of Directors
Mr. Pravir Vohra	3	3
Ms. Zohra Chatterji	3	3
Mr. Sumit Maheshwari	3	3

Scope of Audit Committee

a) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
b) Review and monitor the auditor's independence and performance and effectiveness of audit process;
c) Examination of the financial statements and the auditors' report thereon;
d) Approval or any subsequent modification of transactions of the Company with related parties;
e) Scrutiny of inter-corporate loans and investments;
f) Valuation of undertakings or assets of the Company, wherever it is necessary;
g) Evaluation of internal financial controls and risk management systems.

During the year all the recommendations of the Audit Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE

Composition of Nomination and Remuneration Committee

Name of Member	Nature
Mr. Chandran Ratnaswami	Chairman
Mr. Sumit Maheshwari	Member
Ms. Renu Kohli	Member
Ms. Zohra Chatterji	Member*

*ceased to be as a member on May 30, 2022

Details of attendance

One meeting of the Nomination and Remuneration Committee were held during the year under review on 16th August 2021. The details of attendance of the Directors at the Nomination and Remuneration Committee meeting are as under –

Name of Director	Number of meetings attended	Number of meetings held during the tenure of Directors
Mr. Chandran Ratnaswami	1	1
Mr. Sumit Maheshwari	1	1
Ms. Zohra Chatterji	1	1

Scope of Nomination and Remuneration Committee

The Nomination and Remuneration Committee inter alia, identifies persons qualified to become Directors and formulates criteria for evaluation of performance of the Directors and the Board as a whole. The Committee's role also includes recommending to the Board the appointment, remuneration and removal of Directors. This Committee also has the responsibility for administering the Employee Stock Option Schemes of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition of Corporate Social Responsibility Committee

Name of Member	Nature
Ms. Renu Kohli	Chairperson
Mr. Sumit Maheshwari	Member

Mr. Pravir Vohra	Member
Ms. Zohra Chatterji	Chairperson*

*ceased to be as a member on May 30, 2022

Details of attendance

One meeting of the Corporate Social Responsibility Committee was held during the year under review on 31st March, 2022. The details of attendance of the Directors at the Nomination and Remuneration Committee meeting are as under –

Name of Director	Number of meetings attended	Number of meetings held during the tenure of Directors
Ms. Zohra Chatterji	1	1
Mr. Sumit Maheshwari	1	1
Mr. Pravir Vohra	1	1

27. **THE REMUNERATION POLICY, DISCLOSURE OF REMUNERATION & PARTICULARS OF EMPLOYEES**

In terms of Section 178 of the Act, the Board have adopted a 'Nomination and Remuneration Policy' inter-alia setting out the criteria for deciding remuneration of Executive Directors, Non-Executive Directors, Senior Management Personnel and other Employees of the Company. The aforesaid Policy is hosted on the website of the Company and can be viewed at https://www.ncml.com/corporate-policies.

In terms of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosures with respect to the remuneration of Directors, Key Managerial Personnel and Employees of the Company have been provided in **Annexure B** to this report.

28. **DISCLOSURE OF COMMISSION PAID TO MANAGING OR WHOLE TIME DIRECTORS**

There is no commission paid or payable by your company to the managing director or the whole-time director.

29. **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

Pursuant to Section 177(9) of the Companies Act, 2013 and listing regulations, the Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides adequate safeguards against victimisation of employees who avail of the mechanism and also provides direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

The details of the policy is also available at https://www.ncml.com/wbp.

30. **POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE**

The Company stands and upheld zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action.

The Company has not received any complaint of sexual harassment during the financial year 2021-22:

Disclosure:

Number of complaints of sexual harassment received in the year	NIL
Number of complaints disposed off during the year	NIL
Number of cases pending for more than ninety days	NIL

Number of workshops or awareness programme against sexual harassment carried out	NIL
Nature of action taken by the employer or District Officer	NIL

31. STOCK EXCHANGE LISTING

The Secured Non-Convertible Debentures of the Company is listed at BSE Limited (BSE). The listing fee for the financial year 2022-23 has been paid to BSE.

32. DISCLOSURE IN TERMS OF SEBI CIRCULAR NO. SEBI/HO/DDHS/CIR/P/2018/144 DATED NOVEMBER 26, 2018 - FUND RAISING BY ISSUANCE OF DEBT SECURITIES BY LARGE ENTITIES

In this regard it is declared that your Company do not fulfil the criteria mentioned in the said circular, and thus the Company is 'not identified as Large Corporate (LC)' and accordingly, no further disclosure is required in terms of the said SEBI Circular.

33. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Pursuant to section 186 of Companies Act, 2013, disclosure on particulars relating to loans, advances, guarantees and investments are provided as part of the financial statements.

34. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year ended 31st March 2022 were on arm's length basis and were in the ordinary course of business. However, the disclosure of transactions with related party for the year, as per Ind AS 24 Related Party Disclosures are given in the notes to accounts of the Financial Statement as at 31st March 2022.

Particulars of contract or arrangements with related parties referred to in Section 188 (1) in Form AOC-2 has been annexed as Annexure E.

Disclosure for Related Party Transactions in terms as per of Regulation 53 read with Schedule V of the SEBI (LODR) Regulation, 2015, in line with the applicable accounting standard is part of the audited financial statements.

35. RISK MANAGEMENT POLICY

The Company has in place an enterprise-wide policy known as "NCML Enterprise Risk Management Policy (NERM)" which puts in place a mechanism to identify, assess, monitor and mitigate various risks associated with the business of the Company. The NERM guidelines are devised in the context of the profiles of various business segments envisaged, future growth objectives and new business endeavors including new products and services that may be necessary to achieve these goals and the emerging standards and best practices amongst comparable organizations.

36. INTERNAL CONTROL/INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls with reference to the financial statements. During the year under review, such controls were tested by the Statutory Auditors of the Company and no material weaknesses in the design or operations were observed and reported by the Statutory Auditors.

In terms of section 138 of the Companies Act, 2013, M/s. Deloitte Haskins & Sells, Chartered Accountants had been appointed as the Internal Auditors of your Company. The Company also has an Audit Committee, who interacts with the Statutory Auditors, Internal Auditors and Management in dealing with matters within its terms of reference.

37. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, confirms that—

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had devised proper systems for internal financial control to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

38. **ACKNOWLEDGEMENTS**

The Directors express their sincere thanks to Banks, Corporates, Lenders and Shareholders for their continued patronage.

The Directors would also like to express their appreciation for the support provided by the Company's clients, especially the large number of banks, warehouse owners, insurance companies, depository organisations, Exchange participants and various partners in each of the business segments.

The Directors further express their appreciation for the outstanding professionalism and commitment exhibited by the Company's employees and consultants. Finally, the Directors wish to express their acknowledgement for the continued encouragement and support received from the shareholders and investors.

For and on behalf of the Board of Directors
National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)

Place: Gurgaon
Date: 30th May, 2022

Siraj A. Chaudhry **Managing Director &** **Chief Executive Officer** **DIN: 00161853**	**Zohra Chatterji** **Director** **DIN: 01382511**

Annexure A

Form No.MR-3
Secretarial Audit Report
(For the period March 31, 2022)

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

To,
The Board of Directors
National Commodities Management Services Limited
(Formerly known as National Collateral Management Services Limited)
D-164, TTC Industrial Area, Nerul MIDC,
Navi Mumbai,
Mumbai - 400706

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **National Commodities Management Services Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company: -
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
   d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
   e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
   f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**
   g. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
   h. The Memorandum and Articles of Association.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
(a) Essential Commodities Act, 1955
(b) Food Safety and Standard Act,2006
(c) State Shop and Establishment Act, 1948
(d) Insecticides Act, 1968
(e) The Warehousing (Development and Regulation) Act, 2007

I have also examined compliance with the applicable clauses of the following:
i) Secretarial Standards issued by The Institute of Company Secretaries of India.
ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited.
During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following remark:

iii. As per Reg. 52(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity has not submitted Financial Results for a Second quarter (July – September 2021) within 45 days from the end of the quarter to the stock exchange during the year under review.

iv. As per Reg. 57(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity has not submitted the details of payable obligations during the (Oct- Dec, 2021) quarter within 5 working days prior to the beginning of the quarter to the stock exchange during the year under review.

I further report that:
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The Company has obtained all necessary approvals under the various provisions of the Act; and There was no prosecution initiated and no penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

I further report that
There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with other applicable laws on the operation of the Company and the rules made thereunder.

I further report that
During the audit period, the Company has not undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Sharma Rahul & Associates
Company Secretaries
(Peer Review no. 1649/2022)

Rahul Sharma
Proprietor
FCS: 11288
CoP: 17336
UDIN: F011288D000574829
Place: Delhi
Date:

This Report is to be read with my letter annexed as Annexure I, which forms integral part of this report.

"Annexure-I"
To,
The Members,
NATIONAL COMMODITIES MANAGEMENT SERVICES LIMITED
(formerly known as National Collateral Management Services Limited)
D-164, TTC Industrial Area, Nerul MIDC,
Navi Mumbai,
Mumbai - 400706

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records.

   I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

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

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

For Sharma Rahul & Associates
Company Secretaries

Rahul Sharma
Proprietor
FCS: 11288
CoP: 17336

UDIN: F011288D000574829

ANNEXURE B

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:		
Name of the Director	**Total Remuneration* (Rs.)**	**Ratio of remuneration of director to the Median remuneration**
Mr Siraj A. Chaudhry	4,00,00,000	100.00
Mr. Anuj Vasdev	1,00,41,667	25.10
Mr Unupom Kausik	90,83,333	22.71

B. The percentage increase in the remuneration of each Director and CFO & Company Secretary in the financial year:			
Name	**Designation**	**Remuneration* (Rs.)**	
		2021-22	**2020-21**
Mr. Siraj A. Chaudhry	MD & CEO	4,00,00,000	4,00,00,000
Mr. Anuj Kumar Vasdev	Group CFO	1,00,41,667	85,00,000
Ms. Rupinder Kaur	Company Secretary	7,60,000	2,10,430
Mr. Unupom Kausik	President	90,83,333	1,50,00,000

C. Percentage increase in the median remuneration of all employees in the financial Year:			
	2021-22	**2020-21**	**Increase (%)**
Median remuneration of all employees per annum	4,00,000	3,60,800	11%

D. Number of permanent employees on the rolls of the Company as on 31st Mar, 2022: = 648

E. Salary Cost of employees as on 31 March 2022 excluding Mr. Siraj Chaudhry, Mr. Anuj Kumar Vasdev and Mr. Unupom Kausik was INR – 48,69,76,752/-
Salary Cost of employees as on 31 March 2021 excluding Mr. Siraj Chaudhry , Mr. Anuj Kumar Vasdev and Mr. Unupom Kausik was INR - 47,31,67,330/-
The average % age increase was 2.92%

F. Affirmation that the remuneration is as per the remuneration policy of the company: It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

G. Information as per Rule 5 of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Employees drawing a remuneration of Rs.1.02 crore or above per annum.

Employee Name	Designation	Educational Qualification	Age	Experience (in Years)	Date of Joining	Gross Remuneration Paid	Previous Employment and designation
Mr. Siraj A. Chaudhry	Managing Director	Postgraduate-Indian Institute of Foreign Trade (IIFT) and a B.Com (hons.) graduate	55	34 Years	24th Sept 2019	4,00,00,000	Chairman, Cargill
Mr. Anuj Vasdev	CFO	Chartered Accountant	49	24 Years	20-Jan-20	1,10,00,000	Director Finance & CFO- Ozone overseas Pvt. Ltd.
Mr. Unupom Kausik	Whole Time Director	Electrical Engineer, Postgraduate-Rural Development from Institute of Rural Management, Anand, Fellowship in International Cotton Trade	53	27 Years	27th Mar 2015	1,50,00,000	Business Head, Olam Agro India Limited

Employed for part of the year with an average salary above Rs. 8.5 lakh per month-

Employee ID	Name	Job Title	Employee Status	DOJ	CTC	Total Pay	Total Variable Pay	Total CTC	Monthly CTC	Prorated Monthly CTC
4430	Pankaj Tomar	Chief - SILO Projects	Active	01 February 2022	1,00,00,000	1,00,00,000	10,00,000	1,10,00,000	9,16,667	9,16,667
4443	Sanjay Gupta	President	Active	04 March 2022	1,50,00,000	1,50,00,000	37,50,000	1,87,50,000	15,62,500	14,11,290

For and on behalf of the Board of Directors
National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)

Place: Gurgaon
Date: 30th May, 2022

Siraj A. Chaudhry
Managing Director &
Chief Executive Officer
DIN: 00161853

Zohra Chatterji
Director
DIN: 01382511

Annexure C

DISCLOSURE UNDER THE NCML ESOP SCHEME 2014 PURSUANT TO THE PROVISIONS OF RULE 12(9) OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 AS ON FINANCIAL YEAR ENDED 31ST MARCH 2022

PARTICULARS	NCML ESOP SCHEME 2014
Options Granted	9,00,000
options vested	6,98,000
options exercised	69000
the total number of shares arising as a result of exercise of option	69000
options lapsed	-
the exercise price	Rs. 23.68
variation of terms of options	No
money realised by exercise of options	Yes
total number of options in force	629000

DETAILS OF OPTIONS GRANTED TO KEY MANAGERIAL PERSONNEL ("KMP") UNDER THE NCML ESOP SCHEME 2014

SN	NAME OF THE KMP	DESIGNATION	OPTIONS GRANTED
1	Mr. Sanjay Kaul*	MD & CEO	100000
2	Mr. Sanjay Khare*	Company Secretary	29000
3	Mr. Ashok Dhamankar*	CFO	32000

*Resigned from the organisation

DETAILS OF EMPLOYEES WHO RECEIVED A GRANT OF OPTIONS IN ANY ONE YEAR OF OPTIONS AMOUNTING TO FIVE PER CENT OR MORE OF OPTIONS GRANTED DURING THE YEAR

Name of the employee	ESOPs	Year
NIL	NIL	NIL

IDENTIFIED EMPLOYEES WHO WERE GRANTED OPTIONS DURING ANY ONE YEAR EQUAL TO OR EXCEEDING ONE PERCENT OF THE ISSUED CAPITAL (EXCLUDING OUTSTANDING WARRANTS AND CONVERSIONS) OF THE COMPANY AT THE TIME OF GRANT

SN	NAME OF THE EMPLOYEE	DESIGNATION	OPTIONS GRANTED
-	NIL	NIL	NIL

For and on behalf of the Board of Directors
National Commodities Management Services Limited

Place: Gurgaon
Date: 30th May, 2022

Siraj A. Chaudhry
Managing Director &
Chief Executive Officer
DIN: 00161853

Zohra Chatterji
Director
DIN: 01382511

Annexure D

CSR Report

1. **Brief outline of Company's CSR Policy including overview of projects or programs proposed to be undertaken:**

   The object of CSR policy is to support initiatives that measurably improve the lives of underprivileged by providing better education and health as notified under Section 135 of the Companies' Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014.

2. **The composition of CSR Committee**

   The Members of the Committee are as follows:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Zohra Chatterji	Chairperson	01	01
2	Mr. Sumit Maheshwari	Member	01	01
3	Mr. Pravir Vohra	Member	01	01

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://www.ncml.com/

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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (CorporateSocial responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not applicable.**

6. Average Net Profit of the company for last three financial years: Rs. (472833227)/-

7. a. Two percent of average net profit of the Company as per section 135(5): Rs. (9456665)/-
   b. Surplus arising out of the CSR projects or programs or activities of the previous financial years: NA
   c. Amount required to be set off for the financial year: NA
   d. Total CSR obligation for the financial year (7a+7b- 7c): NA

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

Total AmountSpent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
0.5 mn.	NIL	NIL	NIL	NIL	NIL

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

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

c. Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation – Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1	PPE kits distributed to Yuva Unstoppable	(i) and (xii)	Yes	Gujarat	Gujarat	5,00,000/-	No	Yuva Unstoppable	CSR00000473

d. Amount spent in Administrative Overheads: NA
e. Amount spent on Impact Assessment, if applicable: NA
f. Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. NIL
g. Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	(94,56,665)/-
(ii)	Total amount spent for the Financial Year	5,00,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5,00,000/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	5,00,000/-

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

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

		section 135 (6)(in Rs.)					
-	-	-	-	-	-	-	-

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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year
(Asset-wise details). Not Applicable

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

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

For **NCML Commodities Management Services Limited**

(Chairman CSR Committee)

Date: 30/05/2022
Place: Gurgaon

Annexure E

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SN	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions'	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of material contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Date of approval by the Board	NA
f)	Amount paid as advances, if any	NA

For and on behalf of the Board of Directors
National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)

Place: Gurgaon
Date: 30th May, 2022

Siraj A. Chaudhry
Managing Director &
Chief Executive Officer
DIN: 00161853

Zohra Chatterji
Director
DIN: 01382511

Annexure A referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of National Commodities Management Services Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified once in every three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, no property, plant and equipment and right of use assets were required to be verified during the year.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment, Right of Use assets and intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has a working capital limit in excess of Rs 50.0 Million sanctioned by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and/or financial institutions and such returns/statements are in agreement with the books of account of the Company for the respective periods which were/were not subject to audit/review, except for the following:

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of National Commodities Management Services Limited on the standalone financial statements for the year ended 31 March 2022 (cont'd)

(₹ in million)

Name of the bank/ financial institution	Working capital limit sanctioned	Nature of current assets offered as security	Quarter	Nature	Amount disclosed as per return	Amount as per books of accounts	Difference	Remarks/ reasons if any
Refer note: 1 below	4,305	Pari passu charge over entire current assets	30-Jun-21	Debtors (incl Unbilled Revenue)	859.8	1,015.5	(155.8)	Variation is because of unbilled revenue was not final by the time stock statement was submitted.
				Margin / Deposit	959.7	959.7	-	
				Bank Balances	295.9	295.9	-	
Refer note: 1 below	4,305	Pari passu charge over entire current assets	30-Sep-21	Debtors (incl Unbilled Revenue)	961.8	933.0	28.8	Variation is because of provisioning made after the date of submission of stock statement.
				Margin / Deposit	816.2	816.2	-	
				Bank Balances	296.3	296.3	-	
Refer note: 1 below	4,305	Pari passu charge over entire current assets	31-Dec-21	Debtors (incl Unbilled Revenue)	859.9	859.9	-	Certain bank balances were not covered because of pending confirmation of free balances.
				Margin / Deposit	944.6	944.6	-	
				Bank Balances	115.7	124.2	(8.5)	
Refer note: 1 below	4,005	Pari passu charge over entire current assets	31-Mar-22	Debtors (incl Unbilled Revenue)	671.4	672.0	(0.6)	Only rounding off gap.
				Margin / Deposit	785.4	785.4	-	
				Bank Balances	682.9	682.9	-	

Annexure A referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of National Commodities Management Services Limited on the standalone financial statements for the year ended 31 March 2022 (cont'd)

Note: 1

Name of the bank:
1. IDBI Bank Limited
2. HDFC Bank Limited
3. Karur Vysya Bank Ltd.
4. Kotak Mahindra Bank
5. Yes Bank Limited
6. SBM Bank India Limited
7. IndusInd Bank

(iii) (a) The Company has provided loans or advances in the nature of loans, or guarantee to Subsidiaries during the year as per details given below:

(₹ in million)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount provided/granted during the year: - Subsidiaries	1,552.5	Nil	731.3	Nil
Balance outstanding as at balance sheet date in respect of above cases: - Subsidiaries	1,552.5	Nil	3,263.5	Nil

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and terms and conditions of the grant of all loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company. Further, the Company hasn't given any security or granted any advances in the nature of loans during the year.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and principal and interest amount is not due for repayment currently.

(d) There is no overdue amount in respect of loans granted to such companies.

(e) The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.

(f) The Company has granted loans or advances in the nature of loans which are repayable on demand, as per details below:

(₹ in million)

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan - Repayable on demand (A) - Agreement does not specify any terms or period of repayment (B)	3,263.5	Nil	3,263.5

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Annexure A referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of National Commodities Management Services Limited on the standalone financial statements for the year ended 31 March 2022 (cont'd)

Total (A+B)	3,263.5	Nil	3,263.5
Percentage of loans/advances in nature of loan to the total loans	100%	Not Applicable	100%

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans, investments, guarantees and security, as applicable. Further, the Company has not entered into any transaction covered under section 185.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, , duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(₹ in million)

Name of the statute	Nature of dues	Gross Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
The Rajasthan Value Added Tax Act, 2003	Value added Tax	2.2	0.1	FY 2013-14	Appellate Authority, Jaipur
The Kerala Value Added Tax Act, 2003	Value added Tax	2.4	0.6	FY 2012-13	High court, Kerala

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks/ financial institution and representation received from the management of the Company,

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and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

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Annexure A referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of National Commodities Management Services Limited on the standalone financial statements for the year ended 31 March 2022 (cont'd)

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumption, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Tarun Gupta
Partner
Membership No.: 507892
UDIN: 22507892AJXQZD6173

Place: Gurugram
Date: 30 May 2022

Chartered Accountant

Walker Chandiok & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II,
Gurugram - 122 002
Haryana, India

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Independent Auditor's Report

To the Members of National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)** ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Impact of Covid-19

4. We draw attention to note 53 to the accompanying standalone financial statements, which describes the effects of uncertainties relating to the outbreak of Covid-19 pandemic and management's assessment of its impact on the Company's operations and the standalone financial statements of the Company as at 31 March 2022, the extent of which is significantly dependent on future developments as they evolve. Our opinion is not modified in respect of this matter.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
a) Revenue Recognition	
Refer to the Company's significant accounting policies in note 4(g) and the revenue related disclosures in note 28 of the standalone financial statements. Revenue of the Company includes sale of goods, warehousing and other services. Revenue is recognized when the control of goods is transferred to customer or services has been rendered and there are no unfulfilled obligations. The revenue is measured at fair value of the consideration received or receivable. In accordance with Standards on Auditing, there is a presumed fraud risk relating to revenue recognition. Further, there is continuous pressure on the management to achieve planned results. Accordingly, due to the above reasons as well as the high volume of sales transactions, size of distribution network and varied terms of contracts with customers, occurrence and existence of revenue is a key focus area requiring special audit attention and evaluation. Due to the above factors, we have identified testing of revenue recognition as a key audit matter. WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *	Our audit procedures included, but were not limited to the following: • Obtained an understanding of the process of revenue streams of sale of goods, warehousing and other services. • Evaluated the design, implementation and tested the operating effectiveness of key controls over the various revenue streams including over the general IT control environment; • Performed analytical procedures on revenue which included ratio analysis, sales quantity analysis, area analysis etc.; • Evaluated the terms and conditions of the contracts, with customers to ensure that the revenue recognition criteria are assessed by the management in accordance with the accounting standards; • On a sample basis, tested revenue transactions recorded during the year, and revenue transactions recorded in the period before and after year-end, with supporting documents such as invoices, agreements with customers, proof of deliveries, and subsequent collection of payments; • Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; • Tested manual journal entries impacting revenue including credit notes, etc., which were material or irregular in nature with supporting documents and evaluated business rationale thereof. • Evaluated disclosures made in the standalone financial statement for revenue recognition from sale of goods, warehousing services and other

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<td>services, for appropriateness and adequacy in accordance with the accounting standards.</td>
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b) Trade Receivables – Expected credit loss model

Refer to the Company's significant accounting policies in note 4(d) and trade receivable related disclosures in note 12 and 42(A)(b)(ii) of the standalone financial statements.

Trade receivables comprise a significant portion of the current financial assets of the Company. As at 31 March 2022 trade receivables aggregate to Rs. 584.2 million (net of allowance for expected credit losses of Rs. 542.9 million). In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

The Company has analysed the trend of trade receivables under different ageing bracket for last five years and calculated credit loss rate basis such ageing. The complexity in calculation of ECL is mainly related to different recovery period for different categories of customers. Additional provision is recognised for the receivables which are specifically identified as doubtful or non-recoverable basis the legal assessment. Further, the management regularly assess each class of trade receivables for recoverability. Provision for ECL is adjusted considering the recovery trends noted for the respective class, adjusted for forward looking estimates.

Estimation of provisions and assessment of recoverability of amounts involves significant degree of judgement and evaluation basis the ongoing communications with the respective parties and is therefore considered as a key audit matter

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Our audit procedures included, but were not limited to the following:

• We obtained an understanding of the management process for computing average historical loss rate by age band and adjustments made to historical loss rates (if any).

• We assessed and tested the design and operating effectiveness of controls around management's assessment of the recoverability of trade receivables and corresponding provisioning for ECL. Also, evaluated the controls over the modelling process, validation of data and related approvals.

• We obtained from the management of the Company, detailed assessment, including computation, of the ECL.

• We audited the underlying data and assessed reasonableness of the assumptions used for each age-band of trade receivables.

• We analyzed the methodology used by the management and considered the credit and payment history of specific parties to determine the trend used for arriving at the expected credit loss provision.

• We obtained the details of receivables specifically identified by the management for provisioning, over and above the ECL, and corroborated them from the ageing schedule and held discussions with management on their recoverability.

• We assessed the appropriateness of disclosures made by the management for the ECL recognized in accordance with applicable accounting standards.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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c) Recoverability of deferred tax assets Refer to the Company's significant accounting policies in note 4(k)(ii) and the deferred tax related disclosures in note 39 of the standalone financial statements. The Company has recorded a deferred tax asset amounting to Rs. 543.1 million as at 31 March 2022 on business losses, minimum alternate tax and other components based on future taxable income projections of the Company. The Company has incurred income tax losses of Rs. 212.1 million for the year ended 31 March 2022. The assessment of meeting the recognition criteria as well as assessment of recoverability of deferred tax assets within the period prescribed under the tax laws involves use of significant assumptions and estimates. Determining forecasts of future results and taxable profits includes key assumptions such as future growth rates and market conditions. The projected cash flows are assessed using a number of scenarios to cover reasonable changes in the assumptions underlying the projections. Any change in these assumptions could have a material impact on the carrying value of deferred tax assets. These assumptions and estimates are judgmental, subjective and depend on the future market and economic conditions. We identified the recoverability of deferred tax assets as a key audit matter due to the recognition of these assets involving judgement by management as to the likelihood of the realization of these deferred tax assets, which is based on several factors including whether there will be sufficient taxable profits in future periods to support recognition.	Our audit procedures included, but were not limited to the following: • Evaluated the design and tested the operating effectiveness of key controls implemented by the Company over recognition of deferred tax assets based on the assessment of Company's ability to generate sufficient taxable profits in foreseeable future allowing the use of deferred tax assets within the time prescribed by income tax laws; • We obtained Management's financial projection business plan which include projected revenues, projected profits and estimated taxable profits based on the approved plan. We have checked the reasonableness of the assumptions used and period in which tax credits are expected to be utilized. • We evaluated the assumptions and methodologies used by the Company. To assess future taxable profits, we appraised the reliability of the preparation process for the financial projection business plan underlying the assessment of the probability that deferred tax assets will be recovered. Our work consisted in assessing the future growth assumptions used to prepare the financial projection business plan by comparing income forecasts for prior years with actual results for the years concerned; • Tested the arithmetical accuracy of the above calculations. • We evaluated the appropriateness and adequacy of the disclosures made by the Company in accordance with the requirements as specified in the Indian Accounting Standards.
d) Assessment of recoverability of carrying value of investments and loans Refer to the Company's significant accounting policies in note 4(o) and the Investment and loan related disclosures in note 7 and 15 of the standalone financial statements. The Company has made Investments in subsidiaries amounting to Rs. 2,013.3 million (net of impairment 144.4 million) and has granted loans to subsidiaries amounting to Rs. 3,263.3 million (net of impairment 220.2 million) as at 31 March 2022. The Company has significant investments and loans to subsidiaries, which are	Our audit procedures included, but were not limited to the following: • We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment. • Evaluated the design, implementation and tested the operating effectiveness of key controls placed around the impairment assessment process of the recoverability of the investments and loans.

in various stages of implementation of capital projects. The Company performs an annual assessment of its investments in / loans to subsidiaries to identify any indicators of impairment. For investments where impairment indicators exist, significant judgements are required to determine the key assumptions used in the discounted cash flow models, such as revenue growth and discount rates. Considering the materiality of the amounts involved, significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, combined with the detailed legal assessment of the viability of the projects including assessment of contractual terms and conditions, we have determined impairment of such investments and loans as a key audit matter.	• We obtained the contracts entered by the subsidiary company with its customers to ensure the viability of completion of the projects for which these subsidiaries were specifically created. • We reconciled the cash flow projections to the business plans approved by the Company's board of directors. • We discussed management's underlying assumptions used for the cash flow projections including the expected growth rates, discount rate etc. and considered evidence available to support these assumptions in light of our understanding of the business; • We focused on key assumptions which were more sensitive to the recoverable value of the investments. We also assessed the key assumptions were plausible in the light of the current environment of the COVID 19 pandemic. • We have assessed the net worth of subsidiaries based on latest available financial statements. • We assessed the appropriateness and adequacy of the disclosures made by the management in the standalone financial statements in respect of the investments and loans to the subsidiaries.

Information other than the Financial Statements and Auditor's Report thereon

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

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

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

11. 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 Standards on Auditing 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.

12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 controls system with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

13. 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.

14. 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.

15. 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

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    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 standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) The matter described in paragraph 4 under the Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Company;

    f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

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

        i. the Company, as detailed in note 40 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022.;

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ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 58 (vii) to the accompanying standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 58 (viii) to the accompanying standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Tarun Gupta
Partner
Membership No.: 507892
UDIN: 22507892AJXQZD6173

Place: Gurugram
Date: 30 May 2022

Annexure B to the Independent Auditor's Report of even date to the members of National Commodities Management Services Limited on the standalone financial statements for the year ended 31 March 2022

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of National Commodities Management Services Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure B to the Independent Auditor's Report of even date to the members of National Commodities Management Services Limited on the standalone financial statements for the year ended 31 March 2022 (Cont'd)

prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Tarun Gupta
Partner
Membership No.: 507892
UDIN: 22507892AJXQZD6173

Place: Gurugram
Date: 30 May 2022

National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Standalone balance sheet as at 31 March 2022

(Currency : Indian Rupees in Million)

		Note	31 March 2022	31 March 2021
ASSETS				
Non-current assets				
(a)	Property, plant and equipment	*5*	4,487.9	4,625.1
(b)	Right of use assets	*5.1*	198.6	182.4
(c)	Capital work-in-progress	*5.2*	32.3	-
(d)	Intangible assets	*6.1*	11.4	27.2
(e)	Intangible assets under development	*6.2*	-	0.9
(f)	Financial assets			
	(i) Investments	*7*	2,013.3	1,858.3
	(ii) Other financial assets	*8*	148.1	291.6
(g)	Deferred tax assets (net)	*9*	543.1	545.7
(h)	Non-current tax assets (net)		239.1	132.8
(i)	Other non-current assets	*10*	39.8	63.5
	Total non-current assets		**7,713.6**	**7,727.5**
Current assets				
(a)	Inventories	*11*	29.1	232.5
(b)	Financials assets			
	(i) Trade receivables	*12*	584.2	822.5
	(ii) Cash and cash equivalents	*13*	682.6	402.3
	(iii) Bank balances other than (ii) above	*14*	761.0	786.1
	(iv) Loans	*15*	3,263.3	3,158.5
	(v) Other financial assets	*16*	204.2	300.8
(c)	Current tax assets (net)		-	100.8
(d)	Other current assets	*17*	69.4	93.1
	Total current assets		**5,593.8**	**5,896.6**
Assets classified as held-for-sale		*18*	-	1.1
	TOTAL ASSETS		**13,307.4**	**13,625.2**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity share capital	*19.1*	1,474.4	1,474.1
(b)	Other equity	*19.2*	4,444.5	5,015.7
	Total equity		**5,918.9**	**6,489.8**
LIABILITIES				
Non-current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	*20.1*	4,416.2	4,085.7
	(ii) Lease liabilities	*37*	188.9	158.6
	(iii) Other financial liabilities	*20.2*	2.1	2.1
(b)	Provisions	*21*	15.7	20.6
(c)	Other non-current liabilities	*22*	153.0	150.8
	Total non- current liabilities		**4,775.9**	**4,417.8**
Current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	*23*	1,880.2	1,937.4
	(ii) Lease liability	*37*	25.7	16.6
	(iii) Trade payables	*24*		
	Total outstanding dues to micro enterprise and small enterprise		6.2	9.0
	Total outstanding dues to creditors other than micro enterprise and small enterprise		256.0	205.2
	(iv) Other financial liabilities	*25*	48.8	47.3
(b)	Other current liabilities	*26*	72.8	160.7
(c)	Provisions	*27*	322.9	341.4
	Total current liabilities		**2,612.6**	**2,717.6**
	Total equity and liabilities		**13,307.4**	**13,625.2**

Summary of significant accounting policies and other explanatory information 1 to 59

The notes referred to above form an integral part of the standalone financial statements
As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No: 507892

For and on behalf of the Board of Directors of
National Commodities Management Services Limited

Siraj A. Chaudhry
Managing Director & CEO
DIN: 00161853

Zohra Chatterji
Independent Director
DIN: 01382511

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Rupinder Kaur
Company Secretary
Membership No: A28733

Place: Gurugram
Date: 30 May 2022

National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Standalone statement of profit and loss for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

	Note	31 March 2022	31 March 2021
REVENUE			
Revenue from operations	*28*	2,456.8	4,809.5
Other income	*29*	484.3	455.0
Total income		**2,941.1**	**5,264.5**
EXPENSES			
Purchases of stock-in-trade		511.0	2,708.9
Changes in inventories of stock-in-trade	*30*	209.1	471.1
Employee benefits expense	*31*	329.3	365.5
Finance costs	*32*	573.0	605.0
Depreciation and amortisation expense	*33*	215.3	233.5
Other expenses	*34*	1,582.7	1,579.5
Total expenses		**3,420.4**	**5,963.5**
Loss before exceptional item and tax		**(479.3)**	**(699.0)**
Exceptional item	*36(a)*	96.7	-
Loss before tax		**(576.0)**	**(699.0)**
Income tax expenses	*39(a)*		
(i) Current tax		-	-
(ii) Deferred tax charge / (credit)		-	(89.1)
Loss for the year		**(576.0)**	**(609.9)**
Other comprehensive income			
Items that will not be reclassified to profit and loss:			
- Remeasurement (losses) on post employment defined benefits plans		7.4	3.8
- Income tax effect on above	*39(b)*	(2.6)	(1.3)
Other comprehensive income, net of tax		**4.8**	**2.5**
Total comprehensive income for the year		**(571.2)**	**(607.4)**
Earnings per equity share (Face value of INR 10 per share)	*38*		
Basic earnings per share		**(3.91)**	**(4.14)**
Diluted earnings per share		**(3.91)**	**(4.14)**

Summary of significant accounting policies and other explanatory information 1 to 59
The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No: 507892

For and on behalf of the Board of Directors of
National Commodities Management Services Limited

Siraj A. Chaudhry
Managing Director & CEO
DIN: 00161853

Zohra Chatterji
Independent Director
DIN: 01382511

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Rupinder Kaur
Company Secretary
Membership No: A28733

Place: Gurugram
Date: 30 May 2022

National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)

CIN : U74140MH2004PLC148859

Standalone statement of cash flows for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
I	**Cash flows from operating activities:**		
	Loss before tax	(576.0)	(699.0)
	Adjustments for:		
	Depreciation and amortisation	215.3	233.5
	Finance costs	573.0	605.0
	Liabilities no longer required written back	-	(0.4)
	Interest income	(423.4)	(387.7)
	Government grants	(6.6)	(8.7)
	Foreign exchange loss unrealized	0.8	2.5
	Provision against claims receivables	-	347.7
	Provision for credit impaired assets	94.9	118.3
	Provision for doubtful advances	99.3	92.7
	Bad debts written off	137.7	
	Impairment of investment in and loans to subsidiaries	96.7	-
	Gain on sale of property, plant and equipment	(8.8)	(26.1)
	Shared based payments to employees (net of capitalisation)	-	(13.0)
		778.9	**963.8**
	Operating cash flows before working capital changes	202.9	264.8
	Changes in:		
	Decrease in inventories	203.4	476.3
	Decrease in trade receivables	5.7	1.5
	Decrease / (increase) in other financial assets	55.6	(106.3)
	Decrease / (increase) in other assets	23.8	(6.7)
	Increase / (decrease) in financial liabilities	118.2	(164.1)
	(Decrease) in provisions	(16.0)	(0.1)
	(Decrease) in other liabilities	(88.0)	(32.9)
		302.7	**167.7**
	Cash flows generated from operations	505.6	432.5
	Taxes (paid), net of refunds	(5.4)	240.7
	Net cash flows generated from operating activities	**500.2**	**673.2**
II	**Cash flows from investing activities:**		
	Purchase/construction of property, plant and equipment & intangible assets (including capital advances and capital creditors)	(118.6)	(103.5)
	Proceeds from sale of property, plant and equipment & intangible assets, net	14.2	26.0
	Investment in subsidiaries	-	-
	Government grant received	8.9	0.3
	Loan given to / Repayment from subsidiaries (net of repayments)	(259.8)	(929.6)
	Proceeds from maturity of bank deposits	129.1	1,911.4
	Interest received	425.2	391.7
	Net cash (used in) / flows generated from investing activities	**199.0**	**1,296.3**
III	**Cash flows from financing activities:**		
	Proceeds from issuance of equity share capital, net of issue expenses	0.6	-
	Proceeds from non-current borrowings	250.0	59.1
	Repayment of non-current borrowings	(181.7)	(248.1)
	Proceeds / (repayment) of short term borrowings (net)	45.9	(767.0)
	Payment of lease liabilities	(24.7)	(37.5)
	Interest on lease liabilities	(20.6)	(15.2)
	Interest paid	(488.4)	(575.2)
	Net cash flows generated / (used in) financing activities	**(418.9)**	**(1,583.9)**
	Net (decrease) / increase in cash and cash equivalents (I+II+III)	**280.3**	**385.6**
	Cash and cash equivalents		
	Cash and cash equivalents at the beginning of the year	402.3	16.7
	Cash and cash equivalents at the end of the year	682.6	402.3
	Net (decrease) / increase in cash and cash equivalents	**280.3**	**385.6**

Standalone statement of cash flows for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

Notes:

1. The above Statement of Cash Flows has been prepared under the "Indirect Method " as set out in the Indian Accounting Standard (Ind AS-7) Statement of Cash flows notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015.

