We understand commodities

A FAIRFAX Company

NATIONAL COMMODITIES MANAGEMENT SERVICES LIMITED

ANNUAL REPORT

2022 -2023

www.ncml.com

BOARD OF DIRECTORS

Mr. Chandran Ratnaswami (Nominee Director & Chairman of the Board)
Mr. Rajendran Chinna Veerappan (Independent Director)
Ms. Renu Kohli (Independent Director)
Mr. Anish Thurthi (Nominee Director)
Mr. Sanjay Kumar Gupta (MD & CEO)

GROUP CHIEF FINANCIAL OFFICER

Mr. Anuj Kumar Vasdev

COMPANY SECRETARY

Ms. Ashima Aneja

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

CORPORATE OFFICE

601,6th floor, SAS Tower,
Sector-38 Medanta The Medicity,
Gurgaon HR 122001 IN

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
Facsimile: +91 22 4918 6195
Email: ganesh.jadhav@linkintime.co.in

Non-Convertible Debentures Listed at

BSE Ltd.

CONTENTS

MESSAGE FROM MD & CEO

Dear Shareholder,

Greetings from NCML. Hope all of you are doing well.

Our journey to make NCML a strong and reliable name continues, and we have taken some bold steps in this direction the outcome of these steps will ensure that brand NCML continues to shine brighter.

Given the everchanging business environment, it has become imperative to be agile and quick and align our businesses in line with the new reality.

FY 2022-23 Overview

The financial year started with strengthening inflationary trends in most of the Agricultural commodities on the back of poor farm production which resulted in farmers' withholding a large part of their agricultural produce in the hope of realising a better price realisation. This impacted the Mandi arrivals of most of the crops and as a result the storable surplus in the trade came down substantially. This had a negative impact on our Storage business as well as the Supply Chain Management and Collateral Management business.

In the Testing and Certification business we commissioned the Chennai National Foods Lab in collaboration with FSSAI , we shall continue to enhance the scope of the service being provided at this lab . The Testing and Certification business as a whole did better compared to the previous year and we completed 4 Pan India surveys in collaboration with FSSAI.

We Initiated the Process of Implementation of a new age ERP system for the company to enhance our customer responsiveness and strengthen the internal controls. The aim is to reduce our dependence on the multiple legacy systems we have for our various business verticals and have a fully integrated ERP catering to the needs of all our business verticals.

We have a lot of initiatives under various stages of implementation, and I will be happy to share with you the results when we discuss our performance in the next year.

We are in gratitude to our shareholders, clients, regulatory authorities, and banks for their continued patronage, and guidance and thank them for the same.

We have a clear understanding of the needs and expectations of the stakeholders, both internal and external, in the context of our business, and we are confident to ramp up our performance with utmost agility and diligence in the coming year.

Warm Regards,

Sanjay Gupta

MD & CEO

Directors' Report

Your Directors have pleasure in presenting their nineteenth Director's Report on the business and operations of the Company, together with the audited financial statement for the financial year ended 31st March 2023.

1. **FINANCIAL SUMMARY** –

Rs. in million

Particulars	Mar'2023	Mar'2022	Mar'2023	Mar'2022
	Standalone		Consolidated	
Revenue	2,485.6	2,941.1	2,675.8	3,004.8
Profit before Depreciation, Finance Charges and Tax	420.5	309.0	130.9	(64.1)
Profit / (Loss) after Tax	(1,847.7)	(576.0)	(1,855.1)	(643.8)

2. **COMPANY PERFORMANCE**

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

- Revenue of Rs. 2,485.6 mn (Rs. 2,941.1 mn for the year 2021-22)
- PBDIT is at Rs. 420.5 mn (Rs. 309.0 mn for the year 2021-22)
- Profit / (Loss) after Tax is at Rs. (1847.7) mn [(Rs. (576.0) mn. for the year 2021-22]

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

- Revenue of Rs. 2,675.8 mn (Rs. 3,004.8 mn. for the year 2021-22)
- PBDIT is at Rs. 130.9 mn [Rs. (64.1) mn for the year 2021-22)
- PAT is at Rs. (1855.1) mn. [Rs. (643.8) mn. for the year 2021-22]

3. **DIVIDEND**

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

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

On a standalone basis, NCML owns the following 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

NCML aimed to augment the business volumes in FY 22-23 and commodity outlook for Rabi crops were also favorable before onset of harvesting season, however, commencement of year encountered with unprecedented spikes in heatwaves in the month of April which significantly impacted Rabi crop yield and overall production, worst hit crop was wheat which triggered government to impose sudden ban on the export of the commodity. However, meticulous planning and engagement with the clients before the Rabi season had helped in securing storage space reservation from the market participants and fresh deposits from the retail and exchange client had resulted in satisfactory occupancy of the warehouses. During Kharif season, major crops Cotton and Soya were affected due to untimely rains, also the elevated prices of Cotton resulted in lower arrivals in the market resultantly lower demand for cotton storage witnessed.

To further augment the business, measures were adopted like Deposit contract conditions were modified and revenue sharing exclusive of insurance cost in Franchisee structure were implemented to maximize revenue and reduce the cost to optimize the escalated manpower and preservation costs. In Collateral Management business we continued operations in Professionally managed Warehouses only. Multiple challenges in the business environment viz. tightness in the credit limit available for Supply chain operations, continued ban of exchange commodities, rising commodity prices had an impact on overall business and bearing on storage volumes which led to lower revenue year on year basis. However, focused approach towards cost efficiency and execution of right mix of cost to revenue ratio resulted in significant efficiency in the overall cost structure.

Segment – Trading

The core service of providing near-real time weather data to insurance companies continued with a network of more than 3015 Automatic weather stations accounting for 77% capacity utilization.

The division also diversified into Hydrology space and won four projects till FY-22-23. Telangana NHP Project is commissioned & under AMC for the next 5 years. Also, Assam-01 Project are under execution & expected to be commissioned by Dec-23

Technology based crop and farmer field validation using remote sensing technology was used at village level and integrated with cadastral maps.

Since the PMFBY (Pradhan Mantri Fasal Bima Yojna Season) ended in Jun-23, Central/State Govt./Organizations floating their tenders/notifications till Jul-23 and the allocations are happening now & expected to close till Aug-23 end. We have given proposal to Insurance Companies for upcoming business as well as visiting them physically to grab maximum share of Business. Technology-based Crop yield estimation for minor crops for MNCFC (Ministry of Agriculture) GOI. Soil mapping project in Commonwealth of Dominica is under process and expected to complete in by November 2023.

The division also, initiated commodity research and price consulting services in Wheat, Maize, Soybean, DORB & Tomato. Division has also initiated for edible oil business. Consulting projects on gap analysis in Mandi and also executing Silo operational consulting project in Nepal.

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.

Segment – Others

NCML Labs handled more than 20,000 samples for Pan India Surveillance of food Products (Tea, Pulses, Milk, Food products for trans fat contents) on behalf of Food Safety and Security Authority of India (FSSAI). These surveys have given significant insight about the compliance status [as per Food Safety and Standards Act (FSSA)] of food products being consumed by Indian population and geographical hot spots for strengthening of monitoring and enforcement.

National Food Laboratory (NFL) at Chennai Port Trust, Chennai has got accredited from National Accreditation Board for Testing and Calibration Laboratories (NABL) as per requirements of ISO/IEC 17025: 2017 and started the commercial operations in PPP model with FSSAI. In addition to being FSSAI notified laboratory, NFL Chennai is also recognized by FSSAI as "Referral laboratory" notification under sub section (2) of section 43 of the FSSA.

NCML Labs had tested significant chunk samples of Table Grapes on behalf of The Agricultural and Processed Food Products Export Development Authority (APEDA) and retained its position as one of the major sampling and testing services provider for grapes intended to be exported.

Segment - NCML Finance

NCML Finance has shown slight reduction in Income over last year by 6.68% but the bottom line has gone up by 22.21% due to management taking few key initiatives in the cost optimization. Also we have increased the lending rate by 100bps during the year which has also led to increase in our bottom line. The focus on selective lending with higher yields and better risk management protocols that resulted in lower credit costs for the year. Also during the year we reduced our exposure to MPSL (LAP product) business and did few pre-closure of accounts. The Warehouse Receipt Finance (WRF) business continued at its scale and with credit lines available with the banks

Segment - FCI Silo Projects:

As of March 2023, NCML was awarded contracts from FCI for setting up Silo Complexes at 13 locations. These locations are spread across four states – UP, Punjab, Haryana, and Bihar. Out of the 13 locations, 2 of the Silo projects at Bhattu and Sonepat are completed last year and handed over to FCI along with having generated full revenue with 9.1% inflation increase. 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 (Punjab) are also completed, and wheat grain received during RMS 2023-24 for both projects. These 2 projects (Batala and Chehreatta) area also filled with grain and billing is April of this year. Another 3 projects at Basti (UP) and Kaimur and Buxar (Bihar) in progress, Construction activities are going on at full pace. These projects are also expected to be completed by Sept/Oct 2023. For the excess land in many of our locations we have planned for land monetization. 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. The rest of 6 projects, viz at Madhepura, Saran, Motihari, Faizabad, Jalalabad and Deoria have all been surrendered during the year to FCI as the land procurement at these sites was not getting feasible/closure in full.

5. HOLDING COMPANY

FIH Mauritius Investments Limited is the holding Company of your Company and Fairfax India Holdings Corporation is the ultimate holding company of your Company.

6. CHANGE IN THE NATURE OF BUSINESS

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.

7. MATERIAL CHANGES AND COMMITMENTS

There was no material changes and commitments affecting the financial position of your Company which has occurred between the end of financial year to which financial statement relates and the date of this Report.

8. 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. However, significant orders passed previously form part of the notes to the standalone financial statements.

During the financial year under review, neither any application is made by the Company, nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

During the year under review, the Company has not entered into any one-time settlement with Banks or financial institutions during the year, therefore, there was no reportable instance of difference in amount of valuation.

9. CONSOLIDATED FINANCIAL STATEMENTS

As on 31st March 2023, your Company had 18 wholly owned subsidiaries in terms of the provisions of the Act and rules made thereunder. During the year under review, no company has become or ceased to be a subsidiary of the Company.

Pursuant to the provisions of Section 129(3) of the Act, the consolidated financial statements of the Company were prepared by the Company in accordance with the applicable Accounting standards, which form part of the Annual Report. A statement containing the salient features of the financial statements of the subsidiaries of the Company in the prescribed format AOC-1 is annexed to the director's report as 'Annexure –I'.

Pursuant to the provisions of the Act, the audited financial statements of the Company including consolidated financial statements, auditor's report and other documents required to be attached thereto will be circulated to the members, to debenture trustee and other persons entitled to receive so along with the notice of the Annual General Meeting. The same will also be available at the website of the Company and can be accessed at https://www.ncml.com/. The financial statements of the subsidiaries of the Company will also be available for inspection at the registered office of the Company during working hours till the date of Annual General Meeting.

10. DEPOSITS

During the financial year 2022-23, 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.

11. STATUTORY AUDITORS AND THEIR REPORT

M/s. Walker Chandiok & Co LLP Chartered Accountants (FRN: 001076N/N500013) were appointed as the Auditors for a period of five years 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 2022-23, does not contain any qualification, reservation, observation, adverse remarks or disclaimer of opinion. The notes to financial statements (including the Consolidated Financial Statements) referred to in the Auditors Report are self-explanatory and do not call for any further comments.

During the year under review, the Auditors have not reported any instance of fraud in respect of the Company by its officers or employees under Section 143(12) of the Act

12. SECRETARIAL AUDITORS

M/s A Abhinav & Associate, Company Secretary in practice was appointed as Secretarial Auditor of the Company to conduct Secretarial Audit for FY 2022-23. The Secretarial Audit Report for FY ended 31 March 2023 forms part of Annual Report as Annexure –A . The said report states that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following remark:

The Composition of the Nomination & Remuneration Committee was not constituted with adequate number of Independent Directors during the year under review. However, the Committee was reconstituted w.e.f. May 24, 2023 in compliance to the section 178 of the Act.

There have been few instances of delay in filing ROC forms along with few omissions observed in form MGT-7 pursuant to the Act during the year under review. Company has submitted Financial Results for the quarter and half year ended 30th September, 2022 after the prescribed timelines and consequently there has been a delay in filing financial disclosures and other information to the exchange as prescribed under Regulation 51 & 52 of the Listing Regulations. Further there was a delay to intimate the stock exchange regarding notice of AGM pursuant to Regulation 50 of the Listing Regulations

The Management has expressed an opinion that due to bona fide unavoidable circumstances, the aforesaid submission got delayed.

13. <u>COST AUDITOR</u>

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, maintenance of cost records and appointment of Cost Auditor are not applicable to Company for the financial year under review.

14. <u>INTERNAL FINANCIAL CONTROL</u>

The Company has a robust and well embedded system of internal financial controls. An extensive risk based programme of internal audit and management reviews provides assurance on the effectiveness of internal financial controls, which are continuously monitored through management reviews, business heads as well as by the Internal Auditors during the course of their audits. The internal audit of the Company and its subsidiaries for the FY 2022-23 was entrusted with M/s. Deloitte Haskins & Sales, Chartered Accountants

The internal audit plan is also aligned to the business objectives of the Company, which is reviewed and approved by the Audit Committee. Further, the Audit Committee monitors the adequacy and effectiveness of your Company’s internal control framework. Significant audit observations are followed-up and the actions taken are reported to the Audit Committee. The Company’s internal control system is commensurate with the nature, size and complexities of operations.

15. <u>CORPORATE GOVERNANCE</u>

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.

16. SHARE CAPITAL

A) <u>Increase in Share Capital</u>

The Company has allotted 14,746,247 fully paid-up equity shares of face value of Rs. 10 (Rupees Ten) each at a price of Rs. 68 (Rupees Sixty-eight) per share each (which included a premium of Rs. 58 (Rupees Fifty-eight) per share to FIH Mauritius Investments Ltd (“FIH Mauritius”), shareholder of the Company, against the notice of conversion dated March 30, 2023 received from FIH Mauritius, in lieu of conversion of 100,274,482 compulsorily convertible debentures (“CCDs”) having face value of Rs. 10 (Rupees Ten) each aggregating to Rs. 1,002,744,820 (Rupees One Billion Two Million Seven Hundred Forty-four Thousand Eight Hundred Twenty).

Accordingly, the share capital of the Company stands increased to INR 1621849830/- divided into 162184983 equity shares of face value of Rs. 10/- each as on March 31, 2023.

FIH Mauritius has also requested for conversion of the CCDs and unpaid interest thereon into equity shares of the Company vide its notice of conversion dated March 30, 2023. Accordingly, the Board has also approved conversion of unpaid interest on CCDs into the Equity Shares of the Company, subject to the approval of the members of the Company in their meeting held on March 31, 2023.

No Equity Shares with differential rights, Sweat Equity Shares or ESOP were issued during the year under Review.

Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees is not applicable on the Company.

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

17. ANNUAL RETURN

Pursuant to Section 92 read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 will be made available on the Company's website on https://www.ncml.com/

18. 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.

Foreign Exchange Earnings and Outgo:

Amount (In Rs million)

Total Foreign Exchange Inflow	13.7
Total Foreign Exchange outflow	4.4

19. THE BOARD, DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of your Company is instilled with a blend of professionalism, knowledge and experience which enables the board to discharge its responsibilities in an effective and efficient manner.

The Board at its meeting held on 30th May, 2022 has appointed Mr. Siraj A. Chaudhry (DIN – 00161853) as Chairman of the Board, w.e.f. 01st August, 2022.

Appointments and Cessation of Directors & KMP during the year:

The shareholders of the Company at their Annual General Meeting held on 30th September, 2022 had approved –

I Re-appointment of Mr. Pravir Vohra (DIN - 00082545) as an Independent Director of the Company for a second term of five consecutive years w.e.f. September 01, 2022

II Appointment of Ms. Renu Kohli (DIN - 0798162) as an Independent Director of the Company for a term of five consecutive years w.e.f. September 01, 2022

III Change in designation of Mr. Siraj A. Chaudhry (DIN: 00161853) from Managing Director & CEO to Non-Executive Director, effective from 01st June, 2022

IV Appointment of Mr. Sanjay Kumar Gupta (DIN: 01797850) as Managing Director & Chief Executive Officer for a period of five years, w.e.f June 01, 2022

During the year under review, the second term of Ms. Zohra Chatterji as Independent Director was expired on 31st July, 2022. Ms. Rupinder Kaur has resigned as Company Secretary of the Company w.e.f. 30.11.2022 and Ms. Ashima Aneja was appointed as Company Secretary of the Company w.e.f. 14.02.2023.

Mr. Pravir Kumar Vohra (DIN – 00082545), Independent Director and Mr. Sumit Maheshwari (DIN – 06920646), Nominee Director has resigned from the Board of Directors of the Company with effect from March 10, 2023.

Apart from the above stated facts, there is no change in the composition of Board of Directors and Key Managerial Personnel of the Company during the year under review.

Appointments and Cessation of Directors & KMP after the end of the year and up to the date of the Report

Mr. Rajendran C Veerappan (DIN – 00460061) was appointed as non-executive independent director of the company to fill the intermittent vacancy caused due resignation of Mr. Pravir K Vohra w.e.f. 24.05.2023. Mr. Veerappan is the former Managing Director and Chief Executive Officer of CSB Bank Limited and has over 40 years of experience in banking and finance sector. The Board considering his acumen, expertise, experience and based on recommendations of the Nomination and Remuneration Committee has recommended his appointment as the Independent Director of the Company, subject to the members approval, which forms part of the AGM Notice.

Mr. Anish Thurthi (DIN - 08713000) was appointed as Nominee Director of the Company w.e.f. 24.05.2023.

The term of Mr. Siraj A. Chaudhry as non-executive director was completed on 31.05.2023.

The Board at its meeting held on 30th May, 2023 has appointed Mr. Chandran Ratnaswami, Nominee Director, as Chairman of the Board.

As on the date of this report, the Board comprises of five directors, of which one is Managing Director and CEO and four are non – executive directors including two independent directors. The Composition of the Board of Directors is in conformity with the provisions of the Companies Act, 2013.

Mr. Sanjay Kumar Gupta, Managing Director & CEO; Mr. Anuj Kumar Vasdev, Chief Financial Officer and Ms. Ashima Aneja, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company in terms of the provisions of Companies Act, 2013.

Ms. Renu Kohli is the Woman Independent Director on the Board of the Company.

The details of directors seeking re-appointment, along with other details, as stipulated in the Act are provided in the notice convening the Annual General Meeting.

Declaration by an Independent Director(s)

The Independent Directors in their disclosures have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the disclosures received from Independent Directors, the Board of Directors has confirmed that they fulfil conditions specified in Section 149 (6) Of the Companies Act, 2013 and are independent of the management.

Further, the Board is of the opinion that the Independent Directors of the Company uphold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

Confirmation by Directors regarding Directorship/ Committee Positions

Based on the disclosures received, none of the Directors on the Board held directorships in more than ten public companies and none of the Independent Directors served as an Independent Director in more than seven listed entities as on 31 March 2023. Further, the Managing Director & CEO of the Company has not served as an Independent Director in any other listed company.

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.

Number of Meetings of The Board Of Directors

The Board regularly meets to deliberate and decide strategy(ies) in addition to the routine and other statutory business. All material information is circulated to the Directors before the meetings or placed / presented at the meetings. Additional meetings are convened wherever necessary. The Company also provides video/ audio visual/ teleconferencing facilities to Directors to facilitate their participation.

The agenda of the Board meetings is prepared by the Company Secretary in consultation with the Managing Director.

The significant Decisions of the Board are promptly Communicated to the concerned departments/ business units.

During the financial year under review, the Board of Directors met 7 (seven) times on 30th May, 8th August, 15th November, 6th December, 2022 and 14th February, 15th March, 31st March, 2023. The maximum gap between any two consecutive board meetings was in compliance with the provisions of Companies Act, 2023. The requisite quorum was present in all the meetings.

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

Name of Director	Applicable number of Board Meetings during the year	Number of Meetings attended*
Mr. Sanjay Kumar Gupta, Managing Director & CEO	6	6
Mr. Siraj A. Chaudhry, Non – Executive Director & Chairman of the Board	7	7
Mr. Chandran Ratnaswami, Nominee Director	7	5
Mr. Sumit Maheshwari, Nominee Director (Resigned w.e.f. 10.03.2023)	5	5
Ms. Zohra Chatterji, Independent Director (Completed her term on 31.07.2022)	1	1
Mr. Pravir Vohra, Independent Director (Resigned w.e.f. 10.03.2023)	5	5
Ms. Renu Kohli, Independent Director	6	6

** Includes attendance through video conferencing or by other audio visual means.*

20. 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 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

The Audit Committee comprises three directors including two Independent Directors. All the members possess accounting/ financial expertise. The Committee's composition and terms of reference are in compliance with the provisions of section 177 of the Companies Act, 2013.

Mr. Pravir Vohra, Independent Director was the Chairman of the Committee, during the period under review. Mr. Vohra resigned as Independent Director of the Company w.e.f 10.03.2023 and accordingly ceased to be the Chairman of the Committee.