2. Components of cash and cash equivalents

	31 March 2022	31 March 2021
Balance with banks		
- in current accounts	682.5	145.1
- in fixed deposit accounts (having original maturity less than 3 months)	0.1	257.2
Cash on hand	0.0	0.0
	682.6	**402.3**

3. Refer note 20.5 for reconciliation of movements of liabilities to cash flows arising from financing activities in accordance with Ind AS - 7.

Summary of significant accounting policies and other explanatory information 1 to 59
The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

For and on behalf of the Board of Directors of
National Commodities Management Services Limited

Tarun Gupta
Partner
Membership No: 507892

Siraj A. Chaudhry
Managing Director & CEO
DIN: 00161853

Zohra Chatterji
Independent Director
DIN: 01382511

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Rupinder Kaur
Company Secretary
Membership No: A28733

Place: Gurugram
Date: 30 May 2022

National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Standalone statement of changes in equity for the year ended 31 March 2021

(Currency : Indian Rupees in Million)

A. Equity share capital

	Note	Balance as at 1 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
Equity share capital	19.1	1,474.1	-	1,474.1

B. Other equity

	Note	Equity component of compound financial instruments	Reserves and surplus			Share options outstanding account	Total equity
	19.2		Securities premium	Special reserve	Retained earnings		
Balance as at 1 April 2020		**308.8**	**3,910.3**	**42.5**	**1,361.2**	**31.8**	**5,654.6**
Loss for the year		-	-	-	(609.9)	-	(609.9)
Remeasurement gain on post employment defined benefits plans, net of tax		-	-	-	2.5	-	2.5
Total comprehensive income for the year		**-**	**-**	**-**	**(607.4)**	**-**	**(607.4)**
Transfer to special reserve		-	-	5.0	(5.0)	-	-
Employee stock options (refer note 31 and 25)		-	-	-	-	(18.5)	(18.5)
Transfer to employee benefit expenses (refer note 31)						(13.0)	(13.0)
Balance as at 31 March 2021		**308.8**	**3,910.3**	**47.5**	**748.8**	**0.3**	**5,015.7**

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National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Standalone statement of changes in equity for the period ended 31 March 2022

(Currency : Indian Rupees in Million)

A. Equity share capital

	Note	Balance as at 1 April 2021	Changes in equity share capital	Balance as at 31 March 2022
Equity share capital	19.1	1,474.1	0.3	1,474.4

B. Other equity

	Note	Equity component of compound financial instruments	Reserves and surplus				Share options outstanding account	Total equity
	19.2		Securities premium	Special reserve	Retained earnings	Debenture Redemption Reserve		
Balance as at 1 April 2021		**308.8**	**3,910.3**	**47.5**	**748.8**	**-**	**0.3**	**5,015.7**
Loss for the year		-	-	-	(576.0)	-	-	(576.0)
Remeasurement gain on post employment defined benefits plans, net of tax					4.8			4.8
Transfer to debenture redemption reserve		-	-	-	(320.0)	320.0	-	-
Total comprehensive income for the year		**-**	**-**	**-**	**(891.2)**	**320.0**	**-**	**(571.2)**
Balance as at 31 March 2022		**308.8**	**3,910.3**	**47.5**	**(142.4)**	**320.0**	**0.3**	**4,444.5**

Summary of significant accounting policies and other explanatory information 1 to 59
The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

For and on behalf of the Board of Directors of
National Commodities Management Services Limited

Tarun Gupta
Partner
Membership No: 507892

Siraj A. Chaudhry
Managing Director & CEO
DIN: 00161853

Zohra Chatterji
Independent Director
DIN: 01382511

Place: Gurugram
Date: 30 May 2022

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Rupinder Kaur
Company Secretary
Membership No: A28733

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

1 Company overview

National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited) ('the Company') is a closely held public company incorporated on 28 September 2004 under the Indian Companies Act, 1956 to provide warehousing services to manage risks across various stages of commodity and inventory handling under a single umbrella. Through pan-India presence, in owned, leased as well as field warehouses, the Company provides commodity handling and risk management services to clients across the country. The Company provides end to end procurement with trading and disposal services throughout the entire post - harvest agriculture value chain, storage and preservation services, collateral management services and other risk management services for commodities and inventories in the commodity market. On 19 August 2015, Fairfax India Holding Corporation through its wholly owned subsidiary FIH Mauritius Investments Limited acquired a majority stake in the Company.

2 Basis of presentation and preparation

(i) Statement of compliance

These standalone financial statements (financial statements) are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments and employee stock options which are measured at fair values / amortised cost. The Ind AS are prescribed under Section 133 of the Act read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended other relevant provision of the Act .

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements for the period ended 31 March 2022 were authorized and approved for issue by the Board of Directors on 30 May 2022.

(ii) Functional and presentation currency

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these standalone financial statements. All amounts in the financial statement and accompanying notes are presented in million and have been rounded-off to one decimal place unless stated otherwise.

(iii) Current/ Non- current classification

Any asset is classified as current if it satisfies any of the following conditions:

(i) it is expected to be realised or is intended for sale or consumption in the Company's normal operating cycle;
(ii) it is expected to be realised within twelve months from the reporting date;
(iii) it is held primarily for the purposes of being traded;
(iv) the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

Deferred tax assets are classified as non-current assets. All other assets and liabilities are classified as non- current.

Any liability is classified as current if it satisfies any of the following conditions:

(i) it is expected to be settled in the Company's normal operating cycle;
(ii) it is expected to be settled within twelve months from the reporting date;
(iii) it is held primarily for the purposes of being traded;
(iv) the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months from the reporting date.

All other liabilities are classified as non- current.

Operating cycle

For the purpose of current/ non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of goods & services and the time between the acquisition of assets or inventories for processing and their realisation and their realisation in cash and cash equivalents.

3 Use of accounting estimates and judgments

Preparation of standalone financial statements requires the Company to make assumptions and estimates about future events and apply significant judgments. The Company base its assumptions, estimates and judgments on historical experience, current trends and all available information that it believes is relevant at the time of preparation of the standalone financial statements. However, future events and their effects cannot be determined with certainty. Accordingly, as confirming events occur, actual results could ultimately differ from our assumptions and estimates. Such differences could be material. The following require subjective and/or complex judgments, resulting from the need to make estimates about the effect of matters that are inherently uncertain:

(i) Impairment losses on investments and loans to subsidiaries

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. Before closure of each accounting year, the Company reviews the carrying amounts of its investments in subsidiaries and loan to subsidiaries, to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, impairment provision is recognized in the statement of profit and loss account in the year in which impairment loss is assessed.

(ii) Expected credit losses on trade receivables

The Company reviews its trade receivables to assess impairment at regular intervals. The Company's credit risk is primarily attributable to its trade receivables. In determining whether impairment losses should be reported in the statement of profit or loss, the Company makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

(iii) Valuation of inventories

The Company values its inventories for trading business at fair value less cost to sell and other inventories are valued at the lower of cost and net realisable value through inventory allowances. Subsequent changes in facts or circumstances could result in the reversal of previously recorded allowances. Results could differ if inventory allowances change because actual selling prices or selling costs differ materially from forecasted selling prices and selling costs. Calculating allowances depends on a combination of interrelated factors affecting forecasted selling prices, including demand variables. Demand variables include trading goods prices and changes in inventories in distribution channels.

(iv) Estimated useful lives of property, plant and equipment

The Company estimates the useful lives of property, plant and equipment based on the years over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any year would be affected by changes in these factors and circumstances. The estimated useful lives are reviewed annually and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

(v) Provision for litigations

In estimating the final outcome of litigation, the Company applies judgment in considering factors including experience with similar matters, past history, precedents, relevant financial and other evidence and facts specific to the matter. Application of such judgment determines whether the Company requires an accrual or disclosure in the standalone financial statements.

(vi) Recoverability of deferred tax assets

In determining the recoverability of deferred tax assets, the Company primarily considers current and expected profitability of applicable operating business segments and their ability to utilise any recorded tax assets. The Company reviews its deferred tax assets at every reporting year end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

(vii) Employee benefits

The Company’s net obligation in respect of gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as a liability at the present value of the other long-term employment benefits.

The present value of the obligation is determined based on actuarial valuation at the balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

(viii) Amended Accounting Standard (Ind AS) and interpretations effective during the year:

a. Ind AS 109 Financial Instruments; Ind AS 107 Financial Instruments: Disclosures and Ind AS 116 Leases (amendments related to Interest Rate Benchmark Reform)

The amendments of Ind AS 109, provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortization cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.

The nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform;

The entity‘s progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition;

The instruments exposed to benchmark reform disaggregated by significant interest rate benchmark along with qualitative information about the financial instruments that are yet to transition to alternative benchmark rate;

Changes to entity’s risk management strategy.

The amendments introduced a similar practical expedient in Ind AS 116. Accordingly, while accounting for lease modification i.e. remeasuring the lease liability, in case this is required by interest rate benchmark reform, the lessee will use a revised discount rate that reflects the changes in the interest rate.

b. Ind AS 116 Leases (amendment related to rent concessions arising due to COVID-19 pandemic)

The amendment to Ind AS 116 Leases extended the practical expedient introduced for financial year 2020-21 related to rent concessions arising due to Covid-19 pandemic, that provides an option to the lessee to choose that rent concessions for lease payments due on or before 30 June 2022 (from erstwhile notified date of 30 June 2021), arising due to COVID-19 pandemic ('COVID-19 rent related concessions') need not be treated as lease modification. The amendment did not have any material impact on financial statements of the Company.

(ix) Amendment to Accounting Standards(Ind AS) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

a. Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact on its financial statements.

b. Ind AS 37 – Onerous Contracts - costs of fulfilling a contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact on its financial statements.

b. Ind AS 109 – Annual improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact on its financial statements.

The above amendments did not have any material impact on the financial statements of the Company.

4 Significant accounting policies

(a) Property, plant and equipment

Measurement at recognition

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, 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 and is measured at cost. Subsequent to recognition, all items of property, plant and equipment (except for freehold land) are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

The cost of property, plant and equipment comprises its purchase price plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of decommissioning, restoration and similar liabilities, if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life. Cost of repairs and maintenance are recognised in the standalone statement of profit and loss as and when incurred.

Depreciation :

The Company depreciates its property, plant and equipment on Straight Line Method (SLM) over the useful lives of assets estimated by management. Depreciation for assets purchased or sold during a year is proportionately charged. The management estimates for useful lives for property, plant and equipment are set out below:

Warehouse buildings	50 years
Silos	50 years
Office buildings	50 years
Plant and equipment : Meteorological instruments	5 years
Plant and equipment : Laboratory equipment	5 - 10 years
Plant and equipment : Others	5 years
Computer	3 years
Electrical installation and fittings	5 years
Office equipments	5 years
Furniture and fixtures	5 - 10 years
Leasehold improvements	Lower of useful life or primary lease period
Vehicles	5 years

For aforesaid class of assets based on internal assessment by the management believes that the useful lives as given above best represent the years over which management expects to use the assets. Hence, the useful lives for the assets are different from the useful lives as prescribed under Part C of Schedule II of the Act .

Expected useful lives and residual values are re-assessed annually and adjusted if appropriate and such change is accounted for as a change in an accounting estimate.

Freehold land has an unlimited useful life and therefore is not depreciated.

Capital work in progress and capital advances

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under "Other non - current assets". Assets under construction are not depreciated as these assets are not yet available for use.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the standalone statement of profit or loss in the year the asset is derecognised.

(b) Intangible assets

Measurement at recognition

Intangible assets comprise primarily of computer software. Intangible assets are initially recorded at cost and subsequent to recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation

Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life. The amortisation expense on intangible assets with finite lives is recognised in the standalone statement of profit and loss.

The following estimated useful life of intangible assets is mentioned below:

Computer software	3 years

The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such changes is accounted for as a change in an accounting estimate.

Derecognition

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the standalone statement of profit or loss in the year the asset is derecognised.

Intangible assets under development

Intangible under development is the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial use. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

(c) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Non-derivative financial assets

Initial recognition and measurement

The Company recognises a financial asset in its balance sheet when it become party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the statement of profit and loss at initial recognition if the fair value is determined through quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the standalone statement of profit and loss only to the extent that such gain or loss arises due to a change in factor market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price irrespective of the fair value on initial recognition.

Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

(i) The Company's business model for managing the financial asset and
(ii) The contractual cash flow characteristics of the financial asset.

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

(i) Financial assets measured at amortised cost.
(ii) Financial assets measured at fair value through profit and loss (FVTPL).

(i) **Financial assets measured at amortised cost**

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

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

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

This category applies to cash and bank balances, trade receivables, loans, deposits and other financial assets of the Company. Such financial assets are subsequently measured at amortised cost using the effective interest method.
The amortised cost of a financial asset is also adjusted for loss allowance, if any.

(ii) **Financial assets measured at fair value through profit and loss (FVTPL)**.

A financial asset is measured at FVTPL unless it is measured at amortised cost or at Fair Value through Other Comprehensive Income (FVTOCI). This is a residual category applies to inventories, share based payments and other investments of the Company excluding investment in subsidiary. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the standalone statement of profit and loss.

Derecognition:
A financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. On derecognition of a financial asset, the difference between the carrying amount and the consideration received is recognised in the standalone statement of profit and loss.

Presentation:
Financial assets and liabilities are offset and the net amount presented in the statement of standalone balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial liabilities

Initial recognition and measurement

Financial liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liabilities.

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently carried at amortised cost; any difference between the initial carrying value and the redemption value is recognised in the statement of profit or loss over the year of the borrowings using the effective interest rate method. Other financial liabilities are recognised initially at fair value plus any directly attributable transaction costs.

Non-derivative financial liabilities of the Company comprise long-term borrowings, short-term borrowings, bank overdrafts and trade and other payables.

Subsequent measurement:
Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

Derecognition:
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. When an existing financial liability is replaced from the same lender on substantially different terms, or terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the standalone statement of profit and loss .

Presentation:
Financial assets and liabilities are offset and the net amount presented in the statement of standalone balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(iii) Fair Value

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

(i) in the principal market for the asset or liability or
(ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy that categorises into three levels, as described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

Level 1 : quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or Indirectly
Level 3 : inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting year.

(d) Impairment

Non-derivative financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:
(i) Trade receivables
(ii) Financial assets measured at amortised cost (other than trade receivables)

In case of trade receivables and contract revenue receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognition as loss allowance. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime of ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.
Lifetime ECL are the expected credit losses resulting from all possible defaults events over the expected life of a financial asset. 12 month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and profitability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

The Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward- looking estimates are updated.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the statement of profit and loss.

Intangible assets and property, plant and equipment

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets, is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss. Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's recoverable amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(e) Inventories

Inventories principally comprise commodities held for trading and inventories that form part of the Company's expected purchase, sale or usage requirements.

Inventories are measured at cost and those forming part of the Company's expected purchase, sale or usage requirements are stated at the lower of cost and net realisable value and are valued on a first-in-first-out basis. Cost of inventories comprises of cost incurred on purchase and other direct expenditure on procurement. Net realisable value represents the estimated selling price in the ordinary course of business, less anticipated cost of disposal and after making allowance for damages and slow-moving items.

Dunnage

Dunnage consists of bamboo mats, polythene sheets/bags/covers, wooden planks, black/blue polythene films/sheets. Bamboo mats and polythene sheets/bags/covers issued for use are written off to the extent of 100% of cost in the year of purchase. 50% of the cost of black/blue polythene films/sheets issued for use is written off in the year of issue and the balance 50% is charged to revenue in the subsequent year.

(f) Statement of cash flows

The Company's statement of cash flows are prepared using the indirect method, whereby profit/(loss) for the year is adjusted for the effects of transactions of a non-cash nature if any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents comprise cash and bank balances and short-term fixed bank deposits that are subject to an insignificant risk of changes in value.

(g) Revenue recognition

Revenue is recognised when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Revenue is measured at the fair value of consideration received or receivable, excluding discounts, rebates and taxes. Amount collected on behalf of third parties such as goods and service tax and value added tax are excluded from revenue. Revenue on time and material contracts are recognised as the related services are performed and revenue from the end of the last billing to the balance sheet date is recognised as unbilled revenue. Advances received for services and products are reported as advances from customers until all conditions for revenue recognition are met.

A. Warehousing services

(i) These include warehousing services in owned, leased, franchise as well as field warehouses. Charges levied for providing storage, stock management and preservation services at locations which are owned, leased or under franchise/associate arrangement are recognised as income on accrual basis as per agreed terms.

(ii) These activities also include custodial warehousing services for banks and fees therefrom are recognised on accrual basis as per agreed terms.

B. Sale of goods

The Company’s revenue is derived from the single performance obligation to transfer primarily commodities under arrangements in which the transfer of control of the products and the fulfilment of the Company’s performance obligation occur at the same time. Therefore, revenue from the sale of goods is recognised when the Company transfers control at the point of time the customer takes undisputed delivery of the goods. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Company expects to be entitled to.

C. Other services

(i) Testing and certification

These includes testing the quality of commodities and issuing certificates regarding the same. The charges for testing and certification are recognised on accrual basis as per agreed terms with customers.

(ii) Market intelligence and commodity research

a) Price intelligence

Price polling is a neutral activity for collating spot price information for selected commodities on behalf of the client and the charges there from are recognised on accrual basis as per agreed terms with customers.

b) Weather intelligence

Weather data services is an activity wherein weather data is collected from meteorological instruments and provided to the client and the charges there from are recognised on accrual basis as per agreed terms with customers.

c) Market intelligence

Subscription charges on market intelligence and commodity research reports are recognised as income on straight line basis over the year for which the reports are sent.

(iii) Vehicle management services

These activities include services for custodial warehousing of vehicles for customers. Fees there from are recognized on accrual basis as per agreed terms.

In order to determine if it is acting as a principal or as an agent, the Company assesses whether it has exposure to the significant risks and rewards associated with the rendering of logistics services. Revenue from rendering of logistic services provided to its customer after the transfer of control of underlying goods is recognised on gross basis and is recognised once the facilitation of such service is done.

(iv) Other income

a Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and using effective interest rate applicable based on interest rate specified / implicit in the transaction.

b Dividend income

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

(v) Other services

These are recognised when the claim/charge is established as a legally enforceable right for the services rendered.

(vi) Revenue from contracts

Revenue from contracts is recognised based on the stage of completion determined with reference to the costs incurred on contracts and their estimated total costs. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the statement of profit or loss in the year in which the circumstances that give rise to the revision becomes known by management.
When it is probable that the total contract cost will exceed total contract revenue, expected loss is recognised as an expense immediately. Total contract cost is determined based on technical and other assessment of cost to be incurred. Liquidated damages/penalties are accounted as per the contract terms whenever there is a delayed delivery attributable to the Company.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.
Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.
The profits on contracts are recognised only when outcome of the contract is reasonably certain.

(vii) Lease income

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(h) Foreign currency

Foreign currency transactions

Initial recognition

All transactions that are not denominated in the Company's functional currency are foreign currency transactions. These transactions are initially recorded in the functional currency by applying the appropriate daily rate which best approximates the actual rate of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the standalone statement of profit and loss.

Measurement of foreign currency items at reporting date

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange at the reporting date. Non-monetary items measured based on historical cost in a foreign currency are not translated. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined.
Exchange differences arising out of these translations are recognised in the standalone statement of profit and loss.

(i) Employee benefits

Post-employment benefits

i. Defined contribution plans

A defined contribution plan is a plan for the post employment benefit of an employee under which the Company pays fixed yearly contributions into Provident Fund and Employee State Insurance Corporations. The Company has no further legal or constructive obligation to pay once contributions are made. Contributions made are charged to employee benefit expenses in the year in which the employment services qualifying for the benefit are provided.

ii. Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan which is administered through Company gratuity scheme with Life Insurance Corporation of India. The Company's net obligation in respect of gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation at the balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government of India securities as at the balance sheet date.

When the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

The Company recognises all remeasurement gains and losses arising from defined benefit plans in the statement of other comprehensive income in the year in which they occur and not reclassified to the statement of profit and loss in the subsequent year. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual year to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the year as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the standalone statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the standalone statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs in the statement of profit and loss.

The entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as a liability at the present value of the estimated liability for leave as a result of services rendered by employees, which is determined at each balance sheet date based on an actuarial valuation by an independent actuary using the projected unit credit method. The discount rates used for determining the present value of the obligation under other long term employee benefits, are based on the market yields on Government of India securities as at the balance sheet date. Remeasurement gains and losses are recognised immediately in the standalone statement of profit and loss.

The Company presents the above liability/(asset) as current and non- current in the balance sheet as per actuarial valuation by the independent actuary.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified short-term employee benefits and they are recognised in the year in which the employee renders the related services. For the amount expected to be paid, the Company recognise an undiscounted liability if they have a present legal or constructive obligation to pay the amount as a result of past service provided by employees, and the obligation can be estimated reliably.

Share-based payments

Equity-settled plans are accounted at fair value as at the grant date in accordance with Ind AS 102 " Share- Based Payments". The fair value of the share-based option is determined at the grant date using a market-based option valuation model which includes an estimated forfeiture rate. The fair value of the option is recorded as compensation expense amortised over the vesting year of the award, with a corresponding increase in other components of Equity under the head "Share Options Outstanding Account". On exercise of the option, the proceeds are recorded as share capital.

Share-based payment transactions that are settled in cash at an amounts that are based on the price of the company's equity instruments. This creates a liability, and the recognised cost is based on the fair value of the instrument at the reporting date.

(j) Lease accounting

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the following:

– Fixed payments, including in-substance fixed payments;
– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
– Amounts expected to be payable under a residual value guarantee; and
– The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets that do not meet the definition of investment property in ‘property, plant and equipment’ and lease liabilities in ‘loans and borrowings’ in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

(k) Income tax

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year as per the provisions of tax laws enacted in India and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the balance sheet date.

ii) Deferred tax

Deferred tax is recognised on deductible temporary differences between the carrying amounts of assets and liabilities in the standalone balance sheet and the corresponding tax bases used in the computation of taxable income, the carry forward of unused tax losses and the carry forward of unused tax credits.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax liabilities are generally recognised for all deductible temporary differences. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognised. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognised.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable income will be available against which those deductible temporary differences can be utilised. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognised.

Unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets is recognised only to the extent that there is convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Company accounts for the expected future benefit on account of the indexed cost of freehold land held by the Company as a deferred tax asset at the substantively enacted capital gains tax rate.

The Company reviews the carrying amount of deferred tax assets at the end of each reporting year and reduce amounts to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

Presentation of current and deferred tax :

Current and deferred tax are recognised as income or an expense in the standalone statement of profit and loss, except when they relate to items that are recognised in Other Comprehensive Income/ Equity, in which case, the current and deferred tax income/ expense are recognised in Other Comprehensive Income/ Equity.
Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority.

iii) Minimum Alternative Tax ('MAT')

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the standalone statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as a deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the year for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an deferred tax asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

On 30 March 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. The notification clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. In assessing the uncertainty, an entity shall consider whether it is probable that a taxation authority will accept the uncertain tax treatment. This notification is effective for annual reporting periods beginning on or after 1 April 2019. As per the Company's assessment, there are no material income tax uncertainties over income tax treatments.

(l) Earnings per share

The basic earnings per share (EPS) is computed by dividing the profit/loss attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive (potential) equity equivalent shares outstanding during the year except where the results would be anti-dilutive.

(m) Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is more likely than not that an outflow of economic benefits will be required to settle the obligation. Provisions are discounted where the effect of discounting is material at a pre-tax rate that reflects current market assessments of the time value of money. Unwinding of the discount (accretion) is recognised as a finance cost. Discount rates are assessed and projected timing of future obligations each reporting year.
A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

(n) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. It includes all borrowing costs which would have been avoided if the expenditure on the qualifying asset had not been made. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the year they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(o) Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments. Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the statement of profit and loss.

Cost of investments include acquisition charges such as brokerage, fees and duties.

(p) Government grants

Grants and subsidies from the government are recognised if the following conditions are satisfied.

- There is reasonable assurance that the Company will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

Government grants are recognised in accordance with the terms of the respective grant on accrual basis considering the status of compliance of prescribed conditions and ascertainment that the grant will be received.

Government grants are amortised to the standalone statement of profit and loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

(q) Segment reporting

For management purposes, the Company's accounting policy is organised into operating segments based on their products and services, which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge.
The segment managers report directly to the Managing Director and CEO of the Company who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in note 35, including the factors used to identify the reportable segments and the measurement basis of segment information.

Unallocated items:
Revenues and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate income and expenses". Assets and liabilities, which relate to the Company as a whole and are not allocable to segments on reasonable basis, are shown as unallocated corporate assets and liabilities, respectively.

(r) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount or fair value less costs to sell.

(Currency : Indian Rupees in Million)

5 Property, plant and equipment

Particulars	Freehold land	Warehouse buildings	Silos	Plant and equipments	Office buildings	Meteorological instruments	Laboratory equipment	Computer	Electrical installation and fittings	Office equipments	Furniture and fixtures	Leasehold improvements	Vehicles	Total assets
Cost :														
At 1 April 2020	**1,203.6**	**2,821.6**	**286.5**	**232.4**	**54.9**	**278.8**	**450.6**	**60.7**	**86.9**	**50.1**	**53.7**	**177.6**	**0.4**	**5,757.8**
Add: Additions during the year	-	-	-	**0.0**	-	**0.9**	**18.4**	**2.7**	-	**1.4**	-	-	-	**23.4**
Less : Disposals during the year	**(53.3)**	-	-	-	-	-	-	**(3.0)**	-	**(1.3)**	-	-	-	**(57.6)**
Less: Assets classified as held for sale*	**(1.1)**	-	-	-	-	-	-	-	-	-	-	-	-	**(1.1)**
At 31 March 2021	**1,149.2**	**2,821.6**	**286.5**	**232.4**	**54.9**	**279.7**	**469.0**	**60.4**	**86.9**	**50.2**	**53.7**	**177.6**	**0.4**	**5,722.5**
At 1 April 2021	**1,149.2**	**2,821.6**	**286.5**	**232.4**	**54.9**	**279.7**	**469.0**	**60.4**	**86.9**	**50.2**	**53.7**	**177.6**	**0.4**	**5,722.5**
Add: Additions during the year	**22.1**	-	-	-	-	**0.3**	**1.7**	**3.7**	-	**1.0**	**0.3**	**1.3**	-	**30.4**
Less : Disposals during the year	-	-	-	-	-	-	-	-	-	**(6.2)**	**(7.9)**	**(15.6)**	-	**(29.7)**
At 31 Mar 2022	**1,171.3**	**2,821.6**	**286.5**	**232.4**	**54.9**	**280.0**	**470.7**	**64.1**	**86.9**	**45.0**	**46.1**	**163.3**	**0.4**	**5,723.2**
At 1 April 2020	-	211.9	15.9	95.7	4.2	240.4	140.6	50.8	53.6	34.2	16.2	59.5	0.4	**923.4**
Add: Charge for the year	-	55.5	4.2	21.9	1.1	10.3	43.7	4.5	12.9	6.1	5.2	18.4	-	**183.8**
Less: Disposal	-	-	-	-	-	-	-	(2.6)	-	(1.1)	-	-	-	**(3.7)**
Less: Other adjustments	-	-	-	-	-	-	(5.8)	-	-	-	-	-	(0.3)	**(6.1)**
At 31 March 2021	**-**	**267.4**	**20.1**	**117.6**	**5.3**	**250.7**	**178.5**	**52.7**	**66.5**	**39.2**	**21.4**	**77.9**	**0.1**	**1,097.4**
At 1 April 2021	-	267.4	20.1	117.6	5.3	250.7	178.5	52.7	66.5	39.2	21.4	77.9	0.1	**1,097.4**
Add: Charge for the year	-	53.7	5.4	17.3	1.0	9.0	39.1	3.6	9.7	4.0	4.4	15.3	-	**162.5**
Less: Disposal	-	-	-	-	-	-	-	-	-	(5.1)	(6.6)	(12.9)	-	**(24.6)**
At 31 Mar 2022	**-**	**321.1**	**25.5**	**134.9**	**6.3**	**259.7**	**217.6**	**56.3**	**76.2**	**38.1**	**19.2**	**80.3**	**0.1**	**1,235.3**
Carrying amounts														
At 31 March 2021	**1,149.2**	**2,554.2**	**266.4**	**114.8**	**49.6**	**29.0**	**290.5**	**7.7**	**20.4**	**11.0**	**32.3**	**99.7**	**0.3**	**4,625.1**
At 31 March 2022	**1,171.3**	**2,500.5**	**261.0**	**97.5**	**48.6**	**20.3**	**253.1**	**7.8**	**10.7**	**6.9**	**26.9**	**83.0**	**0.3**	**4,487.9**

* Refer note 18
Refer note 20.1 for information on property, plant and equipment pledged as security by the Company.

(Currency : Indian Rupees in Million)

5.1 Right of use assets

Particulars	ROU**
Gross carrying amount :	
Balance as at 1 April 2020	**81.6**
Add: Additions during the year	145.7
Balance as at 31 March 2021	**227.3**
Add: Additions during the year	43.5
Less : Disposals / other adjustments during the year	13.2
Balance as at 31 March 2022	**257.6**
Accumulated depreciation :	
Balance as at 1 April 2020	**13.2**
Add: Charge for the year	31.7
Balance as at 31 March 2021	**44.9**
Add: Charge for the year	36.3
Less : Disposals / other adjustments during the year	22.2
Balance as at 31 March 2022	**59.0**
Net carrying amount	
Balance as at 31 March 2021	**182.4**
Balance as at 31 March 2022	**198.6**

**Right of use asset is created on office premises including regional offices, warehouses, laboratories and corporate office (refer note 37).

5.2 Capital work-in-progress

Capital work-in-progress	31 March 2022	31 March 2021
Opening balance	-	9.2
Additions during the year	32.3	14.2
Capitalised during the year	-	(23.4)
Closing balance	32.3	-

(a) Ageing of CWIP (31 March 2022)

Sr. No	Projects in Progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Laboratory equipment	32.3	-	-	-	**32.3**

(b) Ageing of CWIP (31 March 2021)

Sr. No	Projects in Progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
		-	-	-	-	-

(Currency : Indian Rupees in Million)

6.1 Intangible assets

Particulars	Computer software	Total
Gross carrying amount		
Balance as at 1 April 2020	**105.2**	**105.2**
Add: Adjustment during the year	(1.8)	(1.8)
Balance as at 31 March 2021	**103.4**	**103.4**
Add: Additions during the year	0.9	0.9
Add: Adjustment during the year	(0.2)	(0.2)
Balance as at 31 March 2022	**104.1**	**104.1**
Amortisation		
Balance as at 31 March 2020	**58.2**	**58.2**
Amortisation for the year	18.0	18.0
Balance as at 31 March 2021	**76.2**	**76.2**
Amortisation for the year	16.5	16.5
Balance as at 31 March 2022	**92.7**	**92.7**
Net carrying amount		
Balance as at 31 March 2021	**27.2**	**27.2**
Balance as at 31 March 2022	**11.4**	**11.4**

6.2 Intangible assets under development

	31 March 2022	31 March 2021
Intangible assets under development - Computer Software	-	0.9

(Currency : Indian Rupees in Million)

7 Investments

	31 March 2022	31 March 2021
(A) Investments in equity instruments - unquoted fully paid up		
(a) Wholly owned subsidiary companies (at cost)		
(i) NCML Finance Private Limited	1,034.7	1,034.7
103,474,695 (31 March 2021: 103,474,695) equity shares of INR 10 each, fully paid-up		
(ii) NCML Mktyard Private Limited	70.0	70.0
7,000,000 (31 March 2021: 7,000,000) equity shares of INR 10 each, fully paid-up		
(iii) NCML Basti Private Limited	80.0	80.0
8,000,000 (31 March 2021: 8,000,000) equity shares of INR 10 each, fully paid-up		
(iv) NCML Varanasi Private Limited	101.0	101.0
10,100,000 (31 March 2021: 10,100,000) equity shares of INR 10 each, fully paid-up		
(v) NCML Faizabad Private Limited	70.0	70.0
7,000,000 (31 March 2021: 7,000,000) equity shares of INR 10 each, fully paid-up		
(vi) NCML Batala Private Limited	120.0	120.0
12,000,000 (31 March 2021: 12,000,000) equity shares of INR 10 each, fully paid-up		
(vii) NCML Chhehreatta Private Limited	120.0	120.0
12,000,000 (31 March 2021: 12,000,000) equity shares of INR 10 each, fully paid-up		
(viii) NCML Deoria Private Limited	40.0	40.0
4,000,000 (31 March 2021: 4,000,000) equity shares of INR 10 each, fully paid-up		
(ix) NCML Palwal Private Limited	40.0	40.0
4,000,000 (31 March 2021: 4,000,000) equity shares of INR 10 each, fully paid-up		
(x) NCML Bettiah Private Limited	40.0	40.0
4,000,000 (31 March 2021: 4,000,000) equity shares of INR 10 each, fully paid-up		
(xi) NCML Bhattu Private Limited	60.0	60.0
6,000,000 (31 March 2021: 6,000,000) equity shares of INR 10 each, fully paid-up		
(xii) NCML Jalalabad Private Limited	40.0	40.0
4,000,000 (31 March 2021: 4,000,000) equity shares of INR 10 each, fully paid-up		
(xiii) NCML Sonepat Private Limited	335.0	110.0
33,500,000 (31 March 2021: 11,000,000) equity shares of INR 10 each, fully paid-up		
(xiv) NCML KB Private Limited	1.0	1.0
100,000 (31 March 2021: 100,000) equity shares of INR 10 each, fully paid-up		
(xv) NCML Saran Private Limited	1.0	1.0
100,000 (31 March 2021: 100,000) equity shares of INR 10 each, fully paid-up		
(xvi) NCML Madhepura Private Limited	1.0	1.0
100,000 (31 March 2021: 100,000) equity shares of INR 10 each, fully paid-up		
(xvii) NCML Motihari Private Limited	1.0	1.0
100,000 (31 March 2021: 100,000) equity shares of INR 10 each, fully paid-up		
(xviii) NCML Agribusiness Consultants Private Limited	3.0	3.0
300,000 (31 March 2021: 300,000) equity shares of INR 10 each, fully paid-up		
Total investment in subsidiaries	**2,157.7**	**1,932.7**
Less: Provision for impairment of investment	(144.4)	(74.4)
	2,013.3	**1,858.3**
Aggregate amount of unquoted non-current investments	2,157.7	1,932.7
Aggregate amount of impairment in value of investments	144.4	74.4

(Currency : Indian Rupees in Million)

8 Other financial assets

	31 March 2022	31 March 2021
Bank deposits with original maturity more than 12 months*	105.6	229.1
Interest accrued but not due on bank deposits	-	1.5
Security deposits		
- Unsecured, considered good	42.5	61.0
- Unsecured, considered doubtful	54.1	10.1
Allowance for doubtful loans	(54.1)	(10.1)
	148.1	**291.6**
* Restrictions on bank deposits		
Bank guarantee	5.0	21.1
Lien	100.6	208.0
	105.6	**229.1**

9 Deferred tax assets (net)

	31 March 2022	31 March 2021
Deferred tax assets (net) (refer note 39 (d))	**543.1**	**545.7**

10 Other non-current assets

(Unsecured, considered good unless otherwise stated)

	31 March 2022	31 March 2021
(a) Capital advances	40.3	41.9
Less: Provision for capital advances	(7.5)	-
(b) Advances other than capital advances		
(i) Balance with government authorities	3.6	3.6
(ii) Prepaid expenses	3.4	18.0
	39.8	**63.5**

11 Inventories

Stock in trade

Inventories valued at the lower of cost or net realisable value

	31 March 2022	31 March 2021
Traded goods	10.1	219.2
Stores and consumables		
Consumables	15.1	10.3
Dunnage	3.9	3.0
	29.1	**232.5**

12 Trade receivables

	31 March 2022	31 March 2021
Secured, considered good	17.6	17.6
Unsecured, considered good	566.6	804.9
Unsecured, credit impaired	542.9	448.0
Allowance for credit impaired	(542.9)	(448.0)
	584.2	**822.5**

(Currency : Indian Rupees in Million)

13 Cash and cash equivalents

	31 March 2022	31 March 2021
Balances with banks - in current accounts	682.5	145.1
Deposit with original maturity less than 3 months	0.1	257.2
Cash on hand	0.0	0.0
	682.6	**402.3**

14 Bank balances other than cash and cash equivalents

	31 March 2022	31 March 2021
Deposit with maturity more than 3 months but less than 12 months*	679.7	616.4
Other bank balance #	81.3	169.7
	761.0	**786.1**
* includes restrictions on bank deposits		
Bank guarantee	148.1	173.4
Lien	401.3	284.8
Against bank overdraft	12.1	8.1
Letter of credit	19.5	35.0
	581.0	**501.3**

Other bank balance pertains to money lying in Subsidy Reserve Fund (SRF) account towards subsidy granted to the Company which will be adjusted against the loan amount.

15 Loans

	31 March 2022	31 March 2021
Loan to subsidiaries - unsecured, considered good (refer note 36)*	3,263.3	3,158.5
- Unsecured, credit impaired	220.2	220.2
Less: Provision for credit impaired	(220.2)	(220.2)
	3,263.3	**3,158.5**

* Includes interest accrued on loan to subsidiaries

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013)

	Amount outstanding as on 31 March 2022	Percentage to the total loans and advances in the nature of loans	Amount outstanding as on 31 March 2021	Percentage to the total loans and advances in the nature of loans
a) amounts repayable on demand				
- Promoters	-	-	-	-
- Directors	-	-	-	-
- Key managerial personnel	-	-	-	-
- Other related parties	**3,483.5**	**100%**	**3,378.7**	**100%**
b) without specifying any terms or period of repayment				
- Promoters	-	-	-	-
- Directors	-	-	-	-
- Key managerial personnel	-	-	-	-
- Other related parties	-	-	-	-
Total	**3,483.5**	**100%**	**3,378.7**	**100%**

(Currency : Indian Rupees in Million)

16 Other financial assets

	31 March 2022	31 March 2021
Unsecured, considered good unless otherwise stated		
(a)From related parties		
Receivable from subsidiary (refer note 36)	54.2	54.9
Less: Impairment of receivables (refer note 36(a))	(26.7)	-
(b)From parties other than related parties		
Other advances		
Insurance claim receivable	462.7	462.7
Allowance for insurance claims	(462.7)	(462.7)
Compensation receivable	18.6	18.6
Unbilled revenue (refer note 52 (c))	108.7	159.3
Interest accrued but not due	14.6	14.8
Security deposits	27.2	34.7
Less: Provision for credit impaired	(13.6)	(14.9)
Amount recoverable from employees	12.2	12.2
Allowance for doubtful recovery from employees	(12.2)	(12.2)
Amounts recoverable from rice millers		
- Unsecured, considered good	-	33.4
- Unsecured, credit impaired	110.9	94.8
Allowance for credit impaired	(110.9)	(94.8)
Other receivables*	21.2	-
	204.2	**300.8**

* Other receivables pertains to receivables from NABARD.