As on the date of this report, Mr. Rajendran C Veerappan, who was appointed as Independent Director in place of Mr. Pravir Vohra w.e.f. 24.05.2023 is the Chairman of the Audit Committee

During the financial year under review, five meetings of Audit Committee were held on 30.05.2022, 08.08.2022, 15.11.2022, 06.12.2022 and 14.02.2023. The requisite quorum was present in all the meetings. The composition and attendance of members during the F/Y 2022-23 are stated below –

Name of the Member	Applicable number of Audit Committee Meeting during the year	Number of Meetings attended*
Mr. Pravir Vohra , Independent Director & Chairman of this Committee	5	5
Ms. Zohra Chatterji, Independent Director (Ceased to be the member 31.05.2022)	1	1
Mr. Sumit Maheshwari, Nominee Director	5	5
Ms. Renu Kohli, Independent Director [Member w.e.f. 31.05.2022)	4	4

** Includes attendance through video conferencing or by other audio visual means.*

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 statement 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

The Nomination and Remuneration Committee comprises three directors.

As on the date of this report, Mr. Chandran Ratnaswami, Nominee Director is the Chairman of the Nomination and Remuneration Committee. Ms. Renu Kohli, Independent Director and Mr. Rajendran C Veerappan, Independent Director are the members of the Committee.

During the financial year under review, three meetings of Nomination and Remuneration Committee were held on 30.05.2022, 08.08.2022 and 14.02.2023. The requisite quorum was present in all the meetings.

The details of attendance of the Directors at the Nomination and Remuneration Committee ('NRC') meeting during the F/Y 2022-23 are as under –

Name of Member	Applicable number of NRC Meeting during the year	Number of meetings attended
Mr. Chandran Ratnaswami, Nominee Director & Chairman of this Committee	3	3
Mr. Sumit Maheshwari	3	3
Ms. Zohra Chatterji (Ceased to be the member w.e.f 31.05.2022)	1	1
Ms. Renu Kohli [Member w.e.f. 31.05.2022)	2	2

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

The Company has duly constituted its CSR Committee under Section 135 of the Companies Act, 2013 consisting of two independent directors and one nominee director.

During the year under review, the Committee has not recommended any amount of expenditure to be incurred on CSR activities of the Company as the average net profits for the financial years 2019-20, 2020-21 & 2021-22 is negative. The details of the same is annexed as Annexure –B with this Report

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

21. 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

Pursuant to Rule 2A of the Companies (Specification of Definitions Details) Rules, 2014, public companies which have not listed their equity shares on a recognized stock exchange but have listed their non-convertible debt securities issued on private placement basis in terms of SEBI (Issue and Listing of Debt securities) Regulations, 2008, shall not be considered as listed company in terms of the Act. Hence section 197(12) read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable

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

22. **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 behaviour, 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.

23. **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. All the employees of the Company including its subsidiaries (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has not received any complaint of sexual harassment during the financial year 2022-23

24. **DEBENTURES AND LISTING AT STOCK EXCHANGE**

The Company has issued 3,200 secured, rated, listed, redeemable, non-convertible debentures bearing a face value of 10,00,000 (Rupees Ten lakhs only) each in the FY 19-20, which is listed on BSE Limited. As on March 17, 2023, Company has made Principal payment of the NCDs of Rs. 21.33 crores .

The Company has paid annual listing fees to BSE Limited in connection with the said listed Non-Convertible Debentures for the financial year 2022-23.

The Company has not issued or allotted any new non-convertible debentures during the Year.

25. **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.

26. **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Particulars of Loans, Guarantees or Investments have been disclosed in the notes to the standalone financial statement.

27. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year ended 31st March 2023 were on an arm's length basis and were in the ordinary course of business.

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

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.

28. 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.

29. 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 has 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 have 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 have prepared the annual accounts on a going concern basis; and

(e) the directors have 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.

30. SECRETARIAL STANDARDS

During the financial year under review, your Company has followed the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meeting of the Board of Directors' and 'General Meeting' issued by the Council of the Institute of Company Secretaries of India and approved by the Ministry of Corporate Affairs.

31. 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 organization's, 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

Sanjay Kumar Gupta	**Renu Kohli**
Managing Director & CEO	**Independent Director**
DIN – 01797850	**DIN - 07981627**

Date : 05.08.2023
Place : Gurugram

A ABHINAV & ASSOCIATES
COMPANY SECRETARY
Email id: csabhinavagarwal101@gmail.com
Registered Office: 1662/L.G.F., Sector-46,
Gurugram, Haryana-122003

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023
[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 Members
National Commodities Management Services Limited
CIN: U74140MH2004PLC148859
Registered Address: D-164, TTC Industrial Area,
Nerul MIDC, Navi Mumbai, Maharashtra 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** having **CIN: U74140MH2004PLC148859** (hereinafter called the company) for the financial year ended on 31st March, 2023. The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's relevant books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 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 there under to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing; *(Applicable to the Company for the audit period under review)*

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**'): -

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011; *(Not applicable to the Company for the audit period under review)*

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015; *(Not applicable to the Company for the audit period)*

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018; *(Not applicable to the Company for the audit period under review)*

d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; *(Not applicable to the Company for the audit period under review)*

e) 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;

f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *(Not applicable to the Company for the audit period under review)*

g) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; (*Not applicable to the Company for the audit period under review*)

h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*Herein after referred as "Listing Regulations").*

i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and general meetings;

(ii) The Listing Agreements entered into by the Company with Stock Exchanges.

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

1. The Composition of the Nomination & Remuneration Committee was not constituted with adequate number of Independent Directors during the year under review. However, the Committee was reconstituted w.e.f. May 24, 2023 in compliance to the section 178 of the Act.

2. There have been few instances of delay in filing ROC forms along with few omissions observed in form MGT-7 pursuant to the Act during the year under review.

3. Company has submitted Financial Results for the quarter and half year ended 30th September, 2022 after the prescribed timelines and consequently there has been a delay in filing financial disclosures and other information to the exchange as prescribed under Regulation 51 & 52 of the Listing Regulations. Further there was a delay to intimate the stock exchange regarding notice of AGM pursuant to Regulation 50 of the Listing Regulations.

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 was 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.

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 applicable laws, rules, regulations and guidelines.

I further report that:

1. Stock Exchange had issued a notice to the Company pursuant to SEBI circular no. SEBI /HO/DDHS _Div2/CIR/P/2021/699 dated December 29, 2021 towards penal actions against the company with respect to the delay in complying with Regulation 50(1), 52(1), 52(4) & 54(2) of the Listing Regulations for the Quarter ended September, 2022. Accordingly, a payment of Rs. 1,59,000 + 18% GST i.e. 28,620/- Total amounting to Rs. 1,87,620/- was made to the Stock Exchanges (BSE).

2. During the period, the company has converted its 10,02,74,482 compulsorily convertible debentures (“CCDs”) having face value of Rs. 10/- each into 1,47,46,247 fully paid-up equity shares of face value of Rs 10/- and premium of Rs 58/- each amounting to Rs. 1,00,27,44,796/- on private placement basis. Such allotment was made in compliance with the applicable provisions of the Act and rules made thereunder.

However, it's essential for the company to take steps to strengthen its systems and ensure compliance with SS-1 and SS-2 issued by the Institute of Company Secretaries of India (ICSI)

***For* A Abhinav &Associates**
(Company Secretaries in Practice)

CS Abhinav Agarwal
FCS No.: 11894 **C.P. No.**: 17590

Date: 05.08.2023
Place: Gurugram
UDIN: F011894E000750577

*Note: This report is to be read with our letter of even date which is annexed as **“Annexure A”** and forms an integral part of this report.*

“<u>ANNEXURE A</u>”

To,
The Members
National Commodities Management Services Limited
CIN: U74140MH2004PLC148859
Registered Address: D-164, TTC Industrial Area,
Nerul MIDC, Navi Mumbai, Maharashtra 400706

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records, based on my inspection of records produced before me for Audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in 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 and my report is not covering observations/ comments/weaknesses already pointed out by the other Auditors.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of event etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of management. My examination was limited to the verification of procedures on test basis and to give my opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.

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

For **A Abhinav & Associates**
(Company Secretaries in Practice)

CS Abhinav Agarwal
FCS No.: 11894 **C.P. No.**: 17590

Date: 05.08.2023
Place: Gurugram
UDIN: F011894E000750577

Annexure –B

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. 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/

3. 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: N.A.

4. 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: N.A.

5. Average Net Profit of the company for last three financial years: Not applicable because the company has incurred losses in the F/Y 2019-20, 2020-21 and 2021-22.

6. a. Two percent of average net profit of the Company as per section 135(5): N.A.

   b. Total CSR obligation for the financial year: - Nil

7. 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.**
NIL	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	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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)	N.A.
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

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

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

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 the project (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

9. 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

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

Sanjay Kumar Gupta
Managing Director & Chief Executive Officer
DIN - 01797850

Renu Kohli
Independent Director
DIN – 07981627

Date : 05.08.2023
Place : Gurugram

Annexure –C

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

Sanjay Kumar Gupta
Managing Director & Chief Executive Officer
DIN - 01797850

Renu Kohli
Independent Director
DIN – 07981627

Date : 05.08.2023
Place : Gurugram

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

T +91 124 462 8099
F +91 124 462 8001

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 2023, 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 2023, 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.

Key Audit Matters

4. 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.

5. 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 and 52 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.	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, and proof of deliveries; • 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 services, for appropriateness and adequacy in accordance with the accounting standards.
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 13 and	Our audit procedures included, but were not limited to the following:

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 2023 trade receivables aggregate to Rs. 647.6 million (net of allowance for expected credit losses of Rs. 639.4 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 three 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.	• 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 analysed 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) 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, 8 and 16 of the standalone financial statements. The Company has made Investments in subsidiaries amounting to Rs. 2,009.5 million (net of impairment Rs. 148.2 million) and has granted loans to subsidiaries amounting to Rs. 3,223.4 million (net of impairment Rs. 1,048.2 million) as at 31 March 2023. The Company has significant investments and loans to subsidiaries, which are in various stages of implementation of capital projects.	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. • We obtained the contracts entered by the subsidiary company with its customers and also reviewed the correspondence of subsidiary companies with its customers to ensure the viability of completion of the

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.	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 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

6. 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.

   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 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.

   The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

7. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone 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.

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

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

10. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

11. 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

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

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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

15. 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.

16. 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.

17. 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) 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 2023 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 2023;

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 2023;

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 2023;

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 58 (vii) to the 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 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 iv (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

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

Ashish Gera
Partner
Membership No.: 508685
UDIN: 2350885BGYCRM4862

Place: Gurugram
Date: 30 May 2023

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 2023

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 programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of 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 programme, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

(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) disclosed in note 58(xii) to the standalone financial statements are held in the name of the Company. However, for title deeds of the undermentioned immovable properties in the nature of land, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(Rs. in million)

Description of Property	Situated at/ Location	Gross carrying value as at 31 March 2023
Land	24/1/1 Pochera village, Adilabad, Telangana	11.5
Land	Khasra No. 460, 461, 462, 463(South & North), 464, Plot no. 1 village samaspur, patwar Halka Lisariya, Tashil & District – Baran, Rajasthan	13.0
Land	Survey No. 1375, 1376 Village Kyara, Pargana, tehsil & Distt. Bareilly, Uttar Pradesh	16.2
Land	Khewat No. 243/548 to 579, Bathinda Dabwali Road, village Gehri Butter, Dist. Bathinda, Punjab	32.7
Land	Sy. No. 80/3, 80/4, belur, (J) Village Tq. & Dist. Kalaburgi, Belur, Gulbarga, Karnataka	22.1
Land	Survey No. 124 & 125, Ekgaon Gram Panchayath, mandal Bhainsa, Dist. Adilabad, Telangana	11.2
Land	Agrobase Industry situated at Khasara No. 1007/627, 1009/627, Village Khara, tehsil & District Bikaner, Rajasthan	15.9
Land	Industrial Land area 19626 sq yard, Khasra No. 500/389, 501/389 Village Hattipura, Bundi, Rajasthan	15.1
Land	R.S. No. 561, prattipadu sub registry Guntur Dt. Kornepadu village, Vatti Cherukuru mandalam, Guntur, Andhra Pradesh	18.3

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 2023

Land	SY. No. 504/1, Situated at Ankireddypalem village, Guntur mandal & district, Andhra Pradesh	10.8
Land	Survey No. 78, 79 Chichghat village (Rathi), Teh. Hinganghat, Dist. Wardha, Maharashtra	11.4
Land	Khata No. 144/436, 144/437 plot No. 159, 163, 161, Kaliagaon Teh. Jeypore Dist. Koraput, Odisha	3.2
Land	25/17 and 25/18, Agro Base, Industrial Plot, Village Salawas, Boranada salawas Road, Jodhpur, Rajasthan	56.5
Land	Tiruppur,R.D., Kangeyam, Sub R.D. Kangeyam Tk, Veeranampalayam village, Re. S. F. No: 893/3. P. Hec 1.77, Kangayem, Tamil Nadu	8.1
Land	Arzies Nos. 372, 374, 375, 377 Dha, and 415 village Rampur Bhimsen Kanpur sadar kanpur,Uttar Pradesh	59.5
Land	NCML, Kh. No. 768, 772,773 Vill. Kasar, Teh. Ladpura, Dist. Kota, Rajasthan	24.8
Land	Survey No. 268/1+2+3/, Kurtakoti Village, Tq. & Dist. Gadag, Karnataka	12.6
Land	Survey No. Land G No. 21/2, S/a, harangul Bk. Tq. & dist Latur, Maharashtra	38.5
Land	Kehwat No. 196, Khatouni No. 380, Rect No. 70, Kill No. 24,25, No. 73, Killa No. 4,5,6,7 village Lambi dhab, teh. & dist. Sri Muktsar sahib, Punjab	30.0
Land	SY. No. 301, 302, 303, 304, 305/1, 305/P2, 523/A, & 523/AA at Gundaram village Shivar, Nizamabad, Telangana	13.8
Land	Sy. No. 25/1, of Obajjihalli village, Davanagre taluk, Dist. Davanagre, Karnataka	13.2
Land	Marocha, Ujiyarpur, 248, Anchal-Kasba dist. Purnea, Khata No. 60, Kheshra No. 440, 441, 442, 447, 448, 449, Purnea, Bihar	68.4
Land	Sq. No. 2, Killa No. 16,17,18,19,20,21,22,23,24,25 of village Amargarh, Teh. Raisinghnagar Distt. Sriganganagar, Rajasthan	16.9
Land	Jitwarpur Kumhira, 269, Anchal-sarairanjan, Khata No. 476, Kheshra No. 3026/5627, Samastipur, Bihar	13.5
Land	Sq. No. 40, Killa No. 16,17,18,19,20 and sq. No. 41, killa No. 1 to 20, Chak 28 – LNP II, Teh. & Distt. Sri Ganganagar, Rajasthan	65.9
Land	Survey No. 374/2, 374/3 Door No. 4/152, Situated at Konduprolu village, Tadepalligudem, Andhra Pradesh	18.1
Land	Bearing Khasra No. 13,14,15,6/1,6/2,7/1,7/2, and 8 village safipur, Tarantaran, Teh. & Dist. Amritsar, Punjab	20.3

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 2023

Land	Survey No. 301, Sub division No. 2B, Situated at village sillanatham, taluk- ottapidaram & dist. Tuticorin, Tamil Nadu	7.4
Land	Survey No. 1160p 1 Plot No. 154 & 155, Area 13405 Sq. Mtr, village Kamli, Ta. Unjha Dist. Mehsana, Gujarat	39.2
Land	Khewat no. 321, 322 & 352, Hindumalkot Road, Village Killianwali, Abohar District - Fazilka, Punjab	31.8
Land	Survey no. 122, Village-Mouje Shisha, Nagpur Akola Road, Taluka & District- Akola, Maharashtra	20.5
Land	Survey No. 818/2 and 818/3, Opposite Sub. Jail, Village Rajoda, Tehsil & District-Dewas, Madhya Pradesh	12.5
Land	Survey Old S.f: new survey no: 66/02, 66/03, 66/04, 66/05, 66/06, 66/07B and 66/08A, Ellapalayam Thiruvachi Gramam, Perundurai taluk, Erode, Tamil Nadu	18.6
Land	Survey No. 312 , 313/2, Village Mevali, Tyonda Road, Ganj Bhasoda, Vidisha, Madhya Pradesh	14.0
Land	Survey No. 409/P1, Plot No 1 to 6, located in Village Sadra, Kadi, District - Mehsana, Gujarat	40.8
Land	Survey No. 251(Hissa No. 03), situated in Manslapur Village, Tehsil District – Raichur, Karnataka	14.4
Land	Gat No. 443 (Old S. No. 169/2, 165/1, 166/2, 169/4B) situated at village Tanang, Tahsil -Miraj, Dist.-Sangli, Maharashtra	53.4
Land	Survey No. 539/2/1 Paiki & 545/2/3 Paiki, situated at Village Undasa Tehsil & District Ujjain, Madhya Pradesh	18.0
Land	Survey No. 2576/2672/2 Patwari Halka No 50 & Khasra No 2576/2672/2 Patwari Halka N0 48, Vill - Sherpur Munjapta, Ahmedpur Road, Near Sai Mandir, Vidisha, Teh+Dist - Vidisha, Madhya Pradesh	13.1
	Total	**925.2**

(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 Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(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.

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 2023

(b) As disclosed in note 58(xv) to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 50 million 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 such returns/statements are in agreement with the books of account of the Company for the respective periods which were not subject to audit/review, except for the following:

(Rs. 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
Refer note:1 below	4,200.0	Pari passu charge over entire current assets	30 June 2022	Debtors (including unbilled revenue)	843.4	756.6	86.8	Variation is because of unbilled revenue was not final by the time stock statement was submitted.
				Free Stock (Including consumables)	119.2	372.1	(252.9)	Variation is because amount as per books both pledged and free stock are considered whereas in return only free stock is considered.
				Margin/ deposit	934.7	934.7	-	NA
				Bank Balances	68.7	68.7	-	NA
Refer note:1 below	4,200.0	Pari passu charge over entire current assets	30 September 2022	Debtors (including unbilled revenue)	818.4	766.8	51.6	Variation is because of unbilled revenue was not final by the time stock statement was submitted.
				Free Stock (Including consumables)	99.6	355.8	(256.2)	Variation is because amount as per books both pledged and free stock are considered whereas in return only free stock is considered.
				Margin/ deposit	713.6	713.6	-	NA
				Bank Balances	20.9	20.9	-	NA
Refer note:1 below	4,000.0	Pari passu charge over entire current assets	31 December 2022	Debtors (including unbilled revenue)	1,053.8	757.5	296.2	Variation is because of unbilled revenue was not final by the time stock statement was submitted.
				Free Stock (Including consumables)	104.9	289.8	(184.9)	Variation is because amount as per books both pledged and free stock are considered whereas in return only free stock is considered.
				Margin/ deposit	326.0	326.0	-	NA
				Bank Balances	124.9	124.9	-	NA
Refer note:1 below	4,000.0	Pari passu charge over entire current assets	31 March 2023	Debtors (including unbilled revenue)	625.4	647.6	(22.2)	Variation is because of unbilled revenue was not final by the time stock statement was submitted.
				Free Stock (Including	35.6	41.3	(5.7)	Variation is because amount as per books both pledged and free stock

				consumables)				are considered whereas in return only free stock is considered.
				Margin/ deposit	469.0	469.0	-	NA
				Bank Balances	89.6	89.6	-	NA

Note: 1

Name of the bank:

1. IDBI Bank Limited
2. HDFC Bank Limited
3. Karur Vysya Bank Limited
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 to Subsidiaries during the year as per details given below:

(Rs. in million)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount provided/ granted during the year: - Subsidiaries	1,464.7	Nil	818.7	Nil
Balance outstanding as at balance sheet date in respect of above cases: - Subsidiaries*	3,017.2	Nil	3,223.4	Nil

* Net of impairment

(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 advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans and advances in the nature 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 or advance in the nature of 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 that existed as at the beginning of the year.

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

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 2023

(Rs. 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)	 713.4 2,510,0	 Nil Nil	 713.4 2,510.0
Total (A+B)	3,223.4	Nil	3,223.4
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 and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits 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/ services/ business activities. 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. Undisputed amounts payables in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Statement of arrears of statutory dues outstanding for more than six months:

(Rs. in million)

Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Due Date	Date of Payment
Employee Provident Fund and Miscellaneous Provisions Act, 1952	Employee Provident Fund	0.3	FY 2022-2023	15th of the next relevant month	23 May 2023
Employee Provident Fund and Miscellaneous Provisions Act, 1952	Employee Provident Fund	0.7	FY 2022-2023	15th of the next relevant month	Not paid

(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:

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 2023

(Rs. 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 previously 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, 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 or government or any government authority.

(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 during the year have, prima facie, 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 and on the basis of our examination of the records of the Company, 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 no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, 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 per the provisions of 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.

(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 its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the 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 incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs. 1,109.9 million and Rs. 360.0 million respectively.

(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 assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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.

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 2023

(xx) According to the information and explanations given to us, the Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, 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

Ashish Gera
Partner
Membership No.: 508685
UDIN: 23508685BGYCRM4862

Place: Gurugram
Date: 30 May 2023

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 2023

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 2023, we have audited the internal financial controls with reference to standalone 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 standalone 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 Standalone Financial Statements

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 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 standalone financial statements and such controls were operating effectively as at 31 March 2023, 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

Ashish Gera
Partner
Membership No.: 508685
UDIN: 23508685BGYCRM4862

Place: Gurugram
Date: 30 May 2023

National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859

Standalone balance sheet as at 31 March 2023

(Currency : Indian Rupees in Million)

		Note	31 March 2023	31 March 2022
ASSETS				
Non-current assets				
(a)	Property, plant and equipment	5	4,397.6	4,487.9
(b)	Right of use assets	5.1	235.5	198.6
(c)	Capital work-in-progress	5.2	0.6	32.3
(d)	Intangible assets	6.1	0.3	11.4
(e)	Intangible assets under development	6.2	3.8	-
(f)	Financial assets			
	(i) Investments	7	2,009.5	2,013.3
	(ii) Loans	8	2,510.0	-
	(iii) Other financial assets	9	88.7	105.6
(g)	Deferred tax assets (net)	10	-	543.1
(h)	Non-current tax assets (net)	10a	257.3	239.1
(i)	Other non-current assets	11	6.3	39.8
	Total non-current assets		**9,509.6**	**7,671.1**
Current assets				
(a)	Inventories	12	41.3	29.1
(b)	Financials assets			
	(i) Trade receivables	13	647.6	736.4
	(ii) Cash and cash equivalents	14	189.8	682.6
	(iii) Bank balances other than (ii) above	15	297.7	761.0
	(iv) Loans	16	713.4	3,263.3
	(v) Other financial assets	17	92.9	138.0
(c)	Current tax assets (net)	10a	92.3	-
(d)	Other current assets	18	60.9	69.4
	Total current assets		**2,135.9**	**5,679.8**
	TOTAL ASSETS		**11,645.5**	**13,350.9**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity share capital	19.1	1,621.8	1,474.4
(b)	Other equity	19.2	2,990.9	4,444.5
	Total equity		**4,612.7**	**5,918.9**
LIABILITIES				
Non-current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	20.1	4,688.3	4,416.2
	(ii) Lease liabilities	37	215.9	188.9
	(iii) Other financial liabilities	20.2	-	2.1
(b)	Provisions	21	11.9	15.7
(c)	Other non-current liabilities	22	148.3	153.0
	Total non- current liabilities		**5,064.4**	**4,775.9**
Current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	23	1,123.3	1,880.2
	(ii) Lease liability	37	45.4	25.7
	(iii) Trade payables	24		
	Total outstanding dues to micro enterprise and small enterprise		44.5	6.2
	Total outstanding dues to creditors other than micro enterprise and small enterprise		266.3	256.0
	(iv) Other financial liabilities	25	76.6	92.3
(b)	Other current liabilities	26	56.5	72.8
(c)	Provisions	27	355.8	322.9
	Total current liabilities		**1,968.4**	**2,656.1**
	Total equity and liabilities		**11,645.5**	**13,350.9**
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

Ashish Gera
Partner
Membership No: 508685

Sanjay Kumar Gupta
Managing Director & CEO
DIN: 01797850

Renu Kohli
Independent Director
DIN: 07981627

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Ashima Aneja
Company Secretary
Membership No: A46045

Place: Gurugram
Date: 30 May 2023

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 2023

(Currency : Indian Rupees in Million)

	Note	31 March 2023	31 March 2022
REVENUE			
Revenue from operations	28	1,969.1	2,456.8
Other income	29	516.5	484.3
Total income		**2,485.6**	**2,941.1**
EXPENSES			
Purchases of stock-in-trade		373.3	511.0
Changes in inventories of stock-in-trade	30	(8.7)	209.1
Employee benefits expense	31	341.7	329.3
Finance costs	32	615.7	573.0
Depreciation and amortisation expense	33	252.7	215.3
Other expenses	34	1,358.8	1,582.7
Total expenses		**2,933.5**	**3,420.4**
Loss before exceptional item and tax		**(447.9)**	**(479.3)**
Exceptional item	36(a)	856.7	96.7
Loss before tax		**(1,304.6)**	**(576.0)**
Income tax expenses			
(i) Current tax		-	-
(ii) Deferred tax charge / (credit)	39	543.1	-
Loss for the year		**(1,847.7)**	**(576.0)**
Other comprehensive income			
Items that will not be reclassified to profit and loss:			
- Remeasurement (losses) on post employment defined benefits plans		6.0	7.4
- Income tax effect on above		-	(2.6)
Other comprehensive income, net of tax		**6.0**	**4.8**
Total comprehensive income for the year		**(1,841.7)**	**(571.2)**
Earnings per equity share (Face value of INR 10 per share)	38		
Basic earnings per share		**(12.53)**	**(3.91)**
Diluted earnings per share		**(12.53)**	**(3.91)**

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

Ashish Gera
Partner
Membership No: 508685

Sanjay Gupta
Managing Director & CEO
DIN: 01797850

Renu Kohli
Independent Director
DIN: 07981627

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Ashima Aneja
Company Secretary
Membership No: A46045

Place: Gurugram
Date: 30 May 2023

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 2023

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
I	**Cash flows from operating activities:**		
	Loss before tax (A)	(1,304.6)	(576.0)
	Adjustments for:		
	Depreciation and amortisation	252.7	215.3
	Finance costs	615.7	573.0
	Liabilities no longer required written back	(58.0)	-
	Interest income	(429.7)	(423.4)
	Government grants	(4.7)	(6.6)
	Foreign exchange loss unrealized	-	0.8
	Provision against claims receivables	156.4	0.8
	Provision for credit impaired assets	81.4	94.9
	Provision for doubtful advances	17.4	99.3
	Bad debts written off	15.0	137.7
	Impairment of investment in and loans to subsidiaries	856.7	96.7
	Gain on sale of property, plant and equipment	-	(8.8)
	Total (B)	**1,502.9**	**779.7**
	Operating cash flows before working capital changes (C= A+B)	**198.3**	**203.7**
	Changes in:		
	(Increase) / decrease in inventories	(12.2)	203.4
	(Increase) / decrease in trade receivables	(7.6)	12.8
	Decrease in other financial assets	10.2	5.0
	Decrease in other assets	14.5	23.8
	Increase in financial liabilities	35.2	161.7
	(Decrease) in provisions	(63.1)	(16.8)
	(Decrease) in other liabilities	(16.7)	(88.0)
	Total (D)	**(39.7)**	**301.9**
	Cash flows generated from operations (E= C+D)	**158.6**	**505.6**
	Taxes (paid), net of refunds	(110.5)	(5.4)
	Net cash flows generated from operating activities	**48.1**	**500.2**
II	**Cash flows from investing activities:**		
	Purchase / construction of property, plant and equipment & intangible assets (including capital advances and capital creditors)	(38.1)	(118.6)
	Proceeds from sale of property, plant and equipment & intangible assets, net	-	14.2
	Government grant received	-	8.9
	Loan given to / Repayment from subsidiaries (net of repayments)	(788.1)	(259.8)
	Proceeds from maturity of bank deposits	483.7	129.1
	Interest received	426.7	425.2
	Net cash flows generated from investing activities	**84.2**	**199.0**
III	**Cash flows from financing activities:**		
	Proceeds from issuance of equity share capital, net of issue expenses	-	0.6
	Proceeds from non-current borrowings	1,125.0	250.0
	Repayment of non-current borrowings	(191.9)	(181.7)
	Proceeds / (repayment) from short term borrowings (net) (including current maturities)	(953.0)	45.9
	Repayment of lease liabilities	(60.4)	(24.7)
	Interest paid	(544.8)	(509.0)
	Net cash flows used in financing activities	**(625.1)**	**(418.9)**
	Net (decrease) / increase in cash and cash equivalents (I+II+III)	**(492.8)**	**280.3**
	Cash and cash equivalents		
	Cash and cash equivalents at the beginning of the year	682.6	402.3
	Cash and cash equivalents at the end of the year	189.8	682.6
	Net (decrease) / increase in cash and cash equivalents	**(492.8)**	**280.3**

(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".

2. **Components of cash and cash equivalents**

	31 March 2023	31 March 2022
Balance with banks		
- in current accounts	89.7	682.5
- in fixed deposit accounts (having original maturity less than 3 months)	100.1	0.1
Cash on hand*	0.0	0.0
	189.8	**682.6**

* Below rounding off norms adopted by the Company.

3. Refer note 20.1 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

Ashish Gera
Partner
Membership No: 508685

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

Sanjay Gupta
Managing Director & CEO
DIN: 01797850

Renu Kohli
Independent Director
DIN: 07981627

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Ashima Aneja
Company Secretary
Membership No: A46045

Place: Gurugram
Date: 30 May 2023

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 2023

(Currency : Indian Rupees in Million)

A. Equity share capital

	Note	Balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
Equity share capital	19.1	1,474.4	147.4	1,621.8

B. Other equity

	Note	Equity component of compound financial instruments	Reserves and surplus				Share options outstanding account	Total equity
			Securities premium	Special reserve	Retained earnings	Debenture Redemption Reserve		
	19.2							
Balance as at 1 April 2022		**308.8**	**3,910.3**	**47.5**	**(142.4)**	**320.0**	**0.3**	**4,444.5**
Loss for the year		-	-	-	(1,847.7)	-	-	**(1,847.7)**
Remeasurement gain on post employment defined benefits plans, net of tax		-	-	-	6.0	-	-	**6.0**
Securities premium on equity shares during the year		-	855.3	-	-	-	-	**855.3**
Distribution to equity shareholders		(308.8)	-	-	(158.4)	-	-	**(467.2)**
Total comprehensive income for the year		**(308.8)**	**855.3**	**-**	**(2,000.1)**	**-**	**-**	**(1,453.6)**
Balance as at 31 March 2023		**-**	**4,765.6**	**47.5**	**(2,142.5)**	**320.0**	**0.3**	**2,990.9**

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

Ashish Gera
Partner
Membership No: 508685

Sanjay Kumar Gupta
Managing Director & CEO
DIN: 01797850

Renu Kohli
Independent Director
DIN: 07981627

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Ashima Aneja
Company Secretary
Membership No: A46045

Place: Gurugram
Date: 30 May 2023

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 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
			Securities premium	Special reserve	Retained earnings	Debenture Redemption Reserve		
	19.2							
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**

(The space has been intentionally left blank)

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 2023 were authorized and approved for issue by the Board of Directors on 30 May 2023.

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

a. Ind AS 103 Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The amendment did not have any material impact on financial statements of the Company.

b. Ind AS 16 Proceeds before intended use

The amendment specify that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. The amendment did not have any material impact on financial statements of the Company.

c. 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 amendment did not have any material impact on financial statements of the Company.

d. 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 amendment did not have any material impact on financial statements of the Company.

(iii) Amended to Accounting Standard (Ind AS) not effective during the year:

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. MCA, vide its circular dated 31 March 2023 has issued Companies (Indian Accounting Standards) Amendment Rules, 2023 to further amend the Companies (Indian Accounting Standards) Rules, 2015 as below:

a. Ind AS 1 Presentation of Financial Statement

Requirement to disclose 'material accounting policies' instead of 'significant accounting policies' and related guidance included to determine whether the policy is material or not.

b. Ind AS 8 Accounting Policies, Change in Accounting Estimates and Errors

Definition of 'accounting estimates' now included in the standard enabling distinction between change in accounting estimates from change in accounting policies.

c. Ind AS 12 Income Taxes

Transactions that does not give rise to equal taxable and deductible temporary differences at the time of initial transaction have now been included in the exemptions for recognition of deferred tax liability and deferred tax assets in case of taxable temporary differences. The Company is currently evaluating the impact of amendments to the aforementioned accounting standards on its financial statements.

These amendments are not expected to have a material impact on these standalone financial statements

(iv) Functional and presentation currency

These standalone 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 standalone financial statement and accompanying notes are presented in million and have been rounded-off to one decimal place unless stated otherwise.

(v) 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.

4 Significant accounting policies

(a) Property, plant and equipment

<u>Measurement at recognition</u>

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. Financial assets and financialliabilities are recognised when the Company becomes aparty to the contractual provisions of the instruments.

(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.

Property, plant and equipment and Intangible assets

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 charged to statement of profit and loss 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 statement of profit and loss in the year of issue and the balance 50% is charged to statement of profit and loss 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 is 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.

Deferred tax asset on unabsorbed depreciation and carry forward losses under tax laws 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	Office buildings	Computer	Electrical installation and fittings	Office equipments	Furniture and fixtures	Leasehold improvements	Vehicles	Plant, Mterological and Laboratory equipement	Total assets
Cost :												
At 1 April 2021	**1,149.2**	**2,821.6**	**286.5**	**54.9**	**60.4**	**86.9**	**50.2**	**53.7**	**177.6**	**0.4**	**981.1**	**5,722.5**
Add: Additions during the year	22.1	-	-	-	3.7	-	1.0	0.3	1.3	-	2.0	**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**	**54.9**	**64.1**	**86.9**	**45.0**	**46.1**	**163.3**	**0.4**	**983.1**	**5,723.2**
Add: Additions during the year	42.1	-	-	-	1.3	-	0.8	0.1	55.2	-	4.6	**104.1**
Less : Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	**-**
Add /(Less): Other adjustment	0.0	0.2	(0.7)	(0.0)	(0.4)	(0.0)	(0.6)	0.2	0.5	0.0	(0.3)	**(1.1)**
At 31 Mar 2023	**1,213.4**	**2,821.8**	**285.8**	**54.9**	**65.0**	**86.9**	**45.2**	**46.4**	**219.0**	**0.4**	**987.4**	**5,826.2**
Accumulated Depreciation:-												
At 1 April 2021	-	267.4	20.1	5.3	52.7	66.5	39.2	21.4	77.9	0.1	546.8	**1,097.4**
Add: Charge for the year	-	53.7	5.4	1.0	3.6	9.7	4.0	4.4	15.3	-	65.4	**162.5**
Less: Disposal	-	-	-	-	-	-	(5.1)	(6.6)	(12.9)	-	-	**(24.6)**
At 31 Mar 2022	**-**	**321.1**	**25.5**	**6.3**	**56.3**	**76.2**	**38.1**	**19.2**	**80.3**	**0.1**	**612.2**	**1,235.3**
Add: Charge for the year	-	57.1	5.7	1.1	5.7	9.3	4.9	4.6	20.1	0.0	82.7	**191.2**
Less: Disposal	-	-	-	-	-	-	-	-	-	-	-	**-**
Add /(Less): Other adjustment#	-	0.0	1.3	(0.0)	(0.1)	0.1	(0.4)	0.1	(0.1)	0.3	0.9	**2.1**
At 31 Mar 2023	**-**	**378.2**	**32.5**	**7.4**	**61.9**	**85.6**	**42.6**	**23.9**	**100.3**	**0.4**	**695.8**	**1,428.6**
Carrying amounts												
At 31 March 2022	**1,171.3**	**2,500.5**	**261.0**	**48.6**	**7.8**	**10.7**	**6.9**	**26.9**	**83.0**	**0.3**	**370.9**	**4,487.9**
At 31 March 2023	**1,213.4**	**2,443.6**	**253.3**	**47.5**	**3.1**	**1.3**	**2.6**	**22.5**	**118.7**	**-**	**291.6**	**4,397.6**

0.0 represents amount, below rounding off norms adopted by the Company.
Accelared depreciation
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 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**
Add: Additions during the year	82.5
Add: Adjustments during the year	1.7
Balance as at 31 March 2023	**341.8**
Accumulated depreciation :	
Balance as at 1 April 2021	**44.9**
Add: Charge for the year	36.3
Less : Disposals during the year	22.2
Balance as at 31 March 2022	**59.0**
Add: Charge for the year	47.3
Less : Disposals / other adjustments during the year	-
Balance as at 31 March 2023	**106.4**
Net carrying amount	
Balance as at 31 March 2022	**198.6**
Balance as at 31 March 2023	**235.5**

**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

	31 March 2023	31 March 2022
Opening balance	**32.3**	**-**
Additions during the year	72.4	32.3
Capitalised during the year	(104.1)	-
Closing balance	**0.6**	**32.3**

(a) Ageing of CWIP (31 March 2023)

S. No	Projects in Progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Laboratory equipment	0.6	-	-	-	**0.6**

(b) Ageing of CWIP (31 March 2022)

S. 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**

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

(Currency : Indian Rupees in Million)

6.1 Intangible assets

Particulars	Computer software	Total
Gross carrying amount		
Balance as at 1 April 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**
Add: Additions during the year	-	-
Add: Adjustment during the year	2.3	2.3
Balance as at 31 March 2023	**106.4**	**106.4**
Amortisation		
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**
Amortisation for the year	12.1	12.1
Add: Adjustment during the year	1.3	1.3
Balance as at 31 March 2023	**106.1**	**106.1**
Net carrying amount		
Balance as at 31 March 2022	**11.4**	**11.4**
Balance as at 31 March 2023	**0.3**	**0.3**

6.2 Intangible assets under development

	31 March 2023	31 March 2022
Intangible assets under development - Computer Software*	3.8	-

Ageing of Intangible assets under development as on 31 March 2023

S. No	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	3.8	-	-	-	**3.8**

* Company is under process of upgrading Microsoft Navision financial accounting system to Microsoft Business Central and expects to complete by end of August 2023.

(Currency : Indian Rupees in Million)

	31 March 2023	31 March 2022
7 Investments		
(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
90,454,529 (31 March 2022: 90,454,529) equity shares of INR 10 each, fully paid-up		
(ii) NCML Mktyard Private Limited	70.0	70.0
5,000,000 (31 March 2022: 5,000,000) equity shares of INR 10 each, fully paid-up		
(iii) NCML Basti Private Limited	80.0	80.0
8,000,000 (31 March 2022: 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 2022: 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 2022: 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 2022: 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 2022: 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 2022: 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 2022: 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 2022: 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 2022: 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 2022: 4,000,000) equity shares of INR 10 each, fully paid-up		
(xiii) NCML Sonepat Private Limited	335.0	335.0
33,500,000 (31 March 2022: 33,500,000) 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 2022: 100,000) equity shares of INR 10 each, fully paid-up		
(xvi) NCML Madhepura Private Limited	1.0	1.0
100,000 (31 March 2022: 100,000) equity shares of INR 10 each, fully paid-up		
(xvii) NCML Motihari Private Limited	1.0	1.0
100,000 (31 March 2022: 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 2022: 300,000) equity shares of INR 10 each, fully paid-up		
Total investment in subsidiaries	**2,157.7**	**2,157.7**
Less: Provision for impairment of investment	(148.2)	(144.4)
Net investment in subsidiaries	**2,009.5**	**2,013.3**
Aggregate amount of unquoted non-current investments	2,157.7	2,157.7
Aggregate amount of impairment in value of investments	148.2	144.4

(Currency : Indian Rupees in Million)

		31 March 2023	**31 March 2022**
8	**Loans**		
	Loan to subsidiaries - unsecured, considered good (refer note 36)*	2,510.0	-
	- Unsecured, credit impaired	-	-
	Less: Provision for credit impaired	-	-
		2,510.0	**-**

*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)

Particulars	Amount outstanding as on 31 March 2023	Percentage to the total loans and advances in the nature of loans	Amount outstanding as on 31 March 2022	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) Amounts without specifying any terms or period of repayment				
- Promoters	-	-	-	-
- Directors	-	-	-	-
- Key managerial personnel	-	-	-	-
- Other related parties	2,510.0	100.00%	-	-
Total	**2,510.0**	**100.00%**	**-**	**-**

		31 March 2023	**31 March 2022**
9	**Other financial assets**		
	Bank deposits with original maturity more than 12 months*	85.1	105.6
	Security deposits		
	- Unsecured, considered good	3.6	-
	- Unsecured, considered doubtful	32.5	54.1
	Allowance for doubtful loans	(32.5)	(54.1)
		88.7	**105.6**
	* Restrictions on bank deposits		
	Bank guarantee	40.0	5.0
	Lien	45.1	100.6
		85.1	**105.6**
10	**Deferred tax assets (net)**		
	Deferred tax assets (net) (refer note 39 (d))	**-**	**543.1**
10a	**Tax assets**		
	Non- current tax assets	**257.3**	**239.1**
	Current tax assets	**92.3**	**-**

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
11	**Other non-current assets**		
	(Unsecured, considered good unless otherwise stated)		
	(a) Capital advances	7.5	40.3
	Allowance for capital advances	(7.5)	(7.5)
	(b) Advances other than capital advances		
	(i) Balance with government authorities	-	3.6
	(ii) Prepaid expenses	6.3	3.4
		6.3	**39.8**
12	**Inventories**		
	Stock in trade		
	Inventories valued at the lower of cost or net realisable value		
	Traded goods	18.8	10.1
	Stores and consumables		
	Consumables	18.1	15.1
	Dunnage	4.4	3.9
		41.3	**29.1**
13	**Trade receivables**		
	Secured, considered good	-	17.6
	Unsecured, considered good	647.6	718.8
	Unsecured, credit impaired	639.4	542.9
	Allowance for credit impaired	(639.4)	(542.9)
		647.6	**736.4**
14	**Cash and cash equivalents**		
	Balances with banks - in current accounts	89.7	682.5
	Deposit with original maturity less than 3 months	100.1	0.1
	Cash on hand*	0.0	0.0
		189.8	**682.6**

* Below rounding off norms adopted by the Company.

		31 March 2023	31 March 2022
15	**Bank balances other than cash and cash equivalents**		
	Deposit with maturity more than 3 months but less than 12 months*	283.7	679.7
	Other bank balance #	14.0	81.3
		297.7	**761.0**
	* includes restrictions on bank deposits		
	Bank guarantee	191.3	148.1
	Lien	40.7	401.3
	Against bank overdraft	1.6	12.1
	Letter of credit	-	19.5
		233.6	**581.0**

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.