17 Other current assets

	31 March 2022	31 March 2021
Unsecured, considered good		
Balance with government authorities	28.6	34.7
Advance to suppliers	7.8	37.7
Advance to employees	-	0.2
Prepaid expenses	33.0	20.5
Unsecured, considered doubtful		
Advance to suppliers	28.7	24.7
Advance to employees	16.5	29.4
Allowance for doubtful advance	(45.2)	(54.1)
	69.4	**93.1**

18 Asset classified as held for sale

The Board of Directors of the Company, in its meeting held on 4 November 2020, approved the sale of land and building held by located at Village Sherpur, Tehsil and District-Vidisha, M.P. measuring 1.683 Hectares. The Company has completed the sale of the land during the current year at Rs 9.6 million having book value of Rs 1.1 million.

(Currency : Indian Rupees in Million)

	31 March 2022	31 March 2021
19.1 Equity share capital		
Share capital		
Authorised :		
200,000,000 (31 March 2021 : 200,000,000) Equity shares of 10 each	**2,000.0**	**2,000.0**
Issued, subscribed and paid up		
147,438,736 (31 March 2021 : 147,411,736) Equity shares of 10 each, fully paid up	1,474.4	1,474.1
	1,474.4	**1,474.1**

a) The reconciliation of the shares outstanding at the beginning and at the end of the year is as below:

	31 March 2022		31 March 2021	
	No. of shares	Amount (INR)	No. of shares	Amount (INR)
Number of equity shares at the beginning of the year	147,411,736	1,474.1	147,411,736	1,474.1
Add: Equity shares issued during the year	27,000	0.3	-	-
Number of equity shares at the end of the year	**147,438,736**	**1,474.4**	**147,411,736**	**1,474.1**

b) The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividends as declared from time to time . The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights can not be exercised in respect of shares on which any call or other sums presently payable have not been paid. On winding up of the Company, the holders of equity shares will be entitled to receive the residual to the number of equity shares held.

c) **Shares held by holding company**

	31 March 2022		31 March 2021	
	Number of equity shares held	Amount (INR)	Number of equity shares held	Amount (INR)
Equity shares of Rs. 10 each fully paid up held by				
FIH Mauritius Investments Limited	131,941,286	1,319.4	131,941,286	1,319.4

d) **The details of shareholders holding more than 5% of the equity shares of the Company as at year end are as below :**

	31 March 2022		31 March 2021	
Name of shareholders	Number of equity shares held	Percentage holding	Number of equity shares held	Percentage holding
FIH Mauritius Investments Limited	131,941,286	89.49%	131,941,286	89.53%

e) **Shares reserved for issue under options (refer note 43)**

(NCML 2014 Employee Stock Option Scheme)

NCML ESOP 2014 plan provides for the grant of stock options to eligible employees. The Board of Directors recommended NCML ESOP 2014 plan to shareholders on 1 September 2014 and the shareholders approved the recommendations of the board on 30 September 2014. The plan entitles key management personnel and senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. The Board of Directors have approved the proposal for cash settlement of ESOP at a fair market value (FMV) of Rs. 67.16, as certified by an Independent Valuer. Further, as per the board meeting held on 24 March 2021, Board has decided to defer the payout to employees under NCML ESOP Scheme 2014.

(NCML 2016 Employee Stock Option Scheme)

NCML ESOP 2016 plan provides for the grant of stock options to eligible employees. The Board of Directors recommended NCML ESOP 2016 plan to Shareholders on 5 August 2016 and the Shareholders approved the recommendations of the Board. The plan entitles key management personnel and senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. As per the board meeting held on 24 March 2021, Board has officially abandoned the NCML ESOP Scheme 2016 as the condition precedent of achievement of benchmark profit has not been met.

f) No shares have been issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back in the current reporting period and five years immediately preceding the balance sheet date.

g) **Details of shareholding of promoters:**

		As on 31 March 2022			As on 31 March 2021	
S. No	**Promoter Name**	**No. of Shares**	**% of Total Shares**	**% Change during the year**	**No. of Shares**	**% of Total Shares**

(Currency : Indian Rupees in Million)

1	FIH Mauritius Investments Ltd.	131,941,286	89.49%	(0.04)%	131,941,286	89.53%

(Currency : Indian Rupees in Million)

19.2 Other equity

		31 March 2022	31 March 2021
(i)	**Equity component of compound financial instrument**		
	- equity component of compulsory convertible debentures (refer note 20.1.4)	308.8	308.8
		308.8	**308.8**
(ii)	**Reserves and surplus**		
(a)	**Securities premium account**		
	Opening balance	3,910.3	3,910.3
	Add: Securities premium received on issue of equity shares	-	-
	Closing balance (refer sub-note 1)	**3,910.3**	**3,910.3**
(b)	**Special reserve**		
	Opening balance	47.5	42.5
	Add: Transferred from surplus in statement of profit and loss	-	5.0
	Closing balance (refer sub-note 2)	**47.5**	**47.5**
(c)	**Share options outstanding account**		
	Opening balance	0.3	31.8
	Amount transfer to other financial liability due to cash settlement	-	(18.5)
	Employee compensation expense for the year	-	(13.0)
	Closing balance (refer sub-note 3)	**0.3**	**0.3**
(d)	**Retained earnings**		
	Opening balance	748.8	1,361.2
	Add: Loss for the year	(576.0)	(609.9)
	Less: Remeasurement of the net defined benefit liability/asset, net of tax effect	4.8	2.5
	Less: Transferred to statutory reserve	-	(5.0)
	Less: Transferred to debenture redemption reserve	(320.0)	
	Closing balance (refer sub-note 5)	**(142.4)**	**748.8**
(e)	**Debenture redemption reserve**		
	Opening balance	-	-
	Add: Transferred from surplus in statement of profit and loss	320.0	-
	Closing balance (refer sub-note 4)	**320.0**	**-**
	Total	**4,444.5**	**5,015.7**

Sub-note:

1 Securities premium is received pursuant to the further issue of equity shares at a premium net of the share issue expenses. This is a non-distributable reserve except for the following instances where the share premium account may be applied;
i) towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus shares;
ii) for the purchase of its own shares or other securities;
iii) in writing off the preliminary expenses of the Company;
iv) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; and
v) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.

2 Special reserve - In view of contingencies as may arise due to the peculiar nature of the Company's business, a sum of Rs nil is allocated as at 31 March 2022 (31 March 2021: Rs 5.0 million) has been transferred from retained earnings to special reserve.

3 Share options outstanding account -Share-based compensation reserves represent the equity-settled shares and share options granted to employees (refer note 43). The reserve is made up of the cumulative value of services received from employees recorded over the vesting year commencing from the grant date of equity-settled shares and share options and is reduced by the expiry of the share options.

4 The provisions of the Companies Act, 2013 read with the related rules require a company issuing debentures to create a Debenture redemption reserve (DRR) of 10% of the value of debentures issued, either through a public issue or on a private placement basis, out of the profits of the Company available for payment of dividend. The amounts credited to the DRR can be utilised by the Company only to redeem debentures.

The details of movement in debenture redemption reserve during the year is as below:

DRR Created during the year ended March 31, 2022- 320 Million

5 Retained earnings represents the accumulated profits of the Company.

(Currency : Indian Rupees in Million)

20.1 Borrowings

	31 March 2022	31 March 2021
Secured loan:*		
Debentures		
Non convertible debentures (refer note (f) below)	2,986.7	3,200.0
Term loan		
(i) from banks (refer note (a), (b), (d) & (e) below)	244.1	177.4
Less : Unamortised transaction cost	(32.1)	(41.3)
Unsecured loan		
From related party- subsidiary company	630.0	-
Compulsory convertible debentures (refer note 4 below)	587.5	749.6
	4,416.2	**4,085.7**

* Amount disclosed under "Borrowings Current - Current maturities of long-term debt" Rs. 500.1 Million (31 March 2021: Rs. 182.9 Million) (refer note 23)

Sub-notes:

1	**Nature of Security**	**Terms:**
(a)	Long-term loan taken from Yes bank amounting to Rs 88.4 Million (31 March 2021: Rs 88.8 Million) are secured by way on lien on Fixed deposit of Rs 97.7 Mn and undermentioned security.	- Term loan taken from Consortium of banks carries interest rate at base rate plus 0.25%, repayable in 32 unequal quarterly instalments starting from 30 June 2015
(b)	Long-term loan taken from ICICI Bank amounting to Rs 31.0 Million (31 March 2021: Rs 44.4 Million) are secured by way on lien on Fixed deposit of Rs. 66.0 Million and undermentioned security.	- Term loan taken from ICICI banks carries interest rate at base rate plus 0.15%, repayable in 33 (thirty three) unequal quarterly instalments starting from 28 March 2016
(c)	Long-term loan taken from NABARD amounting to Rs NIL Million (31 March 2021: Rs 168.0 Million classified under current maturities). Secured by NIL assets.	- Term loan taken from NABARD at interest rate of 9.50% pa , repayable in 20 equal quarterly instalments of Rs. 56 Million starting from 1 January 2017, repaid in full on 01 Nov 2021.
(d)	Long-term loan taken from KVB (under ECLGS 2.0 scheme)amounting to Rs 59.1 Million (31 March 2021: Rs 59.1 Million) are secured by way on second pari passu charge on Current assets	- Term loan taken from KVB at interest rate of Base rate (EBR-R) plus 1% pa , repayable in 48 equal quarterly instalments of Rs. 12.3 Million starting from 5th April 2022.
(e)	Long-term loan taken from IndusInd Bank (under ECLGS 2.0 scheme)amounting to Rs 120.0 Million (31 March 2021: Rs NIL Million) are secured by way on second pari passu charge on Current assets	- Term loan taken from IndusInd Bank at interest rate of Base rate (EBLR -R) plus 0.05% pa subject to max of 9.25% and presently 8.30% , repayable in 48 equal quarterly instalments of Rs. 250 Million starting from 30 September 2022.
(f)	Long-term loan in the form of NCD issued to debenture holder- FMO (Financierings-Maatschappij voor Ontwikkelingslanden) amounting to Rs 3,200.0 Million (31 March 2021: Rs 3,200.0 Million) is secured by undermentioned security.	- Long-term loan in the form of NCD carries interest rate 9.47% p.a., repayable after 36 months in March 2023 (Rs. 213.0 Million) and after 42 months (Rs. 2,987.0 Million) or as may be extended in accordance with the terms of the Debenture Trust Deed.

Security for FMO:

- Exclusive mortgage and charge over the 29 immovable (whether tangible or intangible) project properties and assets (including Insurance Contracts), both present and future with Debenture Holder, FMO.
- Assignment of all the clearances of the Obligor (to the extent assignable under Applicable Law and to the satisfaction of the Rupee Lenders)
- Assignment of the Obligor's rights under each of the Project Documents, Consents to Assignment from the relevant counterparties to such Project Documents to the satisfaction of the Facility Agent
- Exclusive charge on the respective Accounts formed under the Escrow Account Agreement and any other bank accounts of the Obligor or to be created by the Obligor under any Project Documents and all monies in such accounts
-Assignment on any letter of credit and/or performance bonds and/ or guarantee provided by any Contractor/ counter-party in favour of the Obligor.

2 Default in repayment of principal and interest NIL (31 March 2021 : NIL)

3 Non-compliances of debt covenants are considered not material as waiver has been obtained by the Company from debenture trustee through a letter dated 27 May 2022.

(Currency : Indian Rupees in Million)

20.1 Borrowings *(Continued)*

Fair value and carrying value

	Interest rate	Maturity	Fair value	Carrying amount
			31 March 2022	
Non-current liabilities				
Secured loan:				
Term loan from Yes bank	7.10% to 8.20%	31 March 2024	88.8	88.8
Term loan from ICICI bank	7.90% to 8.60%	31 March 2024	31.0	31.0
Term loan from KVB Bank (ECLGS 2.0)	8.20%	5 April 2026	59.1	59.1
Term loan from GECL IndusInd Bank	8.30%	30 September 2026	120.0	120.0
Non-convertible debentures	9.47%	18 September 2023 or as extended in accordance with DTD	3,200.0	3,200.0
Unsecured loan - From related party- subsidiary company	9.00%	31 March 2025	630.0	630.0
Unsecured loan - Compulsory convertible debentures	12.50%	30 September 2030	819.5	819.5
Total interest-bearing liabilities			**4,948.4**	**4,948.4**
Borrowings shown as current/ non current				
Current (refer note 23)*				500.1
Non- Current*				4,448.3

	Interest rate	Maturity	Fair value	Carrying amount
			31 March 2021	
Non-current liabilities				
Secured loan:				
Term loan from Yes bank	8.80% to 9.66%	30 September 2023	88.8	88.8
Term loan from ICICI bank	8.90% to 9.30%	31 May 2024	44.4	44.4
Term loan from KVB Bank (ECLGS 2.0)	8.20%	5 June 2024	59.1	59.1
Term loan from financial institutions - NABARD	9.50%	1 November 2021	168.0	168.0
Non-convertible debentures	9.47%	18 September 2023 or as extended in accordance with DTD	3,200.0	3,200.0
Unsecured loan - Compulsory convertible debentures	12.50%	30 September 2030	749.6	749.6
Total interest-bearing liabilities			**4,309.9**	**4,309.9**
Borrowings shown as current/ non current				
Current (refer note 23)*				182.9
Non- Current*				4,127.0

*Excluding unamortised transaction cost

4 During the year ended 31 March 2020, the Company on a private placement basis offered to issue upto 112,000,000 unsecured compulsory convertible debentures (CCD) of Rs 10 each at par to the equity shareholders of the Company on its records as at 6 September 2019. Pursuant, to the offer the Holding Company, FIH Mauritius Investments Ltd, subscribed to 100,274,482 CCD, in the proportion of its holding. These CCD were subsequently allotted on 1 October 2019. The coupon rate for the compulsory convertible debentures is 12.50%.

5 **Reconciliation of liabilities arising from financing activities**

	Non current Borrowings	Lease liability	Current Borrowings	Total
As on 01 April 2021	4,309.9	175.2	1,763.6	**6,248.7**
Proceeds from borrowings	250.0	-	-	**250.0**
Repayment of borrowings	(181.7)	(24.7)	-	**(206.4)**
Proceeds / (repayment) of short term borrowings (net)	-	-	45.9	**45.9**
Non-cash:				
Reclassification of related party loan	500.0	-	(500.0)	**-**
Increase in lease liability	-	43.5	-	**43.5**
Interest	70.2	20.6	79.8	**170.7**
As on 31 March 2022	**4,948.4**	**214.6**	**1,389.3**	**6,552.4**

	Non current Borrowings	Lease liability	Current Borrowings	Total
As on 01 April 2020	4,482.0	51.8	2,514.6	**7,048.3**
Proceeds from borrowings	59.1	-	7,810.1	**7,869.2**
Repayment of borrowings	(248.1)	(37.5)	(8,577.1)	**(8,862.7)**
Interest paid on CCD	(67.4)	-	-	**(67.4)**
Non-cash:				
Increase in lease liability	-	145.7	-	**145.7**
Interest	84.3	15.2	15.9	**115.3**

(Currency : Indian Rupees in Million)

As on 31 March 2021	**4,309.9**	**175.2**	**1,763.6**	**6,248.4**

(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
20.2	**Other financial liabilities**		
	Security deposit	2.1	2.1
		2.1	**2.1**
21	**Provisions**		
	Provision for compensated absences (refer note 45)	15.7	20.6
		15.7	**20.6**
22	**Other non-current liabilities**		
	Government grants (refer note 44)	153.0	150.8
		153.0	**150.8**
23	**Borrowings**		
	From banks		
	Short term loans (refer sub-note 1)	1,300.4	1,247.7
	Cash credit facility (refer sub-note 2)	74.5	-
	Current maturities of non current borrowings (Refer note 20.1)	500.1	182.9
	Less : Unamortised transaction cost	(9.2)	(9.1)
	Interest accrued but not due on term loans from banks	14.4	15.9
	Unsecured loan:		
	From related party- subsidiary company	-	500.0
		1,880.2	**1,937.4**

1 Short-term loans taken from banks carries interest ranging between 7.25% to 11.00% (31 March 2021 - 0.85% to 10.95%), computed on a monthly basis on the actual amount utilised, and are repayable on demand. Short-term loans from bank is secured by way of charge on stock of commodities and receivables, ranking pari passu among participating banks.

2 Cash credit and overdraft facility from banks carries interest ranging between 7.25% to 12.05% (31 March 2021 - 7.30% to 12.00%), computed on a daily basis on the actual amount utilised, and are repayable on demand. Cash credit facility from bank is secured by way of charge on stock of commodities and receivables, ranking pari passu among participating banks.

3 Unsecured loan taken from subsidiary company carries interest ranging between 9.00% to 12.50% (31 March 2021 - 9.00% to 12.45%), computed on a daily basis on the actual amount utilised, and were repayable on demand. During the current year, the loan is not repayable on demand and hence, the same has been reclassified to long term borrowings.

4 Default in repayment of principal and interest nil (31 March 2021 : nil).

5 **Fair value and carrying value**

	Nominal interest rate	Maturity	31 March 2022 Fair Value
Current liabilities			
Secured short term loan	7.25% to 11.00%	Less than 1 year	1,300.4
Secured cash credit and overdraft facility	7.25% to 12.05%	Less than 1 year	74.5
Interest accrued but not due on term loans from banks	7.25% to 12.05%	Less than 1 year	14.4
Total interest-bearing liabilities			**1,389.3**

	Nominal interest rate	Maturity	31 March 2021 Fair Value
Current liabilities			
Secured short term loan *	0.85% to 10.95%	Less than 1 year	1,247.7
Interest accrued but not due on term loans from banks*	0.85% to 10.95%	Less than 1 year	15.9
Unsecured short term loan from subsidiary company	9.00% to 12.45%	Less than 1 year	500.0
Total interest-bearing liabilities			**1,763.6**

* Secured Short Term loans includes Supplier / Buyers Credit loan which are in foreign currency and interest rates ranges from 0.85% - 1.13%

		31 March 2022	31 March 2021
24	**Trade payables**		
	Total outstanding dues to micro enterprise and small enterprise (refer note no 51)	6.2	9.0
	Total outstanding dues to creditors other than micro enterprise and small enterprise	256.0	205.2
		262.2	**214.2**

(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
25	**Other financial liabilities**		
	Creditors for capital goods	6.9	7.2
	Payable to employees	34.1	21.6
	Cash settlement	7.8	18.5
		48.8	**47.3**
26	**Other current liabilities**		
	Statutory dues payable	55.7	43.3
	Government grants (refer note 44)	4.7	4.6
	Advance from customers (refer note 52(c))	12.4	110.2
	Others	-	2.6
		72.8	**160.7**
27	**Provisions**		
	Provision for compensated absences (refer note 45)	7.2	11.1
	Provision for gratuity (refer note 45)	26.6	32.6
	Provision for litigations (refer note 48)	256.9	265.5
	Provision for future commitments (refer note 48)	32.2	32.2
		322.9	**341.4**

(Currency : Indian Rupees in Million)

	Ageing of Trade Receivables	Unbilled (Refer Note 16)	Outstanding for following periods from the due date as on 31 March 2022					
			Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	**Undisputed trade receivables**							
	- considered good	108.7	254.0	80.3	46.3	18.2	-	**398.8**
	- which have significant increase in credit risk	-	22.7	13.3	31.7	32.7	196.6	**297.0**
	- credit impaired	-	(22.7)	(13.3)	(31.7)	(32.7)	(196.6)	**(297.0)**
(ii)	**Disputed trade receivables**							
	- considered good	-	-	4.1	0.3	1.2	179.8	**185.4**
	- which have significant increase in credit risk	-	0.3	0.5	166.5	21.1	57.5	**245.9**
	- credit impaired	-	(0.3)	(0.5)	(166.5)	(21.1)	(57.5)	**(245.9)**
	Total	**108.7**	**254.0**	**84.4**	**46.6**	**19.4**	**179.8**	**584.2**

	Ageing of Trade Receivables	Unbilled (Refer Note 16)	Outstanding for following periods from the due date as on 31 March 2021					
			Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	**Undisputed trade receivables**							
	- considered good	159.3	316.7	209.7	56.8	44.8	-	**628.0**
	- which have significant increase in credit risk	-	7.0	9.7	8.5	78.9	338.1	**442.2**
	- credit impaired	-	(7.0)	(9.7)	(8.5)	(78.9)	(338.1)	**(442.2)**
(ii)	**Disputed trade receivables**							
	- considered good	-	0.4	0.7	0.3	13.3	179.8	**194.5**
	- which have significant increase in credit risk	-	-	-	0.1	0.9	4.8	**5.8**
	- credit impaired	-	-	-	(0.1)	(0.9)	(4.8)	**(5.8)**
	Total	**159.3**	**317.1**	**210.4**	**57.1**	**58.1**	**179.8**	**822.5**

(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
28	**Revenue from operations**		
	(a) Sales of goods	744.1	3,275.8
	(b) Sale of services :		
	Warehousing services	1,171.5	1,087.6
	Testing and certification	263.6	257.4
	Weather and market intelligence	160.4	118.1
	Vehicle management services	117.2	35.2
	Construction contract revenue	-	35.4
		2,456.8	**4,809.5**
	Sub-notes:		
1	**Reconciliation of revenue recognised with contract price:**		
	Contract price	2,456.8	4,809.5
		2,456.8	**4,809.5**
29	**Other income**		
	Interest income on:		
	- Fixed deposits	40.3	76.7
	- Interest from subsidiaries	379.3	292.8
	- Income tax refund	1.9	15.0
	- Others	1.9	3.2
	Liabilities no longer payable, written back	-	0.4
	Gain on sale of property, plant and equipment	8.8	26.1
	Government grants (refer note 44)	6.6	8.7
	Income from shared services (refer note 36)	45.2	30.8
	Miscellaneous income	0.3	1.3
		484.3	**455.0**
30	**Changes in inventories of stock-in-trade**		
	Opening inventories		
	Traded goods at fair value	-	52.1
	Traded goods valued at lower of cost or net realisable value	219.2	638.2
		219.2	**690.3**
	Less: Closing inventories		
	Traded goods at fair value	-	-
	Traded goods valued at lower of cost or net realisable value	10.1	219.2
		10.1	**219.2**
		209.1	**471.1**
31	**Employee benefits expense**		
	Salaries, wages and bonus*	307.0	351.1
	Contribution to provident and other funds (refer note 45)	21.7	21.7
	Shared based payments to employees (refer note 43)	-	(13.0)
	Staff welfare expenses	0.6	5.7
		329.3	**365.5**

*net off amount recharged to subsidiaries

(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
32	**Finance costs**		
	Interest on current borrowings	108.5	152.4
	Interest on non current borrowings	14.1	23.5
	Interest on non convertible debenture	302.4	302.4
	Interest on compulsory convertible debentures (refer note 36)	79.2	84.3
	Interest paid to related parties (refer note 36)	47.9	26.8
	Interest on lease obligations (refer note 37)	20.6	15.2
	Other borrowing costs - loan processing charges	0.3	0.4
		573.0	**605.0**
33	**Depreciation and amortisation**		
	Depreciation on property, plant and equipment (refer note 5)	162.5	183.8
	Amortisation of intangible assets (refer note 6.1)	16.5	18.0
	Depreciation of right of use assets (refer note 5.1 & 37)	36.3	31.7
		215.3	**233.5**
34	**Other expenses**		
	Lease rentals:		
	- Warehouse rent (refer note 37)	201.2	161.3
	- Office rent (refer note 37)	12.0	23.0
	Outsourcing expenses	85.8	109.3
	Security expenses	46.2	44.3
	Storage charges	181.8	105.0
	Dunnage and fumigation	38.5	32.5
	Professional fees	80.9	72.3
	Provision against claims receivables expense	0.8	347.7
	Warehousing service expenses	25.1	18.5
	Insurance	75.2	65.6
	Testing and certification charges	61.1	29.4
	Travelling and conveyance expenses	69.3	56.5
	Postage, courier and telephone charges	21.1	23.5
	Repairs and maintenance - Others	49.6	50.9
	Allowance for credit impaired trade receivables	232.6	117.2
	Allowance for credit impaired advances	99.3	92.7
	Electricity charges	29.6	26.4
	Rates and taxes	49.5	45.8
	Bank charges	16.3	24.4
	Payment to auditors (refer note 47)	3.7	2.8
	Corporate social responsibility expenses (refer note 49)	0.5	1.1
	Loss on disposal of property, plant & equipment	18.0	-
	Foreign exchange loss	0.8	5.8
	Weather station expenses	51.2	49.8
	Vehicle management expenses	109.8	34.8
	Miscellaneous expenses	22.8	38.9
		1,582.7	**1,579.5**

(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
28	**Revenue from operations**		
	(a) Sales of goods	744.1	3,275.8
	(b) Sale of services :		
	Warehousing services	1,171.5	1,087.6
	Testing and certification	263.6	257.4
	Weather and market intelligence	160.4	118.1
	Vehicle management services	117.2	35.2
	Construction contract revenue	-	35.4
		2,456.8	**4,809.5**
	Sub-notes:		
1	**Reconciliation of revenue recognised with contract price:**		
	Contract price	2,456.8	4,809.5
		2,456.8	**4,809.5**
29	**Other income**		
	Interest income on:		
	- Fixed deposits	40.3	76.7
	- Interest from subsidiaries	379.3	292.8
	- Income tax refund	1.9	15.0
	- Others	1.9	3.2
	Liabilities no longer payable, written back	-	0.4
	Gain on sale of property, plant and equipment	8.8	26.1
	Government grants (refer note 44)	6.6	8.7
	Income from shared services (refer note 36)	45.2	30.8
	Miscellaneous income	0.3	1.3
		484.3	**455.0**
30	**Changes in inventories of stock-in-trade**		
	Opening inventories		
	Traded goods at fair value	-	52.1
	Traded goods valued at lower of cost or net realisable value	219.2	638.2
		219.2	**690.3**
	Less: Closing inventories		
	Traded goods at fair value	-	-
	Traded goods valued at lower of cost or net realisable value	10.1	219.2
		10.1	**219.2**
		209.1	**471.1**
31	**Employee benefits expense**		
	Salaries, wages and bonus*	307.0	351.1
	Contribution to provident and other funds (refer note 45)	21.7	21.7
	Shared based payments to employees (refer note 43)	-	(13.0)
	Staff welfare expenses	0.6	5.7
		329.3	**365.5**

*net off amount recharged to subsidiaries

(Currency : Indian Rupees in Million)

	31 March 2022	31 March 2021
32 Finance costs		
Interest on current borrowings	108.5	152.4
Interest on non current borrowings	14.1	23.5
Interest on non convertible debenture	302.4	302.4
Interest on compulsory convertible debentures (refer note 36)	79.2	84.3
Interest paid to related parties (refer note 36)	47.9	26.8
Interest on lease obligations (refer note 37)	20.6	15.2
Other borrowing costs - loan processing charges	0.3	0.4
	573.0	**605.0**
33 Depreciation and amortisation		
Depreciation on property, plant and equipment (refer note 5)	162.5	183.8
Amortisation of intangible assets (refer note 6.1)	16.5	18.0
Depreciation of right of use assets (refer note 5.1 & 37)	36.3	31.7
	215.3	**233.5**
34 Other expenses		
Lease rentals:		
- Warehouse rent (refer note 37)	201.2	161.3
- Office rent (refer note 37)	12.0	23.0
Outsourcing expenses	85.8	109.3
Security expenses	46.2	44.3
Storage charges	181.8	105.0
Dunnage and fumigation	38.5	32.5
Professional fees	80.9	72.3
Provision against claims receivables expense	0.8	347.7
Warehousing service expenses	25.1	18.5
Insurance	75.2	65.6
Testing and certification charges	61.1	29.4
Travelling and conveyance expenses	69.3	56.5
Postage, courier and telephone charges	21.1	23.5
Repairs and maintenance - Others	49.6	50.9
Allowance for credit impaired trade receivables	232.6	117.2
Allowance for credit impaired advances	99.3	92.7
Electricity charges	29.6	26.4
Rates and taxes	49.5	45.8
Bank charges	16.3	24.4
Payment to auditors (refer note 47)	3.7	2.8
Corporate social responsibility expenses (refer note 49)	0.5	1.1
Loss on disposal of property, plant & equipment	18.0	-
Foreign exchange loss	0.8	5.8
Weather station expenses	51.2	49.8
Vehicle management expenses	109.8	34.8
Miscellaneous expenses	22.8	38.9
	1,582.7	**1,579.5**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

	Ageing of Trade Payables	Outstanding for following periods from the due date as on 31 March 2022					
		Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i)	**Undisputed trade payables**						
	- Micro enterprises and small enterprises	-	4.8	0.6	0.4	0.4	**6.2**
	- Others	212.4	18.0	7.6	6.0	12.0	**256.0**
(ii)	**Disputed trade payables**						
	- Micro enterprises and small enterprises	-	-	-	-	-	-
	- Others	-	-	-	-	-	-
	Total	**212.4**	**22.8**	**8.2**	**6.4**	**12.4**	**262.2**

	Ageing of Trade Payables	Outstanding for following periods from the due date as on 31 March 2021					
		Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i)	**Undisputed trade payables**						
	- Micro enterprises and small enterprises	-	7.7	0.8	0.2	0.2	**8.9**
	- Others	136.9	29.4	20.0	7.1	11.9	**205.3**
	Disputed trade payables	-	-	-	-	-	
(ii)	- Micro enterprises and small enterprises						-
	- Others	-	-	-	-	-	-
	Total	**136.9**	**37.1**	**20.8**	**7.3**	**12.1**	**214.2**

(Currency : Indian Rupees in Million)

42 Financial risk management

Risk Management
The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost and other financial assets	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other financial liabilities including trade payables	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Suppliers credit
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

A Credit risk
Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management
The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial assets with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.
(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

The Company provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss
High credit risk	Loans, trade receivables and other financial assets	Life time expected credit loss (when there is significant deterioration) or specific provision, whichever is higher

In respect of trade receivable that results from contracts with customers, loss allowances is always measured at lifetime expected credit losses.

Financial assets that expose the entity to credit risk* –

Particulars		As at 31 March 2022	As at 31 March 2021
(i)	**Low credit risk on financial reporting date**		
	Loans	3,263.3	3,158.5
	Cash and cash equivalents	682.6	402.3
	Other bank balances	761.0	786.1
	Trade receivables	584.2	822.5
	Other financial assets	352.3	592.4
(ii)	**High credit risk**		
	Loans	220.2	245.2
	Trade receivables	542.9	448.0
	Other financial assets	653.4	569.7
		7,059.8	**7,024.6**

*These represent carrying values of financial assets, without deduction for expected credit losses

Cash and cash equivalents and bank deposits
Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables
The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become three year past due.

Other financial assets measured at amortised cost
Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

(Currency : Indian Rupees in Million)

b) Expected credit losses for financial assets

i) Expected credit losses for financial assets other than trade receivables

Company provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial assets for expectation of any credit losses.
- For cash & cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the Company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The reconciliation of expected credit loss recorded for all sub categories of financial assets (other than trade receivables) are disclosed below.

31 March 2022

Particulars	**Gross carrying amount**	**Expected credit losses**	**Carrying amount net of impairment provision**
Loans	3,483.5	220.2	3,263.3
Other financial assets	1,005.7	653.4	352.3

31 March 2021

Particulars	**Gross carrying amount**	**Expected credit losses**	**Carrying amount net of impairment provision**
Loans	3,403.7	245.2	3,158.5
Other financial assets	1,162.1	569.7	592.4

(ii) Expected credit loss for trade receivables under simplified approach

The Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. The Company based upon past trends determines an impairment allowance for loss on receivables from others

Particulars	**0 - 6 months**	**6 - 12 months**	**More than 12 months**
As at 31 March 2022			
Trade receivables	277.0	98.2	751.9
Expected probability of default	8%	14%	67%
Expected credit losses	23.0	13.8	506.1
As at 31 March 2021			
Trade receivables	324.1	220.1	726.3
Expected probability of default	2%	4%	59%
Expected credit losses	7.0	9.7	431.3

B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To ensure continuity of funding, the Company primarily uses short-term bank facilities in nature of cash credit facility, bank overdraft facility and short term borrowings, to fund its ongoing working capital requirement and growth needs.

Further, the Company has obtained long-term secured borrowings from banks, financial institutions and debenture holders as referred in note 20.1 to fund its warehouse & silos construction.

a) Financing arrangements

Undrawn borrowing facilities at the end of the reporting year to which the Company had access is Rs. 90.4 million (31 March, 2021: Rs. 252.3 million).

b) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities (excluding interest).

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	**Less than 1 year**	**1-3 year**	**More than 3 years**	**Total**
31 March 22				
Borrowings*	1,880.2	1,429.5	2,986.7	**6,296.4**
Lease liabilities	25.7	63.1	125.9	**214.6**
Trade payable	235.2	14.6	12.4	**262.3**
Other financial liabilities	48.8	2.1	-	**50.9**
Total	**2,189.8**	**1,509.2**	**3,125.0**	**6,824.2**

Particulars	**Less than 1 year**	**1-3 year**	**More than 3 years**	**Total**
31 March 21				
Borrowings*	1,937.3	885.7	3,200.0	**6,023.0**
Lease liabilities	16.6	70.2	88.3	**175.2**
Trade payable	174.0	28.1	12.1	**214.2**
Other financial liabilities	47.4	2.1	-	**49.5**
Total	**2,175.4**	**986.1**	**3,300.5**	**6,461.9**

*Includes only future principal payments

(Currency : Indian Rupees in Million)

C Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk, and price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Foreign currency risk

The portion of the business is transacted in foreign currency and consequently the Company is exposed to foreign exchange risk through its purchases of commodities from overseas suppliers in foreign currency.

Contracts outstanding

Particulars		As at 31 March 2022		As at 31 March 2021	
	Currency	In FX	in INR	In FX	in INR
Suppliers credit	USD	-	-	4.3	316.5

Particulars of unhedged foreign currency exposures

Particulars		As at 31 March 2022		As at 31 March 2021	
	Currency	In FX	in INR	In FX	in INR
Interest accrued but not due on supplier's credit	USD	-	-	0.0	0.7

Foreign Exchange Dealer's Association of India (FEDAI) rate as on 31 March 2022 : Rs 75.79 (31 March 2021 : Rs 73.50) has been considered for conversion from foreign currency to reporting currency.

b) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on external financing. At 31 March 2022 and 31 March 2021, the Company is exposed to changes in interest rates through bank borrowings carrying variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

	31 March 2022	31 March 2021
Fixed rate instruments :		
Financial asset	785.4	1,102.8
Financial liabilities	(4,649.5)	(4,117.6)
	(3,864.1)	(3,014.8)
Variable rate instruments :		
Financial liabilities	(1,646.9)	(1,905.4)

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below.

	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Secured bank loan - non current	(2.4)	2.4	(1.6)	1.6
Loan facility - current	(13.0)	13.0	(8.6)	8.6
Variable-rate instruments	(15.4)	15.4	(10.2)	10.2
Secured bank loan - non current	(1.8)	1.8	(1.2)	1.2
Loan facility - current	(12.5)	12.5	(8.2)	8.2
Variable-rate instruments	(14.3)	14.3	(9.4)	9.4

ii) Assets

The Company's interest bearing financial assets consist of loan to subsidiaries and fixed deposits which are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

Commodities traded by the Company are subject to fluctuations due to a number of factors that result in price risk. The Company's trading market risk appetite is determined by the Managing Director and CEO in consultation with the Board of directors.

(Currency : Indian Rupees in Million)

35 Operating segments

a) Basis of segmentation:

The Company's operating segments are the strategic business units through which it operates and report the business: warehousing services, trading of goods, and other segments. Each of these segments has developed its own strategy, goals and tactics in alignment with Company's overall corporate strategy. Segment results are reviewed internally by the Managing Director and CEO on a regular basis for the purpose of making decisions regarding resource allocations and performance assessments. Segments have been identified in line with the Ind AS 108 " Operating Segments" taking into account the organisation structure as well as differential risks and returns of these segments. The Company has disclosed all the Business Segments as the primary segment. There is no reportable secondary segment (geographical segment). Inter- segment transactions are determined on arm's length basis. The measurement principles of segments are consistent with those used in significant accounting policies which are as under:

a. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to a segment on reasonable basis have been disclosed as unallocable.

b. Segment assets and liabilities represent the assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as unallocable.

The following summary describes the operations of each reportable segments.

Reportable segment	**Operations**
Warehousing services	These include warehousing services in owned, leased, franchise as well as field warehouses. These activities also include custodial warehousing services for bank.
Trading of goods	Procurement, trading and related solutions
Others	Other reportable segment comprise of: (i) Testing and certification (ii) Commodity and Weather intelligence (iii) Vehicle management services include custodial warehousing of vehicles for clients.

b) Information about reportable segments:

Particulars	Thursday, March 31, 2022	Wednesday, March 31, 2021
1. **Segment revenue**		
a. Warehousing services	1,171.5	1,087.6
b. Trading of goods	744.1	3,275.9
c. Other services	541.2	446.0
Total	2,456.8	4,809.5
Less : Inter segment revenue	-	-
Revenue from operations	**2,456.8**	**4,809.5**
2. **Segment results**		
a. Warehousing services	(35.8)	(155.6)
b. Trading of goods	(137.9)	(26.2)
c. Other services	(111.0)	(12.1)
Total	**(284.7)**	**(193.9)**
Less: Finance costs	573.0	605.0
Other un-allocable expenditure net off un-allocable income	(281.7)	(99.9)
Impairment of investment in and loans to subsidiaries	-	-
3. Loss before tax	**(576.0)**	**(698.9)**
Less: Tax expenses	-	(89.1)
4. Loss after tax	**(576.0)**	**(609.9)**
Segment assets		
a. Warehousing services	4,559.8	5,074.1
b. Trading of goods	150.1	494.1
c. Other services	787.0	823.4
d. Unallocated corporate	7,810.5	7,233.6
Total (A)	**13,307.4**	**13,625.2**
Segment liabilities		
a. Warehousing services	593.0	587.1
b. Trading of goods	21.9	123.7
c. Other services	205.9	170.9
d. Unallocated corporate	6,567.6	6,253.7
Total (B)	**7,388.5**	**7,135.4**
Total (A) – (B)	**5,918.9**	**6,489.8**
Capital expenditure		
a. Warehousing services	-	0.1
b. Trading of goods	-	-
c. Other services	1.9	19.2
d. Unallocated corporate	28.5	4.1
Total (C)	**30.4**	**23.4**
Depreciation and amortisation expense		
a. Warehousing services	106.4	94.5
b. Trading of goods	-	-
c. Other services	84.8	76.7
d. Unallocated corporate	24.1	62.3
Total (D)	**215.3**	**233.5**

c) Geographic information:

The Company primarily operates in domestic market i.e. in India , therefore disclosures relating to geographical segments is not applicable and accordingly not made.

d) Major customer :

Company's exposure to customers are diversified and no single customer contribution is more than 10% of revenue and outstanding trade receivables as at 31 March 2022.
Revenue from two major customers of the Company of the trading segment represents approximately Rs. 1,188.3 million (24% of total revenue from operations) of the Company's total revenues for the year ended 31 March 2021.

(Currency : Indian Rupees in Million)

36 Related party disclosures

A In accordance with the requirements of Ind AS -24 " Related Party Disclosures" , following are the details of the transactions during the year with the related parties of the Company.

Name of the related party	**Nature of relationship**
Fairfax India Holdings Corporation	Ultimate Holding Company
FIH Mauritius Investments Limited	Holding Company
Mr. Siraj A. Chaudhry (Managing Director and CEO)	Key management personnel
Mr. Unupom Kausik (Director and President) (till 12 October 2021)	Key management personnel
Mr. Anuj Kumar Vasdev	Key management personnel
Ms. Rupinder Kaur	Key management personnel
Ms. Zohra Chatterji	Independent Director
Mr. Pravin Kumar Vohra	Independent Director
Mr. Sunil Behari Mathur (till 30 September 2021)	Independent Director
NCML Finance Private Limited	Wholly owned subsidiary
NCML Mktyard Private Limited	Wholly owned subsidiary
NCML Basti Private Limited	Wholly owned subsidiary
NCML Varanasi Private Limited	Wholly owned subsidiary
NCML Faizabad Private Limited	Wholly owned subsidiary
NCML Batala Private Limited	Wholly owned subsidiary
NCML Chhehreatta Private Limited	Wholly owned subsidiary
NCML Deoria Private Limited	Wholly owned subsidiary
NCML Palwal Private Limited	Wholly owned subsidiary
NCML Bettiah Private Limited	Wholly owned subsidiary
NCML Bhattu Private Limited	Wholly owned subsidiary
NCML Jalalabad Private Limited	Wholly owned subsidiary
NCML Sonepat Private Limited	Wholly owned subsidiary
NCML KB Private Limited	Wholly owned subsidiary
NCML Madhepura Private Limited	Wholly owned subsidiary
NCML Saran Private Limited	Wholly owned subsidiary
NCML Motihari Private Limited	Wholly owned subsidiary
NCML Agribusiness Consultants Private Limited	Wholly owned subsidiary
Fellow subsidiaries with whom transaction have taken place	
Quess Corp Limited	Fellow subsidiary

B Transactions with holding company:

Related party	**Nature of transaction**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
FIH Mauritius Investments Limited	Interest expenses	79.2	84.3

Transactions with key management personnel :

Related party	**Nature of transaction**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Mr. Siraj A. Chaudhry	Remuneration	39.5	40.0
	Post employment benefits	0.5	2.5
Mr. Unupom Kashik	Remuneration	13.1	15.0
	Employee stock compensation expense	5.1	-
	Post employment benefits	2.0	3.0
Mr. Anuj Kumar Vasdev	Remuneration	9.8	8.5
	Post employment benefits	0.2	0.3
Ms. Rupinder Kaur	Remuneration	0.7	0.3
	Post employment benefits	0.0	0.3
Mr. Sunil Behari Mathur	Director Sitting Fees	0.1	0.3
Mr. Pravir Kumar Vohra	Director Sitting Fees	0.6	0.4
Ms. Zohra Chatterji	Director Sitting Fees	0.6	0.4

Note: Post employment benefits and other employee benefits (i.e. compensated absences) is based on the actuarial valuation and amounts are separately identifiable for year ended 31 March 2022 and 31 March 2021.

Transactions with wholly owned subsidiaries and fellow subsidiaries

Related party	**Nature of transaction**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Quess Corp Limited	Outsourcing expenses	58.4	69.3
NCML Finance Private Limited			
	Re-imbursement of expenses	2.5	5.7
	Loan taken	130.0	870.0
	Repayment of loan	-	370.0
	Warehousing services	3.8	6.6
	Interest expense	47.9	26.8
NCML Mktyard Private Limited			
	Services received	-	1.4
	Re-imbursement of expenses	4.0	1.5
NCML Basti Private Limited			
	Loan given	155.7	262.5
	Repayment of loan	14.1	220.5
	Interest income on loan	40.9	28.6

(Currency : Indian Rupees in Million)

Related party	Nature of transaction	For the year ended 31 March 2022	For the year ended 31 March 2021
NCML Varanasi Private Limited			
	Loan given	0.1	23.9
	Repayment of loan	0.2	28.9
NCML Faizabad Private Limited			
	Loan given	35.2	319.5
	Repayment of loan	11.6	306.3
	Interest income on loan	31.9	26.6
NCML Batala Private Limited			
	Loan given	110.1	557.4
	Repayment of loan	363.6	344.9
	Interest income on loan	67.1	44.6
NCML Chhehreatta Private Limited			
	Loan given	144.0	485.9
	Repayment of loan	329.7	443.0
	Interest income on loan	64.9	53.4
NCML Deoria Private Limited			
	Loan given	14.8	34.4
	Repayment of loan	11.3	5.9
	Interest income on loan	21.0	17.6
NCML Palwal Private Limited			
	Loan given	0.1	25.9
	Repayment of loan	0.2	29.9
NCML Bettiah Private Limited			
	Loan given	0.2	23.6
	Repayment of loan	0.1	28.9
NCML Bhattu Private Limited			
	Loan given	114.8	277.2
	Repayment of loan	7.4	102.3
	Interest income on loan	51.9	28.2
NCML Jalalabad Private Limited			
	Loan given	25.4	20.4
	Repayment of loan	12.8	6.2
	Interest income on loan	20.3	16.9
NCML Sonepat Private Limited			
	Loan given	82.7	538.5
	Repayment of loan	181.4	566.3
	Interest income on loan	33.8	47.7
	Investment in equity shares	225.0	-
NCML KB Private Limited			
	Loan given	176.3	343.0
	Repayment of loan	19.4	218.1
	Interest income on loan	33.3	18.2
NCML Madhepura Private Limited			
	Loan given	14.3	16.3
	Repayment of loan	0.3	30.3
	Interest income on loan	5.5	6.3
NCML Saran Private Limited			
	Loan given	14.5	15.4
	Repayment of loan	0.3	0.3
	Interest income on loan	3.8	2.0
NCML Motihari Private Limited			
	Loan given	15.1	16.3
	Repayment of loan	0.3	0.6
	Interest income on loan	4.8	2.7
NCML Agribusiness Consultants Private Limited	Services received	-	0.6
	Re-imbursement of expenses	2.8	15.7

(Currency : Indian Rupees in Million)

Related party	Balances Outstanding	As on 31 March 2022	As on 31 March 2021
FIH Mauritius Investments Limited	Unsecured compulsory convertible debentures	819.4	749.6
Thomas Cook Limited	Advance to supplier	0.2	0.2
Quess Corp Limited	Advance to supplier	7.4	0.4
NCML Finance Private Limited	Balance receivable	3.9	21.9
NCML Finance Private Limited	Balance payable	630.0	500.0
NCML Agribusiness Consultants Pvt Ltd	Balance receivable	23.6	23.3
NCML Mktyard Private Limited (refer note no 36a)#	Balance receivable	26.7	9.7
NCML Basti Private Limited	Loan	461.1	278.5
NCML Faizabad Private Limited	Loan	310.9	255.5
NCML Batala Private Limited	Loan	378.6	564.9
NCML Chhehreatta Private Limited	Loan	400.7	521.4
NCML Deoria Private Limited	Loan	220.4	195.8
NCML Bhattu Private Limited	Loan	556.5	397.3
NCML Jalalabad Private Limited	Loan	216.8	183.9
NCML Sonepat Private Limited	Loan	31.3	321.3
NCML KB Private Limited	Loan	456.2	266.0
NCML Madhepura Private Limited	Loan	60.8	41.4
NCML Saran Private Limited	Loan	45.9	27.9
NCML Motihari Private Limited	Loan	55.1	35.6
NCML Varanasi Private Limited*	Loan	66.4	66.4
NCML Palwal Private Limited*	Loan	181.5	181.5
NCML Bettiah Private Limited*	Loan	41.3	41.3
NCML Sonepat Private Limited	Guarantee outstanding	562.1	376.0
NCML Bhattu Private Limited	Guarantee outstanding	338.3	338.3
NCML Batala Private Limited	Guarantee outstanding	340.0	-
NCML Chhehreatta Private Limited	Guarantee outstanding	312.1	-

Impairment of balance receivable amounting to Rs 26.7 million (31 March 2021 Rs Nil)
* Impairment of loan, expenses and Interest receivable amounting to Rs 220.2 million (31 March 2021 Rs 220.2 million)

The Company has committed to provide adequate financial support to meet all the liabilities of NCML Varanasi Private Limited, NCML Palwal Private Limited, NCML Bettiah Private Limited and NCML Mktyard Private Limited as they fall due for payment.

Refer Note 7 & 50 for investments in subsidiary companies.

Terms and conditions of transactions with related parties

(i) The sale of service to related parties are made on terms equivalent to those that prevail in arm's length transactions. Interest rate at which loan is received from the related party is also at arm's length. Outstanding balances at the year end are unsecured, interest free and will be settled in cash.

(ii) In case of amount receivable from related parties assessment is undertaken at each financial year through examining the financial position of the related party, the market in which the related party operates and the accounting policy of the Company.

36(a) Exceptional item

Exceptional item represents - Impairment of Rs 96.7 million towards investment and other receivables in one of the subsidiary company.

S.No	Particulars	Amount (in Million)
1	Provision for Impairment (Mkt Yard)	70.0
2	Provision for Impairment (Receivable from Mkt Yard)	26.7
	Total	**96.7**

37 Disclosure on Ind-AS 116 Leases

In standalone statement of profit and loss, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-of -use asset and finance costs for interest accrued on lease liability.

The effect of depreciation and interest related to right of use asset and lease liability are reflected in the Statement of Profit and Loss under the heading "depreciation and amortisation expense" and "finance costs" respectively under note no 32 and 33.

Following are the changes in the carrying value of right of use assets:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance as at beginning of the year	182.4	68.4
Additions	43.5	145.7
Reversal	(13.2)	-
Depreciation	(14.1)	(31.7)
Balance as at the end of the year	**198.5**	**182.4**

The following is the break-up of current and non-current lease liabilities

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Lease liabilities - current	25.7	16.6
Lease liabilities - non-current	188.9	158.6
	214.6	**175.2**

(Currency : Indian Rupees in Million)

The following is the movement in lease liabilities for the year ended 31 March, 2022:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	175.2	51.8
Additions during the year	43.5	145.7
Interest expense included in finance cost	20.6	15.2
Cash outflow for leases during the year	(24.7)	(37.5)
Closing balance	**214.6**	**175.2**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases/low value lease was Rs 213.2 million for the year ended 31 March 2022 (31 March 2021: Rs 184.3 million).
The Company has taken weighted average incremental borrowing rate of 9.5%

Leases as lessor

The Company's leasing arrangements are in respect of operating leases for automatic weather stations for weather data provision. This leasing arrangements are for three years.
Operating lease revenue recognised in the statement of profit and loss for the year ended on 31 March 2022 aggregate to Rs nil (31 March 2021 : Rs nil million).

Operating lease expense commitments

	As at 31 March 2022	As at 31 March 2021
Non later than 1 year	25.7	16.6
Later than 1 year and not later than 5 years	124.4	70.2
Later than 5 years	64.5	88.3

38 Earnings per share

		For the year ended 31 March 2022	For the year ended 31 March 2021
Basic earnings per share			
Net loss attributable to the equity shareholders (INR)	(A)	(576.0)	(609.9)
Weighted-average number of equity shares outstanding during the year - Basic	(B)	147,438,736	147,411,736
Basic earnings per share	**(A)/(B)**	**(3.91)**	**(4.14)**
Diluted earnings per share			
Weighted-average number of equity shares considered for basic earnings per share		147,438,736	147,411,736
Effect of dilutive potential equity shares			
Weighted-average number of employee stock options / compulsory convertible debenture for dilutive earning per share (Nos)	(C)	14,746,247	14,773,247
Weighted-average number of equity shares considered for diluted earnings per share (based on date of issue of shares) (Nos)	(D)=(B)+(C)	162,184,983	162,184,983
Loss for the year considered for diluted earning per share	(E)	**(524.6)**	**(555.0)**
Diluted earnings per share#	(E)/(D)	**(3.91)**	**(4.14)**

Since the dilutive earning per share is anti-dilutive, dilutive earning per share is restricted to basic earning per share.

39 Income taxes

a) Amount recognised in the statement of profit and loss

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax expense :		
Current year	-	-
Deferred tax expense :		
Tax expenses for current year	-	(89.1)

b) Amount recognised in OCI

	For the year ended 31 March 2022 Tax credit	For the year ended 31 March 2021 Tax credit
Remeasurement gain / (losses) on post employment defined benefit plan	(2.6)	(1.3)

(Currency : Indian Rupees in Million)

c) Reconciliation of effective tax rate

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	%	Amount	%	Amount
(Loss) before tax		(576.0)		(699.0)
Tax using the Company's domestic tax rate	34.94 %	(201.3)	34.94 %	(244.3)
Tax effect of:				
Deferred tax asset not recognised on current year loss and other items		212.1		184.0
Other items		(10.8)		(28.8)
		-		**(89.1)**

d) Movement in deferred tax balances

	Net balances at 1 April 2021	Recognised in the statement of profit and loss	Recognised in OCI	Balance at 31 March 2022 Deferred tax asset	Deferred tax liabilities
Property, plant and equipment and intangible assets	(106.7)	27.2	-	-	(79.5)
Provision for Litigations	92.7	-	-	92.7	-
MAT credit entitlement	90.0	(25.1)	-	64.9	-
Carry forward losses	40.6	-	-	40.6	-
Employee benefits	22.4	0.3	(2.6)	20.1	-
Trade and other receivables	344.2	(2.4)	-	341.8	-
Impairment of loans and Investments	62.5	-	-	62.5	-
Tax assets (liabilities) before set-off	**545.7**	**-**	**(2.6)**	**622.6**	**(79.5)**
Set-off of deferred tax liabilities				(79.5)	
Net deferred tax assets/ (liabilities)				**543.1**	

	Net balances at 1 April 2020	Recognised in the statement of profit and loss	Recognised in OCI	Balance at 31 March 2021 Deferred tax asset	Deferred tax liabilities
Property, plant and equipment and intangible assets	(78.2)	(28.5)	-	-	(106.7)
Provision for Litigations	97.5	(4.8)	-	92.7	-
MAT credit entitlement	90.0	-	-	90.0	-
Carry forward losses	40.6	-	-	40.6	-
Employee benefits	23.2	0.5	(1.3)	22.4	-
Trade and other receivables	179.3	164.9	-	344.2	-
Impairment of loans & Investments	105.5	(43.0)	-	62.5	-
Tax assets (liabilities) before set-off	**457.9**	**89.1**	**(1.3)**	**652.4**	**(106.7)**
Set-off of deferred tax liabilities				(106.7)	
Net deferred tax assets/ (liabilities)				**545.7**	

e) Unrecognised deferred tax assets

Deferred tax have not been recognised in respect of the following items, in absence of convincing evidence that future taxable profits will be available against which the Company can use the benefits therefrom.

For the year ended 31 March 2022	Within 1 year	Greater than one year and less than five year	Greater than five year	No expiry date	Total
Unutilized business loss specified business	-	-	-	(2,108.7)	(2,108.7)
Unutilized business loss other than specified business	-	-	(212.1)	-	(212.1)

For the year ended 31 March 2021	Within 1 year	Greater than one year and less than five year	Greater than five year	No expiry date	Total
Unutilized business loss specified business	-	-	-	(2,108.7)	(2,108.7)

f) The Company has elected not to exercise the option permitted under section 115BAA of the Income Tax Act - 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Company has continued to measure tax expenses for the year ended 31 March 2022 based on the old rates.

(Currency : Indian Rupees in Million)

40 Contingent liabilities and commitments

a) Contingent liabilities

	31 March 2022	31 March 2021
(a) Claims against the Company not acknowledged as debts		
(i) Claim made by a party in respect of disposal activity undertaken by the Company	23.8	18.5
(ii) Claims made by certain parties in respect of warehousing services provided	58.8	128.5
(b) Bank guarantees given (including on behalf of subsidiaries)	1,552.5	714.3
(c) VAT liability	4.6	4.6
	1,639.7	**865.9**

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its standalone financial statements. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect of the Company's results of operations or financial condition.

The Company has committed to provide adequate financial support to meet all the liabilities of NCML Varanasi Private Limited, NCML Palwal Private Limited, NCML Bettiah Private Limited and NCML Mktyard Private Limited as they fall due for payment.

41 Financial instruments

a) Accounting classifications and fair values

The carrying value and fair value of financial instruments by categories as of March 31, 2022 and March 31, 2021 were as follows:

		31 March 2022	
	Amortised cost	**Total carrying value**	**Total fair value**
Financial assets:			
Trade receivables (refer note 12)	584.2	584.2	584.2
Cash and cash equivalents (refer note 13)	682.6	682.6	682.6
Bank balances other than cash and cash equivalents (refer note 14)	761.0	761.0	761.0
Loans (refer note 15)	3,263.3	3,263.3	3,263.3
Other financial assets (refer note 8 and 16)	352.3	352.3	352.3
	5,643.4	**5,643.4**	**5,643.4**
Financial liabilities:			
Borrowings (refer note 20.1 and 23)	6,296.4	6,296.4	6,296.4
Lease liabilities	214.6	214.6	214.6
Trade payables (refer note 24)	262.2	262.2	262.2
Other financial liabilities (refer note 20.2 and 25)	50.9	50.9	50.9
	6,824.1	**6,824.1**	**6,824.1**

		31 March 2021	
	Amortised Cost	**Total carrying value**	**Total fair value**
Financial assets:			
Trade receivables (refer note 12)	822.5	822.5	822.5
Cash and cash equivalents (refer note 13)	402.3	402.3	402.3
Bank balances other than cash and cash equivalents (refer note 14)	786.1	786.1	786.1
Loans (refer note 15)	3,158.5	3,158.5	3,158.5
Other financial assets (refer note 8 and 16)	592.5	592.5	592.5
	5,761.9	**5,761.9**	**5,761.9**
Financial liabilities:			
Borrowings (refer note 20.1 and 23)	6,023.1	6,023.1	6,023.1
Lease liabilities	175.2	175.2	175.2
Trade payables (refer note 24)	214.2	214.2	214.2
Other financial liabilities (refer note 20.2 and 25)	49.4	49.4	49.4
	6,461.9	**6,461.9**	**6,461.9**

Investment in equity instruments of subsidiaries has been accounted at cost in accordance with Ind AS 27. Therefore not within the scope of Ind AS 109, hence not included here.

b) Measurement of fair values

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. The management assessed that the fair values of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

2. The fair value of Company's fixed interest-bearing loans that approximate to their carrying amounts as it is based on discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

3. All the other long-term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

(Currency : Indian Rupees in Million)

43 Employee share-based payment plans

a) Description of share-based payment arrangements:

As at 31 March 2022, the Company has the share-based payment arrangements for employees.

The terms and conditions related to the grant of the share options are as follows:

Employees entitled	Number of options	Vesting conditions	Contractual life of options
MD and CEO	100,000	- Continued employment with the Company - Performance parameters and appraisal set by Board	4 years
Deputy CEO	150,000	- Continued employment with the Company - Performance parameters and appraisal set by Board	4 years
Senior employees	460,000	- Continued employment with the Company - Performance parameters and appraisal set by Board	4 years

The terms and conditions related to the grant of the share options are as follows:

Employees entitled	Number of options	Vesting conditions	Contractual life of options
MD and CEO	735,000	- Continued employment with the Company Attainment of certain financial parameters as set out by the Board	5 years
Deputy CEO	605,000	- Continued employment with the Company Attainment of certain financial parameters as set out by the Board	5 years
Senior employees	4,150,000	- Continued employment with the Company Attainment of certain financial parameters as set out by the Board	5 years

b) Measurement of fair value :

The fair value of the employee share options granted during the year was determined using the Black-Scholes-Merton formula. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plan were as follows:

Particular	NCML 2016 Employee Stock Option Scheme		NCML 2014 Employee Stock Option Scheme	
	Option - 4	Option - 3	Option -2	Option -1
Fair value of the option at grant date	INR 27.31	INR 29.18	INR 67.12	INR 52.13
Share price at grant date	INR 82.01	INR 86.71	INR 85.74	INR 75.81
Exercise price	INR 78.00	INR 76.98	INR 33.45	INR 23.68
Expected volatility (weighted average)	0.79	0.76	1.00	1.00
Expected life (weighted average)	5 years	5 years	2.67 years	4 years
Expected dividend	nil	nil	nil	nil
Risk-free interest rate (based on government bond)	6.66% p.a.	6.82% p.a.	7.79% p.a.	7.79% p.a.

c) Reconciliation of outstanding stock options :

The number and weighted-average exercise prices of share options under the stock option were as follows.

Particular	Weighted average exercise price	1 April 2021 No. of options (Nos)	Movement from 1 April 2021 to 31 March 2022 Granted	Forfeited	Converted	Exercised	Cash settled	Outstanding as on 31 March 2022
ESOP 2014	23.68	27,000	-	-	-	27,000	-	-
ESOP 2014	33.45	-	-	-	-		-	-
ESOP 2016	76.98	-	-	-	-		-	-
ESOP 2016	99.28	-	-	-	-		-	-
Total		**27,000**	**-**	**-**	**-**	**27,000**	**-**	**-**

Particular	Weighted average exercise price	1 April 2020 No. of options (Nos)	Movement from 1 April 2020 to 31 March 2021 Granted	Forfeited	Converted	Exercised	Cash settled	Outstanding as on 31 March 2021
ESOP 2014	23.68	336,000	-	-	-	-	309,000	27,000
ESOP 2014	33.45	150,000	-	-	-	-	150,000	-
ESOP 2016	76.98	4,075,000	-	4,075,000	-		-	-
ESOP 2016	99.28	500,000	-	500,000	-		-	-
Total		**5,061,000**	**-**	**4,575,000**	**-**	**-**	**459,000**	**27,000**

(Currency : Indian Rupees in Million)

The options outstanding at 31 March 2022 have an exercise price and a weighted average contractual life as given below:

	31 March 2022 No. of options	31 March 2022 Exercise price	31 March 2022 Weighted average remaining life	31 March 2021 No. of options	31 March 2021 Exercise price	31 March 2021 Weighted average remaining life
NCML 2014 ESOP	27,000	23.68	-	27,000	23.68	-
NCML 2014 ESOP	-	-	-	-	-	-
NCML 2016 ESOP	-	-	-	-	-	-
NCML 2016 ESOP	-	-	-	-	-	-
NCML 2016 ESOP	-	-	-	-	-	-

d) Expense recognised in the statement of profit and loss:

	For the year ended 31 March 2022	For the year ended 31 March 2021
NCML 2014 ESOP	-	-
NCML 2016 ESOP	-	(13.0)
Total expense recognised in employee benefits expense	**-**	**(13.0)**

44 Government grants

	31 March 2022	31 March 2021
At the beginning of the year	155.4	158.0
Received during the year	8.9	17.2
Refunded during the year	-	(11.1)
Released to the statement of profit and loss	(6.6)	(8.7)
At the end of the year	**157.7**	**155.4**
Current	4.7	4.6
Non-current	153.0	150.8
	157.7	**155.4**

Government grants have been received for the construction of warehouse, cold storage and purchase of laboratory equipment. The Company has received subsidy in advance for construction of warehouse. There is no unfulfilled conditions and other contingencies attaching to government grant that has been recognised.

45 Disclosure pursuant to Ind AS 19 - 'Employee benefits'

A Contribution to provident fund and ESIC

Amount of Rs 21.7 million (31 March 2021: Rs 21.7 million) is recognised as expenses in the standalone statement of profit and loss and included in 'Employee benefits expense' on 31 March 2022.

B Defined benefit plan and other long-term employment benefits

Gratuity (Defined benefit plan)

Gratuity is payable to all the eligible employees of the Company on leaving / retirement from services, death and permanent disablement, in terms of provision of the Payment of Gratuity Act, 1972.

The Company has defined benefit gratuity plan administered through Company gratuity scheme with Life Insurance Corporation of India. The expected return on plan assets is based on market expectation at the beginning of the year, for the returns over the entire life of the related obligation.

	Gratuity 31 March 2022	Gratuity 31 March 2021
A. Change in present value of the obligation		
1. Obligation at the beginning of the year	**52.1**	**50.8**
2. Current service cost	10.0	13.2
3. Interest cost	3.0	3.0
4. Benefits paid	(14.4)	(12.8)
5. Adjustment for earlier years	-	-
6. Actuarial (gain)/loss	(7.5)	(2.1)
7. Obligation at the end of the year	**43.2**	**52.1**
B. Change in fair value of plan assets		
1. Fair value of plan assets at the beginning of the year	**19.5**	**23.6**
2. Adjustment to Opening Fair Value of Plan Assets	7.0	0.1
3. Interest income on plan assets	1.4	1.4
4. Contributions made	3.2	5.6
5. Benefits paid	(14.4)	(12.8)
6. Expected return on plan assets	(0.1)	1.6
7. Fair value of plan assets at the end of the year	**16.6**	**19.5**
C. Expense recognised in the statement of profit and loss for the year		
1. Current service cost	10.0	13.2
2. Interest cost	1.6	1.7
3. Expected return on plan assets	(0.1)	1.5
4. Total expense	**11.5**	**16.4**

(Currency : Indian Rupees in Million)

	Gratuity 31 March 2022	31 March 2021
D. Actuarial (gain)/loss	(7.5)	(2.2)
Expected return on plan assets	0.1	(1.6)
Expense recognised in the statement of other comprehensive income	**(7.4)**	**(3.8)**
E. Net (liability) recognised in the balance sheet		
1. Present value of the obligation	43.2	52.0
2. Fair value of plan assets	16.5	19.4
3. Funded status (deficit)	(26.6)	(32.6)
4. Net (liability) recognised in the balance sheet (refer note 27)	**(26.6)**	**(32.6)**
F. Actual return on plan assets		
1. Expected return on plan assets	1.4	1.4
2. Actuarial (loss) on plan assets	(0.1)	1.6
3. Actual return on plan assets	1.3	3.0

Plan assets comprise of insured managed funds. Also, funded arrangement hence entire obligation is shown under current.

The Company's gratuity funds are managed by the Life Insurance Corporation and therefore the composition of the fund assets is not presently ascertained.

Sensitivity analysis-2022	**DR Discount Rate**		**ER: Salary Escalation Rate**	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
Present value of obligations	38.9	48.2	48.2	38.8

Sensitivity analysis-2021	**DR Discount Rate**		**ER: Salary Escalation Rate**	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
Present value of obligations	46.9	58.0	58.0	46.8

Expected payout

Year	**Year-1**	**Year-2**	**Year-3**	**Year-4**	**Year-5**	**Year-6 to 10**
PVO payouts	1.4	0.9	6.1	3.1	0.9	9.5

Estimated amount of contribution in the immediate next year is 9.09 million (10.05 million in March 31,2021)

Demographic and other assumption used in determining gratuity and compensated absence		**31 March 2022**	**31 March 2021**
Weighted average duration of the defined benefit obligation		16.97	17.19
Retirement Age		58 years	58 years
Employee Attrition Rate	Upto Age 35	3%	3%
	36 to 45	2%	2%
	46 and above	1%	1%
Rate of increase in		5.00%	5.00%
Mortality rate		IALM (2012-14) Ult.	IALM (2012-14) Ult.
Expected return on plan assets		7.10%	6.79%
Discount rate		7.10%	6.79%

The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

Compensated absences

	Compensated Absences 31 March 2022	31 March 2021
Opening Net Liability	**28.9**	**37.5**
Adjustment to opening Balance	-	-
Expenses	2.0	(0.4)
Contribution paid	(8.1)	(8.1)
Other comprehensive income (OCI)	-	-
Closing Net Liability	**22.9**	**28.9**

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date. Amount of Rs 2.04 million (31 March 2021: Rs (0.4) million) has been recognised in the statement of profit and loss on account of provision for employment benefit.

Short-term compensated absences

Provision for short-term compensated absences is made for privilege leave outstanding at the year end which can be availed within 12 months from the end of the year. Amount of Rs 7.2 million (31 March 2021: Rs 2.7 million) has been recognised in the statement of profit and loss on account of provision for compensated absence for leave balances.

46 Capital management

The Company manages the capital structure by a balanced mix of debt and equity. Necessary adjustments are made in the capital structure considering the factors vis-a-vis the changes in the general economic conditions, available options of financing and the impact of the same on the liquidity position. Higher leverage is used for funding more liquid working capital needs and conservative leverage is used for long-term capital investments. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2022. The Company calculates the level of debt capital required to finance the working capital requirements using traditional and modified financial metrics including leverage/gearing ratios and asset turnover ratios.

As at balance sheet date, leverage ratios are as follows:

	31 March 2022	31 March 2021
Total financial liabilities (refer note 20.1, 23, 24 and 25)	6,607.4	6,284.6
Less: cash and bank balances (refer note 9, 14 and 15)	1,549.2	1,417.5
Adjusted net debt	**5,058.2**	**4,867.1**
Total equity (refer note 19.1 and 19.2)	5,918.9	6,489.8
Less: Other components of equity (ESOP outstanding)	0.3	0.3
Adjusted equity	**5,918.6**	**6,489.5**
Adjusted net debt to adjusted equity ratio (times)	0.9	0.7

Non-compliances of loan covenants are considered not material as waiver has been obtained by the Company from debenture trustee through a letter dated 27 May 2022.

(Currency : Indian Rupees in Million)

47 Payment to auditors (exclusive of goods and service tax)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Statutory audit fees	1.9	1.4
Tax audit fees	0.3	0.3
Other services	0.7	0.7
Out of pocket expenses	0.8	0.4
Total	**3.7**	**2.8**

48 Provision for litigations & future commitments

Provision for contingencies is primarily on account of various provisions towards the outstanding claims / litigations against the Company, which are expected to be utilised on closure of the litigations. The Company has paid certain amounts under dispute against these claims / litigations.
Provision for future commitments is primarily on account of provision towards management's decision not to pursue Silo Projects carried out by three of its subsidiaries for Food Corporation of India (FCI) due to issues such as land acquisition and delay in obtaining requisite approvals, permits, etc.

The following table set forth the movement in the provision for litigations & future commitments :

Description	As at 1 April 2021	Additions during the year	Utilisation during the year	As at 31 March 2022
Provision for litigation	265.5	-	8.6	**256.9**
Provision for future commitments	32.2	-	-	**32.2**

Description	As at 1 April 2020	Additions during the year	Utilisation during the year	As at 31 March 2021
Provision for litigation	279.1	-	13.7	**265.5**
Provision for future commitments	20.2	12.0	-	**32.2**

49 Corporate social responsibility expenses

During the year, the Company has spent Rs 0.5 million (31 March 2021: Rs 1.1 million) towards corporate social responsibility.

Particulars	31 March 2022	31 March 2021
(a) Amount required to be spent by the Company during the year	-	1.1
(b) Amount of expenditure incurred		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	0.50	1.1
(c) shortfall at the end of the year,	-	-
(d) total of previous years shortfall,	-	-
(e) reason for shortfall,	Not Applicable	Not Applicable
(f) nature of CSR activities	Refer Note below	
(g) details of related party transactions	Not Applicable	Not Applicable
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Not Applicable	Not Applicable

Note: the Company has distributed PPE kits for Covid-19 & food rations to Yuva Unstoppable.

50 Disclosure pursuant to Section 186(4) of the Act

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

a. Details of investments, loans and guarantees made by the Company as on 31 March 2022 (including investments made in the previous years)

Investments

Particulars	Relationship	31 March 2022	31 March 2021
Investment - NCML Finance Pvt Ltd	Wholly Owned Subsidiary	1,034.7	1,034.7
Investment - NCML Mktyard Private Limited* (refer note no 36a)	Wholly Owned Subsidiary	-	70.0
Investment - NCML Agribusiness Consultants Private Limited	Wholly Owned Subsidiary	3.0	3.0
Investment - NCML Basti Private Limited	Wholly Owned Subsidiary	80.0	80.0
Investment - NCML Faizabad Private Limited	Wholly Owned Subsidiary	70.0	70.0
Investment - NCML Batala Private Limited	Wholly Owned Subsidiary	120.0	120.0
Investment - NCML Chhehreatta Private Limited	Wholly Owned Subsidiary	120.0	120.0
Investment - NCML Deoria Private Limited	Wholly Owned Subsidiary	40.0	40.0
Investment - NCML Bhattu Private Limited	Wholly Owned Subsidiary	60.0	60.0
Investment - NCML Jalalabad Private Limited	Wholly Owned Subsidiary	40.0	40.0
Investment - NCML Sonepat Private Limited	Wholly Owned Subsidiary	335.0	110.0
Investment - NCML KB Private Limited	Wholly Owned Subsidiary	1.0	1.0
Investment - NCML Saran Private Limited	Wholly Owned Subsidiary	1.0	1.0
Investment - NCML Madhepura Private Limited	Wholly Owned Subsidiary	1.0	1.0
Investment - NCML Motihari Private Limited	Wholly Owned Subsidiary	1.0	1.0
Investment - NCML Varanasi Private Limited*	Wholly Owned Subsidiary	66.6	66.6
Investment - NCML Palwal Private Limited*	Wholly Owned Subsidiary	40.0	40.0
Investment - NCML Bettiah Private Limited*	Wholly Owned Subsidiary	-	-
		2,013.3	**1,858.3**

* Net of impairment of investment amounting to Rs 144.4 million (31 March 2021 Rs 74.4 million)

(Currency : Indian Rupees in Million)

b. Loans and other receivables

Particulars	Relationship	Rate of interest	Due date	Purpose	31 March 2022	31 March 2021
NCML Finance Private Limited	Wholly Owned Subsidiary	NA	NA	Intercompany receivables	3.9	21.9
NCML Mktyard Private Limited* (refer note 36a)	Wholly Owned Subsidiary	NA	NA	Intercompany receivables	26.7	9.7
NCML Agribusiness Consultants Private Limited	Wholly Owned Subsidiary	NA	NA	Intercompany receivables	23.6	23.3
Total Other Receivables from Related Parties					54.2	54.9
Less: Impairment of other Receivables from Related Parties					26.7	-
Net Amount					**27.5**	**54.9**
NCML Basti Private Limited	Wholly Owned Subsidiary	10.5%/12.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	461.1	278.5
NCML Faizabad Private Limited	Wholly Owned Subsidiary	10.5%/12.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	310.9	255.5
NCML Batala Private Limited	Wholly Owned Subsidiary	10.5%/12.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	378.6	564.9
NCML Chhehreatta Private Limited	Wholly Owned Subsidiary	10.5%/12.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	400.7	521.4
NCML Deoria Private Limited	Wholly Owned Subsidiary	10.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	220.4	195.8
NCML Bhattu Private Limited	Wholly Owned Subsidiary	10.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	556.5	397.3
NCML Jalalabad Private Limited	Wholly Owned Subsidiary	10.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	216.8	183.9
NCML Sonepat Private Limited	Wholly Owned Subsidiary	10.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	31.3	321.3
NCML KB Private Limited	Wholly Owned Subsidiary	10.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	456.2	266.0
NCML Madhepura Private Limited	Wholly Owned Subsidiary	10.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	60.8	41.4
NCML Saran Private Limited	Wholly Owned Subsidiary	10.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	45.9	27.9
NCML Motihari Private Limited	Wholly Owned Subsidiary	10.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	55.1	35.6
NCML Varanasi Private Limited*	Wholly Owned Subsidiary	10.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	66.4	66.4
NCML Palwal Private Limited*	Wholly Owned Subsidiary	10.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	181.5	181.5
NCML Bettiah Private Limited*	Wholly Owned Subsidiary	10.5%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	41.3	41.3
Total Loans					3,483.5	3,378.7
Less: Impairment of loans given					220.2	220.2
Net Amount					**3,263.3**	**3,158.5**

* Impairment of loan, expenses and Interest receivable amounting to Rs 246.9 million (31 March 2021 Rs 220.2 million)

Guarantee given on behalf of subsidiary

Particulars	Bank Name	Sanction Limit	Purpose	31 March 2022	31 March 2021
NCML Sonepat Private Limited	Yes bank Limited	Rs. 572.4 million	Capital expenditure	562.1	376.0
NCML Bhattu Private Limited	Yes bank Limited	Rs. 504 million	Capital expenditure	338.3	338.3
NCML Batala Private Limited	IndusInd Bank	Rs. 410 million	Capital expenditure	340.0	-
NCML Chhehreatta Private Limited	IndusInd Bank	Rs. 410 million	Capital expenditure	312.1	-
				1,552.5	**714.3**

(Currency : Indian Rupees in Million)

51 Dues of micro, small and medium enterprises:

Under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprise. On the basis of the information and records available with the Management, the creditors of the Company are not registered under the Micro Small and Medium Enterprises Development Act, 2006.