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
16	**Loans**		
	To parties other than related parties		
	Loan to subsidiaries - unsecured, considered good (refer note 36)*	713.4	3,263.3
	- Unsecured, credit impaired	1,048.2	220.2
	Allowance for credit impaired	(1,048.2)	(220.2)
		713.4	**3,263.3**

* Includes interest accrued on loan to subsidiaries

Movement of loans

Particulars	31 March 2023	31 March 2022
Opening balance	**3,263.3**	**3,158.5**
Loans given during the year (net of repayments)	788.1	104.8
Amount reclassified to non current loans	(2,510.0)	-
Impairments made during the year	(828.0)	-
Closing balance	**713.4**	**3,263.3**

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)

Particulars	Amount outstanding as on 31 March 2023	Percentage to the total loans and advances in the nature of loans	Amount outstanding as on 31 March 2022	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*	1,761.6	100%	3,483.5	100%
b) Amounts without specifying any terms or period of repayment				
- Promoters	-	-	-	-
- Directors	-	-	-	-
- Key managerial personnel	-	-	-	-
- Other related parties	-	-	-	-
Total	**1,761.6**	**100%**	**3,483.5**	**100%**

* It represents the gross amount of loan given.

Disclosure pursuant to schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) regulations, 2015

Name of Subsidiary	Rate of interest	Balance outstanding as at 31 March 2023	Maximum outstanding during the year 2022-23	Balance outstanding as at 31 March 2022	Maximum outstanding during the year 2021-22
Loans and Advances in the nature of loan given to subsidiary					
NCML Basti Private Limited	10.50%/12.50%	606.9	606.9	461.1	461.1
NCML Faizabad Private Limited	10.50%/12.50%	350.5	350.5	310.9	310.9
NCML Batala Private Limited	10.50%/12.50%	545.0	545.0	378.6	378.6
NCML Chhehreatta Private Limited	10.50%/12.50%	562.1	562.1	400.7	400.7
NCML Deoria Private Limited	10.50%	240.6	240.6	220.4	220.4
NCML Bhattu Private Limited	10.50%	486.1	486.1	556.5	556.5
NCML Jalalabad Private Limited	10.50%	243.1	243.1	216.8	216.8
NCML Sonepat Private Limited	10.50%	47.8	47.8	31.3	31.3
NCML KB Private Limited	10.50%	694.4	694.4	456.2	456.2
NCML Madhepura Private Limited	10.50%	76.0	76.0	60.8	60.8
NCML Saran Private Limited	10.50%	60.4	60.4	45.9	45.9
NCML Motihari Private Limited	10.50%	70.0	70.0	55.1	55.1
NCML Varanasi Private Limited*	10.50%	66.3	66.3	66.3	66.3
NCML Palwal Private Limited*	10.50%	181.4	181.4	181.5	181.5
NCML Bettiah Private Limited*	10.50%	41.0	41.0	41.3	41.3

* Impairment of loan, expenses and Interest receivable amounting to Rs 1,048.2 million (31 March 2022 Rs 220.2 million)

(Currency : Indian Rupees in Million)

		31 March 2023		31 March 2022
17 Other financial assets				
Unsecured, considered good unless otherwise stated				
(a)From related parties				
Receivable from subsidiary (refer note 36)	72.0		54.2	
Less: Impairment of receivables (refer note 36(a))	(51.6)	20.4	(26.7)	27.5
(b)From parties other than related parties				
Other advances				
Insurance claims receivable	462.7		462.7	
Allowance for insurance claims	(462.7)	-	(462.7)	-
Compensation receivable	18.6		18.6	
Less: Provision for credit impaired	(18.6)	-	-	18.6
Interest accrued but not due		12.4		14.6
Security deposits	88.3		69.7	
Less: Provision for credit impaired	(35.2)	53.1	(13.6)	56.1
Amount recoverable from employees	12.2		12.2	
Allowance for doubtful recovery from employees	(12.2)	-	(12.2)	-
Amounts recoverable from rice millers				
- Unsecured, credit impaired	97.2		110.9	
Allowance for credit impaired	(97.2)	-	(110.9)	-
Other receivables*		7.0		21.2
Total (a+b)		**92.9**		**138.0**

* Other receivables pertain to Gratuity funds account with NCMSL Employees Group Gratuity Assurance Fund as on 31 March 2023 and receivables from NABARD as on 31 March 2022.

		31 March 2023		31 March 2022
18 Other current assets				
Unsecured, considered good				
Balance with government authorities		30.3		28.6
Advance to suppliers		6.2		7.8
Prepaid expenses		24.4		33.0
Unsecured, considered doubtful				
Advance to suppliers	31.3		28.7	
Advance to employees	7.9		16.5	
Allowance for doubtful advance	(39.2)	-	(45.2)	-
		60.9		**69.4**

(Currency : Indian Rupees in Million)

	31 March 2023	31 March 2022
19.1 Equity share capital		
Share capital		
Authorised :		
200,000,000 (31 March 2022 : 200,000,000) Equity shares of 10 each	**2,000.0**	**2,000.0**
Issued, subscribed and paid up		
162,184,983 (31 March 2022 : 147,438,736) Equity shares of 10 each, fully paid up	1,621.8	1,474.4
	1,621.8	**1,474.4**

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

	31 March 2023		31 March 2022	
	No. of shares	Amount (INR)	No. of shares	Amount (INR)
Number of equity shares at the beginning of the year	147,438,736	1,474.4	147,411,736	1,474.1
Add: Equity shares issued during the year	14,746,247	147.4	27,000	0.3
Number of equity shares at the end of the year	**162,184,983**	**1,621.8**	**147,438,736**	**1,474.4**

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.

The Company has issued Compulsorily Convertible Debentures ("CCD's") to FIH Mauritius Investments Limited on 1st October 2019, convertible anytime before the end of 10 years. During the current year, the Board of Directors of the Company have passed a resolution on 31st March 2023 for the conversion of these CCD's. Accordingly, equity shares were allotted to FIH Mauritius Investments Limited in lieu of conversion of 100,274,482 CCD's having face value of Rs. 10 each aggregating to Rs. 1,002.7 million. On account of the said transaction, there is an increase in equity share capital by Rs.147.4 million and securities premium by Rs. 855.3 million and decrease in financial liability by Rs. 535.5 million, equity component of CCD's by Rs. 308.8 million and other equity by Rs. 158.4 million.

c) **Shares held by holding company**

	31 March 2023		31 March 2022	
	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	146,687,533	1,466.9	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 :**

Name of shareholders	31 March 2023		31 March 2022	
	Number of equity shares held	Percentage holding	Number of equity shares held	Percentage holding
FIH Mauritius Investments Limited	146,687,533	90.44%	131,941,286	89.49%

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.

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:**

S. No	Promoter Name	As on 31 March 2023		% Change during the year	As on 31 March 2022	
		No. of Shares	% of Total Shares		No. of Shares	% of Total Shares
1	FIH Mauritius Investments Ltd.	146,687,533	90.44%	0.95 %	131,941,286	89.49%

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
19.2	**Other equity**		
(i)	**Equity component of compound financial instrument**		
	- equity component of compulsory convertible debentures (refer note 20.1)	308.8	308.8
	Less: Conversion of CCD's to equity shares (refer note 19.1)	(308.8)	-
	Closing balance	**-**	**308.8**
(ii)	**Reserves and surplus**		
(a)	**Securities premium account**		
	Opening balance	3,910.3	3,910.3
	Add: Securities premium on issue of equity shares (refer note 19.1)	855.3	-
	Closing balance (refer sub-note 1)	**4,765.6**	**3,910.3**
(b)	**Special reserve**		
	Opening balance	47.5	47.5
	Add: Transferred from surplus in statement of profit and loss	-	-
	Closing balance (refer sub-note 2)	**47.5**	**47.5**
(c)	**Share options outstanding account**		
	Opening balance	0.3	0.3
	Amount transfer to other financial liability due to cash settlement	-	-
	Closing balance (refer sub-note 3)	**0.3**	**0.3**
(d)	**Retained earnings**		
	Opening balance	(142.4)	748.8
	Loss for the year	(1,847.7)	(576.0)
	Remeasurement of the net defined benefit liability/asset, net of tax effect	6.0	4.8
	Transferred to debenture redemption reserve	-	(320.0)
	Distribution to equity shareholders	(158.4)	-
	Closing balance (refer sub-note 5)	**(2,142.5)**	**(142.4)**
(e)	**Debenture redemption reserve**		
	Opening balance	320.0	-
	Transferred from surplus in statement of profit and loss	-	320.0
	Closing balance (refer sub-note 4)	**320.0**	**320.0**
	Total	**2,990.9**	**4,444.5**

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 2023 (31 March 2022: Rs. nil) 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.

5 Retained earnings represents the accumulated profits/ (losses) of the Company.

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
20.1	**Borrowings***		
	Secured loan:		
	Debentures		
	Non convertible debentures (refer note (f) below)	2,560.1	2,986.7
	Term loan		
	(i) from banks (refer note (a), (b), (c), (d) & (e) below)	853.3	244.1
	Less : Unamortised transaction cost	(22.9)	(32.1)
	Unsecured loan		
	From related party- subsidiary company	950.0	630.0
	Compulsory convertible debentures and interest accrued there on (refer note 4 below)	347.8	587.5
		4,688.3	**4,416.2**

* Amount disclosed under "Borrowings Current - Current maturities of long-term debt" Rs. 485.4 Million (31 March 2022: Rs. 500.1 Million) (refer note 23).

Sub-notes:

1	**Nature of Security**	**Terms:**
(a)	Long-term Outstanding from Yes bank amounting to Rs. nil (31 March 2022: Rs. 88.4 million) is secured by nil assets.	- Loan is repaid in full on 29 November 2022.
(b)	Long-term loan taken from ICICI bank amounting to Rs. 14.0 million (31 March 2022: Rs 31.0 million) is secured by way on lien on Fixed Deposit of Rs. 15.4 million.	- Term loan taken from ICICI banks carries Rs. nil interest rate (present) and repayable on 31 March 2024.
(c)	Long-term loan taken from ICICI bank amounting to Rs. 750.0 million (31 March 2022: Rs. nil) is secured by equitable mortgage of 10 Warehouses specifically mentioned in Credit Arrangement Letter and Testing laboratory equipment.	- Term loan taken from ICICI banks carries interest rate of Base rate (IMCLR-1Y + "Spread" p.a.), subject to minimum of IMCLR (where I-MCLR-1Y is 8.75% and Spread is 0.50% p.a.) and repayable in 8 quarterly installments starting from 30 June 2024 ending on 31 March 2026.
(d)	Long-term loan taken from KVB (under ECLGS 2.0 scheme) amounting to Rs 45.5 million (31 March 2022: Rs 59.1 million) is secured by way of second pari passu charge on entire Current assets.	- Term loan taken from KVB at interest rate of Base rate (EBR-R) plus 1% subject to max of 9.25% p.a. (presently), repayable in 48 equal installments of Rs. 1.23 million starting from 5 May 2022 ending on 5 April 2026.
(e)	Long-term loan taken from IndusInd bank (under ECLGS 2.0 scheme) amounting to Rs. 102.5 million (31 March 2022: Rs. 120.0 million) is 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% subject to max of 9.25% p.a. and presently 8.20% p.a., repayable in 48 equal monthly installments of Rs. 2.5 million starting from 30 September 2022 ending on 30 September 2026.
(f)	Long-term loan in the form of NCD issued to debenture holder- FMO (Financierings-Maatschappij voor Ontwikkelingslanden) amounting to Rs. 2,986.7 million (31 March 2022: 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 in 15 half-yearly installments of Rs. 21.3 million starting from 17 March 2023 ending on 17 March 2030 in accordance with the terms of Debenture Trust Deed (DTD).

(i) **Security for FMO:**

- Exclusive mortgage and charge over the twenty nine (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.

(ii) **Security for ICICI bank term loan:**

- Exclusive mortgage and charge over the ten (10) immovable properties (warehouses) with ICICI bank.
- Exclusive mortgage and charge over movable assets (testing laboratory equipments) with ICICI bank.

2 Default in repayment of principal and interest Rs. nil (31 March 2022 : Rs. nil)

3 Waiver for non- compliance for breach of debt covenants has been obtained by the Company from Debenture trustee vide letter dated 17 March 2023 upto the period ending 30 September 2023.

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 2023

(Currency : Indian Rupees in Million)

List of properties pledged with bank

S No.	Description of Property	Situated at/ Location	Security given for
1	Land and warehouse	24/1/1 Pochera village, Adilabad, Telangana	FMO loan
2	Land and warehouse	Khasra No. 460, 461, 462, 463(South & North), 464, Plot no. 1 village samaspur, patwar Halka Lisariya, Tashil & District – Baran, Rajasthan	FMO loan
3	Land and warehouse	Survey No. 1375, 1376 Village Kyara, Pargana, tehsil & Distt. Bareilly, Uttar Pradesh	FMO loan
4	Land and warehouse	Khewat No. 243/548 to 579, Bathinda Dabwali Road, village Gehri Butter, Dist. Bathinda, Punjab	FMO loan
5	Land and warehouse	Sy. No. 80/3, 80/4, belur, (J) Village Tq. & Dist. Kalaburgi, Belur, Gulbarga, Karnataka	FMO loan
6	Land and warehouse	Survey No. 124 & 125, Ekgaon Gram Panchayath, mandal Bhainsa, Dist. Adilabad, Telangana	FMO loan
7	Land and warehouse	Agrobase Industry situated at Khasara No. 1007/627, 1009/627, Village Khara, tehsil & District Bikaner, Rajasthan	FMO loan
8	Land and warehouse	Industrial Land area 19626 sq yard, Khasra No. 500/389, 501/389 Village Hattipura, Bundi, Rajasthan	FMO loan
9	Land and warehouse	R.S. No. 561, prattipadu sub registry Guntur Dt. Kornepadu village, Vatti Cherukuru mandalam, Guntur, Andhra Pradesh	FMO loan
10	Land and warehouse	SY. No. 504/1, Situated at Ankireddypalem village, Guntur mandal & district, Andhra Pradesh	FMO loan
11	Land and warehouse	Survey No. 78, 79 Chichghat village (Rathi), Teh. Hinganghat, Dist. Wardha, Maharashtra	FMO loan
12	Land and warehouse	Khata No. 144/436, 144/437 plot No. 159, 163, 161, Kaliagaon Teh. Jeypore Dist. Koraput, Odisha	FMO loan
13	Land and warehouse	25/17 and 25/18, Agro Base, Industrial Plot, Village Salawas, Boranada salawas Road, Jodhpur, Rajasthan	FMO loan
14	Land and warehouse	Tiruppur,R.D., Kangeyam, Sub R.D. Kangeyam Tk, Veeranampalayam village, Re. S. F. No: 893/3. P. Hec 1.77, Kangayem, Tamil Nadu	FMO loan
15	Land and warehouse	Arzies Nos. 372, 374, 375, 377 Dha, and 415 village Rampur Bhimsen Kanpur sadar kanpur,Uttar Pradesh	FMO loan
16	Land and warehouse	NCML, Kh. No. 768, 772,773 Vill. Kasar, Teh. Ladpura, Dist. Kota, Rajasthan	FMO loan
17	Land and warehouse	Survey No. 268/1+2+3/, Kurtakoti Village, Tq. & Dist. Gadag, Karnataka	FMO loan
18	Land and warehouse	Survey No. Land G No. 21/2, S/a, harangul Bk. Tq. & dist Latur, Maharashtra	FMO loan
19	Land and warehouse	Kehwat No. 196, Khatouni No. 380, Rect No. 70, Kill No. 24,25, No. 73, Killa No. 4,5,6,7 village Lambi dhab, teh. & dist. Sri Muktsar sahib, Punjab	FMO loan
20	Land and warehouse	SY. No. 301, 302, 303, 304, 305/1, 305/P2, 523/A, & 523/AA at Gundaram village Shivar, Nizamabad, Telangana	FMO loan
21	Land and warehouse	Sy. No. 25/1, of Obajjihalli village, Davanagre taluk, Dist. Davanagre, Karnataka	FMO loan
22	Land and warehouse	Marocha, Ujiyarpur, 248, Anchal-Kasba dist. Purnea, Khata No. 60, Kheshra No. 440, 441, 442, 447, 448, 449, Purnea, Bihar	FMO loan
23	Land and warehouse	Sq. No. 2, Killa No. 16,17,18,19,20,21,22,23,24,25 of village Amargarh, Teh. Raisinghnagar Distt. Sriganganagar, Rajasthan	FMO loan
24	Land and warehouse	Jitwarpur Kumhira, 269, Anchal-sarairanjan, Khata No. 476, Kheshra No. 3026/5627, Samastipur, Bihar	FMO loan
25	Land and warehouse	Sq. No. 40, Killa No. 16,17,18,19,20 and sq. No. 41, killa No. 1 to 20, Chak 28 – LNP II, Teh. & Distt. Sri Ganganagar, Rajasthan	FMO loan
26	Land and warehouse	Survey No. 374/2, 374/3 Door No. 4/152, Situated at Konduprolu village, Tadepalligudem, Andhra Pradesh	FMO loan
27	Land and warehouse	Bearing Khasra No. 13,14,15,6/1,6/2,7/1,7/2, and 8 village safipur, Tarantaran, Teh. & Dist. Amritsar, Punjab	FMO loan
28	Land and warehouse	Survey No. 301, Sub division No. 2B, Situated at village sillanatham, taluk-ottapidaram & dist. Tuticorin, Tamilnadu	FMO loan
29	Land and warehouse	Survey No. 1160p 1 Plot No. 154 & 155, Area 13405 Sq. Mtr, village Kamli, Ta. Unjha Dist. Mehsana, Gujarat	FMO loan
30	Land and warehouse	Khewat no. 321, 322 & 352, Hindumalkot Road, Village Killianwali, Abohar District - Fazilka, Punjab	ICICI term loan
31	Land and warehouse	Survey no. 122, Village-Mouje Shisha, Nagpur Akola Road, Taluka & District- Akola, Maharashtra	ICICI term loan
32	Land and warehouse	Survey No. 818/2 and 818/3, Opposite Sub. Jail, Village Rajoda, Tehsil & District-Dewas, Madhya Pradesh	ICICI term loan
33	Land and warehouse	Survey Old S.f: new survey no: 66/02, 66/03, 66/04, 66/05, 66/06, 66/07B and 66/08A, Ellapalayam Thiruvachi Gramam, Perundurai taluk, Erode, Tamil Nadu	ICICI term loan
34	Land and warehouse	Survey No. 312 , 313/2, Village Mevali, Tyonda Road, Ganj Bhasoda, Vidisha, Madhya Pradesh	ICICI term loan
35	Land and warehouse	Survey No. 409/P1, Plot No 1 to 6, located in Village Sadra, Kadi, District - Mehsana, Gujarat	ICICI term loan
36	Land and warehouse	Survey No. 251(Hissa No. 03), situated in Manslapur Village, Tehsil & District – Raichur, Karnataka	ICICI term loan
37	Land and warehouse	Gat No. 443 (Old S. No. 169/2, 165/1, 166/2, 169/4B) situated at village Tanang, Tahsil -Miraj, Dist.-Sangli, Maharashtra	ICICI term loan
38	Land and warehouse	Survey No. 539/2/1 Paiki & 545/2/3 Paiki, situated at Village Undasa Tehsil & District Ujjain, Madhya Pradesh	ICICI term loan
39	Land and warehouse	Survey No. 2576/2672/2 Patwari Halka No 50 & Khasra No 2576/2672/2 Patwari Halka N0 48, Vill - Sherpur Munjapta, Ahmedpur Road, Near Sai Mandir, Vidisha, Teh+Dist - Vidisha, Madhya Pradesh	ICICI term loan

(Currency : Indian Rupees in Million)

20.1 Borrowings *(Continued)*

Fair value and carrying value

	Interest rate	Maturity	Fair value	Carrying amount
			31 March 2023	
Non-current liabilities				
Secured loan:				
Term loan from ICICI bank	Nil	31 March 2024	14.0	14.0
Term loan from KVB bank (ECLGS 2.0)	8.20% to 9.25%	5 April 2026	45.6	45.6
Term loan from IndusInd bank (GECL)	8.20%	30 September 2026	102.5	102.5
Term loan from ICICI bank	9.25%	31 March 2026	750.0	750.0
Non-convertible Debentures	9.47%	17 March 2030 in accordance with DTD	2,986.7	2,986.7
Unsecured loan - From related party- subsidiary company	9.00%	Not defined	950.0	950.0
Total interest-bearing liabilities			**4,848.8**	**4,848.8**
Interest on Compulsory convertible debentures			347.8	347.8
Total liabilities			**5,196.6**	**5,196.6**
Borrowings shown as current/ non current				
Current (refer note 23)*				**485.4**
Non- Current*				**4,711.2**
			31 March 2022	
	Interest rate	**Maturity**	**Fair value**	**Carrying amount**
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%	17 March 2030 in accordance with DTD	3,200.0	3,200.0
Unsecured loan - From related party- subsidiary company	9.00%	Not defined	630.0	630.0
Unsecured loan - Compulsory convertible debentures	12.50%	30 September 2030	587.5	587.5
Total interest-bearing liabilities			**4,716.4**	**4,716.4**
Interest on Compulsory convertible debentures			231.9	231.9
Total liabilities			**4,948.3**	**4,948.3**
Borrowings shown as current/ non current				
Current (refer note 23)*				**500.1**
Non- Current*				**4,448.3**

*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%. During the year 31 March 2023, Company has converted the outstanding debentures into shares (refer note 19).