Particulars	31 March 2022	31 March 2021
Principal amount remaining unpaid to any supplier as at the year end	6.2	9.0
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

52 Disclosure under Ind AS -115

(a) The Company through its pan-India presence, in owned, leased as well as field warehouses, provides commodity handling and risk management services to clients across the country. The Company is geared to handle operations encompassing the sale, purchase, trading, storage and movement of commodities and inventories.

(b) Disaggregation of revenue from contracts with customers

The Company believes that the information provided under note 29, Revenue from Operations, is sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

(c) Reconciliation of contract assets and liabilities:

	31 March 2022	31 March 2021
Unbilled revenue (contract assets)		
At the beginning of the reporting year	159.3	37.1
At the end of the reporting year	108.7	159.3
Net (decrease)/ increase	**(50.6)**	**122.2**
Advance from customers (contract liability)		
At the beginning of the reporting year	110.2	151.2
Revenue recognised during the year	744.1	3,275.8
Progress billings made towards contracts-in-progress	(841.9)	(3,316.8)
At the end of the reporting year (refer note 26)	**12.4**	**110.2**

(d) There are no adjustments to revenue accordingly, no disclosure is made under paragraph 126AA of Ind AS-115.

(e) Performance obligations
The Company is engaged in the business of warehousing and other services to manage risks across various stages of commodity, providing commodity handling and risk management services to customers across the country. The Company is also into the business of sale, purchase, trading, storage and movement of commodities and inventories. Revenue is recognised at a point in time upon satisfaction of the performance obligations which is typically upon rendering of services based on the contractual terms with the customers and sale of goods upon transfer of control of goods.

(f) Practical expedients:
Applying the practical expedient in paragraph 63 of Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if at contract inception it is expected that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Company applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations for trading contracts that have original expected duration of one year or less.

53 Estimation of uncertainties relating to the global health pandemic from COVID-19

In March 2020, World Health Organization (WHO) had declared the outbreak of Novel Coronavirus "Covid-19" as a pandemic. The operations for the quarter and year ended 31 March 2022 have been impacted.
Given the uncertainty of quick turnaround to normalcy, post lifting of the lock down, the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or in its ability to meet its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure. The management will continue to monitor any material change arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

54 Utilisation of proceeds from the issue of Non Convertible Debentures

During the year ended 31 March 2020, the Company has issued Rs 3,200 million debentures which was listed on the stock exchange, BSE Limited on 27 March 2020. Below is the table depicting the utilisation of the proceeds from issue of debentures :

Particulars	31 March 2022	31 March 2021
Opening balance	-	**1,800.0**
Amount of money raised	-	-
Less: Utilisation towards to refinance of long term loans	-	-
Less: to on-lend or contribute by way of shareholder capital, the proceeds to the subsidiaries to finance the construction of new silos for the storage and preservation of agricultural commodities	-	1,800.0
Amount pending to be utilised - parked in escrow account	-	-

(Currency : Indian Rupees in Million)

55 Per transfer pricing legislation under section 92-92F of the Income-tax Act 1961, the Company is required to use certain specific methods in computing arm’s length price of transactions with associated enterprises and maintains adequate documentation in this respect. The legislations require that such information and documentation to be contemporaneous in nature. The Company has appointed independent consultants for conducting the Transfer Pricing Study to determine whether the transactions with associated enterprises undertake during the financial year are on an "arm's length basis". The Company is in the process of conducting a transfer pricing study for the current financial year and expects such records to be in existence latest by the due date as required by law. However, in the opinion of the management the update would not have a material impact on these financial statements. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.

56 The Company has changed its name to "National Commodities Management Services Limited" from National Collateral Management Services Limited w.e.f 1 June 2021.

57 Pursuant to changes notified in Schedule-III, during the year ended 31 March 2022, the Company has reclassified/regrouped certain previous year’s balances.

58 **Additional regulatory information required by Schedule III-**

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts.

(iii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) The Company has no relationship with any of the company struck off under Companies Act, 2013 or Companies Act, 1956.

(v) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(viii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(ix) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(x) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(xi) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xii) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 5 to the financial statements, are held in the name of the company.

(xiii) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xiv) The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(xv) Note on working capital facilities obtained during the current year

Name of the bank/ financial institution	Working capital limit sanctioned	Nature of current assets offered as security	Quarter	Nature	Amount disclosed as per return	Amount as per books of accounts	Difference	Remarks/ reasons if any
IDBI Bank Limited HDFC Bank Limited Karur Vysya Bank Ltd. Kotak Mahindra Bank Yes Bank Limited SBM Bank India Limited IndusInd Bank	4,305	Pari passu charge over entire current assets	30-Jun-21	Debtors (incl Unbilled Revenue)	859.8	1,015.5	(155.8)	Variation is because of unbilled revenue was not final by the time stock statement was submitted.
				Margin / Deposit	959.7	959.7	-	
				Bank Balances	295.9	295.9	-	
IDBI Bank Limited HDFC Bank Limited Karur Vysya Bank Ltd. Kotak Mahindra Bank Yes Bank Limited SBM Bank India Limited IndusInd Bank	4,305	Pari passu charge over entire current assets	30-Sep-21	Debtors (incl Unbilled Revenue)	961.8	933.0	28.8	Variation is because of provisioning made after the date of submission of stock statement.
				Margin / Deposit	816.2	816.2	-	
				Bank Balances	296.3	296.3	-	
IDBI Bank Limited HDFC Bank Limited Karur Vysya Bank Ltd. Kotak Mahindra Bank Yes Bank Limited SBM Bank India Limited IndusInd Bank	4,305	Pari passu charge over entire current assets	31-Dec-21	Debtors (incl Unbilled Revenue)	859.9	859.9	-	Certain bank balances were not covered because of pending confirmation of free balances
				Margin / Deposit	944.6	944.6	-	
				Bank Balances	115.7	124.2	(8.5)	
IDBI Bank Limited HDFC Bank Limited Karur Vysya Bank Ltd. Kotak Mahindra Bank Yes Bank Limited SBM Bank India Limited IndusInd Bank	4,005	Pari passu charge over entire current assets	31-Mar-22	Debtors (incl Unbilled Revenue)	671.4	672.0	(0.6)	Only rounding off gap
				Margin / Deposit	785.4	785.4	-	
				Bank Balances	682.9	682.9	-	

(Currency : Indian Rupees in Million)

59 Financial Ratios

S. No	Ratio	Numerator	Denominator	Current period	Previous period	% Variance	Reason for variance
i	Current Ratio	Current Asset	Current liability	2.1	2.2	(1.33)%	NA
ii	Debt-Equity Ratio	Total Debt	Total Equity	1.1	0.9	14.13 %	NA
iii	Debt Service Coverage Ratio	Earnings before Finance costs, Tax and Depreciation	Finance cost + principal payment of long term debt during the period	0.4	0.4	4.98 %	NA
iv	Return on Equity Ratio	Net Income	Average shareholder's equity	(3.9)	(4.1)	(5.57)%	NA
v	Inventory turnover ratio	Cost of Goods Sold	Average inventory	5.5	6.8	(18.54)%	NA
vi	Trade Receivables turnover ratio	Turnover	Average trade receivables	3.5	5.5	(35.91)%	Overall average collection period has increased in the current year from previous year which has resulted in reduction in receivable turnover ratio
vii	Trade payables turnover ratio	Total Expenses	Average account payables	9.7	22.0	(56.06)%	Overall average payable period has been increased as compared to previous year mainly due streamlining of payment process during the current financial year.
viii	Net capital turnover ratio	Net Annual Sales	Shareholder's Capital	1.7	3.3	(48.93)%	Mainly due to decrease in revenue in current financial year.
ix	Net profit ratio	Loss after Tax	Turnover	(0.2)	(0.1)	84.88 %	Overall the revenue of the Company has declined as compared to previous year resulting in to decrease in net profit ratio.
x	Return on Capital employed	Earnings before Finance costs, Tax and Depreciation	Capital Employed	(0.1)	(0.1)	3.55 %	NA
xi	Return on investment	Current value of Investment- cost of investment	Cost of Investment	-	-	0.00%	NA

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No: 507892

For and on behalf of the Board of Directors of
National Commodities Management Services Limited

Siraj A. Chaudhry
Managing Director & CEO
DIN: 00161853

Zohra Chatterji
Independent Director
DIN: 01382511

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Rupinder Kaur
Company Secretary
Membership No: A28733

Place: Gurugram
Date: 30 May 2022

Walker Chandiok & Co LLP

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Independent Auditor's Report

To the Members of National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and on the other financial information of the subsidiary the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2022, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. 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 Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditor in terms of their report referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Impact of COVID 19

4. We draw attention to note 56 to the accompanying consolidated financial statements, which describes the effects of uncertainties relating to the outbreak of Covid-19 pandemic and management's assessment of its impact on the Group's operations and the consolidated financial statements of the Group as at 31 March 2022, the extent of which is significantly dependent on future developments as they evolve. Our opinion is not modified in respect of this matter.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the report of the other auditor on separate financial information of the subsidiary, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
a) Revenue recognition	
Refer to the Group's significant accounting policies in note 4(h) and the revenue related disclosures in note 30 of the consolidated financial statements. Revenue of the Group includes sale of goods, warehousing and other services. Revenue is recognized when the control of goods is transferred to customer or services has been rendered and there are no unfulfilled obligations. The revenue is measured at fair value of the consideration received or receivable. In accordance with Standards on Auditing, there is a presumed fraud risk relating to revenue recognition. Further, there is continuous pressure on the management to achieve planned results. Accordingly, due to the above reasons as well as the high volume of sales transactions, size of distribution network and varied terms of contracts with customers, occurrence and existence of revenue is a key focus area requiring special audit attention and evaluation. Due to the above factors, we have identified testing of revenue recognition as a key audit matter.	Our audit procedures included, but were not limited to the following: • Obtained an understanding of the process of revenue streams of sale of goods, warehousing, silos and other services. • Evaluated the design, implementation and tested the operating effectiveness of key controls over the various revenue streams including over the general IT control environment; • Performed analytical procedures on revenue which included ratio analysis, sales quantity analysis, area analysis etc.; • Evaluated the terms and conditions of the contracts, with customers to ensure that the revenue recognition criteria are assessed by the management in accordance with the accounting standards; • On a sample basis, tested revenue transactions recorded during the year, and revenue transactions recorded in the period before and after year-end, with supporting documents such as invoices, agreements with customers, proof of deliveries, and subsequent collection of payments; • Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; • Tested manual journal entries impacting revenue including credit notes, etc., which were material or irregular in nature with supporting documents and evaluated business rationale thereof. • Evaluated disclosures made in the consolidated financial statement for revenue recognition from sale of goods, warehousing services and other services, for appropriateness and adequacy in accordance with the accounting standards.

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b) Trade receivables – Expected credit loss model	
Refer to the Group's significant accounting policies in note 4 (e) and trade receivable related disclosures in note 12 and 45A(b)(i) of the consolidated financial statements. Trade receivables comprise a significant portion of the current financial assets of the Group. As at 31 March 2022 trade receivables aggregate to Rs. 598.8 million (net of allowance for expected credit losses of Rs. 542.9 million). In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Group has analysed the trend of trade receivables under different ageing bracket for last five years and calculated credit loss rate basis such ageing. The complexity in calculation of ECL is mainly related to different recovery period for different categories of customers. Additional provision is recognised for the receivables which are specifically identified as doubtful or non-recoverable basis the legal assessment. Further, the management regularly assess each class of trade receivables for recoverability. Provision for ECL is adjusted considering the recovery trends noted for the respective class, adjusted for forward looking estimates. Estimation of provisions and assessment of recoverability of amounts involves significant degree of judgement and evaluation basis the ongoing communications with the respective parties and therefore trade receivables are considered as a key audit matter	Our audit procedures included, but were not limited to the following: • We obtained an understanding of the management process for computing average historical loss rate by age band and adjustments made to historical loss rates (if any). • We assessed and tested the design and operating effectiveness of controls around management's assessment of the recoverability of trade receivables and corresponding provisioning for ECL. Also, evaluated the controls over the modelling process, validation of data and related approvals. • We obtained from the management of the Group, detailed assessment, including computation, of the ECL. • We audited the underlying data and assessed reasonableness of the assumptions used for each age-band of trade receivables. • We analyzed the methodology used by the management and considered the credit and payment history of specific parties to determine the trend used for arriving at the expected credit loss provision. • We obtained the details of receivables specifically identified by the management for provisioning, over and above the ECL, and corroborated them from the ageing schedule and held discussions with management on their recoverability. • We assessed the appropriateness of disclosures made by the management for the ECL recognized in accordance with applicable accounting standards.
c) Recoverability of deferred tax assets	
Refer to the Group's significant accounting policies in note 4(l) and the deferred tax related disclosures in note 9 of the consolidated financial statements. The Holding Company has recorded a deferred tax asset amounting to Rs. 543.1 million as at 31 March 2022 on business losses, minimum alternate tax and other components based on future taxable income projections of the Holding Company.	Our audit procedures included, but were not limited to the following: • Evaluated the design and tested the operating effectiveness of key controls implemented by the Holding Company over recognition of deferred tax assets based on the assessment of Holding Company's ability to generate sufficient taxable profits in foreseeable future allowing the use of deferred tax assets within the time prescribed by income tax laws;

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The Holding Company has incurred income tax losses of Rs. 212.1 million for the year ended 31 March 2022. The assessment of meeting the recognition criteria as well as assessment of recoverability of deferred tax assets within the period prescribed under the tax laws involves use of significant assumptions and estimates. Determining forecasts of future results and taxable profits includes key assumptions such as future growth rates and market conditions. The projected cash flows are assessed using a number of scenarios to cover reasonable changes in the assumptions underlying the projections. Any change in these assumptions could have a material impact on the carrying value of deferred tax assets. These assumptions and estimates are judgmental, subjective and depend on the future market and economic conditions. We identified the recoverability of deferred tax assets as a key audit matter due to the recognition of these assets involving judgement by management as to the likelihood of the realization of these deferred tax assets, which is based on several factors including whether there will be sufficient taxable profits in future periods to support recognition.	• We obtained Management's financial projection business plan which include projected revenues, projected profits and estimated taxable profits based on the approved plan. We have checked the reasonableness of the assumptions used and period in which tax credits are expected to be utilized. • We evaluated the assumptions and methodologies used by the Holding Company. To assess future taxable profits, we appraised the reliability of the preparation process for the financial projection business plan underlying the assessment of the probability that deferred tax assets will be recovered. Our work consisted in assessing the future growth assumptions used to prepare the financial projection business plan by comparing income forecasts for prior years with actual results for the years concerned; • Tested the arithmetical accuracy of the above calculations. • We evaluated the appropriateness and adequacy of the disclosures made by the Holding Company in accordance with the requirements as specified in the Indian Accounting Standards.
d) Recoverability of Capital Work in Progress and other financial assets related to its projects under development Refer to the Group's significant accounting policies in note 4(a) and the plant, property and equipment related disclosures in note 5.2 of the consolidated financial statements. As at 31 March 2022, the Group has carrying amount of Capital work-in-progress: Rs. 2,557.4 million and other financial assets: Rs. 976.3 million. This includes various infrastructure projects which are in different stages of completion. The Group has carried out an assessment of these projects for existence of impairment indicators. For investments where impairment indicators exist, significant judgements are required to determine the key assumptions used in the discounted cash flow models, such as revenue growth and discount rates. Considering the materiality of the amounts involved, significant degree of judgement and	Our audit procedures included, but were not limited to the following: • We obtained an understanding of the management process for identification of possible impairment indicators and process undertaken by the management for impairment assessment. • Evaluated the design, implementation and tested the operating effectiveness of key controls placed around the impairment assessment process of the recoverability of the capital work in progress. These includes the estimation of future cash flows forecasts, the process by which they were produced and discount rates used. • We obtained the contracts entered with the customers to ensure the viability of completion of the projects in capital work-in-progress and other financial assets for which these subsidiaries were specifically set up.

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subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, combined with the detailed legal assessment of the viability of the projects including assessment of contractual terms and conditions, we have determined recoverability of capital work in progress and other financial assets related to its projects under development as a key audit matter.	• We reconciled the cash flow projections to the business plans approved. • We discussed management's underlying assumptions used for the cash flow projections including the expected growth rates, discount rate etc and considered evidence available to support these assumptions in light of our understanding of the business; • We focused on key assumptions which were more sensitive to the recoverable value of the projects. We also assessed the key assumptions were plausible in the light of the current environment of the COVID 19 pandemic. • We have assessed the work performed on the valuation methodology of the projects and the key assumptions used. • Considered the adequacy of disclosures in respect of the capital work in progress in the consolidated financial statements.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

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

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

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

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of

preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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.

12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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13. 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.

14. 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.

15. 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.

Other Matter

16. We did not audit the financial information of one subsidiary, whose financial information reflect total assets of Rs. 1,273.9 million and net assets of Rs. 1,247.0 million as at 31 March 2022, total revenues of Rs. 161.0 million and net cash outflows amounting to Rs. (95.5) million for the year ended on that date, as considered in the consolidated financial statements. This financial information has been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary are based solely on the reports of the other auditor.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditor, referred to in paragraph 16, on separate financial statements of the subsidiary, we report that the Holding Company have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 18 subsidiary companies incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditor as mentioned in paragraph 16 above, of companies included in the consolidated financial statements for the year ended 31 March 2022 and covered under the Act we report that:

Following are the qualifications/adverse remarks reported by us and the other auditor in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2022 for which such Order reports have been issued till date and made available to us:

S No	Name	CIN	Holding Company / subsidiary / Associate / Joint Venture	Clause number of the CARO report which is qualified or adverse
a.	NCML Finance Private Limited	U67190HR2009PTC079865	Subsidiary Company	iii (c) and (d)
b.	NCML Bettiah Private Limited	U01100HR2017PTC067264	Subsidiary Company	xix

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19. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiaries, incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) The matter described in paragraph 4 of the Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Group;

f) On the basis of the written representations received from the directors of the Holding Company, and its subsidiary companies and taken on record by the Board of Directors of the Holding Company and its subsidiary companies, respectively and the reports of the statutory auditor of its subsidiary company, covered under the Act, none of the directors of the Group companies are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary incorporated in India whose financial statements have been audited under the Act:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 43 to the consolidated financial statements;

ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act, during the year ended 31 March 2022;

iv (a) The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief as disclosed in note 60(vi) to the accompanying consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

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(b) The respective managements of the Holding Company and its subsidiary companies, companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 60(vii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any such subsidiary companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed by us and that performed by the auditor of the subsidiary, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Tarun Gupta
Partner
Membership No.: 507892
UDIN: 22507892AJXRGL2171

Place: Gurugram
Date: 30 May 2022

Annexure I

List of entities included in the Statement

Holding Company

National Commodities Management Services Limited

Subsidiary Companies

1. NCML Finance Private Limited
2. NCML Basti Private Limited
3. NCML Batala Private Limited
4. NCML Bettiah Private Limited
5. NCML Bhattu Private Limited
6. NCML Chhehreatta Private Limited
7. NCML Deoria Private Limited
8. NCML Faizabad Private Limited
9. NCML Jalalabad Private Limited
10. NCML Palwal Private Limited
11. NCML Sonepat Private Limited
12. NCML Varanasi Private Limited
13. NCML KB Private Limited
14. NCML Saran Private Limited
15. NCML Madhepura Private Limited
16. NCML Motihari Private Limited
17. NCML Agribusiness Consultants Private Limited
18. NCML Mktyard Private Limited

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Annexure II to the Independent Auditor's Report of even date to the members of National Commodities Management Services Limited on the consolidated financial statements for the year ended 31 March 2022

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of National Commodities Management Services Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure II to the Independent Auditor's Report of even date to the members of National Commodities Management Services Limited on the consolidated financial statements for the year ended 31 March 2022 (Cont'd)

only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI .

Other Matter

9. We did not audit the internal financial controls with reference to financial information insofar as it relates to one subsidiary company, which is a company covered under the Act, whose financial information reflect total assets of Rs. 1,273.9 million and net assets of Rs.1,247.0 million as at 31 March 2022, total revenues of Rs.161.0 million and net cash outflows amounting to Rs. (95.5) million for the year ended on that date, as considered in the consolidated financial statements, which company covered under the Act, whose internal financial controls with reference to financial information have not been audited by us. The internal financial controls with reference to financial information in so far as it relates to such subsidiary company have been audited by other auditor whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the report of the auditor of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Tarun Gupta
Partner
Membership No.: 507892
UDIN: 22507892AJXRGL2171

Place: Gurugram
Date: 30 May 2022

National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Consolidated balance sheet as at 31 March 2022

(Currency : Indian Rupees in Million)

		Note	31 March 2022	31 March 2021
ASSETS				
Non-current assets				
(a)	Property, plant and equipment	5	6,969.4	5,792.0
(b)	Right of use assets	5.1	198.6	182.4
(c)	Capital work-in-progress	5.2	2,557.4	3,037.2
(d)	Intangible assets	6.1	19.5	36.6
(e)	Intangible assets under development	6.2	-	0.9
(f)	Financial assets			
	(i) Loans	7	198.0	298.1
	(ii) Other financial assets	8	774.6	718.2
(g)	Deferred tax assets (net)	9	575.6	571.9
(h)	Non-current tax assets (net)		263.1	139.9
(i)	Other non-current assets	10	210.7	258.4
	Total non-current assets		**11,766.9**	**11,035.6**
Current assets				
(a)	Inventories	11	29.1	232.5
(b)	Financial assets			
	(i) Trade receivables	12	598.8	828.5
	(ii) Cash and cash equivalents	13	781.9	584.1
	(iii) Bank balances other than (ii) above	14	794.2	829.4
	(iv) Loans	15	368.1	694.9
	(v) Other financial assets	16	201.7	262.9
(c)	Current tax assets (net)		-	100.8
(d)	Other current assets	17	76.0	101.7
	Total current assets		**2,849.8**	**3,634.8**
	Assets classified as held-for-sale	18	-	1.1
	TOTAL		**14,616.7**	**14,671.5**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity share capital	19.1	1,474.4	1,474.1
(b)	Other equity	19.2	4,452.5	5,089.9
	Total equity		**5,926.9**	**6,564.0**
Liabilities				
Non-current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	20	5,322.8	4,800.1
	(ii) Lease liabilities	40	188.8	158.5
	(iii) Other financial liabilities	21	2.1	2.1
(b)	Provisions	22	18.3	22.4
(c)	Deferred tax liabilities	23	42.9	21.9
(d)	Other non-current liabilities	24	153.0	150.8
	Total non- current liabilities		**5,727.9**	**5,155.8**
Current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	25	1,893.2	1,821.6
	(ii) Lease liabilities	40	25.7	16.6
	(iii) Trade payables	26		
	Total outstanding dues of micro and small enterprises		6.2	9.0
	Total outstanding dues of creditors other than micro and small enterprises		261.8	212.3
	(iv) Other financial liabilities	27	373.5	368.4
(b)	Other current liabilities	28	110.0	207.9
(c)	Provisions	29	291.5	315.9
	Total current liabilities		**2,961.9**	**2,951.7**
	TOTAL		**14,616.7**	**14,671.5**

Summary of significant accounting policies and other explanatory information 1 to 60
The notes referred to above form an integral part of consolidated financial statements
As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

For and on behalf of the Board of Directors of
National Commodities Management Services Limited

Tarun Gupta
Partner
Membership No: 507892

Siraj A. Chaudhry
Managing Director & CEO
DIN: 00161853

Zohra Chatterji
Independent Director
DIN: 01382511

Place: Gurugram
Date: 30 May 2022

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Rupinder Kaur
Company Secretary
Membership No: A28733

National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Consolidated statement of profit and loss for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

	Note	31 March 2022	31 March 2021
Revenue			
Revenue from operations	30	2,943.9	5,093.1
Other income	31	60.9	140.8
Total revenue		**3,004.8**	**5,233.9**
Expenses			
Purchases of stock-in-trade		511.0	2,709.0
Changes in inventories of stock-in-trade	32	209.1	471.1
Cost of operations	33	235.8	78.5
Employee benefits expense	34	461.9	462.2
Finance costs	35	307.8	332.9
Depreciation and amortisation expense	36	245.3	237.6
Other expenses	37	1,651.2	1,585.6
Total expenses		**3,622.1**	**5,876.9**
Loss before tax		**(617.3)**	**(643.0)**
Income tax expenses			
(i) Current tax		12.7	15.0
(ii) Deferred tax expense/ (credit)		13.8	(80.3)
Total tax expense/ (credit)		**26.5**	**(65.3)**
Net loss for the year		**(643.8)**	**(577.7)**
Other comprehensive income			
Items that will not be reclassified to profit and loss:			
- Remeasurement gain / (losses) on post employment defined benefits plans		8.7	5.2
- Income tax effect on above		(2.7)	(1.5)
Other comprehensive income, net of tax		**6.0**	**3.7**
Total comprehensive income for the year		**(637.8)**	**(574.0)**
Earnings per equity share	41		
Basic earnings per share		(4.37)	(3.92)
Diluted earnings per share		(4.37)	(3.92)

Summary of significant accounting policies and other explanatory information 1 to 60
The notes referred to above form an integral part of consolidated financial statements

As per our report of even date attached.

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National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Consolidated statement of cash flows for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
I	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Loss before tax	(617.3)	(643.0)
	Adjustments for:		
	Depreciation and amortisation	245.3	237.6
	Finance costs	307.8	332.9
	Liabilities no longer required written back	-	(2.1)
	Interest income	(44.5)	(96.2)
	Government grants	(6.6)	(8.7)
	Foreign exchange loss - unrealised	-	2.5
	Provision against claims receivables	0.8	347.7
	Provision for credit impaired assets	232.6	117.2
	Provision for doubtful advances	99.3	92.7
	Bad debts written off	-	-
	(Gain) / loss on sale of property, plant and equipment	(8.7)	(26.0)
	Provision for non-performing assets	3.5	3.6
	Share based payments to employees (net of capitalisation)	-	(13.0)
		829.5	**988.2**
	Operating cash flows before working capital changes	212.2	345.2
	Changes in:		
	Decrease in inventories	203.4	476.3
	(Increase) / decrease in trade receivables	(6.4)	1.0
	Decrease in other financial assets	168.3	394.3
	Decrease / (increase) in other assets	457.4	(36.9)
	Increase in financial liabilities	5.1	126.9
	(Decrease) in provisions	(22.1)	(16.2)
	Increase / (decrease) in other liabilities	42.2	(47.4)
		848.0	**898.0**
	Cash flows generated from operations	1,060.2	1,243.2
	Income tax (paid) / received, net of refunds	(40.6)	281.6
	Net cash generated from operating activities	**1,019.6**	**1,524.8**
II	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase/construction of property, plant and equipment & intangible assets (including capital advances and capital creditors)	(897.7)	(1,379.5)
	Proceeds from sale of property plant and equipment, net	9.6	24.7
	Government grant received	8.9	0.3
	(Investment) / proceeds from maturity of bank deposits	(231.0)	1,989.6
	Interest received	53.0	130.9
	Net cash generated from / (used in) investing activities	**(1,057.2)**	**766.0**
III	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from issuance of equity share capital, net of issue expenses	0.6	-
	Proceeds from non current borrowings	955.7	445.6
	Repayment of non current borrowings	(181.4)	(248.1)
	Repayment of short term borrowings, net	(169.5)	(1,667.8)
	Repayment of lease liabilities	(45.3)	(37.5)
	Interest paid on lease liabilities	(20.6)	(15.2)
	Interest paid	(304.1)	(300.2)
	Net cash used in financing activities	**235.4**	**(1,823.2)**
	Net increase in cash and cash equivalents (I+II+III)	**197.8**	**467.6**
	Cash and cash equivalents (refer note 13)		
	Cash and cash equivalents at the beginning of the year	584.1	116.5
	Cash and cash equivalents at the end of the year	781.9	584.1
	Net increase in cash and cash equivalents	**197.8**	**467.6**

National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Consolidated statement of cash flows for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

Notes:

1 The above Statement of Cash Flows has been prepared under the "Indirect Method " as set out in the Indian Accounting Standard (Ind AS-7) Statement of Cash flows notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015.

	As at 31 March 2022	As at 31 March 2021
2. Components of cash and cash equivalents		
Balance with banks		
- in current accounts	777.5	322.4
- in fixed deposit accounts (having original maturity less than 3 months)	4.4	261.7
	781.9	**584.1**

3. Refer note 20.5 for reconciliation of movements of liabilities to cash flows arising from financing activities in accordance with Ind AS-7.

Summary of significant accounting policies and other explanatory information 1 to 60
The notes referred to above form an integral part of consolidated financial statements

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No: 507892

Place: Gurugram
Date: 30 May 2022

For and on behalf of the Board of Directors of
National Commodities Management Services Limited

Siraj A. Chaudhry
Managing Director & CEO
DIN: 00161853

Zohra Chatterji
Independent Director
DIN: 01382511

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Rupinder Kaur
Company Secretary
Membership No: A28733

National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Consolidated statement of cash flows for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

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	Cash and cash equivalents (refer note 13)		
	Cash and cash equivalents at the beginning of the year	584.1	116.5
	Cash and cash equivalents at the end of the year	781.9	584.1
	Net increase in cash and cash equivalents	**197.8**	**467.6**

National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Consolidated statement of cash flows for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

Notes:

1 The above Statement of Cash Flows has been prepared under the "Indirect Method " as set out in the Indian Accounting Standard (Ind AS-7) Statement of Cash flows notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015.

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Summary of significant accounting policies and other explanatory information 1 to 60
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As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

For and on behalf of the Board of Directors of
National Commodities Management Services Limited

Tarun Gupta
Partner
Membership No: 507892

Siraj A. Chaudhry
Managing Director & CEO
DIN: 00161853

Zohra Chatterji
Independent Director
DIN: 01382511

Place: Gurugram
Date: 30 May 2022

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Rupinder Kaur
Company Secretary
Membership No: A28733

National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Consolidated statement of changes in equity for the year ended 31 March 2021

(Currency : Indian Rupees in Million)

A. Equity share capital

	Note	Balance as at 1 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
Equity share capital	19.1	1,474.1	-	1,474.1

B. Other equity

	Note	Equity component of compound financial instruments	Reserves and surplus					Share options outstanding account	Total equity
	19.2		Capital reserve	Securities premium	Special reserve	Statutory reserve	Retained earnings		
Balance as at 1 April 2020		**308.8**	**0.7**	**3,910.3**	**42.5**	**36.0**	**1,365.4**	**31.8**	**5,695.5**
Loss for the year		-	-	-	-	-	(577.8)	-	(577.8)
Remeasurement of the net defined benefit liability (net of tax effect)			-	-	-	-	3.7	-	3.7
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**(574.1)**	**-**	**(574.1)**
Transfer to special reserve		-	-	-	5.0	-	(5.0)	-	-
Transfer to statutory reserve		-	-	-	-	8.5	(8.5)	-	-
Employee stock options (refer note 34 and 46)		-	-	-	-	-	-	(18.5)	(18.5)
Transfer to employee benefit expenses	34	-	-	-	-	-	-	(13.0)	(13.0)
Balance as at 31 March 2021		**308.8**	**0.7**	**3,910.3**	**47.5**	**44.5**	**777.8**	**0.3**	**5,089.9**

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National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Consolidated statement of changes in equity for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

A. Equity share capital

	Note	Balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
Equity share capital	19.1	1,474.1	0.3	1,474.4

B. Other equity

	Note	Equity component of compound financial instruments	Reserves and surplus						Share options outstanding account	Total equity
	19.2		Capital reserve	Securities premium	Special reserve	Statutory reserve	Retained earnings	Debenture Redemption Reserve		
Balance as at 1 April 2021		**308.8**	**0.7**	**3,910.3**	**47.5**	**44.5**	**777.8**	**-**	**0.3**	**5,089.9**
Loss for the year		-	-	-	-	-	(643.8)	-	-	(643.8)
Share premium on issue of equity shares		-	-	0.4	-	-	-	-	-	0.4
Remeasurement of the net defined benefit liability (net of tax effect)		-	-	-	-	-	6.0	-	-	6.0
Transfer to debenture redemption reserve		-	-	-	-	-	(320.0)	320.0	-	-
Total comprehensive income for the year		**-**	**-**	**0.4**	**-**	**-**	**(957.8)**	**320.0**	**-**	**(637.4)**
Transfer to statutory reserve		-	-	-	-	6.5	(6.5)	-	-	-
Balance as at 31 March 2022		**308.8**	**0.7**	**3,910.7**	**47.5**	**51.0**	**(186.5)**	**320.0**	**0.3**	**4,452.5**

Summary of significant accounting policies and other explanatory information 1 to 60
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DIN: 01382511

Place: Gurugram
Date: 30 May 2022

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Rupinder Kaur
Company Secretary
Membership No: A28733

1 Group overview

National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited) ('the Holding Company') is a closely held public Holding Company incorporated on 28 September 2004 under the Indian Companies Act, 1956 to provide warehousing services to manage risks across various stages of commodity and inventory handling under a single umbrella. Through pan-India presence, in owned, leased as well as field warehouses, the Holding Company provides commodity handling and risk management services to clients across the country. The Holding Company is geared to handle operations encompassing the sale, purchase, trading, storage and movement of commodities and inventories. On 19 August 2015, Fairfax India Holding Corporation through its wholly owned subsidiary FIH Mauritius Investments Limited acquired a majority stake in the Holding Company.

On 12 February 2016, the Holding Company had acquired 100% stake in NCML Finance Private Limited (formerly known as TG Finance Private Limited), a wholly owned subsidiary. The subsidiary is registered with the Reserve Bank of India as a Non- Banking Financial Holding Company under section 45 IA of RBI Act, 1934 governed by Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 ("NBFC Directions").

The Group has entered into concession agreement with Food Corporation of India (FCI) for construction, operation and maintenance of Silo Complex for storage of food grain on behalf of FCI at various sites under Design, Build, Finance, Own and Operate (DBFOO) model & Design, Build, Finance, Own and Transfer (DBFOT) model.

Following subsidiary companies have been considered in the preparation of consolidated financial statements:

Name	**% voting power held as at 31 March 2022**	% voting power held as at 31 March 2021
NCML Finance Private Limited	**100**	100
NCML Mktyard Private Limited	**100**	100
NCML Basti Private Limited	**100**	100
NCML Varanasi Private Limited	**100**	100
NCML Faizabad Private Limited	**100**	100
NCML Batala Private Limited	**100**	100
NCML Chhehreatta Private Limited	**100**	100
NCML Deoria Private Limited	**100**	100
NCML Palwal Private Limited	**100**	100
NCML Bettiah Private Limited	**100**	100
NCML Bhattu Private Limited	**100**	100
NCML Jalalabad Private Limited	**100**	100
NCML Sonepat Private Limited	**100**	100
NCML KB Private Limited	**100**	100
NCML Madhepura Private Limited	**100**	100
NCML Saran Private Limited	**100**	100
NCML Motihari Private Limited	**100**	100
NCML Agribusiness Consultants Private Limited	**100**	100

The Holding Company and its subsidiaries are collectively referred as the Group.

2 Basis of presentation and preparation

(i) Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments and employee stock options which are measured at fair values / amortised cost. The Ind AS are prescribed under Section 133 of the Act read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended other relevant provision of the Act .

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements for the year ended 31 March 2022 were authorized and approved for issue by the Board of Directors of the Holding Company on 30 May 2022.

(ii) Basis of consolidation

Subsidiaries are entities controlled by the Holding Company. The Holding Company controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statement from the date on which control commences until the date on which control ceases.

Consolidation procedure

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on 31 March.

The procedure followed is as follows:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary. Business combinations policy below explains accounting for any related goodwill.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment are eliminated in full). Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Business combinations & Goodwill

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in equity as capital reserve. Transaction costs are expensed as incurred.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Cash generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

(iii) Functional and presentation currency

The consolidated financial statements are presented in INR, the functional currency of the Holding Company. Items included in the financial statements of the Group are recorded using the currency of the primary economic environment in which the Holding Company operates (the 'functional currency'). Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as "0" in the relevant notes to these consolidated financial statements. All amounts in the financial statement and accompanying notes are presented in `million and have been rounded-off to one decimal place unless stated otherwise.

(iv) Current/ non- current classification

Any asset is classified as current if it satisfies any of the following conditions:

(i) it is expected to be realised or is intended for sale or consumption in the Company's normal operating cycle;
(ii) it is expected to be realised within twelve months from the reporting date;
(iii) it is held primarily for the purposes of being traded;
(iv) the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

Deferred tax assets are classified as non-current assets. All other assets and liabilities are classified as non- current.

All other assets and liabilities are classified as non- current.

Any liability is classified as current if it satisfies any of the following conditions:

(i) it is expected to be settled in the Company's normal operating cycle;
(ii) it is expected to be settled within twelve months from the reporting date;
(iii) it is held primarily for the purposes of being traded;
(iv) the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months from the reporting date.

All other liabilities are classified as non- current.

Operating cycle

For the purpose of current/ non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realisation and their realisation in cash and cash equivalents.

3 Use of accounting estimates and judgements

Preparation of consolidated financial statements requires the Group to make assumptions and estimates about future events and apply significant judgements. The Group base its assumptions, estimates and judgements on historical experience, current trends and all available information that it believes is relevant at the time of preparation of the consolidated financial statements. However, future events and their effects cannot be determined with certainty. Accordingly, as confirming events occur, actual results could ultimately differ from our assumptions and estimates. Such differences could be material. The following require subjective and/or complex judgments, resulting from the need to make estimates about the effect of matters that are inherently uncertain:

(i) Expected credit losses on trade receivables

The Group reviews its trade receivables to assess impairment at regular intervals. The Group's credit risk is primarily attributable to its trade receivables. In determining whether impairment losses should be reported in the consolidated statement of profit and loss, the Group makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

(ii) Valuation of inventories

The Group values its inventories for trading business at fair value less cost to sell and other inventories are valued at the lower of cost and net realisable value through inventory allowances. Subsequent changes in facts or circumstances could result in the reversal of previously recorded allowances. Results could differ if inventory allowances change because actual selling prices or selling costs differ materially from forecasted selling prices and selling costs. Calculating allowances depends on a combination of interrelated factors affecting forecasted selling prices, including demand variables. Demand variables include trading goods prices and changes in inventories in distribution channels.

(iii) Estimated useful lives of property, plant and equipment

The Group estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

(iv) Provision for litigations

In estimating the final outcome of litigation, the Group applies judgment in considering factors including experience with similar matters, past history, precedents, relevant financial and other evidence and facts specific to the matter. Application of such judgement determines whether the Group requires an accrual or disclosure in the consolidated financial statements.

(v) Recoverability of deferred tax assets

In determining the recoverability of deferred tax assets, the Group primarily considers current and expected profitability of applicable operating business segments and their ability to utilise any recorded tax assets. The Group reviews its deferred income tax assets at every reporting period end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

(vi) Employee benefits

The Group's net obligation in respect of gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the other long-term employment benefits.

The present value of the obligation is determined based on actuarial valuation at the balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

(vii) Amended Accounting Standard (Ind AS) and interpretations effective during the year:

a. Ind AS 109 Financial Instruments; Ind AS 107 Financial Instruments:
Disclosures and Ind AS 116 Leases (amendments related to Interest Rate Benchmark Reform)
The amendment to Ind AS 109, provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.

The amendment to Ind AS 107, clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform:

- the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform;
- the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition;
- the instruments exposed to benchmark reform disaggregated by significant interest rate benchmark along with qualitative information about the financial instruments that are yet to transition to alternative benchmark rate;
- changes to entity's risk management strategy

The amendments introduced a similar practical expedient in Ind AS 116. Accordingly, while accounting for lease modification i.e. remeasuring the lease liability, in case this is required by interest rate benchmark reform, the lessee will use a revised discount rate that reflects the changes in the interest rate.

b. Ind AS 116 Leases (amendment related to rent concessions arising due to COVID-19 pandemic)
The amendment to Ind AS 116 Leases extended the practical expedient introduced for financial year 2020-21 related to rent concessions arising due to Covid-19 pandemic, that provides an option to the lessee to choose that rent concessions for lease payments due on or before 30 June 2022 (from erstwhile notified date of 30 June 2021), arising due to COVID-19 pandemic ('COVID-19 rent related concessions') need not be treated as lease modification.

c. Amendments consequent to issue of Conceptual Framework for Financial reporting under Ind AS (Conceptual Framework)

i. Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets - The MCA clarified that the definition of term 'liability' in this Ind AS is not being revised following the revision of the definition of liability in the Conceptual Framework.

ii. Ind AS 38 Intangible Assets - The MCA clarified that the definition of an 'asset' in this Ind AS is not being revised following the revision of the definition of asset in the Conceptual Framework.

The above amendments did not have any material impact on the financial statements of the Group.

(viii) Amendment to Accounting Standards(Ind AS) issued but not yet effective
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

a. Ind AS 16 – Proceeds before intended use
The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact on its financial statements.

b. Ind AS 37 – Onerous Contracts - costs of fulfilling a contract
The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Group does not expect the amendment to have any significant impact on its financial statements.

b. Ind AS 109 – Annual improvements to Ind AS (2021)
The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact on its financial statements.

The above amendments did not have any material impact on the consolidated financial statements.

4 Significant accounting policies

(a) Property, plant and equipment

Measurement at recognition

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably and is measured at cost. Subsequent to recognition, all items of property, plant and equipment (except for freehold land) are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

The cost of property, plant and equipment comprises its purchase price plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of decommissioning, restoration and similar liabilities, if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life. Cost of repairs and maintenance are recognised in the Consolidated statement of profit and loss as and when incurred.

Depreciation :

The Group depreciates its property, plant and equipment on Straight Line Method (SLM) over the useful lives of assets estimated by management. Depreciation for assets purchased or sold during a year is proportionately charged. The management estimates for useful lives of property, plant and equipment are set out below:

Warehouse buildings	50 years
Office buildings	50 years
Silo	50 years
Plant and equipment : Meteorological instruments	5 years
Plant and equipment : Laboratory equipment	5- 10 years
Plant and equipment : Others	5 years
Computer	3 years
Electrical installation and fittings	5 years
Office equipments	5 years
Furniture and fixtures	5- 10 years
Leasehold improvements	Lower of useful life or primary lease period
Vehicles	5 years

For aforesaid class of assets based on internal assessment, management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for the assets are different from the useful lives as prescribed under Part C of Schedule II of the Act .

Expected useful lives and residual values are re-assessed annually and adjusted if appropriate and such change is accounted for as a change in an accounting estimate.

Freehold land has an unlimited useful life and therefore is not depreciated.

Capital work in progress and capital advances

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under "Other non - current assets". Assets under construction are not depreciated as these assets are not yet available for use.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the consolidated statement of profit or loss in the period the asset is derecognised.

(b) Intangible assets

Measurement at recognition

Intangible assets comprise primarily of computer software. Intangible assets are initially recorded at cost and Subsequent to recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated statement of profit and loss.

The following estimated useful life of intangible assets is mentioned below:

Computer software	3 years
License	10 years

The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such changes is accounted for as a change in an accounting estimate.

Derecognition
An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the consolidated statement of profit or loss in the period the asset is derecognised.

Intangible assets under development
Intangible assets under development is the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial use. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

(c) Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Non-derivative financial assets

Initial recognition and measurement
The Group recognises a financial asset in its balance sheet when it become party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the consolidated statement of profit and loss at initial recognition if the fair value is determined through quoted market price in an active market for an identical asset (i.e level 1 input) or through a valuation technique that uses data from observable markets (i.e level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the consolidated statement of profit and loss only to the extent that such gain or loss arises due to a change in factor market participants take into account when pricing the financial asset.
However, trade receivables that do not contain a significant financing component are measured at transaction price irrespective of the fair value on initial recognition.

Subsequent measurement:
For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:

(i) the Group's business model for managing the financial asset and

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

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

(i) Financial assets measured at amortised cost.

(ii) Financial assets measured at fair value through profit and loss (FVTPL).

(i) Financial assets measured at amortised cost
A financial asset is measured at the amortised cost if both the conditions are met :

(a) The Group's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows.

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

This category applies to cash and bank balances, trade receivables, loans, deposits and other financial assets of the Group. Such financial assets are subsequently measured at amortised cost using the effective interest method.

The amortised cost of a financial asset is also adjusted for loss allowance, if any.

(ii) Financial assets measured at fair value through profit and loss (FVTPL).

A financial asset is measured at FVTPL unless it is measured at amortised cost or at Fair Value through Other Comprehensive Income (FVTOCI). This is a residual category applies to inventories, share based payments and other investments of the Group excluding investment in subsidiary. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Consolidated statement of profit and loss.

Derecognition:

A financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. On derecognition of a financial asset, the difference between the carrying amount and the consideration received is recognised in the Consolidated statement of profit and loss.

Presentation:

Financial assets and liabilities are offset and the net amount presented in the statement of Consolidated balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial liabilities

Initial recognition and measurement

Financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value.

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently carried at amortised cost; any difference between the initial carrying value and the redemption value is recognised in the consolidated statement of profit and loss over the period of the borrowings using the effective interest rate method. Other financial liabilities are recognised initially at fair value plus any directly attributable transaction costs.

Non-derivative financial liabilities of the Group comprise long-term borrowings, short-term borrowings, bank overdrafts and trade and other payables.

Subsequent measurement:

Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

Derecognition:

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. When an existing financial liability is replaced from the same lender on substantially different terms, or terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the consolidated statement of profit and loss .

Presentation:

Financial assets and liabilities are offset and the net amount presented in the statement of Consolidated balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(d) Fair Value

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

(i) in the principal market for the asset or liability or

(ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorised within the fair value hierarchy that categorises into three levels, as described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

Level 1 : quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or Indirectly
Level 3 : inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the Consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

(e) Impairment

(i) Non-derivative financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence Indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

(i) Trade receivables
(ii) Financial assets measured at amortised cost (other than trade receivables)

In case of trade receivables and contract revenue receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognition as loss allowance. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime of ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible defaults events over the expected life of a financial asset. 12 month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and profitability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

The Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward- looking estimates are updated.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Consolidated statement of profit and loss.

(ii) Intangible assets and plant, property and equipment

The carrying amount of the Group's non-financial assets, other than inventories and deferred tax assets, is reviewed at each reporting date to determine whether there is any indication of impairment. If any such Indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's recoverable amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Inventories

Inventories principally comprise commodities held for trading and inventories that form part of the Group's expected purchase, sale or usage requirements.

Inventories are measured at cost and those forming part of the Group's expected purchase, sale or usage requirements are stated at the lower of cost and net realisable value and are valued on a first-in-first-out basis. Cost of inventories comprises of cost incurred on purchase and other direct expenditure on procurement. Net realisable value represents the estimated selling price in the ordinary course of business, less anticipated cost of disposal and after making allowance for damages and slow-moving items.

Dunnage

Dunnage consists of bamboo mats, polythene sheets/bags/covers, wooden planks, black/blue polythene films/sheets. Bamboo mats and polythene sheets/bags/covers issued for use are written off to the extent of 100% of cost in the year of purchase. 50% of the cost of black/blue polythene films/sheets issued for use is charged to consolidated statement of profit and loss in the year of issue and the balance 50% is charged in the subsequent year.

(g) Statement of cash flows

The Group's statement of cash flows are prepared using the Indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

Cash and cash equivalents comprise cash and bank balances and short-term fixed bank deposits that are subject to an insignificant risk of changes in value.

(h) Revenue recognition

Revenue is recognised when it is probable that economic benefits associated with a transaction flows to the Group in the ordinary course of its activities and the amount of revenue can be measured reliably. When there is uncertainity as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainity is resolved. Revenue is measured at the fair value of consideration received or receivable, excluding discounts, rebates and sales taxes or any other taxes. Amount collected on behalf of third parties such as goods and service tax and value added tax are excluded from revenue. Revenue on time and material contracts are recognised as the related services are performed and revenue from the end of the last billing to the balance sheet date is recognised as unbilled revenue. Advances received for services and products are reported as advances from customers until all conditions for revenue recognition are met.

A. Warehousing services

(i) These include warehousing services in owned, leased, franchise as well as field warehouses. Charges levied for providing storage, stock management and preservation services at locations which are owned, leased or under franchise/associate arrangement are recognised as income on accrual basis as per agreed terms.

(ii) These activities also include custodial warehousing services for banks and fees therefrom are recognised on accrual basis as per agreed terms.

B. Sale of goods

The Group’s revenue is derived from the single performance obligation to transfer primarily commodities under arrangements in which the transfer of control of the products and the fulfillment of the Group’s performance obligation occur at the same time. Therefore, revenue from the sale of goods is recognised when the Group transfers control at the point of time the customer takes undisputed delivery of the goods. Revenue is measured at the transaction price of the consideration received or receivable, the amount the Group expects to be entitled to.

C. Revenue from silos

(i) Service concession revenue

Appendix A “Service concession arrangements” of Ind AS 115, applies to “public to private” service concession arrangements, which can be defined as contracts under which the grantor transfers to a concession holder the right to deliver public services that give access to main public facilities for a specified period of time in return of managing the infrastructure used to deliver those public services.
More specifically, it applies to public to private service concession arrangement if the grantor:
Controls or regulates what services the operators must provide with the infrastructure, to whom it must provide them, and at what price; and
Controls through ownership or otherwise –any significant residual interest in the infrastructure at the end of the term of the arrangement.

The Group has the right to receive fixed annuity payments from FCI during the concession period and has adopted ‘Financial Asset Model’.

Accounting under “Financial Asset Model” involves extensive use of estimates. The Group has allocated the contract revenues into distinct individual performance obligations i.e. construction, operation and maintenance which are derived by as per amount estimated by the management on actual/estimated cost to be incurred. Accordingly, annuity payment receivable has been classified as a “Financial asset” at the inception of concession period at fair value. The future annuity payments have been bifurcated towards construction services and unearned finance income based on the effective interest rate model.

(ii) Lease income

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the consolidated balance sheet based on their nature.

D. Other services

(i) Testing and certification

These includes testing the quality of commodities and issuing certificates regarding the same. The charges for testing and certification are recognised on accrual basis as per agreed terms with customers.

(ii) Market intelligence and commodity research

a) Price intelligence

Price polling is a neutral activity for collating spot price information for selected commodities on behalf of the client and the charges there from are recognised on accrual basis as per agreed terms with customers.

b) Weather intelligence

Weather data services is an activity wherein weather data is collected from Meteorological Instruments and provided to the client and the charges there from are recognised on accrual basis as per agreed terms with customers.

c) Market intelligence

Subscription charges on Market Intelligence and Commodity Research reports are recognised as Income on straight line basis over the year for which the reports are sent.

(iii) Vehicle management services

These activities include services for custodial warehousing of vehicles for customers. Fees there from are recognized on accrual basis as per agreed terms.

In order to determine if it is acting as a principal or as an agent, the Group assesses whether it has exposure to the signifcant risks and rewards associated with the rendering of logistics services. Revenue from rendering of logistic services provided to its customer after the transfer of control of underlying goods is recognised on gross basis and is recognised once the facilitation of such service is done.

(iv) Finance services

a) Income from financing activities (i.e loans advanced) is recognised on accrual basis, except in case of income on non performing assets, which is recognised on receipt basis. Overdue interest accrued as income remaining unrealised is reversed in the month in which the loan is classified as NPA.

b) Interest income on fixed income debt instruments such as certificate of deposits, non-convertible debentures and commercial papers are recognized on a time proportion basis taking into account the amount outstanding and the effective rate applicable. Discount, if any, is recognised on a time proportion basis over the tenure of the securities.

c) Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

d) Dividend is recognised as income when right to receive payment is established.

e) Profit/loss on the sale of investments is determined on the basis of the weighted average cost method.

f) Service charges documentation charges and other fees on loan transactions are recognised in the commencement of the contract and when there is no uncertainty regarding the collection of such revenue.

g) Bounce charges, penal charges, late payment charges and other operating income are recognised as income on realisation due to uncertainty in their collection.

(v) Other services

These are recognised when the claim/charge is established as a legally enforceable right for the services rendered.

(vi) Revenue from contracts

Revenue from contracts is recognised based on the stage of completion determined with reference to the costs incurred on contracts and their estimated total costs. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the statement of profit or loss in the year in which the circumstances that give rise to the revision becomes known by management.

When it is probable that the total contract cost will exceed total contract revenue, expected loss is recognised as an expense immediately. Total contract cost is determined based on technical and other assessment of cost to be incurred. Liquidated damages/penalties are accounted as per the contract terms whenever there is a delayed delivery attributable to the Group.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The profits on contracts are recognised only when outcome of the contract is reasonably certain.

E. Other income

(i) Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and using effective interest rate applicable based on interest rate specified / implicit in the transaction.

(ii) Dividend income

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

(i) Foreign currency

Foreign currency transactions

Initial recognition

All transactions that are not denominated in the Group's functional currency are foreign currency transactions. These transactions are initially recorded in the functional currency by applying the appropriate daily rate which best approximates the actual rate of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the consolidated statement of profit and loss.

Measurement of foreign current items at reporting date

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange at the reporting date. Non-monetary items measured based on historical cost in a foreign currency are not translated. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined.
Exchange differences arising out of these translations are recognised in the consolidated statement of profit and loss.

(j) Employee benefits

Post-employment benefits

i. Defined contribution plans

A defined contribution plan is a plan for the post employment benefit of an employee under which the Group pays fixed periodic contributions into Provident Fund and Employee State Insurance Corporations. The Group has no further legal or constructive obligation to pay once contributions are made. Contributions made are charged to employee benefit expenses in the period in which the employment services qualifying for the benefit are provided.

ii. Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan which is administered through Group gratuity scheme with Life Insurance Corporation of India. The Group's net obligation in respect of gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation at the balance sheet date by an Independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government of India securities as at the balance sheet date.

When the calculation results in a benefit to the Group, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

The Group recognises all remeasurement gains and losses arising from defined benefit plans in the Statement of other comprehensive income in the period in which they occur and not reclassified to the Statement of Profit and Loss in the subsequent period. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Consolidated statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the Consolidated statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs in the statement of profit and loss.

The entire liability towards gratuity is considered as current as the Group will contribute this amount to the gratuity fund within the next twelve months.

Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the estimated liability for leave as a result of services rendered by employees, which is determined at each balance sheet date based on an actuarial valuation by an independent actuary using the Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under other long term employee benefits, are based on the market yields on Government of India securities as at the balance sheet date. Remeasurement gains and losses are recognised immediately in the consolidated statement of profit and loss.

The Group presents the above liability/(asset) as current and non- current in the balance sheet as per actuarial valuation by the independent actuary.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified Short-term employee benefits and they are recognised in the period in which the employee renders the related services. For the amount expected to be paid, the Group recognise an undiscounted liability if they have a present legal or constructive obligation to pay the amount as a result of past service provided by employees, and the obligation can be estimated reliably.

Share-based payments

Equity-settled plans are accounted at fair value as at the grant date in accordance with Ind AS 102 " Share- Based Payments". The fair value of the share-based option is determined at the grant date using a market-based option valuation model which includes an estimated forfeiture rate. The fair value of the option is recorded as compensation expense amortised over the vesting period of the award, with a corresponding increase in other components of Equity under the head "Share Options Outstanding Account". On exercise of the option, the proceeds are recorded as share capital.

Share-based payment transactions that are settled in cash at an amounts that are based on the price of the Group's equity instruments. This creates a liability, and the recognised cost is based on the fair value of the instrument at the reporting date.

(k) Lease accounting

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the following:

– Fixed payments, including in-substance fixed payments;
– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
– Amounts expected to be payable under a residual value guarantee; and
– The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in ‘property, plant and equipment’ and lease liabilities in ‘loans and borrowings’ in the statement of financial position.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

Short-term leases and leases of low-value assets
The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

(l) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year as per the provisions of tax laws enacted in India and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the balance sheet date.

ii) Deferred tax

Deferred tax is recognised on deductible temporary differences between the carrying amounts of assets and liabilities in the Consolidated balance sheet and the corresponding tax bases used in the computation of taxable income, the carryforward of unused tax losses and the carry forward of unused tax credits.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax liabilities are generally recognised for all deductible temporary differences. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognised. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognised.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable income will be available against which those deductible temporary differences can be utilised. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognised.

Unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets is recognised only to the extent that there is convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Group reviews the carrying amount of deferred tax assets at the end of each reporting year and reduce amounts to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

Presentation of current and deferred tax :

Current and deferred tax are recognised as income or an expense in the Consolidated statement of profit and loss, except when they relate to items that are recognised in Other Comprehensive Income/ Equity, in which case, the current and deferred tax income/ expense are recognised in Other Comprehensive Income/ Equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority.

iii) Minimum Alternative Tax (‘MAT’)

Minimum Alternative Tax (‘MAT’) under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Consolidated statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as a deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an deferred tax asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

On 30 March 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. The notification clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. In assessing the uncertainty, an entity shall consider whether it is probable that a taxation authority will accept the uncertain tax treatment. This notification is effective for annual reporting periods beginning on or after 1 April 2019. As per the Group’s assessment, there are no material income tax uncertainties over income tax treatments.

(m) Earnings per share

The basic earnings per share (EPS) is computed by dividing the net profit attributable to equity shareholders for the period, by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed using the weighted average number of equity and dilutive (potential) equity equivalent shares outstanding during the year except where the results would be anti-dilutive.

(n) Provisions and contingencies

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is more likely than not that an outflow of economic benefits will be required to settle the obligation. Provisions are discounted where the effect of discounting is material at a pre-tax rate that reflects current market assessments of the time value of money. Unwinding of the discount (accretion) is recognized as a finance cost. Discount rates are assessed and projected timing of future obligations each reporting period.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

(o) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(p) Government grants

Grants and subsidies from the government are recognised if the following conditions are satisfied.

- There is reasonable assurance that the Group will comply with the conditions attached to it.

- Such benefits are earned and reasonable certainty exists of the collection.

Government grants are recognised in accordance with the terms of the respective grant on accrual basis considering the status of compliance of prescribed conditions and ascertainment that the grant will be received.

Government grants are amortised to the Consolidated statement of profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

(q) Segment reporting

For management purposes, the Group's accounting policy is organised into operating segments based on their products and services, which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge.
The segment managers report directly to the Managing Director and CEO of the Group who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 38, including the factors used to identify the reportable segments and the measurement basis of segment information.

Unallocated items:
Revenues and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under “Unallocated corporate income and expenses”. Assets and liabilities, which relate to the Group as a whole and are not allocable to segments on reasonable basis, are shown as unallocated corporate assets and liabilities, respectively.

(r) Provisioning / Write – Off of assets as per RBI Prudential Norms for finance services

Non- Performing loans are written off / provided as per the minimum provision required under the Non- Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

Provision on standard assets is made as per management estimates and is more than as specified in the RBI notification DNBS.PD.CC.No.207/ 03.02.002 /2010-11 and amended vide RBI notification no. RBI/2014-15/29 DNBR (PD) CC.No.002/03.10.001/2014-15 dated November, 10, 2014.

(s) Loans for finance services

Loans given are stated at the amount advanced and expenses recoverable, as reduced by the amounts received up to the balance sheet date.

(t) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount or fair value less costs to sell.

(Currency : Indian Rupees in Million)

5 Property, plant and equipment

Particulars	Freehold land	Warehouse buildings	Office buildings	Silo	Plant and equipment	Meteorological instruments	Laboratory equipment	Computer	Electrical installation and fittings	Office equipment	Vehicles	Furniture and fixtures	Leasehold improvements	Total assets
Cost:														
As at 1 April 2020	**2,322.4**	**2,821.6**	**54.8**	**285.8**	**234.0**	**278.8**	**450.6**	**64.7**	**87.0**	**50.5**	**0.4**	**54.2**	**177.6**	**6,882.4**
Add: Additions during the year	46.6	-	-	-	0.0	0.9	18.4	2.7	-	1.5	-	0.2	-	**70.3**
Less : Disposals during the year	(53.2)	-	-	-	-	-	-	(3.0)	-	(1.3)	-	-	-	**(57.5)**
Less: Asset classified as held for sale*	(1.1)	-	-	-	-	-	-	-	-	-	-	-	-	**(1.1)**
Balance as at 31 March 2021	**2,314.7**	**2,821.6**	**54.8**	**285.8**	**234.0**	**279.7**	**469.0**	**64.4**	**87.0**	**50.7**	**0.4**	**54.4**	**177.6**	**6,894.1**
At 1 April 2021	**2,314.7**	**2,821.6**	**54.8**	**285.8**	**234.0**	**279.7**	**469.0**	**64.4**	**87.0**	**50.7**	**0.4**	**54.4**	**177.6**	**6,894.1**
Add: Additions during the year	45.1	-	-	1,314.2	-	0.3	1.7	7.8	-	1.0	0.9	-	1.3	1,372.3
Less : Disposals during the year	-	-	-	-	-	-	-	-	-	(6.2)	-	(7.9)	(15.6)	(29.7)
At 31 Mar 2022	**2,359.8**	**2,821.6**	**54.8**	**1,600.0**	**234.0**	**280.0**	**470.7**	**72.2**	**87.0**	**45.5**	**1.3**	**46.5**	**163.3**	**8,236.7**
Accumulated depreciation :														
As at 1 April 2020	**-**	**211.9**	**4.2**	**15.9**	**96.9**	**240.4**	**140.6**	**52.8**	**53.6**	**34.3**	**0.4**	**16.3**	**59.4**	**926.7**
Add: Charge for the year	-	55.5	1.1	4.2	22.2	10.3	43.4	5.7	12.9	6.2	-	5.4	18.4	**185.3**
Less: Disposal	-	-	-	-	-	-	-	(2.8)	-	(1.1)	-	-	-	**(3.9)**
Less: Other adjustments	-	-	-	-	-	-	(5.7)	-	-	-	(0.3)	-	-	**(6.0)**
Balance as at 31 March 2021	**-**	**267.4**	**5.3**	**20.1**	**119.1**	**250.7**	**178.3**	**55.7**	**66.5**	**39.4**	**0.1**	**21.7**	**77.8**	**1,102.1**
Add: Charge for the year	-	53.6	5.5	42.5	1.0	9.0	39.1	5.3	9.7	4.1	-	4.6	15.3	**189.7**
Less: Disposal	-	-	-	-	-	-	-	-	-	(5.1)	-	(6.5)	(12.9)	**(24.5)**
Balance as at 31 March 2022	-	321.0	10.8	62.6	120.1	259.7	217.4	61.0	76.2	38.4	0.1	19.8	80.2	**1,267.3**
Net carrying amount														
Balance as at 31 March 2021	**2,314.7**	**2,554.2**	**49.5**	**265.7**	**114.9**	**29.0**	**290.7**	**8.7**	**20.5**	**11.3**	**0.3**	**32.7**	**99.8**	**5,792.0**
Balance as at 31 March 2022	**2,359.8**	**2,500.6**	**44.0**	**1,537.4**	**113.9**	**20.3**	**253.3**	**11.2**	**10.8**	**7.1**	**1.2**	**26.7**	**83.1**	**6,969.4**

* refer note 18
Refer to note 43 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
Refer note 20 for information on property, plant and equipment pledged as security by the Group.

(Currency : Indian Rupees in Million)

5.1 Right of use assets**

Particulars	Amount
Gross carrying amount :	
Balance as at 1 April 2020	**81.6**
Add: Additions during the year	145.7
Balance as at 31 March 2021	**227.3**
Add: Additions during the year	105.3
Less: Disposals / other adjustments during the year	75.0
Balance as at 31 March 2022	**257.6**
Accumulated depreciation :	
Balance as at 1 April 2020	**13.2**
Add: Charge for the year	31.7
Balance as at 31 March 2021	**44.9**
Add: Charge for the year	36.3
Less : Disposals / other adjustments during the year	22.2
Balance as at 31 March 2022	**59.0**
Net carrying amount	
Balance as at 31 March 2021	**182.4**
Balance as at 31 March 2022	**198.6**

** Right of use assets is created on office premises including regional offices, laboratories and corporate office (refer note 40).

5.2 Capital work-in-progress	31 March 2022	31 March 2021
Opening balance	3,037.2	1,841.0
Additions during the year	892.4	1,266.5
Capitalised during the year	(1,372.3)	(70.3)
Closing balance	**2,557.4**	**3,037.2**

Ageing of capital work-in-progress*

Thursday, March 31, 2022

Sr. No	Projects in Progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	**Laboratory equipment**	32.3	-	-	-	**32.3**
2	**Silos**	771.8	978.3	127.2	647.8	**2,525.1**
	Total	**804.1**	**978.3**	**127.2**	**647.8**	**2,557.4**

Wednesday, March 31, 2021

Sr. No	Projects in Progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	**Silos**	1,205.9	747.0	855.1	229.2	**3,037.2**

*** there is no overdue project of capital work-in-progress**

(Currency : Indian Rupees in Million)

6.1 Intangible assets

Particulars	Computer software	License	Total
Gross carrying amount			
Balance as at 1 April 2020	**142.3**	**8.8**	**151.1**
Add: Adjustment during the year	(1.2)	-	(1.2)
Balance as at 31 March 2021	**141.1**	**8.8**	**149.9**
Add: Addition during the year	2.1	-	2.1
Less : Disposals during the year	-	-	-
Balance as at 31 March 2022	**143.2**	**8.8**	**152.0**
Amortisation:			
Balance as at 1 April 2020	**89.0**	**3.7**	**92.7**
Amortisation for the year	19.7	0.9	20.6
Balance as at 31 March 2021	**108.7**	**4.6**	**113.3**
Amortisation for the year	18.4	0.9	19.3
Less: Disposals during the year	-	-	-
Balance as at 31 March 2022	**127.1**	**5.5**	**132.6**
Net carrying amount			
Balance as at 31 March 2021	**32.4**	**4.2**	**36.6**
Balance as at 31 March 2022	**16.1**	**3.3**	**19.5**

6.2 Intangible assets under development

	31 March 2022	31 March 2021
Intangible assets under development - Computer software	-	0.9
	-	**0.9**

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(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
7	**Loans**		
	(Unsecured, considered good)		
	- Secured, considered good	198.0	298.1
	- Secured, credit impaired	2.9	0.8
	Allowance for credit impaired	(2.9)	(0.8)
		198.0	**298.1**
8	**Other financial assets**		
	Bank deposits with maturity more than 12 months*	256.7	428.8
	Interest accrued but not due on bank deposits	17.5	15.2
	Security deposits		
	- Unsecured, considered good	42.5	61.0
	- Unsecured, considered doubtful	54.1	10.1
	Allowance for doubful loans	(54.1)	(10.1)
	Other financial assets	457.9	213.2
		774.6	**718.2**
	* Restrictions on bank deposits		
	Bank guarantee	5.0	21.2
	Lien	2.9	47.0
	Lien with banks for term loan	97.7	163.7
	Lien with Food Corporation of India	151.1	196.9
		256.7	**428.8**
9	**Deferred tax assets (net)**		
	Deferred tax assets (net) (refer note 42(d))	575.6	571.9
		575.6	**571.9**
10	**Other non-current assets**		
	(Unsecured, considered good unless otherwise stated)		
	(a) Capital advances	261.5	230.3
	Less: Provision for capital advance	(65.8)	-
	(b) Advances other than capital advances		
	(i) Balance with government authorities	9.9	7.7
	(ii) Prepaid expenses	5.2	20.4
		210.7	**258.4**
11	**Inventories**		
	Stock in trade		
	Inventories valued at the lower of cost and net realisable value		
	Traded Goods	10.1	219.2
	Stores and consumables		
	Consumables	15.1	10.3
	Dunnage	3.9	3.0
		29.1	**232.5**
12	**Trade receivables**		
	Secured, considered good	17.6	17.6
	Unsecured, considered good	581.2	810.9
	Unsecured, credit impaired	542.9	448.0
	Allowance for credit impaired	(542.9)	(448.0)
		598.8	**828.5**

National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
13	**Cash and cash equivalents**		
	Balances with banks - in current accounts	777.5	322.4
	Deposit with original maturity less than 3 months	4.4	261.7
		781.9	**584.1**
14	**Bank balances other than cash and cash equivalents**		
	Deposit with maturity more than 3 months but less than 12 months	690.6	634.1
	Other bank balance #	81.3	169.7
	Escrow account	22.3	25.6
		794.2	**829.4**
	* includes restrictions on fixed deposits towards:		
	Bank guarantee	148.1	173.4
	Lien	335.3	228.8
	Lien with banks for term loan	66.0	56.0
	Lien with Food Corporation of India	11.0	17.7
	Against bank overdraft	12.1	8.1
	Letter of credit	19.5	35.0
		592.0	**519.0**

Other bank balance pertains to money lying in subsidy reserve fund (SRF) account towards subsidy granted to the Holding Company which will be adjusted against the loan amount.

		31 March 2022	31 March 2021
15	**Loans**		
	(Secured and considered good)		
	Loans and advances for standard assets	368.1	689.4
	Loans and advances for non-performing assets	-	1.9
	Others	-	3.6
		368.1	**694.9**

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013)

	Amount outstanding as on 31 March 2022	Percentage to the total loans and advances in the nature of loans	Amount outstanding as on 31 March 2021	Percentage to the total loans and advances in the nature of loans
a) amounts repayable on demand				
- Promoters	-	-	-	-
- Directors	-	-	-	-
- Key managerial personnel	-	-	-	-
- Other related parties	-	-	-	-
b) without specifying any terms or period of repayment				
- Promoters	-	-	-	-
- Directors	-	-	-	-
- Key managerial personnel	-	-	-	-
- Other related parties	-	-	-	-
Total	-	-	-	-

		31 March 2022	31 March 2021
16	**Other financial assets**		
	(a) From parties other than related parties		
	Insurance claim receivable	462.7	462.7
	Allowance for insurance claims	(462.7)	(462.7)
	Compensation receivable	18.6	18.6
	Unbilled revenue (refer note 52)	126.3	172.6
	Interest accrued but not due on loans and advances	17.2	3.5
	Interest accrued on fixed deposits	4.9	15.8
	Security deposits	27.1	39.5
	Less: Provision for credit impaired	(13.6)	(20.5)
	Amount recoverable from employees, credit impaired	12.2	12.2
	Allowance for credit impaired	(12.2)	(12.2)
	Amounts recoverable from rice millers		
	- Unsecured, considered good	-	33.4
	- Unsecured, credit impaired	110.9	94.8
	Allowance for credit impaired	(110.9)	(94.8)
	Other receivables*	21.2	-
		201.7	**262.9**

*Other receivables pertains to receivables from NABARD

(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
17	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Balance with government authorities	29.7	37.2
	Advance to suppliers	7.7	37.9
	Advance to employees	0.0	0.2
	Prepaid expenses	37.1	24.7
	Others	1.5	1.7
	(Unsecured, credit impaired)		
	Advance to suppliers	28.7	24.7
	Advance to employees	16.5	29.4
	Allowance for credit impaired	(45.2)	(54.1)
		76.0	**101.7**

18 Asset classified as held for sale

The Board of Directors of the Holding Company, in its meeting held on 4 November 2020, approved the sale of land located at Village Sherpur, Tehsil and District-Vidisha, M.P. measuring 1.683 Hectares. The Holding Company has completed the sale of the land during the current year at Rs. 9.6 million.

19.1 Equity share capital

	31 March 2022	31 March 2021
Share capital		
Authorised :		
200,000,000 (31 March 2020 : 200,000,000) Equity shares of 10 each	**2,000.0**	**2,000.0**
Issued, subscribed and paid up		
147,438,736 (31 March 2021 : 147,411,736) Equity shares of 10 each, fully paid up	1,474.4	1,474.1
	1,474.4	**1,474.1**

a) The reconciliation of the shares outstanding at the beginning and at the end of the year is as below:

	31 March 2022		31 March 2021	31 March 2021
	No. of shares	**Amount (INR)**	**No. of shares**	**Amount (INR)**
Number of equity shares at the beginning of the year	147,411,736	1,474.1	147,411,736	1,474.1
Add: Equity shares issued during the year	27,000	0.3	-	-
Number of equity shares at the end of the year	**147,438,736**	**1,474.4**	**147,411,736**	**1,474.1**

b) The Holding Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets. The equity shares are entitled to receive dividends as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Holding Company. Voting rights can not be exercised in respect of shares on which any call or other sums presently payable have not been paid. On winding up of the Holding Company, the holders of equity shares will be entitled to receive the residual to the number of equity shares held.

c) Shares held by ultimate or intermediate holding

	31 March 2022		31 March 2021	
	Number of equity shares held	**Amount**	**Number of equity shares held**	**Amount**
Equity shares of Rs. 10 each fully paid up held by FIH Mauritius Investments Limited	131,941,286	1,319.4	131,941,286	1,319.4

d) The details of shareholders holding more than 5%

	31 March 2022		31 March 2021	
Name of shareholders	**Number of equity shares held**	**Percentage holding**	**Number of equity shares held**	**Percentage holding**
FIH Mauritius Investments Limited	131,941,286	89.49%	131,941,286	89.53%

(Currency : Indian Rupees in Million)

e) Shares reserved for issue under options (refer note 46)

(NCML 2014 Employee Stock Option Scheme)

NCML ESOP 2014 plan provides for the grant of stock options to eligible employees. The Board of Directors recommended NCML ESOP 2014 plan to shareholders on 1 September 2014 and the shareholders approved the recommendations of the board on 30 September 2014. The plan entitles key management personnel and senior employees to purchase shares in the Company at the stipulated excercise price, subject to compliance with vesting conditions. The Board of Directors of the Holding Company have approved the proposal for cash settlement of ESOP at a fair market value (FMV) of Rs. 67.16, as certified by an Independent Valuer. Further as per the board meeting held on 24 March 2021, Board has decided to defer the payout to employees under NCML ESOP Scheme 2014.

(NCML 2016 Employee Stock Option Scheme)

NCML ESOP 2016 plan provides for the grant of stock options to eligible employees. The Board of Directors recommended NCML ESOP 2016 plan to Shareholders on 5 August 2016 and the Shareholders approved the recommendations of the Board. The plan entitles key management personnel and senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. As per the board meeting held on 24 March 2021, Board of the Holding Company has officially abandoned the NCML ESOP Scheme 2016 as the condition precedent of achievement of benchmark profit has not been met.

f) No shares have been issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back in the current reporting period and five years immediately preceding the balance sheet date.

g) Details of shareholding of promoters:

		As on 31 March 2022			As on 31 March 2021	
Sr.No	**Promoter Name**	**No. of Shares**	**% of Total Shares**	**% Change during the year**	**No. of Shares**	**% of Total Shares**
1	FIH Mauritius Investments Ltd.	131,941,286	89.49%	(0.02)%	131,941,286	89.53%

		31 March 2022	31 March 2021
19.2	**Other equity**		
(i)	**Equity component of compound financial instrument**		
	- equity component of compulsory convertible debentures (refer note 20.4)	308.8	308.8
		308.8	**308.8**
(ii)	**Reserves and surplus**		
(a)	**Capital reserve**		
	At the commencement and the end of the year (refer sub-note 6)	0.7	0.7
		0.7	**0.7**
(b)	**Securities premium**		
	At the commencement of the year	3,910.3	3,910.3
	Add: Securities premium received on issue of equity shares	0.4	-
	Closing balance (refer sub-note 1)	**3,910.7**	**3,910.3**
(c)	**Special reserve**		
	Opening balance	47.5	42.5
	Add: Transferred from surplus in statement of profit and loss	-	5.0
	Closing balance (refer sub-note 2)	**47.5**	**47.5**
(d)	**Share options outstanding account**		
	At the commencement of the year	0.3	31.8
	Amount transferred to other financial liability due to cash settlement	-	(18.5)
	Employee compensation expense for the year (refer note 34)	-	(13.0)
	Closing balance (refer sub-note 3)	**0.3**	**0.3**
(e)	**Statutory reserve pursuant to section 45-IC of the RBI Act, 1934**		
	Opening balance	44.5	36.0
	Add: Transferred from surplus in statement of profit and loss	6.5	8.5
	Closing balance	**51.0**	**44.5**

(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
(f)	**Retained earnings**		
	Opening balance	777.8	1,365.4
	Loss for the year	(643.8)	(577.8)
	Remeasurement of the net defined benefit liability, (net of tax)	6.0	3.7
	Less: Transferred to statutory reserve	(6.5)	(8.5)
	Less: Transferred to debenture redemption reserve	(320.0)	-
	Less: Transferred to special reserve (refer sub-note 2)	-	(5.0)
	Closing balance (refer sub note 5)	**(186.5)**	**777.8**
(g)	**Debenture redemption reserve**		
	Opening balance		
	Add: Transferred from surplus in statement of profit and loss	320.0	-
	Closing balance (refer sub-note 4)	**320.0**	-
	Total	**4,452.5**	**5,089.9**

Sub-note:

1 Securities premium is received pursuant to the further issue of equity shares at a premium net of the share issue expenses. This is a non-distributable reserve except for the following instances where the share premium account may be applied:

i) towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus shares;

ii) for the purchase of its own shares or other securities;

iii) in writing off the preliminary expenses of the Company;

iv) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; and

v) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.