(Currency : Indian Rupees in Million)

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

	Lease liability	Borrowings*	Total
As on 01 April 2022	214.6	6,337.7	**6,552.3**
Proceeds from borrowings	-	1,125.0	**1,125.0**
Repayment of borrowings	(60.4)	(1,144.9)	**(1,205.3)**
Non-cash:			
Conversion of CCD into equity shares	-	(535.5)	**(535.5)**
Increase in lease liability	82.5	-	**82.5**
Interest	24.6	61.4	**86.0**
As on 31 March 2023	**261.3**	**5,843.7**	**6,105.0**

	Lease liability	Borrowings*	Total
As on 01 April 2021	175.2	6,073.5	**6,248.7**
Proceeds from borrowings	-	250.0	**250.0**
Repayment of borrowings	(24.7)	(181.7)	**(206.4)**
Interest paid on CCD	-	45.9	**45.9**
Non-cash:			
Increase in lease liability	43.5	-	**43.5**
Interest	20.6	150.0	**170.6**
As on 31 March 2022	**214.6**	**6,337.7**	**6,552.3**

*Excluding unamortised transaction cost

		31 March 2023	31 March 2022
20.2	**Other financial liabilities**		
	Security deposit	-	2.1
		-	**2.1**
21	**Provisions**		
	Provision for compensated absences (refer note 45)	11.9	15.7
		11.9	**15.7**
22	**Other non-current liabilities**		
	Deferred Government grants (refer note 44)	148.3	153.0
		148.3	**153.0**

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
23	**Borrowings**		
	From banks		
	Short term loans (refer sub-note 1)	618.8	1,300.4
	Cash credit facility (refer sub-note 2)	16.4	74.5
	Current maturities of non current borrowings (refer note 20.1)	485.4	500.1
	Less : Unamortised transaction cost	(9.2)	(9.2)
	Interest accrued but not due on term loans from banks	11.9	14.4
		1,123.3	**1,880.2**

1 Short-term loans taken from banks carries interest ranging between 7.40% to 11.00% (31 March 2022 - 7.25% to 11.00%), 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 8.25% to 12.05% (31 March 2022 - 7.25% to 12.05%), 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 2022 - 9.00% to 12.50%), 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 Rs. nil (31 March 2022 : Rs. nil).

5 **Fair value and carrying value**

	Nominal interest rate	Maturity	31 March 2023 Fair Value
Current liabilities			
Secured short term loan	7.40% to 11.00%	Less than 1 year	618.8
Secured cash credit and overdraft facility	8.25% to 12.05%	Less than 1 year	16.4
Interest accrued but not due on term loans from banks	7.40% to 12.05%	Less than 1 year	11.9
Total interest-bearing liabilities			**647.1**

	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**

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
24	**Trade payables**		
	Total outstanding dues to micro enterprise and small enterprise (refer note 51)	44.5	6.2
	Total outstanding dues to creditors other than micro enterprise and small enterprise	266.3	256.0
		310.8	**262.2**

25	**Other financial liabilities**		
	Creditors for capital goods	2.6	6.9
	Payable to employees	27.6	34.1
	Cash settlement	5.7	7.8
	Others*	40.7	43.5
		76.6	**92.3**

* Payable towards excess amount collected from customers.

26	**Other current liabilities**		
	Statutory dues payable	46.1	55.7
	Deferred Government grants (refer note 44)	4.7	4.7
	Advance from customers (refer note 52)	5.7	12.4
		56.5	**72.8**

27	**Provisions**		
	Provision for compensated absences (refer note 45)	0.4	7.2
	Provision for gratuity (refer note 45)	24.0	26.6
	Provision for litigations (refer note 48)	299.2	256.9
	Provision for future commitments (refer note 48)	32.2	32.2
		355.8	**322.9**

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(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
28	**Revenue from operations (refer note 52)**		
	(a) Sales of goods	388.1	744.1
	(b) Sale of services :		
	Warehousing services	1,023.9	1,171.5
	Testing and certification	294.6	263.6
	Weather and market intelligence	178.8	160.4
	Vehicle management services	83.7	117.2
		1,969.1	**2,456.8**

Sub-notes:

1 **Reconciliation of revenue recognised with contract price:**

	31 March 2023	31 March 2022
Contract price	1,969.1	2,456.8
	1,969.1	**2,456.8**

		31 March 2023	31 March 2022
29	**Other income**		
	Interest income on:		
	- Fixed deposits	35.1	40.3
	- Interest from subsidiaries	393.8	379.3
	- Income tax refund	-	1.9
	- Others	0.9	1.9
	Liabilities no longer payable, written back	58.0	-
	Gain on sale of property, plant and equipment	-	8.8
	Government grants (refer note 44)	4.7	6.6
	Income from shared services (refer note 36)	21.0	45.2
	Miscellaneous income	3.0	0.3
		516.5	**484.3**
30	**Changes in inventories of stock-in-trade**		
	Opening inventories		
	Traded goods valued at lower of cost or net realisable value	10.1	219.2
		10.1	**219.2**
	Less: Closing inventories		
	Traded goods valued at lower of cost or net realisable value	18.8	10.1
		18.8	**10.1**
		(8.7)	**209.1**
31	**Employee benefits expense**		
	Salaries, wages and bonus*	313.4	307.0
	Contribution to provident and other funds (refer note 45)	22.8	21.7
	Staff welfare expenses	5.5	0.6
		341.7	**329.3**

*net off amount recharged to subsidiaries

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
32	**Finance costs**		
	Interest on current borrowings	128.2	108.5
	Interest on non current borrowings	17.3	14.1
	Interest on non convertible debenture	302.3	302.4
	Interest on compulsory convertible debentures (refer note 36)	73.4	79.2
	Interest paid to related parties (refer note 36)	60.1	47.9
	Interest on lease obligations (refer note 37)	24.6	20.6
	Other borrowing costs - loan processing charges	9.8	0.3
		615.7	**573.0**
33	**Depreciation and amortisation**		
	Depreciation on property, plant and equipment (refer note 5)	193.3	162.5
	Amortisation of intangible assets (refer note 6.1)	12.1	16.5
	Depreciation of right of use assets (refer note 5.1 & 37)	47.3	36.3
		252.7	**215.3**
34	**Other expenses**		
	Lease rentals:		
	- Warehouse rent (refer note 37)	205.9	201.2
	- Office rent (refer note 37)	1.9	12.0
	Outsourcing expenses	51.0	85.8
	Security expenses	40.7	46.2
	Storage charges	153.2	181.8
	Dunnage and fumigation	54.2	38.5
	Professional fees	56.6	80.9
	Provision against claims receivables expense (refer note 48)	156.4	0.8
	Warehousing service expenses	27.7	25.1
	Insurance	43.1	75.2
	Testing and certification charges	98.1	61.1
	Travelling and conveyance expenses	48.2	69.3
	Postage, courier and telephone charges	17.7	21.1
	Repairs and maintenance - Others	41.2	49.6
	Allowance for credit impaired trade receivables	81.4	232.6
	Allowance for credit impaired advances and write off	17.4	99.3
	Bad debts written off	15.0	-
	Electricity charges	32.0	29.6
	Rates and taxes	51.0	49.5
	Bank charges	22.7	16.3
	Payment to auditors (refer note 47)	4.0	3.7
	Corporate social responsibility expenses (refer note 49)	-	0.5
	Loss on disposal of property, plant & equipment	-	18.0
	Foreign exchange loss	-	0.8
	Weather station expenses	44.8	51.2
	Vehicle management expenses	74.6	109.8
	Miscellaneous expenses	20.0	22.8
		1,358.8	**1,582.7**

(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	For the year ended 31 March 2023	For the year ended 31 March 2022
1. **Segment revenue**		
a. Warehousing services	1,023.9	1,171.5
b. Trading of goods	388.1	744.1
c. Other services	557.1	541.2
Total	**1,969.1**	**2,456.8**
Less : Inter segment revenue	-	-
Revenue from operations	**1,969.1**	**2,456.8**
2. **Segment results**		
a. Warehousing services	(117.8)	(35.8)
b. Trading of goods	(1.4)	(137.9)
c. Other services	(143.5)	(111.0)
Total	**(262.7)**	**(284.7)**
Less: Finance costs	615.7	573.0
Other un-allocable expenditure net off un-allocable income	(430.5)	(378.4)
Impairment of investment in and loans to subsidiaries	856.7	96.7
3. Loss before tax	**(1,304.6)**	**(576.0)**
Less: Tax expenses	543.1	-
4. Loss after tax	**(1,847.7)**	**(576.0)**
Segment assets		
a. Warehousing services	4,439.1	4,559.6
b. Trading of goods	114.6	150.1
c. Other services	663.6	787.0
d. Unallocated corporate	6,428.2	7,854.2
Total (A)	**11,645.5**	**13,350.9**
Segment liabilities		
a. Warehousing services	666.4	592.8
b. Trading of goods	13.2	21.9
c. Other services	290.0	205.9
d. Unallocated corporate	6,063.2	6,611.4
Total (B)	**7,032.8**	**7,432.0**
Total (A) – (B)	**4,612.8**	**5,918.9**
Capital expenditure		
a. Warehousing services	2.2	-
b. Trading of goods	-	-
c. Other services	2.3	1.9
d. Unallocated corporate	99.6	28.5
Total (C)	**104.1**	**30.4**
Depreciation and amortisation expense		
a. Warehousing services	92.3	106.4
b. Trading of goods	-	-
c. Other services	63.7	84.8
d. Unallocated corporate	96.7	24.1
Total (D)	**252.7**	**215.3**

c) Geographic information:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue within India	1,953.4	2,456.8
Revenue outside India	15.7	-
Total	**1,969.1**	**2,456.8**

d) Major customer :

Company's exposure to customers are diversified and no singe customer contribution is more than 10% of revenue as at 31 March 2023 and 31 March 2022.

(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. Sanjay Kumar Gupta (Managing Director and CEO) (w.e.f 1 June 2022)	Key management personnel
Mr. Siraj A. Chaudhry (Managing Director and CEO till 31 May 2022 and Non Executive Director w.e.f 1 June 2022	Key management personnel
Mr. Unupom Kausik (Director and President till 12 October 2021)	Key management personnel
Mr. Anuj Kumar Vasdev (Chief Financial Officer)	Key management personnel
Ms. Rupinder Kaur (till 30 November 2022)	Key management personnel
Ms. Ashima Aneja (w.e.f 14 February 2023)	Key management personnel
Ms. Zohra Chatterji (till 31 July 2022)	Independent Director
Mr. Pravin Kumar Vohra (till 10 March 2023)	Independent Director
Mr. Rajendran Chinna Veerapan (w.e.f 24 May 2023)	Independent Director
Ms. Renu Kohli	Independent Director
Mr. Sumit Maheswari (till 10 March 2023)	Nominee Director
Mr. Anish Thurthi (w.e.f 24 May 2023)	Nominee Director
Mr. Chandran Ratnaswami	Nominee 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
Thomas Cook (India) Limited	Fellow subsidiary

Subsidiaries:
Direct Subsidiaries

Name of the Company	Country of Incorporation	% Holding as on 31 March 2023	% Holding as on 31 March 2022
NCML Finance Private Limited	India	100.00%	100.00%
NCML Mktyard Private Limited	India	100.00%	100.00%
NCML Basti Private Limited	India	100.00%	100.00%
NCML Varanasi Private Limited	India	100.00%	100.00%
NCML Faizabad Private Limited	India	100.00%	100.00%
NCML Batala Private Limited	India	100.00%	100.00%
NCML Chhehreatta Private Limited	India	100.00%	100.00%
NCML Deoria Private Limited	India	100.00%	100.00%
NCML Palwal Private Limited	India	100.00%	100.00%
NCML Bettiah Private Limited	India	100.00%	100.00%
NCML Bhattu Private Limited	India	100.00%	100.00%
NCML Jalalabad Private Limited	India	100.00%	100.00%
NCML Sonepat Private Limited	India	100.00%	100.00%
NCML KB Private Limited	India	100.00%	100.00%
NCML Madhepura Private Limited	India	100.00%	100.00%
NCML Saran Private Limited	India	100.00%	100.00%
NCML Motihari Private Limited	India	100.00%	100.00%
NCML Agribusiness Consultants Private Limited	India	100.00%	100.00%

B Transactions with holding company:

Related party	Nature of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022
FIH Mauritius Investments Limited	Conversion of compulsory convertible debentures into equity shares	1,002.8	-
FIH Mauritius Investments Limited	Interest expenses	73.4	79.2

(Currency : Indian Rupees in Million)

Transactions with key management personnel :

Related party	Nature of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022
Mr.Sanjay Kumar Gupta	Remuneration	25.8	-
	Post employment benefits	1.0	-
Mr. Siraj A. Chaudhry	Remuneration	28.4	39.5
	Post employment benefits	2.7	0.5
Mr. Unupom Kashik	Remuneration	-	13.1
	Employee stock compensation expense	-	5.1
	Post employment benefits	-	2.0
Mr. Anuj Kumar Vasdev	Remuneration	9.7	9.8
	Post employment benefits	0.9	0.2
Ms. Rupinder Kaur	Remuneration	0.5	0.7
	Post employment benefits	0.0	0.0
Ms. Ashima Aneja	Remuneration	0.3	-
	Reimbursement	0.0	-
Mr. Sunil Behari Mathur	Director Sitting Fees	-	0.1
Ms. Renu Kohli	Director Sitting Fees	0.1	-
Mr. Pravir Kumar Vohra	Director Sitting Fees	0.2	0.6
Ms. Zohra Chatterji	Director Sitting Fees	0.2	0.6

* Below rounding off norms adopted by the Company.

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 2023 and 31 March 2022.

Transactions with wholly owned subsidiaries and fellow subsidiaries

Related party	Nature of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022
Quess Corp Limited			
	Payments made	40.2	65.4
	Outsourcing expenses	47.6	58.4
NCML Finance Private Limited			
	Re-imbursement of expenses from the subsidiary	50.9	2.5
	Loan taken	375.0	130.0
	Repayment of loan	55.0	-
	Warehousing services	3.3	3.8
	Payments made	2.0	19.7
	Interest expense	60.1	47.9
NCML Mktyard Private Limited			
	Re-imbursement of expenses from the subsidiary	9.9	4.0
NCML Basti Private Limited			
	Loan given	246.4	155.7
	Repayment of loan	166.4	14.1
	Interest income on loan	65.8	40.9
	Guarantee on loan taken	450.0	-

(Currency : Indian Rupees in Million)

Related party	Nature of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022
NCML Varanasi Private Limited			
	Loan given	-	0.1
	Repayment of loan^	0.0	0.2
NCML Faizabad Private Limited			
	Loan given	29.5	35.2
	Repayment of loan	18.0	11.6
	Interest income on loan	28.1	31.9
NCML Batala Private Limited			
	Loan given	162.2	110.1
	Repayment of loan	49.5	363.6
	Interest income on loan	53.7	67.1
	Guarantee on loan taken	115.0	340.0
NCML Chhehreatta Private Limited			
	Loan given	144.6	144.0
	Repayment of loan	84.1	329.7
	Interest income on loan	100.9	64.9
	Guarantee on loan taken	142.9	312.1
NCML Deoria Private Limited			
	Loan given	18.7	14.8
	Repayment of loan	16.3	11.3
	Interest income on loan	17.8	21.0
NCML Palwal Private Limited			
	Loan given	-	0.1
	Repayment of loan	0.1	0.2
NCML Bettiah Private Limited			
	Loan given	-	0.2
	Repayment of loan	0.3	0.1
NCML Bhattu Private Limited			
	Loan given	26.5	114.8
	Repayment of loan	149.2	7.4
	Interest income on loan	52.3	51.9
	Guarantee on loan taken	165.7	-
NCML Jalalabad Private Limited			
	Loan given	25.7	25.4
	Repayment of loan	17.1	12.8
	Interest income on loan	17.7	20.3
NCML Sonepat Private Limited			
	Loan given	9.6	82.7
	Repayment of loan	-	181.4
	Interest income on loan	6.9	33.8
	Investment in equity shares	-	225.0
	Guarantee on loan taken	10.3	186.1
NCML KB Private Limited			
	Loan given	192.3	176.3
	Repayment of loan	-	19.4
	Interest income on loan	45.9	33.3
	Guarantee on loan taken	580.8	-
NCML Madhepura Private Limited			
	Loan given	13.3	14.3
	Repayment of loan	0.1	0.3
	Interest income on loan	2.0	5.5
NCML Saran Private Limited			
	Loan given	13.4	14.5
	Repayment of loan	0.1	0.3
	Interest income on loan	1.2	3.8
NCML Motihari Private Limited			
	Loan given	13.5	15.1
	Repayment of loan	0.1	0.3
	Interest income on loan	1.5	4.8
NCML Agribusiness Consultants Private Limited	Re-imbursement of expenses from the subsidiary	11.8	2.8

(Currency : Indian Rupees in Million)

Related party	Balances Outstanding	As on 31 March 2023	As on 31 March 2022
FIH Mauritius Investments Limited	Compulsory convertible debentures and interest accrued there on	347.8	819.4
Thomas Cook Limited	Advance to supplier	0.2	0.2
Quess Corp Limited	Advance to supplier	-	7.4
NCML Finance Private Limited	Balance receivable	-	3.9
NCML Finance Private Limited	Balance payable	950.0	630.0
NCML Agribusiness Consultants Private Limited#	Balance receivable	35.4	23.6
NCML Mktyard Private Limited#	Balance receivable	36.6	26.7
NCML Basti Private Limited	Loan	606.9	461.1
NCML Faizabad Private Limited*	Loan	350.5	310.9
NCML Batala Private Limited	Loan	545.0	378.6
NCML Chhehreatta Private Limited	Loan	562.1	400.7
NCML Deoria Private Limited*	Loan	240.6	220.4
NCML Bhattu Private Limited	Loan	486.1	556.5
NCML Jalalabad Private Limited*	Loan	243.1	216.8
NCML Sonepat Private Limited	Loan	47.8	31.3
NCML KB Private Limited	Loan	694.4	456.2
NCML Madhepura Private Limited*	Loan	76.0	60.8
NCML Saran Private Limited*	Loan	60.4	45.9
NCML Motihari Private Limited*	Loan	70.0	55.1
NCML Varanasi Private Limited*	Loan	66.3	66.3
NCML Palwal Private Limited*	Loan	181.4	181.5
NCML Bettiah Private Limited*	Loan	41.0	41.3
NCML Sonepat Private Limited	Guarantee outstanding	572.4	562.1
NCML Bhattu Private Limited	Guarantee outstanding	504.0	338.3
NCML Batala Private Limited	Guarantee outstanding	455.0	340.0
NCML Chhehreatta Private Limited	Guarantee outstanding	455.0	312.1
NCML KB Private Limited	Guarantee outstanding	580.8	-
NCML Basti Private Limited	Guarantee outstanding	450.0	-

^ Below rounding off norms adopted by the Company.
# Impairment of balance receivable amounting to Rs 51.6 million (31 March 2022 Rs 26.7) (refer note 36a).
* Impairment of loan, expenses and Interest receivable amounting to Rs 1,048.2 million (31 March 2022 Rs 220.2 million) (refer note 36a).

The Company has committed to provide adequate financial support to meet all the liabilities of NCML Mktyard Private Limited, Agribusiness Consultants Private Limited, NCML Bhattu Private Limited, NCML Batala Private Limited, NCML Chhehreatta Private Limited, NCML KB Private Limited, NCML Basti Private Limited and NCML Sonepat 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 items represents (a) Impairment of Loan to subsidiaries and other receivables from subsidiaries (b) Impairment of Investment in subsidiaries, on account of termination of agreements with Food Corporation of India (FCI). Refer details below: -

Particulars	31-Mar-23	31-Mar-22
(a) Impairment - loan to subsidiary and other receivables from subsidiaries	852.9	96.7
(b) Impairment - investments in subsidiaries	3.8	-
Total impairment loss	**856.7**	**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 2023	For the year ended 31 March 2022
Balance as at beginning of the year	198.6	182.4
Additions	82.5	43.5
Adjustment / Reversal	1.7	(13.2)
Depreciation	(47.3)	(14.1)
Balance as at the end of the year	**235.5**	**198.6**

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Lease liabilities - current	45.4	25.7
Lease liabilities - non-current	215.9	188.9
	261.3	**214.6**

(Currency : Indian Rupees in Million)

The following is the movement in lease liabilities:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance	214.6	175.2
Additions during the year	82.5	43.5
Interest expense included in finance cost	24.6	20.6
Cash outflow for leases during the year	(60.4)	(24.7)
Closing balance	**261.3**	**214.6**

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. 207.8 million for the year ended 31 March 2023 (31 March 2022: Rs. 213.2 million).
The Company has taken weighted average incremental borrowing rate of 9.5%

Operating lease expense commitments

Particulars	As at 31 March 2023	As at 31 March 2022
Non later than 1 year	45.4	25.7
Later than 1 year and not later than 5 years	170.8	124.4
Later than 5 years	45.1	64.5

38 Earnings per share

Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
Basic earnings per share			
Net loss attributable to the equity shareholders (INR)	(A)	(1,847.7)	(576.0)
Number of equity shares outstanding at the beginning of the year (Nos)		147,438,736	147,438,736
Effects of equity share issued during the year		14,746,247	-
Total number of equity shares at the end of the year (Nos)		**162,184,983**	**147,438,736**
Weighted-average number of equity shares outstanding during the year - Basic	**(B)**	**147,479,137**	**147,438,736**
Basic earnings per share	**(A)/(B)**	**(12.53)**	**(3.91)**
Diluted earnings per share			
Weighted-average number of equity shares considered for basic earnings per share		147,479,137	147,438,736
Effect of dilutive potential equity shares			
No. of equity share to be issued on conversion of compulsory convertible debenture (Nos)		14,746,247	14,746,247
Weighted-average number of employee stock options / compulsory convertible debenture for dilutive earning per share (Nos)	(C)	14,705,847	14,746,247
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)**	**(1,847.7)**	**(576.0)**
Diluted earnings per share#	**(E)/(D)**	**(12.53)**	**(3.91)**

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 2023	For the year ended 31 March 2022
Current tax expense :		
Current year	-	-
Deferred tax expense :		
Tax expenses for current year	543.1	-

b) Amount recognised in OCI

	For the year ended 31 March 2023 Tax credit	For the year ended 31 March 2022 Tax credit
Remeasurement gain / (losses) on post employment defined benefit plan	-	(2.6)

(Currency : Indian Rupees in Million)

c) Reconciliation of effective tax rate

	For the year ended 31 March 2023		For the year ended 31 March 2022	
	%	**Amount**	**%**	**Amount**
(Loss) before tax		(1,304.6)		(576.0)
Tax using the Company's domestic tax rate	34.94 %	(455.9)	34.94 %	(201.3)
Tax effect of:				
Provision for Litigations	0.00%	-	0.00%	-
Non-deductible expenses	0.00%	-	0.00%	-
Deferred tax asset not recognised on current year loss and other items	-34.94%	455.9	-34.94%	201.3
Deferred tax reversed (refer note 39(g))	-41.63%	543.1		
		543.1		**-**

d) Movement in deferred tax balances

	Net balances at 1 April 2022	Recognised in the statement of profit and loss	Recognised in OCI	Balance at 31 March 2023 Deferred tax asset	Deferred tax liabilities
Provision for Litigations	92.7	(92.7)	-	-	-
MAT credit entitlement	64.9	(26.0)	-	38.9	-
Carry forward losses	40.6	-	-	40.6	-
Employee benefits	20.1	(20.1)	-	-	-
Trade and other receivables	341.8	(341.8)	-	-	-
Impairment of loans and Investments	62.5	(62.5)	-	-	-
Tax assets (liabilities) before set-off	**622.6**	**(543.1)**	**-**	**79.5**	**-**
Set-off of deferred tax liabilities				(79.5)	
Net deferred tax assets/ (liabilities)				**-**	

	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 & 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**	

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 2023	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	-	-	-	(2,348.5)	(2,348.5)
Unutilized business loss other than specified business	-	-	-	(82.0)	(82.0)

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)

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.

g) Company has projected book profits, in absence of reasonable certainty with convincing evidence for future taxable profits deferred tax assets amounting to Rs 543.1 million have been reversed in the Standalone Statement of Profit and Loss in accordance with Ind AS 12.

(Currency : Indian Rupees in Million)

40 Contingent liabilities and commitments

a) Contingent liabilities

	31 March 2023	31 March 2022
(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
(ii) Claims made by certain parties in respect of warehousing services provided	58.8	58.8
(b) Bank guarantees given (including on behalf of subsidiaries)	3,017.2	1,552.5
(c) VAT liability	-	4.6
	3,076.0	**1,639.7**

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 Mktyard Private Limited, Agribusiness Consultants Private Limited, NCML Bhattu Private Limited, NCML Batala Private Limited, NCML Chhehreatta Private Limited, NCML KB Private Limited, NCML Basti Private Limited and NCML Sonepat 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 31 March 2023 and 31 March 2022 were as follows:

	Amortised cost	31 March 2023 Total carrying value	Total fair value
Financial assets:			
Trade receivables (refer note 13)	647.6	647.6	647.6
Cash and cash equivalents (refer note 14)	189.8	189.8	189.8
Bank balances other than cash and cash equivalents (refer note 15)	297.7	297.7	297.7
Loans (refer note 8 & 16)	3,223.4	3,223.4	3,223.4
Other financial assets (refer note 9 and 17)	181.7	181.7	181.7
	4,540.2	**4,540.2**	**4,540.2**
Financial liabilities:			
Borrowings (refer note 20.1 and 23)	5,811.6	5,811.6	5,811.6
Lease liabilities	261.3	261.3	261.3
Trade payables (refer note 24)	310.7	310.7	310.7
Other financial liabilities (refer note 20.2 and 25)	76.6	76.6	76.6
	6,460.2	**6,460.2**	**6,460.2**

	Amortised Cost	31 March 2022 Total carrying value	Total fair value
Financial assets:			
Trade receivables (refer note 13)	736.4	736.4	736.4
Cash and cash equivalents (refer note 14)	682.6	682.6	682.6
Bank balances other than cash and cash equivalents (refer note 15)	761.0	761.0	761.0
Loans (refer note 8 &16)	3,263.3	3,263.3	3,263.3
Other financial assets (refer note 9 and 17)	243.5	243.5	243.5
	5,686.9	**5,686.9**	**5,686.9**
Financial liabilities:			
Borrowings (refer note 20.1 and 23)	6,296.5	6,296.5	6,296.5
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)	94.4	94.4	94.4
	6,867.7	**6,867.7**	**6,867.7**

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 2023, 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 2014 Employee Stock Option Scheme	
	Option -2	Option -1
Fair value of the option at grant date	INR 67.12	INR 52.13
Share price at grant date	INR 85.74	INR 75.81
Exercise price	INR 33.45	INR 23.68
Expected volatility (weighted average)	1.00	1.00
Expected life (weighted average)	2.67 years	4 years
Expected dividend	nil	nil
Risk-free interest rate (based on government bond)	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 2022 No. of options (Nos)	Movement from 1 April 2022 to 31 March 2023 Granted	Forfeited	Converted	Exercised	Cash settled	Outstanding as on 31 March 2023
ESOP 2014	23.68	-	-	-	-	-	-	-
ESOP 2014	33.45	-	-	-	-		-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**

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	-	-	-	-	-		-
Total		**27,000**	**-**	**-**	**-**	**27,000**	**-**	**-**

(Currency : Indian Rupees in Million)

The options outstanding at 31 March 2023 have an exercise price and a weighted average contractual life as given below:

	31 March 2023			31 March 2022		
	No. of options	Exercise price	Weighted average remaining life	No. of options	Exercise price	Weighted average remaining life
NCML 2014 ESOP	-	-	-	-	-	-
NCML 2014 ESOP	-	-	-	-	-	-

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
NCML 2014 ESOP	-	-
Total expense recognised in employee benefits expense	**-**	**-**

44 Government grants

	31 March 2023	31 March 2022
At the beginning of the year	157.7	155.4
Received during the year	-	8.9
Refunded during the year	-	-
Released to the statement of profit and loss	(4.7)	(6.6)
At the end of the year	**153.0**	**157.7**
Current	4.7	4.7
Non-current	148.3	153.0
	153.0	**157.7**

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. 22.8 million (31 March 2022: 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 2023.

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 2023	31 March 2022
A. Change in present value of the obligation		
1. Obligation at the beginning of the year	**43.2**	**52.1**
2. Current service cost	5.5	10.0
3. Interest cost	3.1	3.0
4. Benefits paid	(15.7)	(14.4)
5. Adjustment for earlier years	-	-
6. Actuarial (gain)/loss	(2.7)	(7.5)
7. Obligation at the end of the year	**33.4**	**43.2**
B. Change in fair value of plan assets		
1. Fair value of plan assets at the beginning of the year	**16.6**	**19.5**
2. Adjustment to Opening Fair Value of Plan Assets	-	7.0
3. Interest income on plan assets	1.1	1.4
4. Contributions made	2.9	3.2
5. Benefits paid	(11.1)	(14.4)
6. Fund Charges	(0.1)	(0.1)
7. Fair value of plan assets at the end of the year	**9.4**	**16.6**
C. Expense recognised in the statement of profit and loss for the year		
1. Current service cost	5.5	10.0
2. Interest cost	1.9	1.6
3. Expected return on plan assets	(0.1)	(0.1)
4. Total expense	**7.3**	**11.5**

(Currency : Indian Rupees in Million)

Disclosure pursuant to Ind AS - 19 'Employee benefits' (Continued)

	Gratuity	
	31 March 2023	**31 March 2022**
D. Actuarial (gain)/loss	(2.7)	(7.5)
Expected return on plan assets	0.1	0.1
Expense recognised in the statement of other comprehensive income	**(2.6)**	**(7.4)**
E. Net (liability) recognised in the balance sheet		
1. Present value of the obligation	33.4	43.2
2. Fair value of plan assets	9.4	16.6
3. Funded status (deficit)	(24.0)	(26.6)
4. Net (liability) recognised in the balance sheet (refer note 27)	**(24.0)**	**(26.6)**
F. Actual return on plan assets		
1. Expected return on plan assets	1.1	1.4
2. Actuarial (loss) on plan assets	(0.1)	(0.1)
3. Actual return on plan assets	1.0	1.3

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

Disclosure pursuant to Ind AS 19 - 'Employee benefits'
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-2023	**DR Discount Rate**		**ER: Salary Escalation Rate**	
	PVO DR +0.5%	PVO DR -0.5%	PVO ER +0.5%	PVO ER -0.5%
Present value of obligations	1.8	2.0	2.0	1.9

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

Expected payout

Year	**Year-1**	**Year-2**	**Year-3**	**Year-4**	**Year-5**	**Year-6 to 10**
PVO payouts*	0.0	3.0	0.5	0.9	1.2	27.8

* Below rounding off norms adopted by the Company.
Estimated amount of contribution in the immediate next year is Rs. 9.2 million (Rs. 9.1 million in 31 March 2022)

Demographic and other assumption used in determining gratuity and compensated absence		**31 March 2023**	**31 March 2022**
Weighted average duration of the defined benefit obligation		17.49	16.97
Retirement Age		58 years	58 years
Employee Attrition Rate	Upto Age 30	3%	3%
	31 to 44	2%	2%
	45 and above	1%	1%
Rate of increase in compensation		5.00%	5.00%
Mortality rate		100% of IALM (2012-14) Ult.	IALM (2012-14) Ult.
Expected return on plan assets		7.38%	7.10%
Discount rate		7.38%	7.10%

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 2023	**31 March 2022**
Opening Net Liability	**22.9**	**29.0**
Adjustment to opening Balance	-	-
Expenses	1.4	2.0
Contribution paid	(12.0)	(8.1)
Other comprehensive income (OCI)	-	-
Closing Net Liability	**12.3**	**22.9**

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. 1.4 million (31 March 2022: Rs. 2.0 million) has been recognised in the statement of profit and loss on account of provision for employment benefit.

Estimated amount of contribution in the immediate next year is Rs. 4.7 million (Rs. 5.9 million in 31 March 2022)

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. 0.4 million for the year ended 31 March 2023 (31 March 2022: Rs. 7.2 million) has been recognised in the statement of profit and loss on account of provision for compensated absence for leave balances.

(Currency : Indian Rupees in Million)

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 2023. 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 2023	31 March 2022
Total financial liabilities (refer note 20.1, 23, 24, 25 and 37)	6,460.3	6,865.5
Less: Cash and bank balances (refer note 9, 14 and 15)	572.6	1,549.2
Adjusted net debt	**5,887.7**	**5,316.3**
Total equity (refer note 19.1 and 19.2)	4,612.7	5,918.9
Less: Other components of equity (ESOP outstanding)	0.3	0.3
Adjusted equity	**4,612.4**	**5,918.6**
Adjusted net debt to adjusted equity ratio (times)	1.3	0.9

Non-compliances of loan covenants are considered not material as waiver for breach of debt covenants has been obtained by the Company from Debenture trustee vide letter dated 17 March 2023 upto the period ending 30 September 2023.

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory audit fees	2.5	1.9
Tax audit fees	0.3	0.3
Other services	0.8	0.7
Out of pocket expenses	0.4	0.8
Total	**4.0**	**3.7**

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.

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

Description	As at 1 April 2022	Additions during the year	Utilisation during the year	As at 31 March 2023
Provision for litigation	256.9	156.4	(114.1)	**299.2**
Provision for future commitments	32.2	-	-	**32.2**

Description	As at 1 April 2021	Additions during the year	Utilisation during the year	As at 31 March 2022
Provision for litigation	265.5	0.8	(9.4)	**256.9**
Provision for future commitments	32.2	-	-	**32.2**

49 Corporate social responsibility expenses

During the year, the Company has spent Rs. nil million (31 March 2022: Rs 0.5 million) towards corporate social responsibility.

Particulars	31 March 2023	31 March 2022
(a) Amount required to be spent by the Company during the year	-	-
(b) Amount of expenditure incurred		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	-	0.5
(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	Not Applicable	Not Applicable
(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

(Currency : Indian Rupees in Million)

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 2023 (including investments made in the previous years)

Investments

Particulars	Relationship	31 March 2023	31 March 2022
Investment - NCML Finance Private Limited	Wholly Owned Subsidiary	1,034.7	1,034.7
Investment - NCML Mktyard Private Limited*	Wholly Owned Subsidiary	-	-
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	335.0
Investment - NCML KB Private Limited	Wholly Owned Subsidiary	1.0	1.0
Investment - NCML Saran Private Limited*	Wholly Owned Subsidiary	-	1.0
Investment - NCML Madhepura Private Limited*	Wholly Owned Subsidiary	-	1.0
Investment - NCML Motihari Private Limited*	Wholly Owned Subsidiary	-	1.0
Investment - NCML Varanasi Private Limited*	Wholly Owned Subsidiary	65.8	66.6
Investment - NCML Palwal Private Limited	Wholly Owned Subsidiary	40.0	40.0
Investment - NCML Bettiah Private Limited*	Wholly Owned Subsidiary	-	-
		2,009.5	**2,013.3**

* Net of impairment of investment amounting to Rs 148.2 million (31 March 2022 Rs 144.4 million).

b. Loans and other receivables

Particulars	Relationship	Rate of interest	Due date	Purpose	31 March 2023	31 March 2022
NCML Finance Private Limited	Wholly Owned Subsidiary	NA	NA	Intercompany receivables	-	3.9
NCML Mktyard Private Limited* (refer note 36a)	Wholly Owned Subsidiary	NA	NA	Intercompany receivables	36.6	26.7
NCML Agribusiness Consultants Private Limited	Wholly Owned Subsidiary	NA	NA	Intercompany receivables	35.4	23.6
Total Other Receivables from Related Parties					**72.0**	**54.2**
Less: Impairment of other Receivables from Related Parties					51.6	26.7
Net Amount					**20.4**	**27.5**
NCML Basti Private Limited	Wholly Owned Subsidiary	10.50%/12.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	606.9	461.1
NCML Faizabad Private Limited	Wholly Owned Subsidiary	10.50%/12.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	350.5	310.9
NCML Batala Private Limited	Wholly Owned Subsidiary	10.50%/12.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	545.0	378.6
NCML Chhehreatta Private Limited	Wholly Owned Subsidiary	10.50%/12.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	562.1	400.7
NCML Deoria Private Limited	Wholly Owned Subsidiary	10.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	240.6	220.4
NCML Bhattu Private Limited	Wholly Owned Subsidiary	10.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	486.1	556.5
NCML Jalalabad Private Limited	Wholly Owned Subsidiary	10.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	243.1	216.8
NCML Sonepat Private Limited	Wholly Owned Subsidiary	10.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	47.8	31.3
NCML KB Private Limited	Wholly Owned Subsidiary	10.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	694.4	456.2
NCML Madhepura Private Limited	Wholly Owned Subsidiary	10.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	76.0	60.8
NCML Saran Private Limited	Wholly Owned Subsidiary	10.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	60.4	45.9
NCML Motihari Private Limited	Wholly Owned Subsidiary	10.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	70.0	55.1
NCML Varanasi Private Limited*	Wholly Owned Subsidiary	10.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	66.3	66.3
NCML Palwal Private Limited*	Wholly Owned Subsidiary	10.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	181.4	181.5
NCML Bettiah Private Limited*	Wholly Owned Subsidiary	10.50%	Repayable on demand	Construction of new silos for the storage and preservation of agricultural commodities	41.0	41.3
Total Loans					4,271.6	3,483.4
Less: Impairment of loans given					1,048.2	220.2
Net Amount					**3,223.4**	**3,263.2**

* Impairment of loan, interest and other receivable amounting to Rs 1,048.2 million (31 March 2022 Rs 220.2 million).

(Currency : Indian Rupees in Million)

Guarantee given on behalf of subsidiary

Particulars	Bank Name	Sanction Limit	Purpose	31 March 2023	31 March 2022
NCML Sonepat Private Limited	Yes bank Limited	Rs. 572.4 million	Capital expenditure	572.4	562.1
NCML Bhattu Private Limited	Yes bank Limited	Rs. 504.0 million	Capital expenditure	504.0	338.3
NCML Batala Private Limited	IndusInd Bank	Rs. 455.0 million	Capital expenditure	455.0	340.0
NCML Chhehreatta Private Limited	IndusInd Bank	Rs. 455.0 million	Capital expenditure	455.0	312.1
NCML KB Private Limited	Yes bank Limited	Rs. 580.8 million	Capital expenditure	580.8	-
NCML Basti Private Limited	State Bank of India	Rs. 450.0 million	Capital expenditure	450.0	-
				3,017.2	**1,552.5**

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 2023	31 March 2022
Principal amount remaining unpaid to any supplier as at the year end	44.5	6.2
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	0.9	-
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 28, 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 2023	31 March 2022
Unbilled revenue (contract assets)		
At the beginning of the reporting year	-	-
At the end of the reporting year	-	-
Net (decrease)/ increase	**-**	**-**
Advance from customers (contract liability)		
At the beginning of the reporting year	12.4	110.2
Revenue recognised during the year	388.1	744.1
Progress billings made towards contracts-in-progress	(394.8)	(841.9)
At the end of the reporting year (refer note 26)	**5.7**	**12.4**

(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 Revenue/Expenditure in foreign currency

	31 March 2023	31 March 2022
Revenue/Export of Services		
Service revenue Crop and Weather Intelligence	13.7	-
Total	**13.7**	**-**
Expenditure in Foreign Currency		
AMC/Repair & Maintenance	3.2	-
Subscription charges	0.3	-
Research & Development (Data gathering)	1.0	-
Total	**4.5**	**-**

(Currency : Indian Rupees in Million)

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 2023	31 March 2022
Opening balance	-	-
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	-	-
Amount pending to be utilised - parked in escrow account	-	-

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 Figures for the previous year have been regrouped / reclassified wherever necessary to conform to the current period’s classification.

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 willful 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 pending charges and 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.

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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 period ended 31 March 2023

(Currency : Indian Rupees in Million)

(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 Limited Kotak Mahindra Bank Yes Bank Limited SBM Bank India Limited IndusInd Bank	4,200	Pari passu charge over entire current assets	30-Jun-22	Debtors (including Unbilled revenue)	843.4	756.6	86.8	Variation is because of unbilled revenue which was not final by the time stock statement was submitted.
				Free Stock (Including consumables)	119.2	372.1	(252.9)	In books there are both pledged and free stock whereas in return only free stock is considered.
				Margin / deposit	934.7	934.7	0.0	NA
				Bank Balances	68.7	68.7	(0.0)	NA
IDBI Bank Limited HDFC Bank Limited Karur Vysya Bank Limited Kotak Mahindra Bank Yes Bank Limited SBM Bank India Limited IndusInd Bank	4,200	Pari passu charge over entire current assets	30-Sep-22	Debtors (including Unbilled revenue)	818.4	766.8	51.6	Variation is because of unbilled revenue which was not final by the time stock statement was submitted.
				Free Stock (Including consumables)	99.6	355.8	(256.2)	In books there are both pledged and free stock whereas in return only free stock is considered.
				Margin / deposit	713.6	713.6	-	NA
				Bank Balances	20.9	20.9	0.0	NA
IDBI Bank Limited HDFC Bank Limited Karur Vysya Bank Limited Kotak Mahindra Bank Yes Bank Limited SBM Bank India Limited IndusInd Bank	4,000	Pari passu charge over entire current assets	31-Dec-22	Debtors (including Unbilled revenue)	1,053.8	757.5	296.2	Variation is because of provisioning made after the date of submission of stock statement.
				Free Stock (Including consumables)	104.9	289.8	(184.9)	In books there are both pledged and free stock whereas in return only free stock is considered.
				Margin / deposit	326.0	326.0	-	NA
				Bank Balances	124.9	124.9	-	NA
IDBI Bank Limited HDFC Bank Limited Karur Vysya Bank Limited Kotak Mahindra Bank Yes Bank Limited SBM Bank India Limited IndusInd Bank	4,000	Pari passu charge over entire current assets	31-Mar-23	Debtors (including Unbilled revenue)	625.4	647.6	(22.2)	Variation is because of unbilled revenue which was not final by the time stock statement was submitted.
				Free Stock (Including consumables)	35.6	41.3	(5.7)	In books there are both pledged and free stock whereas in return only free stock is considered.
				Margin / deposit	469.0	469.0	-	NA
				Bank Balances	89.6	89.6	-	NA

(Currency : Indian Rupees in Million)

59 Financial Ratios

S. No	Ratio	Numerator	Denominator	31 March 2023	31 March 2022	% Variance	Reason for variance
i	Current Ratio	Current Asset	Current liability	1.1	2.1	(49.26)%	Decline due to reclassification of Loans to subsidiaries to non current assets during the year.
ii	Debt-Equity Ratio	Total Debt	Total Equity	1.3	1.1	25.05 %	Increase due to decline in net worth of the Company.
iii	Debt Service Coverage Ratio	Earnings before Finance costs, Tax and Depreciation	Finance cost + principal payment of long term debt during the period	0.2	0.1	91.96 %	Increase due to repayments of short term borrowings.
iv	Return on Equity Ratio	Net Income	Average shareholder's equity	-119.35%	-39.07%	205.51 %	Decline due to impairments made during the current year.
v	Inventory turnover ratio	Cost of Goods Sold	Average inventory	25.1	6.3	298.41 %	Increase due to significant decline in average inventory in current year.
vi	Trade Receivables turnover ratio	Turnover	Average trade receivables	1.5	1.9	(20.37)%	NA
vii	Trade payables turnover ratio	Total Expenses	Average account payables	6.0	9.6	(37.21)%	Decline due to reduction in expenses and decline in average trade payables.
viii	Net capital turnover ratio	Net Annual Sales	Shareholder's Capital	1.2	1.7	(27.14)%	Decline due to decrease in revenue.
ix	Net profit ratio	Loss after Tax	Turnover	-93.84%	-23.45%	300.24 %	Decline due to impairments made during the current year.
x	Return on Capital employed	Earning before interest, taxes and exceptional items	Capital Employed	2.55%	1.09%	133.25 %	Increase due decline in other expenses of the Company.
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