2 Special reserve - In view of contingencies as may arise due to the peculiar nature of the Company's business, a sum of Rs nil is allocated as at 31 March 2022 (31 March 2021: Rs 5.0 million) has been transferred from retained earnings to special reserve.

3 Share options outstanding account -Share-based compensation reserves represent the equity-settled shares and share options granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting year commencing from the grant date of equity-settled shares and share options and is reduced by the expiry of the share options.

4 The provisions of the Companies Act, 2013 read with the related rules require a company issuing debentures to create a Debenture redemption reserve (DRR) of 10% of the value of debentures issued, either through a public issue or on a private placement basis, out of the profits of the Company available for payment of dividend. The amounts credited to the DRR can be utilised by the Company only to redeem debentures.

The details of movement in debenture redemption reserve during the year is as below:
DRR Created during the year ended March 31, 2022- ₹ 320.0 Million

5 Retained earnings represents the accumulated profits of the Group.

6 The capital reserve was generated on account of acquisition of NCML Finance Private Limited in the financial year 2015-2016

		31 March 2022	31 March 2021
20	**Borrowings**		
	Secured loan:*		
	Non convertible debenture (refer note (f) below)	2,986.7	3,200.0
	Term loan		
	(i) from banks (refer note (a), (b), (d), (e), (g) and (h) below)	1,780.7	891.8
	Less : Unamortised transaction cost	(32.1)	(41.3)
	Unsecured loan		
	Compulsory convertible debentures (refer note 4 below)	587.5	749.6
		5,322.8	**4,800.1**

* Amount disclosed under "Borrowings- Current" Rs. 513.0 million (31 March 2021: Rs. 182.9 million) (refer note 25).

(Currency : Indian Rupees in Million)

Sub-notes:

	Nature of security	Entity	Terms:
1	**Nature of security**	**Entity**	**Terms:**
(a)	Long-term loan taken from Yes bank amounting to Rs 88.4 Million (31 March 2021: Rs 88.8 Million) are secured by way on lien on Fixed deposit of Rs 97.7 Million and undermentioned security.	National Commodities Management Services Limited	- Term loan taken from Consortium of banks carries interest rate at base rate plus 0.25%, repayable in 32 unequal quarterly installments starting from 30 June 2015
(b)	Long-term loan taken from ICICI Bank amounting to Rs 31.0 Million (31 March 2021: Rs 44.4 Million) are secured by way on lien on Fixed deposit of Rs. 66.0 Million and undermentioned security.	National Commodities Management Services Limited	- Term loan taken from ICICI banks carries interest rate at base rate plus 0.15%, repayable in 33 (thirty three) unequal quarterly installments starting from 28 March 2016
(c)	Long-term loan taken from NABARD amounting to Nil (31 March 2021: Rs 168.0 Million classified under borrowings-current). Secured by NIL assets.	National Commodities Management Services Limited	- Term loan taken from NABARD at interest rate of 9.50% pa , repayable in 20 equal quarterly installments of Rs. 56 Million starting from 1 January 2017, repaid in full on 1 Nov 2021.
(d)	Long-term loan taken from KVB (under ECLGS 2.0 scheme) amounting to Rs 59.1 Million (31 March 2021: Rs 59.1 Million) are secured by way on second pari passu charge on Current assets	National Commodities Management Services Limited	- Term loan taken from KVB at interest rate of Base rate (EBR -R) plus 1% pa , repayable in 48 equal quarterly installments of Rs. 12.3 Million starting from 5 April 2022.
(e)	Long-term loan taken from IndusInd Bank (under ECLGS 2.0 scheme)amounting to Rs 120.0 Million (31 March 2021: Rs NIL Million) are secured by way on second pari passu charge on Current assets	National Commodities Management Services Limited	- Term loan taken from IndusInd Bank at interest rate of Base rate (EBLR -R) plus 0.05% pa subject to max of 9.25% and presently 8.30% , repayable in 48 equal quarterly installments of Rs. 250 Million starting from 30 September 2022.
(f)	Long-term loan in the form of NCD issued to debenture holder- FMO (Financierings-Maatschappij voor Ontwikkelingslanden) amounting to Rs 3,200.0 Million (31 March 2021: Rs 3,200.0 Million) is secured by undermentioned security. (refer point (i) below)	National Commodities Management Services Limited	- Long-term loan in the form of NCD carries interest rate 9.47% p.a., repayable after 36 months in March 2023 (Rs. 213.0 Million) and after 42 months (Rs. 2,987.0 Million) or as may be extended in accordance with the terms of the Debenture Trust Deed.
(g)	Long-term loan taken from IndusInd Bank amounting to Rs. 652.1 million (31 March 2021: Rs. nil million) is secured by charge of all the movable and immovable fixed assets of the company to the extent allowed as per concession agreement	NCML Batala Private Limited & NCML Chhehreatta Private Limited	- Term loan repayable in 44 quarterly installments with tenure of 12 years from the date of first drawdown including construction period 6 months and moratorium of 12 months Rate of interest: 7.8 % (MIBOR linked INR IRS structure fixed to floating)
(h)	Long-term loan taken from Yes Bank amounting to Rs. 884.5 million (31 March 2021: Rs. 714 million) is secured by security mentioned in point (ii) below.	NCML Bhattu Private Limited & NCML Sonepat Private Limited	- Term loan carries interest rate at 3 months MCLR plus 0.57%, repayable in 68 unequal quarterly installments commencing after 1 year of commercial operations date (COD).

Security:

(i) Related to FMO

- Exclusive mortgage and charge over the 29 immovable (whether tangible or intangible) project properties and assets (including Insurance Contracts), both present and future with Debenture Holder, FMO.

- Assignment of all the clearances of the obligor (to the extent assignable under applicable law and to the satisfaction of the rupee lenders)

- Assignment of the Obligor's rights under each of the Project Documents, Consents to Assignment from the relevant counterparties to such Project Documents to the satisfaction of the Facility Agent

- Exclusive charge on the respective Accounts formed under the Escrow Account Agreement and any other bank accounts of the Obligor or to be created by the Obligor under any Project Documents and all monies in such accounts

-Assignment on any letter of credit and/or performance bonds and/ or guarantee provided by any Contractor/ counter-party in favour of the Obligor.

(Currency : Indian Rupees in Million)

(ii) Related to NCML Bhattu Private Limited & NCML Sonipat Private Limited
- Exclusive charge on all movable and immovable assets of the subsidiary company (to the extent permissible in concession agreement)
- Exclusive charge /assignment of all revenues, current assets and receivables of the subsidiary company
- Exclusive charge on all bank accounts including without limitation, the escrow account to be established by the subsidiary company and each of the other accounts required to be created by the subsidiary company under any project document or contract or any account opened
- Exclusive charge on all intangible assets including but not limited to the goodwill, undertaking, uncalled capital and intellectual property rights of the subsidiary company
- Exclusive charge / assignment in favour of security trustee on all the rights, titles and interests of the subsidiary company from all contracts, insurance policies, licenses in, to and under all assets and all project agreements which the subsidiary company is party to including contractor guarantees, liquidated damages and all other contracts
- Exclusive charge / assignment in favour of the security trustee of all the right title, interest, benefits, claims and demands whatsoever of the subsidiary company in any letter of credit, guarantee, performance bond provided by any party
-Exclusive charge on / assignment of security package pertaining to the project listed in the financing documents (if any), including termination payments (if any) due in respect of the project in specified circumstances
-Pledge of the equity shares held by the Holding Company in the share capital of the subsidiary company of 30% of the total paid up equity share capital of the subsidiary company in favour of the senior lander and NDU for the balance
-Corporate guarantee from the Holding Company.

2 Default in repayment of principal and interest Rs. Nil (31 March 2021: Rs. Nil)

3 Non-compliances of debt covenants are considered not material as waiver has been obtained by the Holding Company from debenture trustee through a letter dated 27 May 2022.

Fair value and carrying value of Borrowings

	Interest rate	Maturity	31 March 2022 Fair value	31 March 2022 Carrying Amount
Non-current liabilities				
Secured loan:				
Term loan from Yes bank	7.10% to 8.20%	31 March 2024	88.9	88.9
Term loan from Yes bank	9.37% to 9.45%	25 July 2039	897.4	897.4
Term loan from Indusind bank	7.80%	30 April 2035	652.1	652.1
Term loan from ICICI bank	7.90% to 8.60%	31 March 2024	31.0	31.0
Term loan from KVB Bank (ECLGS 2.0)	8.20%	5 June 2024	59.1	59.1
Term loan from GECL Indusind Bank	9.50%	1 November 2021	120.0	120.0
Non-convertible debentures	9.47%	18 September 2023 or as extended in accordance with Debenture Trust Deed	3,200.0	3,200.0
Unsecured loan - Compulsory convertible debentures	12.50%	30 September 2030	819.4	819.4
Total interest-bearing liabilities			**5,867.9**	**5,867.9**
Borrowings shown as current/ non current				
Current (refer Note 25)*				513.0
Non- current*				5,354.9

	Interest rate	Maturity	31 March 2021 Fair value	31 March 2021 Carrying Amount
Non-current liabilities				
Secured loan:				
Term loan from Yes bank	7.10% to 8.20%	31 March 2024	88.9	88.9
Term loan from Yes bank	9.37% to 9.45%	25 July 2039	714.3	714.3
Term loan from ICICI bank	7.90% to 8.60%	31 March 2024	44.4	44.4
Term loan from KVB Bank (ECLGS 2.0)	8.20%	5 June 2024	59.1	59.1
Term loan from financial institutions - NABARD	9.50%	1 November 2021	168.0	168.0
Non-convertible debentures	9.47%	18 September 2023 or as extended in accordance with Debenture Trust Deed	3,200.0	3,200.0
Unsecured loan - Compulsory convertible debentures	12.50%	30 September 2030	749.6	749.6
Total interest-bearing liabilities			**5,024.3**	**5,024.3**
Borrowings shown as current/ non current				
Current (refer Note 25)*				182.9
Non- current*				4,841.4

*Excluding unamortised transaction cost

(Currency : Indian Rupees in Million)

4 During the year ended 31 March 2020, the Company on a private placement basis offered to issue upto 112,000,000 unsecured compulsory convertible debentures (CCD) of Rs 10 each at par to the equity shareholders of the Company on its records as at 6 September 2019. Pursuant, to the offer the Holding Company, FIH Mauritius Investments Limited, subscribed to 100,274,482 CCD, in the proportion of its holding. These CCD were subsequently allotted on 1 October 2019. The coupon rate for the compulsory convertible debentures is 12.50%. The Company has seperated the liability and euity component of the CCD, and has accordingly recognised as financial liabilities amounting to Rs. 693.9 million and portion of equity amounting to Rs 308.8 million on the initial recognition of CCD. The Company has determined the coupon rate for the identification of equity component of CCD.

5 **Reconciliation of liabilities arising from financing activities**

	Non current Borrowings	Lease liability	Current Borrowings	Total
As on 01 April 2021	5,024.2	175.1	1,647.8	6,847.0
Proceeds from borrowings	955.7	-	-	955.7
Repayment of borrowings	(181.4)	(45.3)	-	(226.7)
Proceeds / (repayment) of short term borrowings (net)	-	-	(169.5)	(169.5)
Non-cash:				
Increase in lease liability	-	105.3	-	105.3
Interest	69.3	(20.6)	(88.9)	(40.2)
As on 31 March 2022	**5,867.8**	**214.6**	**1,389.4**	**7,471.7**

	Non current Borrowings	Lease liability	Current Borrowings	Total
As on 01 April 2020	4,809.8	51.7	3,298.0	8,159.5
Proceeds from borrowings	445.6	-	-	445.6
Repayment of borrowings	(248.1)	(37.5)	-	(285.6)
Interest paid on CCD	(67.4)	-	-	(67.4)
Proceeds / (repayment) of short term borrowings (net)	-	-	(1,667.8)	-
Non-cash:				
Increase in lease liability	-	145.7	-	145.7
Interest	84.3	15.2	17.6	117.1
As on 31 March 2021	**5,024.2**	**175.1**	**1,647.8**	**8,515.0**

		31 March 2022	31 March 2021
21	**Other financial liabilities**		
	Security deposit	2.1	2.1
		2.1	**2.1**
22	**Provisions**		
	Provision for compensated absences (refer note 48)	15.9	22.1
	Contingent provision against standard assets	2.1	-
	Provision for gratuity (refer note 48)	0.3	0.3
		18.3	**22.4**
23	**Deferred tax liabilities**		
	Deferred tax liabilities (refer note 42(d))	42.9	21.9
		42.9	**21.9**
24	**Other non-current liabilities**		
	Government grants (refer note 47)	153.0	150.8
		153.0	**150.8**

(Currency : Indian Rupees in Million)

25 Borrowings - current

From banks - secured		
Short term loans (refer sub-note 1)	1,300.6	1,630.2
Cash credit facility (refer sub-note 2)	74.4	-
Current maturities of non current borrowings (Refer note 20.1)	513.0	182.9
Less : Unamortised transaction cost	(9.2)	(9.1)
Interest accrued but not due on term loans from banks	14.4	17.6
	1,893.2	**1,821.6**

Sub-notes:

1 Short-term loans taken from banks carries interest ranging between 7.35% to 11.00% (31 March 2021 - 0.85% to 10.95%), computed on a monthly basis on the actual amount utilised, and are repayable on demand. Short-term loans from bank is secured by way of charge on stock of commodities and receivables, ranking pari passu among participating banks.

2 Cash credit and overdraft facility from banks carries interest ranging between 7.25% to 12.05% (31 March 2021 - 7.30% to 12.00%), computed on a daily basis on the actual amount utilised, and are repayable on demand. Cash credit facility from bank is secured by way of charge on stock of commodities and receivables, ranking pari passu among participating banks.

3 Default in repayment of principal and interest Rs. nil (31 March 2021: Rs. nil).

4 **Fair value and carrying value**

		31 March 2022	
	Nominal interest rate	**Maturity**	**Carrying Amount**
Current liabilities			
Secured short term loan	7.35% to 11.00%	Less than 1 year	1,300.6
Secured cash credit and overdraft facility	7.25% to 12.05%	Less than 1 year	74.4
Interest accrued but not due on term loans from banks	7.25% to 12.05%	Less than 1 year	14.4
Total interest-bearing liabilities			1,389.4

		31 March 2021	
	Nominal interest rate	**Maturity**	**Carrying Amount**
Current liabilities			
Secured short term loan*	0.85% to 10.95%	Less than 1 year	1,630.2
Interest accrued but not due on term loans from banks*	0.85% to 10.95%	Less than 1 year	17.6
Total interest-bearing liabilities			1,647.8

* Secured Short Term loans includes Supplier / Buyers Credit loan which are in foreign currency and interest rates ranges from 0.85% - 1.13%

5 **Current maturities of non current borrowings**

	31 March 2022	31 March 2021
Secured loans		
Non convertible debentures	231.9	-
Term loans		
from banks	281.1	14.9
from financial institution	-	168.0
Total	**513.0**	**182.9**

26 Trade payables

	31 March 2022	31 March 2021
Total outstanding dues of micro enterprise and small enterprise (refer note 51)	6.2	9.0
Total outstanding dues of creditors other than micro enterprise and small enterprise	261.8	212.3
	268.0	**221.3**

(Currency : Indian Rupees in Million)

		31 March 2022	31 March 2021
27	**Other financial liabilities**		
	Payable for capital expenditure	264.0	245.9
	Security deposits	2.6	6.1
	Margin money payable	5.4	17.8
	Payable to employees*	42.0	41.5
	Liabilities towards contract**	57.1	57.1
	Others	2.4	-
		373.5	**368.4**

*includes amount of ESOP cash settlement
**liability pertains for obligations towards one of the customers

		31 March 2022	31 March 2021
28	**Other current liabilities**		
	Advance from customers (refer note 52)	38.3	142.6
	Statutory dues	67.0	55.2
	Government grants (refer note 47)	4.7	4.6
	Provision for corporate social responsibility expenses	-	2.8
	Others	-	2.7
		110.0	**207.9**
29	**Provisions**		
	Provision for compensated absences (refer note 48)	7.2	11.3
	Provision for gratuity (refer note 48)	26.6	32.6
	Provision for litigations (refer note 50)	257.7	265.5
	Provision for taxation (net of advance tax)	-	6.5
		291.5	**315.9**

(Currency : Indian Rupees in Million)

	Ageing of Trade Receivables	Unbilled (Refer Note 16)	Outstanding for following periods from the due date as on 31 March 2022					
			Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	**Undisputed trade receivables**							
	- considered good	126.3	286.9	62.3	48.4	15.9	-	**413.5**
	- which have significant increase in credit risk	-	22.7	13.3	31.7	32.7	196.6	**297.0**
	- credit impaired	-	(22.7)	(13.3)	(31.7)	(32.7)	(196.6)	**(297.0)**
(ii)	**Disputed trade receivables**							
	- considered good	-	2.0	4.0	0.3	1.2	177.8	**185.3**
	- which have significant increase in credit risk	-	0.3	0.5	166.5	21.1	57.5	**245.9**
	- credit impaired	-	(0.3)	(0.5)	(166.5)	(21.1)	(57.5)	**(245.9)**
	Total	**126.3**	**288.9**	**66.3**	**48.7**	**17.1**	**177.8**	**598.8**

	Ageing of Trade Receivables	Unbilled (Refer Note 16)	Outstanding for following periods from the due date as on 31 March 2021					
			Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	**Undisputed trade receivables**							
	- considered good	172.6	328.2	235.4	56.8	44.8	-	**665.2**
	- which have significant increase in credit risk	-	7.0	9.7	8.5	78.9	338.1	**442.2**
	- credit impaired	-	(7.0)	(9.7)	(8.5)	(78.9)	(338.1)	**(442.2)**
(ii)	**Disputed trade receivables**							
	- considered good	-	0.4	0.7	0.3	13.3	148.6	**163.3**
	- which have significant increase in credit risk	-	-	-	0.1	0.9	4.8	**5.8**
	- credit impaired	-	-	-	(0.1)	(0.9)	(4.8)	**(5.8)**
	Total	**172.6**	**328.6**	**236.1**	**57.1**	**58.1**	**148.6**	**828.5**

National Commodities Management Services Limited

CIN : U74140MH2004PLC148859

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(Currency : Indian Rupees in Million)

	Ageing of Trade Payables	Not Due	Outstanding for following periods from the due date as on 31 March 2022				
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i)	**Undisputed trade payables**						
	- Micro enterprises and small enterprises	-	4.8	0.6	0.4	0.4	**6.2**
	- Others	215.4	20.8	7.6	6.0	12.0	**261.8**
(ii)	**Disputed trade payables**						
	- Micro enterprises and small enterprises	-	-	-	-	-	-
	- Others	-	-	-	-	-	-
	Total	**215.4**	**25.6**	**8.2**	**6.4**	**12.4**	**268.0**

	Ageing of Trade Payables	Not Due	Outstanding for following periods from the due date as on 31 March 2021				
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i)	**Undisputed trade payables**						
	- Micro enterprises and small enterprises	-	7.7	0.8	0.3	0.2	**9.0**
	- Others	139.0	34.3	20.0	7.1	11.9	**212.3**
	Disputed trade payables	-	-	-	-	-	
(ii)	**- Micro enterprises and small enterprises**						-
	- Others	-	-	-	-	-	-
	Total	**139.0**	**42.0**	**20.8**	**7.4**	**12.1**	**221.3**

(Currency : Indian Rupees in Million)

	31 March 2022	**31 March 2021**
30 Revenue from operations		
(a) Sales of goods	743.1	3,275.8
(b) Sale of services :		
Warehousing services	1,165.5	1,077.8
Testing and certification	261.9	257.4
Weather and market intelligence	201.8	144.2
Vehicle management services	117.2	35.2
Construction contract revenue	-	35.4
Transaction charge on electronic auction	4.8	4.7
(c) Finance services:		
Interest income from finance operations	112.2	159.4
(d) Other operating income :		
Revenue from silos (refer note 56)	337.4	103.0
Other	-	0.2
	2,943.9	**5,093.1**

Sub-note:

1 Reconciliation of revenue recognised with contract price:

Contract price	2,943.9	5,093.1
	2,943.9	**5,093.1**

31 Other income		
Interest income on:		
- Fixed deposits	40.7	77.1
- Income tax refund	1.9	15.9
- Others	1.9	3.2
Liabilities no longer required written back	0.0	2.1
Gain on sale of property, plant and equipment (net)	8.7	26.0
Government grants (refer note 47)	6.6	8.7
Miscellaneous income	1.1	7.8
	60.9	**140.8**

32 Changes in inventories of stock-in-trade		
Opening inventories		
Traded goods at fair value	-	52.1
Traded goods valued at lower of cost or net realisable value	219.2	638.2
	219.2	**690.3**
Less: Closing inventories		
Traded goods at fair value	10.1	-
Traded goods valued at lower of cost or net realisable value	-	219.2
	10.1	**219.2**
	209.1	**471.1**

33 Cost of operations		
Direct costs attributable to silo	235.8	78.5
	235.8	**78.5**

34 Employee benefits expense		
Salaries, wages and bonus*	426.6	445.8
Contribution to provident and other funds (refer note 48)	34.3	23.6
Shared based payments to employees (refer note 46 (d))	-	(13.0)
Staff welfare expenses	0.7	5.8
	461.9	**462.2**

*Excluding amount transferred to capital work in progress

(Currency : Indian Rupees in Million)

	31 March 2022	31 March 2021

35 Finance costs

	31 March 2022	31 March 2021
Interest on current borrowings	108.5	152.4
Interest on non current borrowings	29.3	52.2
Interest on non convertible debenture	302.4	302.4
Interest on compulsory convertible debenture (refer note 39)	79.2	84.3
Interest on lease obligations (refer note 40)	20.6	15.2
Other borrowing costs	122.8	2.8
Interest expense on delay in payment of advance tax	-	0.5
	662.8	**609.8**
Less: Transfer to capital work-in-progress	355.0	276.9
	307.8	**332.9**

36 Depreciation and amortisation

Depreciation on property, plant and equipment (refer note 5)	189.7	185.3
Amortisation on intangible assets (refer note 6.1)	19.3	20.6
Amortisation on right of use assets (refer note 5.1)	36.3	31.7
	245.3	**237.6**

37 Other expenses

Lease rentals:		
- Warehouse rent (refer note 40)	201.2	161.3
- Office rent (refer note 40)	2.2	14.5
Outsourcing expenses	85.9	109.4
Security expenses	45.8	43.9
Storage charges	179.5	101.6
Dunnage and fumigation	38.5	32.5
Professional fees	90.4	85.2
Provision against claims receivables	0.8	347.7
Warehousing service expenses	25.1	18.5
Insurance	74.2	65.6
Testing and certification charges	61.1	29.4
Travelling and conveyance expenses	59.0	57.3
Postage, courier and telephone charges	21.5	23.3
Repairs and maintenance - others	56.6	53.1
Allowance for credit impaired trade receivables (including bad debts written off)	232.6	117.2
Allowance for credit impaired advances	99.3	92.7
Electricity charges	29.0	26.5
Rates and taxes	51.4	48.7
Bank charges	16.3	21.8
Directors' sitting fees (refer note 39)	0.6	-
Corporate social responsibility expenses	1.8	3.9
Provision for standard assets	0.4	-
Provision for non-performing assets	3.1	3.6
Foreign exchange loss	0.8	5.8
Weather station expenses	51.2	49.8
Vehicle management expenses	107.7	32.3
Allowance for capital advances	58.3	-
Miscellaneous expenses	56.9	40.0
	1,651.2	**1,585.6**

(Currency : Indian Rupees in Million)

45 Financial risk management

Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the group is exposed to and how the group manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost and other financial assets	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other financial liabilities including trade payables	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Suppliers credit
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Group's risk management is carried out by a central treasury department (of the Group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

A Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial assets with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in consolidated statement of profit and loss.

The Group provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss
High credit risk	Loans, trade receivables and other financial assets	Life time expected credit loss (when there is significant deterioration) or specific provision, whichever is higher

In respect of trade receivable that results from contracts with customers, loss allowances is always measured at lifetime expected credit losses.

Financial assets that expose the entity to credit risk* –

Particulars		As at 31 March 2022	As at 31 March 2021
(i)	**Low credit risk on financial reporting date**		
	Loans	566.1	993.0
	Cash and cash equivalents	781.9	584.1
	Other bank balances	794.2	829.4
	Trade receivables	598.8	828.5
	Other financial assets	976.3	981.0
(ii)	**High credit risk**		
	Loans	2.9	0.8
	Trade receivables	542.9	448.0
	Other financial assets	653.4	599.6
		4,916.4	**5,264.4**

*These represent carrying values of financial assets, without deduction for expected credit losses

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

The Group closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Group assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become three year past due.

Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

(Currency : Indian Rupees in Million)

b) Expected credit losses for financial assets

i) Expected credit losses for financial assets other than trade receivables

Group provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial assets for expectation of any credit losses.
- For cash & cash equivalents and other bank balances - Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For other financial assets - Credit risk is evaluated based on Group's knowledge of the credit worthiness of those parties and loss allowance is measured. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the Group can draw to apply consistently to entire population. For such financial assets, the Group's policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The reconciliation of expected credit loss recorded for all sub categories of financial assets (other than trade receivables) are disclosed below.

31 March 2022

Particulars	Gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Loans (refer note 7 & 15)	569.0	2.9	566.1
Other financial assets (refer note 8 & 16)	1,629.7	653.4	976.3

31 March 2021

Particulars	Gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Loans (refer note 7 & 15)	993.8	0.8	993.0
Other financial assets (refer note 8 & 16)	1,580.7	599.6	981.0

(ii) Expected credit loss for trade receivables under simplified approach

The Group uses expected credit loss model to assess the impairment loss. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Group's historical experience for customers. The Group based upon past trends determines an impairment allowance for loss on receivables from others

Particulars	0 - 6 months	6 - 12 months	More than 12 months
As at 31 March 2022			
Trade receivables	311.9	80.1	749.7
Expected probability of default	7%	17%	68%
Expected credit losses	23.0	13.8	506.1
As at 31 March 2021			
Trade receivables	335.6	245.8	695.1
Expected probability of default	2%	4%	62%
Expected credit losses	7.0	9.7	431.3

B Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

To ensure continuity of funding, the Group primarily uses short-term bank facilities in nature of cash credit facility, bank overdraft facility and short term borrowings, to fund its ongoing working capital requirement and growth needs.

Further, the Group has obtained long-term secured borrowings from banks, financial institutions and debenture holders as referred in note 20.1 to fund its warehouse & silos construction.

a) Financing arrangements

Undrawn borrowing facilities at the end of the reporting year to which the Group had access is Rs. 90.4 million (31 March, 2021: Rs. 252.3 million).

b) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Less than 1 year	1-3 year	More than 3 years	Total
31 March 2022				
Borrowings*	1,893.2	2,336.1	2,986.7	**7,216.0**
Lease liabilities	25.7	63.1	125.9	**214.5**
Trade payable	268.1	-	-	**268.1**
Other financial liabilities	373.5	2.1	-	**375.6**
Total	**2,560.5**	**2,401.2**	**3,112.6**	**8,074.3**

Particulars	Less than 1 year	1-3 year	More than 3 years	Total
31 March 2021				
Borrowings*	1,821.6	1,600.1	3,200.0	**6,621.7**
Lease liabilities	16.6	70.2	88.3	**175.0**
Trade payable	221.2	-	-	**221.2**
Other financial liabilities	368.4	2.1	-	**370.5**
Total	**2,427.7**	**1,672.4**	**3,288.3**	**7,388.4**

* includes only future principal payments

(Currency : Indian Rupees in Million)

C Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk, and price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Foreign currency risk

The portion of the business is transacted in foreign currency and consequently the Group is exposed to foreign exchange risk through its purchases of commodities from overseas suppliers in foreign currency.

Contracts outstanding

Particulars		As at 31 March 2022		As at 31 March 2021	
	Currency	In FX	in INR	In FX	in INR
Suppliers credit	USD	-	-	4.3	316.5

Particulars of unhedged foreign currency exposures

Particulars		As at 31 March 2022		As at 31 March 2021	
	Currency	In FX	in INR	In FX	in INR
Import of capital goods (Silo's)	USD	-	-	0.0	0.5
Interest accrued but not due on suppliers credit	USD	-	-	0.0	0.7

Foreign Exchange Dealer's Association of India (FEDAI) USD vs INR rate as on 31 March 2022 : Rs 75.79 (31 March 2021 : Rs 73.50) has been considered for conversion from foreign currency to reporting currency.

b) Interest rate risk

i) Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on external financing. At 31 March 2022 and 31 March 2021, the Group is exposed to changes in interest rates through bank borrowings carrying variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

	31 March 2022	31 March 2021
Fixed rate instruments :		
Financial asset	951.7	1,324.6
Financial liabilities	(4,019.4)	(4,117.6)
	(3,067.6)	(2,793.0)
Variable rate instruments :		
Financial liabilities	(3,196.6)	(2,504.2)

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and consolidated profit or loss by the amounts shown below.

	Profit or (loss)		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 March 2022				
Secured bank loan - non current	(17.8)	17.8	(11.7)	11.7
Loan facility - current	(13.0)	13.0	(8.6)	8.6
Variable-rate instruments	(30.8)	30.8	(20.3)	20.3
31 March 2021				
Secured bank loan - non current	(8.9)	8.9	(5.9)	5.9
Loan facility - current	(16.3)	16.3	(10.7)	10.7
Variable-rate instruments	(25.1)	25.1	(16.6)	16.6

ii) Assets

The Group's interest bearing financial assets consist of advances and fixed deposits which are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(Currency : Indian Rupees in Million)

38 Operating segments

a) Basis of segmentation:

The Group's operating segments are the strategic business units through which it operates and report the business: warehousing services, trading of goods, finance services, silos and other segments. Each of these segments has developed its own strategy, goals and tactics in alignment with Group's overall corporate strategy. Segment results are reviewed internally by the Managing Director and CEO on a regular basis for the purpose of making decisions regarding resource allocations and performance assessments. Segments have been identified in line with the Ind AS 108 " Operating Segments" taking into account the organization structure as well as differential risks and returns of these segments. The Group has disclosed all the business segments as the primary segment. There is no reportable secondary segment (geographical segment). Inter- segment transactions are determined on arm's length basis. The measurement principles of segments are consistent with those used in significant accounting policies which are as under:

a. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses, which relate to the Group as a whole and are not allocable to a segment on reasonable basis have been disclosed as unallocable.

b. Segment assets and liabilities represent the assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as unallocable.

The following summary describes the operations of each reportable segments.

Reportable segment	Operations
Warehousing services	These include warehousing services in owned, leased, franchise as well as field warehouses. These activities also include custodial warehousing services for bank.
Trading of goods	Procurement, trading and relater solutions.
Finance services	Commodity finance with focus on rural and agri - business finance domain
Silo's	Construction, operation and maintenance of silo complex for storage of food grain
Others	Other reportable segment comprise of: (i) Testing and certification (ii) Commodity and weather intelligence (iii) Vehicle management services (iv) Business of design and development of, or otherwise to deal in design development, publishing and support applications software(s) used to conduct e-commerce, e-mail, instant messaging, online storefronts and shopping carts among others.

b) Information about reportable segments:

Particulars	31 March 2022	31 March 2021
1. **Segment revenue**		
a. Warehousing services	1,165.5	1,077.8
b. Trading of goods	743.1	3,275.8
c. Finance services	112.2	159.5
d. Silo's	337.4	102.8
e. Other services	585.7	477.2
Total	2,943.9	5,093.1
Less : Inter segment revenue	-	-
Revenue from operations	2,943.9	5,093.1
2. **Segment results**		
a. Warehousing services	(35.8)	(165.4)
b. Trading of goods	(137.9)	(26.2)
c. Finance services	62.6	59.0
d. Silo's	(40.4)	21.2
e. Other services	(121.7)	(24.9)
Total	**(273.2)**	**(136.3)**
Less: Finance costs	307.8	332.9
Other un-allocable expenditure net off un-allocable income	36.3	173.8
3. Loss before tax	**(617.3)**	**(643.0)**
Less: Tax expenses	26.5	(65.3)
4. Loss after tax	**(643.8)**	**(577.7)**
Segment assets		
a. Warehousing services	4,559.6	5,074.1
b. Trading of goods	150.1	494.1
c. Finance services	1,273.9	1,669.2
d. Silo's	5,960.3	4,928.8
e. Other services	850.7	889.4
f. Unallocated corporate	1,822.1	1,615.9
Total (A)	**14,616.7**	**14,671.5**
Segment liabilities		
a. Warehousing services	592.8	587.1
b. Trading of goods	21.9	123.7
c. Finance services	26.9	430.4
d. Silo's	1,908.1	1,027.7
e. Other services	276.2	171.7
f. Unallocated corporate	5,863.9	5,766.9
Total (B)	**8,689.8**	**8,107.5**
Total (A) – (B)	**5,926.9**	**6,564.0**

c) Geographic information:

The Group primarily operates in domestic market i.e. in India, therefore disclosures relating to geographical segments is not applicable and accordingly not made.

d) Major customer :

Group's exposure to customers are diversified and no single customer contribution is more than 10% of revenue and outstanding trade receivables as at 31 March 2022.
Revenue from two major customers of the Company of the trading segment represents approximately Rs. 1,188.3 million (23% of total revenue from operations) of the Company's total revenues for the year ended 31 March 2021.

(Currency : Indian Rupees in Million)

39 Related parties

In accordance with the requirements of Ind AS -24 " Related Party Disclosures" , following are the details of the transactions during the year with the related parties of the Group.

Name of the related party	Nature of relationship
Fairfax India Holdings Corporation	Ultimate Holding Company
FIH Mauritius Investments Limited	Intermediate Holding Company
Mr. Siraj A. Chaudhry (Managing Director and CEO)	Key management personnel
Mr. Unupom Kausik (Director and President) (till 12 October 2021)	Key management personnel
Mr. Anuj Kumar Vasdev	Key management personnel
Ms. Rupinder Kaur	Key management personnel
Ms. Zohra Chatterji	Independent Director
Mr. Pravin Kumar Vohra	Independent Director
Mr. Sunil Behari Mathur (till 30 September 2021)	Independent Director
Fellow subsidiaries with whom transaction have taken place	
Quess Corp Limited	Fellow subsidiary

Transactions with controlling party:

Related party	Nature of transaction	31 March 2022	31 March 2021
FIH Mauritius Investments Limited	Interest expenses	79.2	84.3

Transactions with key management personnel :

Related party	Nature of transaction	31 March 2022	31 March 2021
Mr. Siraj A. Chaudhry	Remuneration	39.5	40.0
	Post employment benefits	0.5	2.5
Mr. Unupom Kausik	Remuneration	13.1	15.0
	Employee stock compensation expense	5.1	-
	Post employment benefits	2.0	3.0
Mr. Anuj Kumar Vasdev	Remuneration	9.8	8.5
	Post employment benefits	0.2	0.3
Ms. Rupinder Kaur	Remuneration	0.7	0.3
	Post employment benefits	0.0	0.3
Mr. Sunil Behari Mathur	Director sitting fees	0.1	0.3
Mr. Pravir Kumar Vohra	Director sitting fees	0.6	0.4
Ms. Zohra Chatterji	Director sitting fees	0.6	0.4

Note: Post employment benefits and other employee benefit (i.e. compensated absences) are based on the actuarial valuation and amounts are not separately identifiable for year ended 31 March 2022 and 31 March 2021.

Transactions with fellow subsidiary :

Related party	Nature of transaction	31 March 2022	31 March 2021
Quess Corp Limited	Outsourcing expenses	58.4	69.3

Related party	Balances Outstanding	As at 31 March 2022	As at 31 March 2021
FIH Mauritius Investments Limited	Unsecured compulsory convertible debentures	819.4	749.6
Thomas Cook Limited*	Advance to supplier	0.2	0.2
Quess Corp Limited*	Advance to supplier	7.4	0.4

* Impairment of advance to supplier amounting to Rs 7.6 million (31 March 2021 Rs 0.4 million)

40 Disclosure on Ind-AS 116 Leases

In consolidated statement of profit and loss, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance costs for interest accrued on lease liability.

The effect of depreciation and interest related to right of use asset and lease liability are reflected in the consolidated statement of profit and loss under the heading "finance costs" and "depreciation and amortisation expense" respectively under Note No 35 and 36.

Following are the changes in the carrying value of right of use assets :

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	182.4	68.4
Additions	105.3	145.7
Reversal	(75.0)	-
Depreciation (net off adjustments)	(14.1)	(31.7)
Closing balance	**198.6**	**182.4**

(Currency : Indian Rupees in Million)

The following is the break-up of current and non-current lease liabilities :

Particulars	As at 31 March 2022	As at 31 March 2021
Lease liabilities - current	25.7	16.6
Lease liabilities - non-current	188.8	158.5
	214.5	**175.1**

The following is the movement in lease liabilities :

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	175.1	51.7
Additions during the year	105.3	145.7
Interest charged	(20.6)	15.2
Payments made	(45.3)	(37.5)
Closing balance	**214.5**	**175.1**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases / low value lease is Rs 203.4 million for the year ended 31 March 2022 (31 March 2021: Rs 175.8 million).

The Company has taken weighted average incremental borrowing rate of 9.5%

Operating lease commitments - Income

	As at 31 March 2022	As at 31 March 2021
Not later than 1 year	321.3	103.1
Later than 1 year and not later than 5 years	3,837.0	3,323.2
Later than 5 years	44,168.5	45,003.6

Maturity of lease liabilities

	As at 31 March 2022	As at 31 March 2021
Non later than 1 year	25.7	16.6
Later than 1 year and not later than 5 years	124.4	70.2
Later than 5 years	64.4	88.3

41 Earnings per share

		31 March 2022	31 March 2021
Basic earnings per share			
Loss attributable to the equity share holders of the group	(A)	(643.8)	(577.7)
Weighted-average number of equity shares outstanding during the year - basic	(B)	147,438,736	147,411,736
Basic earnings per share	(A)/(B)	**(4.37)**	**(3.92)**
Diluted earnings per share			
Weighted-average number of equity shares considered for basic earnings per share		147,438,736	147,411,736
Weighted-average number of employee stock options / compulsory convertible debenture for dilutive earning per share (Nos)	(C)	14,746,247	14,773,247
Weighted-average number of equity shares considered for diluted earnings per share (based on date of issue of shares) (Nos)	(D)=(B)+(C)	162,184,983	162,184,983
Loss for the year considered for diluted earning per share	(E)	**(592.3)**	**(522.8)**
Diluted earnings per share#	(E)/(D)	**(4.37)**	**(3.92)**

Since the diluted earning per share is anti-dilutive, dilutive earning per share is restricted to basic earning per share.