Ashish Gera
Partner
Membership No: 508685

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

Sanjay Kumar Gupta
Managing Director & CEO
DIN: 01797850

Renu Kohli
Independent Director
DIN: 07981627

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Ashima Aneja
Company Secretary
Membership No: A46045

Place: Gurugram
Date: 30 May 2023

(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 2023	As at 31 March 2022
(i) Low credit risk on financial reporting date		
Loans	3,223.4	3,263.3
Cash and cash equivalents	189.8	682.6
Other bank balances	297.7	761.0
Trade receivables	647.6	736.4
Other financial assets	181.6	243.6
(ii) High credit risk		
Loans	1,048.2	220.2
Trade receivables	639.4	542.9
Other financial assets	709.9	680.1
	6,937.6	**7,130.1**

*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 2023

Particulars	Gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Loans	4,271.6	1,048.2	3,223.4
Other financial assets	891.5	709.9	181.6

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	923.7	680.1	243.6

(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 2023			
Trade receivables	405.7	33.7	847.8
Expected probability of default	2.86%	10.15%	73.65%
Expected credit losses	11.6	3.4	624.4
As at 31 March 2022			
Trade receivables	382.4	103.7	793.2
Expected probability of default	6.01%	13.31%	63.80%
Expected credit losses	23.0	13.8	506.1

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. 550.0 million (31 March, 2022: Rs. 90.4 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 23				
Borrowings*	1,123.3	2,967.9	1,720.4	**5,811.6**
Lease liabilities	45.4	103.2	112.7	**261.3**
Trade payable	293.3	10.2	7.3	**310.8**
Other financial liabilities	76.6	-	-	**76.6**
Total	**1,538.6**	**3,081.3**	**1,840.4**	**6,460.3**

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	125.8	**214.6**
Trade payable	235.2	14.6	12.4	**262.2**
Other financial liabilities	92.3	2.1	-	**94.4**
Total	**2,233.4**	**1,509.3**	**3,124.9**	**6,867.6**

*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 2023		As at 31 March 2022	
	Currency	In FX	in INR	In FX	in INR
Suppliers credit	USD	-	-	-	-

Particulars of unhedged foreign currency exposures

Particulars		As at 31 March 2023		As at 31 March 2022	
	Currency	In FX	in INR	In FX	in INR
Interest accrued but not due on supplier's credit	USD	-	-	-	-

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 2023 and 31 March 2022, 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 2023	31 March 2022
Fixed rate instruments :		
Financial asset	469.0	785.4
Financial liabilities	(4,848.8)	(4,716.4)
	(4,379.8)	**(3,931.0)**
Variable rate instruments :		
Financial liabilities	**(962.8)**	**(1,580.0)**

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	
31 Mar 2023	**100 bp increase**	**100 bp decrease**	**100 bp increase**	**100 bp decrease**
Secured bank loan - non current	(8.5)	8.5	(5.6)	5.6
Loan facility - current	(6.2)	6.2	(4.1)	4.1
Variable-rate instruments	**(14.7)**	**14.7**	**(9.7)**	**9.7**
31 Mar 2022				
Secured bank loan - non current	(2.4)	2.4	(1.6)	1.6
Loan facility - current	(13.0)	13.0	(8.5)	8.5
Variable-rate instruments	**(15.4)**	**15.4**	**(10.1)**	**10.1**

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

The Company is not exposed to price risk, as there is no financial asset or liability which is being fair valued.

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 2023

(Currency : Indian Rupees in Million)

	Ageing of Trade Receivables	Outstanding for following periods from the due date as on 31 March 2023					
		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	382.0	30.1	38.5	16.1	-	**466.7**
	- which have significant increase in credit risk	11.0	3.1	29.4	41.8	183.6	**268.9**
	- credit impaired	(11.0)	(3.1)	(29.4)	(41.8)	(183.6)	**(268.9)**
(ii)	**Disputed trade receivables**						
	- considered good	12.1	0.1	3.7	0.8	164.2	**180.9**
	- which have significant increase in credit risk	0.6	0.3	4.4	167.9	197.3	**370.5**
	- credit impaired	(0.6)	(0.3)	(4.4)	(167.9)	(197.3)	**(370.5)**
	Total	**394.1**	**30.2**	**42.2**	**16.9**	**164.2**	**647.6**

	Ageing of Trade Receivables	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	359.4	85.8	48.1	20.1	17.6	**531.0**
	- 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	21.2	179.8	**205.4**
	- 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	**359.4**	**89.9**	**48.4**	**41.3**	**197.4**	**736.4**

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 2023

(Currency : Indian Rupees in Million)

	Ageing of Trade Payables	Outstanding for following periods from the due date as on 31 March 2023					
		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	-	44.1	0.3	0.1	-	**44.5**
	- Others	207.9	41.3	5.7	4.1	7.3	**266.3**
(ii)	**Disputed trade payables**						
	- Micro enterprises and small enterprises	-	-	-	-	-	**-**
	- Others	-	-	-	-	-	**-**
	Total	**207.9**	**85.4**	**6.0**	**4.2**	**7.3**	**310.8**

	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**
	Disputed trade payables						
(ii)	- Micro enterprises and small enterprises	-	-	-	-	-	**-**
	- Others	-	-	-	-	-	**-**
	Total	**212.4**	**22.8**	**8.2**	**6.4**	**12.4**	**262.2**

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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 1, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of 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 reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('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 2023, 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 consolidated 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 auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, 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.

5. 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 29 and 51 of the consolidated financial statements. Revenue of the Holding 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.	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 and proof of deliveries; • 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.

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 44(A)(b)(ii) of the consolidated financial statements. Trade receivables comprise a significant portion of the current financial assets of the Company. As at 31 March 2023 trade receivables aggregate to Rs. 670.4 million (net of allowance for expected credit losses of Rs. 658.9 million). In accordance with Ind AS 109, the Holding 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 three 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.	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 Holding 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 analysed 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 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 2023, the Group has carrying amount of Capital work-in-progress: Rs. 2,495.0 million and other financial assets: Rs. 1,111.7 million. This includes various infrastructure projects which are in different stages of completion. The Group has carried out an assessment of these projects for	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.

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 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 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. • 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 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

6. 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 do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether 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 for the Consolidated Financial Statements

7. 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.

8. 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.

9. 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

10. 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 consolidated financial statements.

11. 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 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 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 auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. 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.

13. 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.

14. 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

15. We did not audit the financial statements of ten subsidiaries, whose financial statements reflects total assets of Rs. 1,954.1 million and net assets of Rs. 475.7 as at 31 March 2023, total revenues of Rs. 149.4 million and net cash outflows amounting to Rs. (18.4) million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports 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 these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

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 matter with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditor in paragraph 15, on separate financial statements of the subsidiaries, 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.

17. 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 by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements for the year ended 31 March 2023 and covered under the Act we report that:

Following are the qualifications/adverse remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2023 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.	National Commodities Management Services Limited	U74140MH2004PLC148859	Holding Company	vii (a)
b.	NCML Deoria Private Limited	U01114HR2017PTC067155	Subsidiary Company	i (a) (A)
c.	NCML Faizabad Private Limited	U01100HR2017PTC067123	Subsidiary Company	i (a) (A)
d.	NCML Jalalabad Private Limited	U01114HR2017PTC067164	Subsidiary Company	i (a) (A)
e.	NCML Palwal Private Limited	U01100HR2017PTC067169	Subsidiary Company	i (a) (A)
f.	NCML Varanasi Private Limited	U01114HR2017PTC067122	Subsidiary Company	i (a) (A)
g.	NCML Mktyard Private Limited	U51901HR2017PTC067265	Subsidiary Company	i (a) (A)
h.	NCML Basti Private Limited	U01100HR2017PTC067139	Subsidiary Company	i (a) (A)
i.	NCML Bhattu Private Limited	U01100HR2017PTC067165	Subsidiary Company	i (a) (A)
j.	NCML Chhehreatta Private Limited	U01110HR2017PTC067124	Subsidiary Company	i (a) (A)
k.	NCML Sonepat Private Limited	U01100HR2017PTC067202	Subsidiary Company	i (a) (A)
l.	NCML Finance Private Limited	U67190HR2009PTC079865	Subsidiary Company	i (a) (A), iii (c) and (d)

18. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors 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 auditors;

   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) 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 A' wherein we have expressed an unmodified opinion; and

f) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries 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 42 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 2023;

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 2023;

iv. a. The respective managements of the Holding Company and its subsidiary companies, and associate company 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 58(vi) to the 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 or its associate 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 Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary companies, and associate company 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 58(vii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, or its associate 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 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 auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors 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 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

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

Ashish Gera
Partner
Membership No.:
UDIN: 23508685BGYCRN7986

Place: Gurgaon
Date: 30 May 2023

Annexure I

List of entities included in the Statement

Holding Company
National Commodities Management Services Limited (formerly known as National Collateral 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

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 2023

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 2023, 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated 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 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 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 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 2023, based on internal financial controls with reference to consolidated 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 statements insofar as it relates to ten subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of Rs. 1,954.1 million and net assets of Rs. 475.7 million as at 31 March 2023, total revenues of Rs. 149.4 million and net cash outflows amounting to Rs. (18.4) million for the year ended on that date, as considered in the consolidated financial statements, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have 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 companies is based solely on the reports of the auditors of such companies. 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

Ashish Gera
Partner
Membership No.: 508685
UDIN: 23508685BGYCRN7986

Place: Gurugram
Date: 30 May 2023

National Commodities Management Services Limited
(formerly known as National Collateral Management Services Limited)
CIN : U74140MH2004PLC148859
Consolidated balance sheet as at 31 March 2023

(Currency : Indian Rupees in Million)

		Note	31 March 2023	31 March 2022
ASSETS				
Non-current assets				
(a)	Property, plant and equipment	5	7,087.2	6,969.4
(b)	Right of use assets	5.1	235.5	198.6
(c)	Capital work-in-progress	5.2	2,495.0	2,557.4
(d)	Intangible assets	6.1	6.2	19.5
(e)	Intangible assets under development	6.2	4.8	-
(f)	Financial assets			
	(i) Loans	7	129.3	155.4
	(ii) Other financial assets	8	1,033.0	774.6
(g)	Deferred tax assets (net)	9	1.6	575.6
(h)	Non-current tax assets (net)		277.4	263.1
(i)	Other non-current assets	10	179.6	210.7
	Total non-current assets		**11,449.7**	**11,724.3**
Current assets				
(a)	Inventories	11	41.3	29.1
(b)	Financial assets			
	(i) Trade receivables	12	670.4	751.0
	(ii) Cash and cash equivalents	13	327.4	781.9
	(iii) Bank balances other than (ii) above	14	369.4	794.2
	(iv) Loans	15	217.8	368.1
	(v) Other financial assets	16	78.7	135.5
(c)	Current tax assets (net)	18	92.3	-
(d)	Other current assets	17	67.6	76.0
	Total current assets		**1,864.9**	**2,935.9**
	TOTAL ASSETS		**13,314.6**	**14,660.2**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity share capital	18.1	1,621.8	1,474.4
(b)	Other equity	18.2	2,990.4	4,452.5
	Total equity		**4,612.2**	**5,926.9**
Liabilities				
Non-current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	19	5,896.6	5,322.8
	(ii) Lease liabilities	39	215.8	188.8
	(iii) Other financial liabilities	20	-	2.1
(b)	Provisions	21	15.1	18.3
(c)	Deferred tax liabilities	22	49.5	42.9
(d)	Other non-current liabilities	23	148.3	153.0
	Total non- current liabilities		**6,325.4**	**5,727.9**
Current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	24	1,223.8	1,893.2
	(ii) Lease liabilities	39	45.4	25.7
	(iii) Trade payables	25		
	Total outstanding dues of micro and small enterprises		44.6	6.2
	Total outstanding dues of creditors other than micro and small enterprises		271.1	261.8
	(iv) Other financial liabilities	26	382.2	417.0
(b)	Other current liabilities	27	86.1	110.0
(c)	Provisions	28	323.9	291.5
	Total current liabilities		**2,376.9**	**3,005.7**
	TOTAL EQUITY AND LIABILITIES		**13,314.6**	**14,660.2**

Summary of significant accounting policies and other explanatory information 1 to 58
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

Ashish Gera
Partner
Membership No: 508685

Sanjay Kumar Gupta
Managing Director & CEO
DIN: 01797850

Renu Kohli
Independent Director
DIN: 01382511

Place: Gurugram
Date: 30 May 2023

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Ashima Aneja
Company Secretary
Membership No: A28

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 2023

(Currency : Indian Rupees in Million)

	Note	31 March 2023	31 March 2022
Revenue			
Revenue from operations	29	2,571.0	2,943.9
Other income	30	104.8	60.9
Total revenue		**2,675.8**	**3,004.8**
Expenses			
Purchases of stock-in-trade		373.3	511.0
Changes in inventories of stock-in-trade	31	(8.7)	209.1
Cost of operations	32	343.8	235.8
Employee benefits expense	33	441.3	461.9
Finance costs	34	345.1	307.8
Depreciation and amortisation expense	35	287.0	245.3
Other expenses	36	1,395.2	1,651.2
Total expenses		**3,177.0**	**3,622.1**
Loss before exceptional item and tax		(501.2)	(617.3)
Exceptional item	5.2	760.6	-
Loss before tax		**(1,261.8)**	**(617.3)**
Income tax expenses			
(i) Current tax		13.2	12.7
(ii) Deferred tax charge	41	580.1	13.8
Total tax expense		**593.3**	**26.5**
Loss for the year		**(1,855.1)**	**(643.8)**
Other comprehensive income			
Items that will not be reclassified to profit and loss:			
- Remeasurement gain / (losses) on post employment defined benefits plans		6.5	8.7
- Income tax effect on above		(0.1)	(2.7)
Other comprehensive income, net of tax		**6.4**	**6.0**
Total comprehensive income for the year		**(1,848.7)**	**(637.8)**
Earnings per equity share	40		
Basic earnings per share		**(12.58)**	**(4.37)**
Diluted earnings per share		**(12.58)**	**(4.37)**
Summary of significant accounting policies and other explanatory information	1 to 58		

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

Ashish Gera
Partner
Membership No: 508685

Sanjay Kumar Gupta
Managing Director & CEO
DIN: 01797850

Renu Kohli
Independent Director
DIN: 01382511

Place: Gurugram
Date: 30 May 2023

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Ashima Aneja
Company Secretary
Membership No: A28

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 2023

(Currency : Indian Rupees in Million)

	31 March 2023	31 March 2022
I CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(1,261.8)	(617.3)
Adjustments for:		
Depreciation and amortisation	287.0	245.3
Finance costs	345.1	307.8
Liabilities no longer required written back	(58.0)	-
Interest income	(37.1)	(44.5)
Government grants	(4.7)	(6.6)
Provision against claims receivables	156.4	0.8
Provision for credit impaired assets	115.8	232.6
Provision for doubtful advances	17.4	99.3
Impairment of investment in and loans to subsidiaries	760.6	-
Bad debts written off	15.0	-
Gain on sale of property, plant and equipment	-	(8.7)
Provision for standard assets	1.2	-
Provision for non-performing assets	1.9	3.5
	1,600.5	**829.5**
Operating cash flows before working capital changes	338.8	212.2
Changes in:		
(Increase) / decrease in inventories	(12.2)	203.4
(Increase) in trade receivables	(207.9)	(6.4)
(Increase) / decrease in other financial assets	(53.4)	168.3
Decrease in other assets	39.5	457.4
Increase in financial liabilities	350.9	5.1
(Decrease) in provisions	(194.8)	(22.1)
(Decrease) / increase in other liabilities	(23.9)	42.2
	(101.8)	**848.0**
Cash flows generated from operations	237.0	1,060.2
Income tax (paid) / received, net of refunds	(121.1)	(40.6)
Net cash generated from operating activities	**115.9**	**1,019.6**
II CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase/construction of property, plant and equipment & intangible assets (including capital advances and capital creditors)	(759.7)	(542.7)
Proceeds from sale of property, plant and equipment, net	-	9.6
Government grant received	-	8.9
Proceeds / (investment) from maturity of bank deposits	465.4	(231.0)
Interest received	48.2	53.0
Net cash flow used in investing activities	**(246.1)**	**(702.2)**
III CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of equity share capital, net of issue expenses	-	0.6
Proceeds from non current borrowings	1,250.0	955.7
Repayment of non current borrowings	(181.8)	(181.4)
Repayment of short term borrowings, net	(703.3)	(169.5)
Repayment of lease liabilities	(60.4)	(45.3)
Interest paid on lease liabilities	-	-
Interest paid	(628.8)	(679.8)
Net cash used in financing activities	**(324.3)**	**(119.7)**
Net increase in cash and cash equivalents (I+II+III)	**(454.5)**	**197.7**
Cash and cash equivalents (refer note 13)		
Cash and cash equivalents at the beginning of the year	781.9	584.1
Cash and cash equivalents at the end of the year	327.4	781.9
Net (decrease) / increase in cash and cash equivalents	**(454.5)**	**197.7**

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 2023

(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 2023	As at 31 March 2022
2. Components of cash and cash equivalents		
Balance with banks		
- in current accounts	222.9	777.5
- in fixed deposit accounts (having original maturity less than 3 months)	104.5	4.4
	327.4	**781.9**

3. Refer note 19.5 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 58
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

Ashish Gera
Partner
Membership No: 508685

Sanjay Kumar Gupta
Managing Director & CEO
DIN: 01797850

Renu Kohli
Independent Director
DIN: 01382511

Place: Gurugram
Date: 30 May 2023

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Ashima Aneja
Company Secretary
Membership No: A28

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 2023

(Currency : Indian Rupees in Million)

A. Equity share capital

	Note	Balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
Equity share capital	18.1	1,474.4	147.5	1,621.9

B. Other equity

	Note	Equity component of compound financial instruments	Reserves and surplus						Share options outstanding account	Total equity
	18.2		Capital reserve	Securities premium	Special reserve	Statutory reserve	Retained earnings	Debenture Redemption Reserve		
Balance as at 1 April 2022		**308.8**	**0.7**	**3,910.7**	**47.5**	**51.0**	**(186.5)**	**320.0**	**0.3**	**4,452.5**
Loss for the year		-	-	-	-	-	(1,855.1)	-	-	(1,855.1)
Share premium on issue of equity shares		-	-	855.3	-	-	-	-	-	855.3
Previous years adjustment		-	(0.7)	-	-	-	-		-	(0.7)
Remeasurement of the net defined benefit liability (net of tax effect)		-	-	-	-	-	6.4	-	-	6.4
Distribution to equity shareholders		(308.8)	-	-	-	-	(158.4)	-	-	(467.2)
Total comprehensive income for the year		**(308.8)**	**(0.7)**	**855.3**	**-**	**-**	**(2,007.1)**	**-**	**-**	**(1,461.3)**
Transfer to statutory reserve		-	-	-	-	8.3	(8.3)	-	-	-
Balance as at 31 March 2023		**-**	**-**	**4,766.0**	**47.5**	**59.3**	**(2,201.9)**	**320.0**	**0.3**	**2,990.4**

Summary of significant accounting policies and other explanatory information 1 to 58
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

Ashish Gera
Partner
Membership No: 508685

Sanjay Kumar Gupta
Managing Director & CEO
DIN: 01797850

Renu Kohli
Independent Director
DIN: 01382511

Place: Gurugram
Date: 30 May 2023

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Ashima Aneja
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 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	18.1	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
	18.2		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**	**4,452.4**

Summary of significant accounting policies and other explanatory information 1 to 58
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

Ashish Gera
Partner
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Sanjay Kumar Gupta
Managing Director & CEO
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Renu Kohli
Independent Director
DIN: 01382511

Place: Gurugram
Date: 30 May 2023

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Ashima Aneja
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 2023**	% voting power held as at 31 March 2022
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 2023 were authorized and approved for issue by the Board of Directors of the Holding Company on 30 May 2023.

(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:

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.

c. 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 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. MCA, vide its circular dated 31 March 2023 has issued Companies (Indian Accounting Standards) Amendment Rules, 2023 to further amend the Companies (Indian Accounting Standards) Rules, 2015 as below:

a. Ind AS 1 Presentation of Financial Statement

Requirement to disclose 'material accounting policies' instead of 'significant accounting policies' and related guidance included to determine whether the policy is material or not.

b. Ind AS 8 Accounting Policies, Change in Accounting Estimates and Errors

Definition of 'accounting estimates' now included in the standard enabling distinction between change in accounting estimates from change in accounting policies.

b. Ind AS 12 Income Taxes

Transactions that does not give rise to equal taxable and deductible temporary differences at the time of initial transaction have now been included in the exemptions for recognition of deferred tax liability and deferred tax assets in case of taxable temporary differences. The Group is currently evaluating the impact of amendments to the aforementioned accounting standards 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

<u>Initial recognition</u>

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.

<u>Measurement of foreign current items at reporting date</u>

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.