42 Income taxes

a) Amount recognised in the consolidated statement of profit and loss

	31 March 2022	31 March 2021
Current tax expense :		
Current year	12.7	15.0
	12.7	**15.0**
Deferred tax expense :		
Deferred tax expense/ (credit)	13.8	(80.3)
	13.8	**(80.3)**
Tax expenses/ (credit) for current year	**26.5**	**(65.3)**

(Currency : Indian Rupees in Million)

b) Amount recognised in OCI

	31 March 2022	31 March 2021
Remeasurement (losses) on post employment defined benefit plan	(2.7)	(1.5)

c) Reconciliation of effective tax rate

	31 March 2022 Percentage	Amount	31 March 2021 Percentage	Amount
(Loss) before tax from continuing operations		(617.3)		(643.0)
Tax using the Group's domestic tax rate	34.94%	(215.7)	34.94%	(224.7)
Tax effect of:				
Deferred tax asset not recognised on current year loss and other items		816.3		188.5
Tax impact of lower tax rates in subsidiaries		-		(8.8)
Provision for current tax of earlier years		0.8		1.3
Others		16.6		(36.6)
		13.8		**(80.3)**

d) Movement in deferred tax balances

	Net balances at 1 April 2021	Recognised in the statement of profit and loss	Recognised in OCI	Net	Balance at 31 March 2022 Deferred tax asset	Deferred tax liabilities
Property, plant and equipment and intangible assets	(97.9)	27.2	-	27.2	-	(70.7)
Provision for standard assets	1.7	-		-	1.7	-
Provision for litigation	92.7	-	-	-	92.7	-
MAT credit entitlement	98.7	(25.1)	-	(25.1)	73.6	-
Carry forward losses	40.6	-		-	40.6	-
Employee benefits	24.2	0.3	(2.7)	(2.4)	21.8	-
Trade and other receivables	346.0	(2.4)	-	(2.4)	343.6	-
Impairment of Assets	62.5	-	-	-	62.5	-
MTM valuation of inventory	8.4	-		-	8.4	-
Other items	(5.8)	7.2	-	7.2	1.4	-
Tax assets (liabilities) before set-off (A)	**571.9**	**7.2**	**(2.7)**	**4.5**	**646.3**	**(70.7)**
Set-off of deferred tax liabilities					(70.7)	
Net deferred tax assets					**575.6**	

	Net balances at 1 April 2021	Recognised in the statement of profit and loss	Recognised in OCI	Net	Balance at 31 March 2022 Deferred tax liabilities	Deferred tax assets
Other items	21.9	21.0	-	21.0	42.9	-
Tax liabilities (B)	**21.9**	**21.0**	**-**	**21.0**	**42.9**	**-**
Net deferred tax liabilities					**42.9**	
Net recognised (A-B)		**(13.8)**	**(2.7)**			

	Net balances at 1 April 2020	Recognised in the statement of profit and loss	Recognised in OCI	Net	Balance at 31 March 2021 Deferred tax asset	Deferred tax liabilities
Property, plant and equipment and intangible assets	(69.3)	(28.6)	-	(28.6)	-	(97.9)
Provision for standard assets	1.5	0.2		0.2	1.7	-
Provision for litigation	97.5	(4.8)	-	(4.8)	92.7	-
MAT credit entitlement	98.7	-	-	-	98.7	-
Carry forward losses	40.6	-		-	40.6	-
Employee benefits	25.4	0.3	(1.5)	(1.2)	24.2	-
Trade and other receivables	181.1	164.9	-	164.9	346.0	-
Tax claim/deduction carried forward	105.5	(43.0)	-	(43.0)	62.5	-
MTM valuation of inventory	0.0	8.4		8.4	8.4	-
Other items	(0.2)	(4.8)	-	(4.8)	-	(5.0)
Tax assets (liabilities) before set-off (A)	**480.8**	**92.6**	**(1.5)**	**91.1**	**674.8**	**(102.9)**
Set-off of deferred tax liabilities					(102.9)	
Net deferred tax assets					**571.9**	

(Currency : Indian Rupees in Million)

	Net balances at 1 April 2020	Recognised in the statement of profit and loss	Recognised in OCI	Balance at 31 March 2021 Net	Deferred tax liabilities	Deferred tax assets
Other items	9.6	12.3	-	12.3	21.9	-
Tax liabilities (B)	**9.6**	**12.3**	**-**	**12.3**	**21.9**	**-**
Net deferred tax liabilities					**21.9**	
Net recognised (A-B)		**80.3**	**(1.5)**			

e) Unrecognised deferred tax assets

Deferred tax have not been recognised in respect of the following items, in absence of convincing evidence that future taxable profits will be available against which the Group can use the benefits therefrom.

For the year ended 31 March 2022	Within 1 year	Greater than one year and less than five year	Greater than five year	No expiry date	Total
Unutilized business loss specified business	-	-	-	(2,108.7)	(2,108.7)
Unutilized business loss other than specified business	-	(38.8)	(816.3)	-	(855.1)

For the year ended 31 March 2021	Within 1 year	Greater than one year and less than five year	Greater than five year	No expiry date	Total
Unutilized business loss specified business	-	-	-	(2,108.7)	(2,108.7)

(f) The Group has elected not to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Group has continued to measure tax expenses for the year ended 31 March 2022 based on the old rates. Six subsidiary companies of the Group has elected to exercise to option permitted under section 115BAA of the Income Tax Act - 1961.

43 Contingent liabilities and commitments

a) Contingent liabilities

	31 March 2022	31 March 2021
(a) Claims against the Group not acknowledged as debts		
(i) Claim made by a party in respect of disposal activity undertaken by the Group	23.8	18.5
(ii) Claims made by certain parties in respect of warehousing services provided	58.8	128.5
(b) Other money for which the Group is contingently liable:		
(i) Orissa VAT liability	4.6	4.6
	87.2	**151.6**

The Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its consolidated financial statements. The Group's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect of the Group's results of operations or financial condition.

b) Commitments

	31 March 2022	31 March 2021
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	642.6	982.3
(ii) Loans sanctioned but not disbursed (awaiting completion of documentation formalities by borrower)*	205.0	320.0
(iii) Undrawn credit limits/sanction amount by the borrowers*	586.0	744.4
	1,433.6	**2,046.7**

* pertains to loans given by NCML Finance Private Limited

44 Financial instruments

(a) The carrying value and fair value of financial instruments by categories as of 31 March 2022 and 31 March 2021 were as follows:

(Currency : Indian Rupees in Million)

	31 March 2022		
	Amortised cost	**Total carrying value**	**Total fair value**
Financial assets:			
Trade receivables (refer note 12)	598.8	598.8	598.8
Cash and cash equivalents (refer note 13)	781.9	781.9	781.9
Bank balances other than cash and cash equivalents (refer note 14)	794.2	794.2	794.2
Loans (refer note 7 and 15)	566.1	566.1	566.1
Other financial assets (refer note 8 & 16)	976.3	976.3	976.3
	3,717.2	**3,717.2**	**3,717.2**
Financial liabilities:			
Borrowings (refer note 20 & 25)	7,216.0	7,216.0	7,216.0
Lease Liabilities (refer note 40)	214.5	214.5	214.5
Trade payables (refer note 26)	268.0	268.0	268.0
Other financial liabilities (refer note 21 & 27)	375.6	375.6	375.6
	8,074.2	**8,074.2**	**8,074.2**

	31 March 2021		
	Amortised cost	**Total carrying value**	**Total fair value**
Financial assets:			
Trade receivables (refer note 12)	828.5	828.5	828.5
Cash and cash equivalents (refer note 13)	584.1	584.1	584.1
Bank balances other than cash and cash equivalents (refer note 14)	829.4	829.4	829.4
Loans (refer note 7 and 15)	993.0	993.0	993.0
Other financial assets (refer note 8 and 16)	981.0	981.0	981.0
	4,216.0	**4,216.0**	**4,216.0**
Financial liabilities:			
Borrowings (refer note 20 & 25)	6,621.7	6,621.7	6,621.7
Lease Liabilities (refer note 40)	175.1	175.1	175.1
Trade payables (refer note 26)	221.3	221.3	221.3
Other financial liabilities (refer note 21 & 27)	370.5	370.5	370.5
	7,388.7	**7,388.7**	**7,388.7**

b) Measurement of fair values

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. The management assessed that the fair values of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

2. The fair value of Group’s fixed interest-bearing loans that approximate to their carrying amounts as it is based on discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

3. All the other long-term borrowing facilities availed by the Group are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group’s creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

(Currency : Indian Rupees in Million)

46 Employee share-based payment plans

a) Description of share-based payment arrangements:

As at 31 March 2022, the Holding Company has the following share-based payment arrangements for employees.

The terms and conditions related to the grant of the share options are as follows:

Employees entitled	Number of options	Vesting conditions	Contractual life of options
MD and CEO	100,000	- Continued employment with the group	4 years
		- Performance parameters and appraisal set by Board	
Deputy CEO	150,000	- Continued employment with the group	4 years
		- Performance parameters and appraisal set by Board	
Senior employees	460,000	- Continued employment with the group	4 years
		- Performance parameters and appraisal set by Board	

The terms and conditions related to the grant of the share options are as follows:

Employees entitled	Number of options	Vesting conditions	Contractual life of options
MD and CEO	735,000	- Continued employment with the group	5 years
		Attainment of certain financial parameters as set out by the Board	
Deputy CEO	605,000	- Continued employment with the group	5 years
		Attainment of certain financial parameters as set out by the Board	
Senior employees	4,150,000	- Continued employment with the group	5 years
		Attainment of certain financial parameters as set out by the Board	

b) Measurement of fair value :

The fair value of the employee share options granted during the year was determined using the Black-Scholes-Merton formula. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plan were as follows:

Particular	NCML 2016 Employee Stock Option Scheme		NCML 2014 Employee Stock Option Scheme	
	Option - 4	Option - 3	Option -2	Option -1
Fair value of the option at grant date	INR 27.31	INR 29.18	INR 67.12	INR 52.13
Share price at grant date	INR 82.01	INR 86.71	INR 85.74	INR 75.81
Exercise price	INR 78.00	INR 76.98	INR 33.45	INR 23.68
Expected volatility (weighted average)	0.79	0.76	1.00	1.00
Expected life (weighted average)	5 years	5 years	2.67 years	4 years
Expected dividend	Nil	Nil	Nil	Nil
Risk-free interest rate (based on government bond)	6.66% p.a.	6.82% p.a.	7.79% p.a.	7.79% p.a.

c) Reconciliation of outstanding stock options :

The number and weighted-average exercise prices of share options under the stock option were as follows.

Particular	Weighted average exercise price	1 April 2021 No. of options (Nos)	Movement from 1 April 2020 to 31 March 2021 Granted	Forfeited	Converted	Exercised	Cash settled	Outstanding as on 31 March 2022
ESOP 2014	23.68	27,000	-	-	-	27,000	-	-
ESOP 2014	33.45	-	-	-	-	-	-	-
ESOP 2016	76.98	-	-	-	-	-	-	-
ESOP 2016	99.28	-	-	-	-	-	-	-
Total		**27,000**	**-**	**-**	**-**	**27,000**	**-**	**-**

(Currency : Indian Rupees in Million)

Particular	Weighted average exercise price	1 April 2020 No. of options (Nos)	Movement from 1 April 2020 to 31 March 2021 Granted	Forfeited	Converted	Exercised	Cash settled	Outstanding as on 31 March 2021
ESOP 2014	23.68	336,000	-	-	-	-	309,000	27,000
ESOP 2014	33.45	150,000	-	-	-	-	150,000	-
ESOP 2016	76.98	4,075,000	-	4,075,000	-		-	-
ESOP 2016	99.28	500,000	-	500,000	-		-	-
Total		**5,061,000**	**-**	**4,575,000**	**-**	**-**	**459,000**	**27,000**

The options outstanding at 31 March 2022 have an exercise price and a weighted average contractual life as given below:

	31 March 2022 No. of options	Exercise price	Weighted average remaining life	31 March 2021 No. of options	Exercise price	Weighted average remaining life
NCML 2014 ESOP	27,000	23.68	**-**	27,000	23.68	-
NCML 2014 ESOP	**-**	**-**	**-**	-	-	-
NCML 2016 ESOP	**-**	**-**	**-**	-	-	-
NCML 2016 ESOP	**-**	**-**	**-**	-	-	-
NCML 2016 ESOP	**-**	**-**	**-**	-	-	-

d) Expense recognised in the consolidated statement of profit and loss:

	31 March 2022	31 March 2021
NCML 2014 ESOP	-	-
NCML 2016 ESOP	-	(13.3)
Total expense recognised in 'employee benefits expenses'	**-**	**(13.3)**

47 Government grants

	31 March 2022	31 March 2021
At the beginning of the year	155.4	158.0
Received during the year	8.9	17.2
Refunded during the year	-	(11.1)
Released to the statement of profit and loss	(6.6)	(8.7)
At the end of the year	**157.7**	**155.4**
Current	4.7	4.6
Non-current	153.0	150.8
	157.7	**155.4**

Government grants have been received for the construction of warehouse and purchase of laboratory equipment. The Group has received subsidy in advance for construction of warehouse. There are no unfulfilled conditions and other contingencies attaching to government grant that has been recognised.

48 Disclosure pursuant to Ind AS 19 - 'Employee benefits'

A Contribution to provident fund and ESIC

Amount of Rs. 23.3 million (31 March 2021: Rs. 23.3 million) is recognised as expenses in the consolidated statement of profit and loss and included in 'Employee benefits expense'.

B Defined benefit plan and other long-term employment benefit

Gratuity (Defined benefit plan)

Gratuity is payable to all the eligible employees of the Group on leaving / retirement from services, death and permanent disablement, in terms of provision of the Payment of Gratuity Act, 1972.
The Group has defined benefit gratuity plan administered through Company gratuity scheme with Life Insurance Corporation of India. The expected return on plan assets is based on market expectation at the beginning of the year, for the returns over the entire life of the related obligation.

(Currency : Indian Rupees in Million)

		Gratuity	
		31 March 2022	**31 March 2021**
A	Change in present value of the obligation		
	1. Obligation at the beginning of the year	**53.4**	**52.4**
	2. Current service cost	10.5	14.2
	3. Interest cost	3.1	3.1
	4. Benefits paid	(14.9)	(12.8)
	5. Actuarial (gain)/loss on obligation	(8.2)	(3.5)
	6. Obligation at the end of the year	**43.9**	**53.4**
B	Change in fair value of plan assets		
	1. Fair value of plan assets at the beginning of the year	**20.8**	**24.7**
	2. Adjustment to opening fair value of plan assets	7.0	0.1
	3. Expected return on plan assets	1.5	1.4
	4. Contributions made	3.8	5.8
	5. Benefits paid	(14.9)	(12.8)
	6. Actuarial gain / (loss) on plan assets	(0.1)	1.6
	7. Fair value of plan assets at the end of the year	**18.1**	**20.8**
C	Expense recognised in the statement of profit and loss for the year		
	1. Current service cost	10.5	14.2
	2. Interest cost	1.7	3.1
	3. Expected return on plan assets	(0.2)	(1.5)
	4. Total expense	**12.0**	**15.8**
D	Expense recognised in the statement of other comprehensive income		
	1. Actuarial loss	(8.1)	(3.5)
	2. Return on plan assets excluding interest income	0.1	5.4
		(8.0)	**5.2**
E	Net (liability) recognised in the balance sheet		
	1. Present value of the obligation	43.5	52.4
	2. Fair value of plan assets	16.6	19.5
	3. Funded status deficit	(26.9)	(32.9)
	4. Net (liability) recognised in the balance sheet	**(26.9)**	**(32.9)**
	Current	(26.6)	(32.6)
	Non Current	(0.3)	(0.3)
	Total	**(26.9)**	**(32.9)**
F	Actual return on plan assets		
	1. Expected return on plan assets	1.4	1.4
	2. Actuarial gain/ (loss) on plan assets	(0.1)	1.6
	3. Actual return on plan assets	**1.3**	**3.0**

Plan assets comprise of insured managed funds. Also, funded arrangement hence entire obligation is shown under current.

The Company's gratuity funds are managed by the Life Insurance Corporation and therefore the composition of the fund assets is not presently ascertained.

Sensitivity Analysis-2022	**DR Discount Rate**		**ER: Salary Escalation Rate**	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
Present Value of Obligations (PVO)	39.2	48.5	48.5	39.1

Sensitivity Analysis-2021	**DR Discount Rate**		**ER: Salary Escalation Rate**	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
Present Value of Obligations (PVO)	47.2	58.4	58.4	47.1

Expected payout

Year	**Year-1**	**Year-2**	**Year-3**	**Year-4**	**Year-5**	**Year-6 to 10**
PVO payouts	1.4	0.9	6.1	3.1	0.9	9.6

Estimated amount of contribution to LIC in the immediate next year is 9.22 million (10.28 million in March 31,2021)

Demographic and other assumption used in determining gratuity and compensated absence		**31 March 2022**	**31 March 2021**
Weighted average duration of the defined benefit obligation		17.0	17.2
Retirement Age		58 years	58 years
Employee Attrition Rate	Upto Age 35	3%	3%
	36 to 45	2%	2%
	46 and above	1%	1%
Rate of increase in compensation		5%	5%
Mortality rate		IALM (2012-14) Ult.	IALM (2012-14) Ult.
Expected return on plan assets		7.10%	6.79%
Discount rate		7.10%	6.79%

(Currency : Indian Rupees in Million)

The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

The Group provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date. Amount of Rs. 2.2 million (31 March 2021: Rs. (0.1) million) has been recognised in the consolidated statement of profit and loss on account of provision for employment benefit.

Short-term compensated absences

Provision for short-term compensated absences is made for privilege leave and sick leave outstanding at the year end which can be availed within 12 months from the end of the year. Amount of Rs. 7.2 million (31 March 2021: Rs. 2.7 million) has been recognised in the consolidated statement of profit and loss on account of provision for compensated absence for leave balances.

49 Capital management

The Group manages the capital structure by a balanced mix of debt and equity. Necessary adjustments are made in the capital structure considering the factors vis-a-vis the changes in the general economic conditions, available options of financing and the impact of the same on the liquidity position. Higher leverage is used for funding more liquid working capital needs and conservative leverage is used for long-term capital investments. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2021. The Group calculates the level of debt capital required to finance the working capital requirements using traditional and modified financial metrics including leverage/gearing ratios and asset turnover ratios.

As of balance sheet date, leverage ratios is as follows:

	31 March 2022	31 March 2021
Total financial liabilities (Refer note 20, 21, 25, 26, 27 & 40)	8,074.3	7,388.5
Less: cash and bank balances (Refer note 13, 14 and 8)	1,832.9	1,842.4
Adjusted net debt	**6,241.4**	**5,546.1**
Total equity (Refer note 19.1 and 19.2)	5,926.9	6,564.0
Less: Other components of equity (ESOP outstanding)	0.3	0.3
Adjusted equity	**5,926.6**	**6,563.7**
Adjusted net debt to adjusted equity ratio (times)	1.1	0.8

Non-compliances of loan covenants are considered not material as waiver has been obtained by the Company from debenture trustee through a letter dated 27 May 2022.

50 Provision for litigations

Provision for contingencies is primarily on account of various provisions towards the outstanding claims / litigations against the Group, which are expected to be utilised on closure of the litigations. The Group has paid certain amounts under dispute against these claims / litigations.

The following table set forth the movement in the provision for litigations :

Description	As at 1 April 2021	Additions during the year	Utlisaition during the year	As at 31 March 2022
Provision for litigation	265.5	-	7.8	257.7

Description	As at 1 April 2020	Additions during the year	Utlisaition during the year	As at 31 March 2021
Provision for litigation	279.1	-	13.7	265.5

51 Dues of micro enterprise and small enterprise:

Under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprise. On the basis of the information and records available with the Management, the creditors of the Group are not registered under the Micro Small and Medium Enterprises Development Act, 2006.

Particulars	31 March 2022	31 March 2021
Principal amount remaining unpaid to any supplier as at the year end	6.2	9.0
Interest due thereon	-	-
Amount of interest paid by the Group in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

(Currency : Indian Rupees in Million)

52 Disclosure under Ind AS -115

(a) The Group through its pan-India presence, in owned, leased as well as field warehouses, provides commodity handling and risk management services to clients across the country. The Group is geared to handle operations encompassing the sale, purchase, trading, storage and movement of commodities and inventories.

(b) Disaggregation of revenue from contracts with customers

The Group believes that the information provided under Note 30, Revenue from Operations, is sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

(c) Reconciliation of contract assets and liabilities:

	31 March 2022	31 March 2021
Unbilled revenue (contract assets)		
At the beginning of the reporting year	172.6	37.6
At the end of the reporting year	126.3	172.6
Net (Decrease)/ Increase	**(46.3)**	**135.0**
Advance from customers (contract liability)		
At the beginning of the reporting year	142.6	207.9
Revenue recognised during the year	743.1	3,275.8
Progress billings made towards contracts-in-progress	(847.4)	(3,341.1)
At the end of the reporting year (refer note 28)	**38.3**	**142.6**

(d) There are no adjustments to revenue accordingly, no disclosure is made under paragraph 126AA of Ind AS-115.

(e) Performance obligations

The Group is engaged in the business of warehousing services to manage risks across various stages of commodity, providing commodity handling and risk management services to customers across the country. The Group is also into the business of sale, purchase, trading, storage and movement of commodities and inventories.
Revenue is recognised at a point in time upon satisfaction of the performance obligations which is typically upon rendering of services based on the contractual terms with the customers and sale of goods upon transfer of control of goods.

(f) Practical expedients:

Applying the practical expedient in paragraph 63 of Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if at contract inception it is expected that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Group applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations for trading of goods contracts that have original expected duration of one year or less.

53 Utilisation of proceeds from the issue of Non Convertible Debentures

During the year ended 31 March 2020, the Holding Company has issued Rs 3,200 million non convertible debentures which was listed on the stock exchange, BSE Limited on 27 March 2020. Below is the table depicting the utilisation of the proceeds from issue of debentures :

Particulars	Thursday, March 31, 2022	Wednesday, March 31, 2021
Opening balance	-	1,800.0
Amount of money raised	-	-
Less: Utlisation towards to refinance of long term loans	-	-
Less: to on-lend or contribute by way of shareholder capital, the proceeds to the subsidiaries to finance the construction of new silos for the storage and preservation of agricultural commodities	-	1,800.0
Amount pending to be utilised - parked in escrow account	-	-

54 Disclosure under Appendix - C & D to Ind AS 115 - " Service Concession Arrangements"

(a) On 15 January 2018, the group has entered into an agreement with Food Corporation of India(FCI) for development of food grain silos at Kaimur and Buxar, in the state of Bihar under Design, Build, Finance, Operate and Transfer (DBFOT) model) , for a period of thirty years.

These arrangements include constructing the silo complex to be used for the entire concession period and consequently, qualify for service concession accounting as per appendix C of IND AS 115 - Revenue from contracts with customers. Following are the key terms and conditions of the Service Concession arrangement.

i. The group has to develop food grain silos at Kaimur and Buxar in the state of Bihar under Design, Build, Finance, Operate and Transfer (DBFOT) model as required by the concession agreement.

ii. As per the agreement, the authority (FCI) will provide the land to the Company for constructing the silo complex on DBFOT basis. The authority will give grant of Rs 76.5 million to the Concessioner as a equity support.

iii. On the expiry of the agreement all the concession assets at the project site has to be handover to the authority.

Start of Concession period: Commercial operation date (COD)
End of concession period: 30 Years from the commercial operation date (COD)

(b) Disaggregation of revenue from contracts with customers

Particulars	31-Mar-22	31-Mar-21
Construction revenue	141.4	90.1
Interest income	103.1	12.7
Service concession revenue	**244.6**	**102.8**
Construction cost	235.8	78.5

(Currency : Indian Rupees in Million)

55 Statement of profit or loss attributable to owner and non controlling interest
31 March 2022

Name of the entity	Net assets		Share in Profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
	Proportionate share	Amount	Proportionate share	Amount	Proportionate share	Amount	Proportionate share	Amount
National Commodities Management Services Limited	76.72%	5,919.0	78.57%	(576.1)	82.45%	4.8	78.55%	(571.2)
NCML Finance Private Limited	16.16%	1,247.0	(4.39)%	32.2	5.18%	0.3	(4.47)%	32.5
NCML Mktyard Private Limited	(0.16)%	(12.6)	1.59%	(11.6)	14.37%	0.9	1.48%	(10.8)
NCML Agribusiness Consultants Private Limited	0.08%	5.9	(0.12)%	0.9	0.00%	-	(0.12)%	0.9
NCML Basti Private Limited	0.91%	70.3	0.71%	(5.2)	0.00%	-	0.00%	(5.2)
NCML Varanasi Private Limited	(0.11)%	(8.6)	0.03%	(0.2)	0.00%	-	0.00%	(0.2)
NCML Faizabad Private Limited	0.73%	56.5	1.54%	(11.3)	0.00%	-	0.00%	(11.3)
NCML Batala Private Limited	1.47%	113.4	0.56%	(4.1)	0.00%	-	0.00%	(4.1)
NCML Chhehreatta Private Limited	1.49%	114.8	0.34%	(2.5)	0.00%	-	0.00%	(2.5)
NCML Deoria Private Limited	0.46%	35.4	0.32%	(2.3)	0.00%	-	0.00%	(2.3)
NCML Palwal Private Limited	(1.38)%	(106.7)	4.03%	(29.6)	0.00%	-	0.00%	(29.6)
NCML Bettiah Private Limited	(0.75)%	(57.7)	0.02%	(0.1)	0.00%	-	0.00%	(0.1)
NCML Bhattu Private Limited	(0.12)%	(9.4)	9.15%	(67.1)	0.00%	-	0.00%	(67.1)
NCML Jalalabad Private Limited	0.43%	33.4	0.62%	(4.6)	0.00%	-	0.00%	(4.6)
NCML Sonepat Private Limited	3.69%	284.4	6.48%	(47.5)	0.00%	-	0.00%	(47.5)
NCML KB Private Limited	0.49%	38.1	(0.63)%	4.6	0.00%	-	0.00%	4.6
NCML Motihari Private Limited	(0.02)%	(1.5)	0.25%	(1.8)	0.00%	-	0.00%	(1.8)
NCML Madhepura Private Limited	(0.06)%	(4.4)	0.64%	(4.7)	0.00%	-	0.00%	(4.7)
NCML Saran Private Limited	(0.02)%	(1.9)	0.30%	(2.2)	0.00%	-	0.00%	(2.2)
Total	**100%**	**7,715.4**	**100%**	**(733.2)**	**102%**	**6.0**	**100%**	**(727.2)**
Adjustment arising out of consolidation		(1,788.5)		89.4		-		89.4
		5,926.9		**(643.8)**		**6.0**		**(637.8)**

(Currency : Indian Rupees in Million)

31 March 2021

Name of the entity	Net assets		Share in Profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
	Proportionate share	Amount	Proportionate share	Amount	Proportionate share	Amount	Proportionate share	Amount
National Collateral Management Services Limited	79.08%	6,489.8	107.60%	(609.9)	68.67%	2.5	107.84%	(607.3)
NCML Finance Private Limited	14.79%	1,213.7	(7.65)%	43.4	16.32%	0.6	(7.81)%	44.0
NCML Mktyard Private Limited	(0.02)%	(1.7)	2.37%	(13.4)	15.34%	0.6	2.28%	(12.8)
NCML Agribusiness Consultants Private Limited	0.06%	5.0	(0.21)%	1.2	0.00%	-	(0.21)%	1.2
NCML Basti Private Limited	0.92%	75.5	0.04%	(0.2)	0.00%	-	0.00%	(0.2)
NCML Varanasi Private Limited	(0.10)%	(8.4)	(0.13)%	0.8	0.00%	-	0.00%	0.8
NCML Faizabad Private Limited	0.83%	67.8	0.04%	(0.2)	0.00%	-	0.00%	(0.2)
NCML Batala Private Limited	1.43%	117.5	0.04%	(0.2)	0.00%	-	0.00%	(0.2)
NCML Chhehreatta Private Limited	1.43%	117.2	0.04%	(0.3)	0.00%	-	0.00%	(0.3)
NCML Deoria Private Limited	0.46%	37.8	0.04%	(0.2)	0.00%	-	0.00%	(0.2)
NCML Palwal Private Limited	(0.94)%	(77.0)	(0.18)%	1.0	0.00%	-	0.00%	1.0
NCML Bettiah Private Limited	(0.70)%	(57.5)	(0.17)%	1.0	0.00%	-	0.00%	1.0
NCML Bhattu Private Limited	0.70%	57.7	0.08%	(0.4)	0.00%	-	0.00%	(0.4)
NCML Jalalabad Private Limited	0.46%	38.0	0.04%	(0.2)	0.00%	-	0.00%	(0.2)
NCML Sonepat Private Limited	1.30%	107.0	0.11%	(0.6)	0.00%	-	0.00%	(0.6)
NCML KB Private Limited	0.28%	22.8	(2.10)%	11.9	0.00%	-	0.00%	11.9
NCML Motihari Private Limited	0.00%	0.3	0.04%	(0.2)	0.00%	-	0.00%	(0.2)
NCML Madhepura Private Limited	0.00%	0.3	0.04%	(0.2)	0.00%	-	0.00%	(0.2)
NCML Saran Private Limited	0.00%	0.3	0.04%	(0.2)	0.00%	-	0.00%	(0.2)
Total	**100%**	**8,206.1**	**100%**	**(566.8)**	**100%**	**3.7**	**100%**	**(563.2)**
Adjustment arising out of consolidation		(1,642.1)		(10.9)		-		(10.8)
		6,564.0		**(577.7)**		**3.7**		**(574.0)**

56 Estimation of uncertainties relating to the global health pandemic from COVID-19

In March 2020, World Health Organization (WHO) had declared the outbreak of Novel Coronavirus “Covid-19” as a pandemic. The operations for the year ended 31 March 2022 have been impacted.

The Group has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Group does not foresee any significant incremental risk to the recoverability of its assets or in its ability to meet its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure. The management will continue to monitor any material change arising due to the impact of this pandemic on financial and operational performance of the Group and take necessary measures to address the situation.

57 Per transfer pricing legislation under section 92-92F of the Income-tax Act 1961, the Company is required to use certain specific methods in computing arm’s length price of transactions with associated enterprises and maintains adequate documentation in this respect. The legislations require that such information and documentation to be contemporaneous in nature. The Holding Company has appointed independent consultants for conducting the Transfer Pricing Study to determine whether the transactions with associated enterprises undertake during the financial year are on an "arm's length basis". The Holding Company is in the process of conducting a transfer pricing study for the current financial year and expects such records to be in existence latest by the due date as required by law. However, in the opinion of the management the update would not have a material impact on these financial statements. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.

(Currency : Indian Rupees in Million)

58 The Holding Company has changed its name to "National Commodities Management Services Limited" from National Collateral Management Services Limited w.e.f. 1 June 2021.

59 Pursuant to changes notified in Schedule-III, during the year ended 31 March 2022, the group has reclassified/regrouped certain previous year's balances

60 Additional regulatory information required by Schedule III-

(i) The group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(ii) The group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) The group has no relationship with any of the company struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) The Holding Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi)The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(vii) The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 5 to the consolidated financial statements, are held in the name of the group.

(xii) The borrowings obtained by the group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

For and on behalf of the Board of Directors of
National Commodities Management Services Limited

Tarun Gupta
Partner
Membership No: 507892

Siraj A. Chaudhry
Managing Director & CEO
DIN: 00161853

Zohra Chatterji
Independent Director
DIN: 01382511

Place: Gurugram
Date: 30 May 2022

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Rupinder Kaur
Company Secretary
Membership No: A28733

Form AOC-1

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

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

Part A Subsidiaries

(In Rs.)

S. No.	1	2	3	4
Name of the Subsidiary	NCML Basti Private Limited	NCML Batala Private Limited	NCML Bettiah Private Limited	NCML Finance Private Limited
The date since when subsidiary was acquired	19/01/2017	18/01/2017	01/02/2017	12/02/2016
Reporting period for the subsidiary concerned	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022
Reporting currency	Rupees	Rupees	Rupees	Rupees
Share capital	8,00,00,000	12,00,00,000	4,00,00,000	904,545,290
Reserves and surplus	-96,92,322	-66,38,826	-9,77,33,752	343,874,000
Total assets	55,63,72,675	90,39,73,838	3,67,825	1,271,999,000
Total Liabilities	55,63,72,675	90,39,73,838	3,67,825	1,271,999,000
Investments	0	0	0	0
Turnover	0	0	0	157,731,710.00
Profit/Loss before tax	-52,23,695	-41,19,013	-1,38,752	44,040,110.00
Provision for taxation	0	0	0	14,346,201
Profit/Loss after tax	-52,23,695	-41,19,013	-1,38,752	29,693,909
Proposed Dividend	0	0	0	0
Percentage of shareholding	100	100	100	100

Part A Subsidiaries (Contd.)

(In Rs.)

S.No.	5	6	7	8
Name of the Subsidiary	**NCML Bhattu Private Limited**	**NCML Chhehreatta Private Limited**	**NCML Deoria Private Limited**	**NCML Faizabad Private Limited**
The date since when subsidiary was acquired	20/01/2017	18/01/2017	20/01/2017	18/01/2017
Reporting period for the subsidiary concerned	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022
Reporting currency	Rupees	Rupees	Rupees	Rupees
Share capital	6,00,00,000	12,00,00,000	4,00,00,000	7,00,00,000
Reserves and surplus	-6,93,98,910	-52,42,779	-45,63,574	-1,34,57,265
Total assets	91,21,08,249	89,03,04,489	26,13,78,581	38,45,58,276
Total Liabilities	91,21,08,249	89,03,04,489	26,13,78,581	38,45,58,276
Investments	0	0	0	0
Turnover	2,89,61,169	0	0	0
Profit/Loss before tax	-6,70,38,831	-25,06,625	-23,22,263	-1,12,84,544
Provision for taxation	0	0	0	0
Profit/Loss after tax	-6,70,38,831	-25,06,625	-23,22,263	-1,12,84,544
Proposed Dividend	0	0	0	0
Percentage of shareholding	100	100	100	100

Part A Subsidiaries (Contd.)

(In Rs.)

S.No.	9	10	11	12
Name of the Subsidiary	NCML Jalalabad Private Limited	NCML Palwal Private Limited	NCML KB Private Limited	NCML Sonepat Private Limited
The date since when subsidiary was acquired	20/01/2017	20/01/2017	28/09/2017	24/01/2017
Reporting period for the subsidiary concerned	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022
Reporting currency	Rupees	Rupees	Rupees	Rupees
Share capital	4,00,00,000	4,00,00,000	10,00,000	11,00,00,000
Reserves and surplus	-65,77,362	-14,66,78,705	3,71,02,673	-5,05,83,218
Total assets	25,38,32,618	8,24,46,140	56,34,17,882	91,44,33,277
Total Liabilities	25,38,32,618	8,24,46,140	56,34,17,882	91,44,33,277
Investments	0	0	0	0
Turnover	0	0	0	6,38,85,581
Profit/Loss before tax	-45,52,651	-2,95,63,705	3,53,55,486	-4,75,14,419
Provision for taxation	0	0	0	0
Profit/Loss after tax	-45,52,651	-2,95,63,705	3,53,55,486	-4,75,14,419
Proposed Dividend	0	0	0	0
Percentage of shareholding	100	100	100	100

Part A Subsidiaries (Contd.)

(In Rs.)

S.No.	13	14	15	16
Name of the Subsidiary	**NCML Varanasi Private Limited**	**NCML Madhepura Private Limited**	**NCML Motihari Private Limited**	**NCML Saran Private Limited**
The date since when subsidiary was acquired	18/01/2017	22/01/2019	22/01/2019	29/01/2019
Reporting period for the subsidiary concerned	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022
Reporting currency	Rupees	Rupees	Rupees	Rupees
Share capital	10,10,00,000	10,00,000	10,00,000	10,00,000
Reserves and surplus	-10,96,25,021	-53,96,956	-25,27,641	-28,77,495
Total assets	6,69,96,199	6,14,58,569	5,89,49,698	4,98,76,319
Total Liabilities	6,69,96,199	6,14,58,569	5,89,49,698	4,98,76,319
Investments	0	0	0	0
Turnover	0	0	0	0
Profit/Loss before tax	-2,06,792	-46,82,901	-18,03,491	-21,73,411
Provision for taxation	0	0	0	0
Profit/Loss after tax	-2,06,792	-46,82,901	-18,03,491	-21,73,411
Proposed Dividend	0	0	0	0
Percentage of shareholding	100	100	100	100

Part A Subsidiaries (Contd.)

(In Rs.)

S.No.	17	18
Name of the Subsidiary	**NCML MktYard Private Limited**	**NCML Agribusiness Consultants Private Limited**
The date since when subsidiary was acquired	01/02/2017	11/02/2019
Reporting period for the subsidiary concerned	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022
Reporting currency	Rupees	Rupees
Share capital	5,00,00,000	30,00,000
Reserves and surplus	(62,815,779)	2,923,005
Total assets	31,310,239	32,389,248
Total Liabilities	44,126,018	26,466,243
Investments	0	0
Turnover	5,084,603	42,925,925
Profit/Loss before tax	(11,637,399.6)	1,163,048
Provision for taxation	0	292,740
Profit/Loss after tax	(11,637,399.6)	870,308
Proposed Dividend	0	0
Percentage of shareholding	100%	100%

For and on behalf of the Board of Directors
National Commodities Management Services Limited

Place: Gurgaon
Date: 30/05/2022

Siraj A. Chaudhry
Managing Director
DIN: 00161853