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 2023

(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 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)**
Balance as at 31 March 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**	**163.2**	**8,236.6**
At 1 April 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**	**163.2**	**8,236.6**
Add: Additions during the year	49.5	-	-	234.0	2.2	0.1	2.3	1.3	-	0.8	0.1	-	55.2	345.5
Less : Disposals during the year	-	-	-	-	(1.6)	-	-	-	-	-	-	-	-	(1.6)
Less: Other adjustment	0.0	0.1	(0.7)	0.2	(0.0)	(0.1)	(0.4)	(0.4)	(0.0)	(0.6)	0.0	0.2	0.5	(1.2)
At 31 Mar 2023	**2,409.3**	**2,821.7**	**54.1**	**1,834.2**	**234.6**	**280.0**	**472.5**	**73.1**	**87.0**	**45.7**	**1.5**	**46.7**	**218.9**	**8,579.3**
Accumulated depreciation :														
As at 1 April 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)	-	(7)	(13)	**(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**	**1,267.2**
Add: Charge for the year	-	56.8	5.4	49.5	1.1	17.2	46.5	8.5	9.3	5.0	-	4.9	20.1	**224.5**
Less: Disposal					(1.6)									**(1.6)**
Less: Other adjustments	-	0.0	1.3	1.0	(0.0)	(0.6)	0.5	(0.1)	0.1	(0.4)	0.3	0.1	(0.1)	**2.1**
Balance as at 31 March 2023	**-**	**377.9**	**17.5**	**113.0**	**119.6**	**276.3**	**264.4**	**69.4**	**85.6**	**42.9**	**0.4**	**24.8**	**100.3**	**1,492.2**
Net carrying amount														
Balance as at 31 March 2022	**2,359.8**	**2,500.6**	**44.1**	**1,537.5**	**113.8**	**20.2**	**253.2**	**11.2**	**10.8**	**7.2**	**1.2**	**26.8**	**83.0**	**6,969.4**
Balance as at 31 March 2023	**2,409.3**	**2,443.8**	**36.6**	**1,721.2**	**115.0**	**3.7**	**208.1**	**3.7**	**1.4**	**2.7**	**1.1**	**21.9**	**118.7**	**7,087.2**

Refer to note 42 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
Refer note 19 for information on property, plant and equipment pledged as security by the Group.

(Currency : Indian Rupees in Million)

6.1 Intangible assets

Particulars	Computer software	License	Total
Gross carrying amount			
Balance as at 1 April 2021	**141.1**	**8.8**	**149.9**
Add: Adjustment during the year	2.1	-	2.1
Less : Disposals during the year	-	-	-
Balance as at 31 March 2022	**143.2**	**8.8**	**152.0**
Add: Addition during the year	2.2	-	2.2
Less : Disposals during the year	-	-	-
Balance as at 31 March 2023	**145.4**	**8.8**	**154.2**
Amortisation:			
Balance as at 1 April 2021	**108.7**	**4.6**	**113.3**
Amortisation for the year	18.4	0.9	19.3
Balance as at 31 March 2022	**127.1**	**5.5**	**132.6**
Amortisation for the year	13.8	1.7	15.5
Less: Disposals during the year	-	-	-
Balance as at 31 March 2023	**140.9**	**7.2**	**148.1**
Net carrying amount			
Balance as at 31 March 2022	**16.2**	**3.3**	**19.5**
Balance as at 31 March 2023	**4.5**	**1.6**	**6.2**

6.2 Intangible assets under development

	31 March 2023	31 March 2022
Intangible assets under development - Computer software	4.8	-
	4.8	**-**

Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
3.8	-	-	-	**3.8**

* Company is under process of upgrading Microsoft Navision financial accounting system to Microsoft Business Central and expects to complete by end of August 2023.

(Currency : Indian Rupees in Million)

5.1 Right of use assets**

Particulars	Amount
Gross carrying amount :	
Balance as at 1 April 2021	**227.3**
Add: Additions during the year	105.3
Less : Disposals during the year	75.0
Balance as at 31 March 2022	**257.6**
Add: Additions during the year	82.5
Add: Adjustments during the year	1.7
Balance as at 31 March 2023	**341.8**
Accumulated depreciation :	
Balance as at 1 April 2021	**44.9**
Add: Charge for the year	36.3
Less: Disposal	22.2
Balance as at 31 March 2022	**59.0**
Add: Charge for the year	47.3
Less : Disposals / other adjustments during the year	-
Balance as at 31 March 2023	**106.4**
Net carrying amount	
Balance as at 31 March 2022	**198.6**
Balance as at 31 March 2023	**235.5**

** Right of use assets is created on office premises including regional offices, laboratories and corporate office (refer note 39).

5.2 Capital work-in-progress	**31 March 2023**	**31 March 2022**
Opening balance	2,557.4	3,037.2
Additions during the year	275.7	892.4
Capitalised during the year	(338.1)	(1,372.3)
Impairment during the year#	(760.6)	-
Closing balance	**2,495.0**	**2,557.4**

Impairment of Capital work-in-progress is on account of termination of agreements with Food Corporation of India (FCI).

Ageing of capital work-in-progress

31-Mar-23

Sr. No	Projects in Progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Laboratory equipment	0.6	-	-	-	**0.6**
2	Silos	789.9	707.3	997.3	-	**2,494.4**
	Total	**790.5**	**707.3**	**997.3**	**-**	**2,495.0**

31-Mar-22

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**

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
7	**Loans**		
	(Secured, considered good)		
	Loans		
	- Secured, considered good	129.3	155.4
	- Secured, credit impaired	4.9	2.9
	Allowance for credit impaired	(4.9)	(2.9)
		129.3	**155.4**
8	**Other financial assets**		
	Bank deposits with maturity more than 12 months*	205.2	256.7
	Interest accrued but not due on bank deposits	8.2	17.5
	Security deposits		
	- Unsecured, considered good	3.5	42.5
	- Unsecured, considered doubtful	32.5	54.1
	Allowance for doubful loans	(32.5)	(54.1)
	Other financial assets	816.2	457.9
		1,033.0	**774.6**
	* Restrictions on bank deposits		
	Bank guarantee	5.0	5.0
	Lien	2.9	2.9
	Lien with banks for term loan	97.7	97.7
	Lien with Food Corporation of India	99.6	151.1
		205.2	**256.7**
9	**Deferred tax assets (net)**		
	Deferred tax assets (net) (refer note 41(d))	1.6	575.6
		1.6	**575.6**
10	**Other non-current assets**		
	(Unsecured, considered good unless otherwise stated)		
	(a) Capital advances	232.6	261.5
	Less: Provision for capital advance	(67.2)	(65.8)
	(b) Advances other than capital advances		
	(i) Balance with government authorities	7.2	9.9
	(ii) Prepaid expenses	6.9	5.2
		179.6	**210.7**
11	**Inventories**		
	Stock in trade		
	Inventories valued at the lower of cost and net realisable value		
	Traded Goods	18.9	10.1
	Stores and consumables		
	Consumables	18.0	15.1
	Dunnage	4.4	3.9
		41.3	**29.1**
12	**Trade receivables**		
	Secured, considered good	-	17.6
	Unsecured, considered good	670.4	733.4
	Unsecured, credit impaired	658.9	542.9
	Allowance for credit impaired	(658.9)	(542.9)
		670.4	**751.0**

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
13	**Cash and cash equivalents**		
	Balances with banks - in current accounts	222.9	777.5
	Deposit with original maturity less than 3 months	104.5	4.4
		327.4	**781.9**
14	**Bank balances other than cash and cash equivalents**		
	Deposit with maturity more than 3 months but less than 12 months	337.6	690.6
	Other bank balance #	14.0	81.3
	Escrow account	17.8	22.3
			-
		369.4	**794.2**
	* includes restrictions on fixed deposits towards:		
	Bank guarantee	196.5	148.1
	Lien	40.7	335.3
	Lien with banks for term loan	13.4	66.0
	Lien with Food Corporation of India	35.3	11.0
	Against bank overdraft	1.6	12.1
	Letter of credit	-	19.5
		287.6	**592.0**

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.

15	**Loans**		
	Loans and advances for standard assets		
	-*Secured, considered good*	215.6	364.0
	-*Secured, considered doubtful*	2.5	4.6
	Less:- Impairment loss allowance	0.3	0.5
		217.8	**368.1**

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 2023	**Percentage to the total loans and advances in the nature of loans**	**Amount outstanding as on 31 March 2022**	**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	-	-	-	-

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	(0.0)	18.6
	Unbilled revenue (refer note 52)	0.5	60.1
	Interest accrued but not due on loans and advances	15.0	17.2
	Interest accrued on fixed deposits	3.1	4.9
	Security deposits	88.2	27.1
	Less: Provision for credit impaired	(35.2)	(13.6)
	Amount recoverable from employees, credit impaired	12.2	12.2
	Allowance for credit impaired	(12.2)	(12.2)
	Amounts recoverable from rice millers		
	- Unsecured, credit impaired	97.2	110.9
	Allowance for credit impaired	(97.2)	(110.9)
	Other receivables*	7.0	21.2
		79	**135.5**

*Other receivables pertains to gratuity fund account with Kayur Vysya Bank as on 31 March 2023 and NABARD as on 31 March 2022.

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
17	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Balance with government authorities	30.9	29.7
	Advance to suppliers	6.2	7.7
	Advance to employees	0.0	0.0
	Prepaid expenses	28.1	37.1
	Others	2.4	1.5
	(Unsecured, credit impaired)		
	Advance to suppliers	31.3	28.7
	Advance to employees	7.8	16.5
	Allowance for credit impaired	(39.2)	(45.2)
		67.6	**76.0**

18.1 Equity share capital

	31 March 2023	31 March 2022
Share capital		
Authorised :		
200,000,000 (31 March 2022 : 200,000,000) Equity shares of 10 each	**2,000.0**	**2,000.0**
Issued, subscribed and paid up		
162,184,983 (31 March 2022 : 147,438,736) Equity shares of 10 each, fully paid up	1,621.8	1,474.4
	1,621.8	**1,474.4**

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

	31 March 2023		31 March 2022	
	No. of shares	Amount (INR)	No. of shares	Amount (INR)
Number of equity shares at the beginning of the year	147,438,736	1,474.4	147,411,736	1,474.1
Add: Equity shares issued during the year	14,746,247	147.5	27,000	0.3
Number of equity shares at the end of the year*	**162,184,983**	**1,621.8**	**147,438,736**	**1,474.4**
*Below rounding off norms adopted by the Compnay				-

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.

The Company had issued Compulsorily Convertible Debentures ("CCD's") to FIH Mauritius Investments Limited on 1st October 2019, convertible anytime before the end of 10 years. During the current year, Board of Directors of the Company has passed a resolution on 31st March 2023 for the conversion of these CCD's. Accordingly, equity shares were allotted to FIH Mauritius Investments Limited in lieu of conversion of 100,274,482 CCD's having face value of Rs. 10 each aggregating to Rs. 1,002.8 million. On account of the said transaction, there is an increase in equity share capital by Rs.147.5 million and securities premium by Rs. 855.3 million and decrease in financial liability by Rs. 535.6 million, equity component of CCD's by Rs. 308.8 million and other equity by Rs. 158.4 million.

c) Shares held by ultimate or intermediate holding

	31 March 2023		31 March 2022	
	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	146,687,533	1,466.9	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 :

Name of shareholders	31 March 2023		31 March 2022	
	Number of equity shares held	Percentage holding	Number of equity shares held	Percentage holding
FIH Mauritius Investments Limited	146,687,533	90.44%	131,941,286	89.49%

(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.

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 2023			As on 31 March 2022	
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.	146,687,533	90.44%	0.95%	131,941,286	89.49%

		31 March 2023	31 March 2022
18.2	**Other equity**		
(i)	**Equity component of compound financial instrument**		
	- equity component of compulsory convertible debentures (refer note 20.4)	308.8	308.8
	Less:Conversion of CCD's to equity shares (refer note 18.1)	(308.8)	
	Closing balance	**-**	**308.8**
(ii)	**Reserves and surplus**		
(a)	**Capital reserve**		
	At the commencement and the end of the year (refer sub-note 6)	-	0.7
	Closing balance	**-**	**0.7**
(b)	**Securities premium**		
	At the commencement of the year	3,910.7	3,910.3
	Add: Securities premium on issue of equity shares (refer note 18.1)	855.3	0.4
	Closing balance (refer sub-note 1)	**4,766.0**	**3,910.7**
(c)	**Special reserve**		
	Opening balance	47.5	47.5
	Add: Transferred from surplus in statement of profit and loss	-	-
	Closing balance (refer sub-note 2)	**47.5**	**47.5**
(d)	**Share options outstanding account**		
	At the commencement of the year	0.3	0.3
	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	51.0	44.5
	Add: Transferred from surplus in statement of profit and loss	8.3	6.5
	Closing balance	**59.3**	**51.0**

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
(f)	**Retained earnings**		
	Opening balance	(186.5)	777.8
	Loss for the year	(1,855.1)	(643.8)
	Remeasurement of the net defined benefit liability, (net of tax)	6.4	6.0
	Transferred to statutory reserve	(8.3)	(6.5)
	Transferred to debenture redemption reserve	-	(320.0)
	Distribution to equity shareholders	(158.4)	-
	Closing balance (refer sub note 5)	**(2,201.8)**	**(186.5)**
(g)	**Debenture redemption reserve**		
	Opening balance	320.0	-
	Add: Transferred from surplus in statement of profit and loss	-	320.0
	Closing balance (refer sub-note 4)	**320.0**	**320.0**
	Total	**2,990.4**	**4,452.5**

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 2023 (31 March 2022: Rs. nil) 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.

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

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
19	**Borrowings**		
	Secured loan:*		
	Non convertible debenture (refer note (f) below)	2,560.1	2,986.7
	Term loan		
	(i) from banks (refer note (a), (b), (d), (e), (g) and (h) below)	3,011.7	1,780.7
	Less : Unamortised transaction cost	(22.9)	(32.1)
	Unsecured loan		
	From related party- subsidiary company		
	Compulsory convertible debentures (refer note 4 below)	347.8	587.5
		5,896.6	**5,322.8**

* Amount disclosed under "Borrowings- Current" Rs. 535.1 million (31 March 2022: Rs. 513.0 million) (refer note 25).

Sub-notes:

1	**Nature of security**	**Entity**	**Terms:**
(a)	Long-term Outstanding from Yes bank amounting to Rs. nil (31 March 2022: Rs. 88.4 million) is secured by nil assets.	National Commodities	- Loan is repaid in full on 29 November 2022.
(b)	Long-term loan taken from ICICI bank amounting to Rs. 14.0 million (31 March 2022: Rs 31.0 million) is secured by way on lien on Fixed Deposit of Rs. 15.4 million.	National Commodities Management Services Limited	- Term loan taken from ICICI banks carries Rs. nil interest rate (present) and repayable on 31 March 2024.
(c)	Long-term loan taken from ICICI bank amounting to Rs. 750.0 million (31 March 2022: Rs. nil) is secured by equitable mortgage of 10 Warehouses specifically mentioned in Credit Arrangement Letter and Testing laboratory equipment.	National Commodities Management Services Limited	- Term loan taken from ICICI banks carries interest rate of Base rate (IMCLR-1Y + "Spread" p.a.), subject to minimum of IMCLR (where I-MCLR-1Y is 8.75% and Spread is 0.50% p.a.) and repayable in 8 quarterly installments starting from 30 June 2024 ending on 31 March 2026.
(d)	Long-term loan taken from KVB (under ECLGS 2.0 scheme) amounting to Rs 45.5 million (31 March 2022: Rs 59.1 million) is secured by way of second pari passu charge on entire Current assets.	National Commodities Management Services Limited	- Term loan taken from KVB at interest rate of Base rate (EBR-R) plus 1% subject to max of 9.25% p.a. (presently), repayable in 48 equal installments of Rs. 1.23 million starting from 5 May 2022 ending on 5 April 2026.
(e)	Long-term loan taken from IndusInd bank (under ECLGS 2.0 scheme) amounting to Rs. 102.5 million (31 March 2022: Rs. 120.0 million) is 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% subject to max of 9.25% p.a. and presently 8.20% p.a., repayable in 48 equal monthly installments of Rs. 2.5 million starting from 30 September 2022 ending on 30 September 2026.
(f)	Long-term loan in the form of NCD issued to debenture holder- FMO (Financierings-Maatschappij voor Ontwikkelingslanden) amounting to Rs. 2,986.7 million (31 March 2022: Rs. 3,200.0 million) is secured by undermentioned security.	National Commodities Management Services Limited	- Long-term loan in the form of NCD carries interest rate 9.47% p.a., repayable in 15 half-yearly installments of Rs. 21.3 million starting from 17 March 2023 ending on 17 March 2030 in accordance with the terms of Debenture Trust Deed (DTD).
(g)	Long-term loan taken from IndusInd Bank amounting to Rs. 820.0 million (31 March 2022: Rs. 652.1 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 593.1 million (31 March 2022: Rs. 337.4 million) is secured by security mentioned in point (ii) below.	NCML Bhattu Private Limited & NCML KB 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).
(i)	Long-term loan taken from Yes Bank amounting to Rs 550.8 million (31 March 2022: Rs. 559.9 million) is secured by security mentioned in point (ii) below.	NCML Sonepat Private Limited	- Term loan carries interest rate at 3 months MCLR plus 0.45%, repayable in 68 unequal quarterly installments commencing after 1 year of commercial operations date (COD).
(j)	Long-term loan taken from State Bank of India amounting to Rs 244.1 million (31 March 2022: Rs.nil) is secured by security mentioned in point (ii) below.	NCML Basti Private Limited	- Term loan carries interest rate at 6 months MCLR plus 1.00%, 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, NCML KB Private Limited, NCML Chhehreatta Private Limited, NCML Basti Private Limited and NCML Batala 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 Waiver for non- compliance for breach of debt covenants has been obtained by the Company from Debenture trustee vide letter dated 17 March 2023 upto the period ending 30 September 2023.

Fair value and carrying value of Borrowings

	Interest rate	Maturity	31 March 2023 Fair value	31 March 2023 Carrying Amount
Non-current liabilities				
Secured loan:				
Term loan from State Bank of India	6M MCLR + 1% effective rate 9.3%	31 March 2042	244.1	244.1
Term loan from Yes bank	3 Month MCLR+ 0.42 %	20 Dec 2038	550.8	550.8
Term loan from Yes bank	3 Month MCLR+ 0.57 %	25 Aug 2038	493.5	493.5
Term loan from Yes bank	3 Month MCLR+ 0.42 % 9.72%	30 Jun 2040	100.0	100.0
Term loan from Indusind bank	7.8 % (MIBOR linked).	31 March 2034	820.0	820.0
Term loan from ICICI bank	Nil	31 March 2024	14.0	14.0
Term loan from ICICI bank	MCLR + 0.5 effective rate 9.25%	31 March 2026	750.0	750.0
Term loan from KVB Bank (ECLGS 2.0)	8.20% to 9.25%	5 April 2026	45.6	45.6
Term loan from GECL Indusind Bank	8.20%	30 September 2026	102.5	102.5
Non-convertible debentures	9.47%	17 March 2030 in accordance with DTD	2,986.7	2,986.7
Total interest-bearing liabilities			**6,107.2**	**6,107.2**
Interest on Compulsory convertible debentures			347.8	347.8
Total liabilities			**6,455.1**	**6,455.1**
Borrowings shown as current/ non current				
Current (refer Note 25)*				535.1
Non- current*				5,920.0

(Currency : Indian Rupees in Million)

	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	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**
Total liabilities			**5,867.9**	**5,867.9**
Borrowings shown as current/ non current				
Current (refer Note 25)*				513.0
Non- current*				5,354.8

*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%. During the year 31 March 2023, Company has converted the outstanding debentures into shares (refer note 18)

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

	Lease liability	Borrowings	Total
As on 01 April 2022	214.6	7,257.1	7,471.7
Proceeds from borrowings	-	1,250.0	1,250.0
Repayment of borrowings	(60.4)	(181.8)	(242.2)
Proceeds / (repayment) of short term borrowings (net)	-	(703.3)	(703.3)
Non-cash:			
Increase in lease liability	82.5	-	82.5
Conversion of CCD into equity shares		(535.5)	(535.5)
Interest	24.6	66.0	90.6
As on 31 March 2023	**261.3**	**7,152.6**	**7,413.9**

	Lease liability	Borrowings	Total
As on 01 April 2021	175.1	6,671.9	6,847.0
Proceeds from borrowings	-	955.7	955.7
Repayment of borrowings	(45.3)	(181.4)	(226.7)
Interest paid on CCD	-	(169.5)	(169.5)
Proceeds / (repayment) of short term borrowings (net)	-	-	-
Non-cash:			
Increase in lease liability	105.3	-	105.3
Interest	(20.6)	(19.6)	(40.2)
As on 31 March 2022	**214.6**	**7,257.1**	**7,471.7**

		31 March 2023	31 March 2022
20	**Other financial liabilities**		
	Security deposit	-	2.1
		-	**2.1**
21	**Provisions**		
	Provision for compensated absences (refer note 47)	12.2	15.9
	Contingent provision against standard assets	2.6	2.1
	Provision for gratuity (refer note 47)	0.3	0.3
		15.1	**18.3**

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
22	**Deferred tax liabilities**		
	Deferred tax liabilities (refer note 41(d))	49.5	42.9
		49.5	**42.9**
23	**Other non-current liabilities**		
	Government grants (refer note 46)	148.3	153.0
		148.3	**153.0**
24	**Borrowings - current**		
	From banks - secured		
	Short term loans (refer sub-note 1)	669.6	1,300.6
	Cash credit facility (refer sub-note 2)	16.4	74.4
	Current maturities of non current borrowings (Refer note 19)	535.1	513.0
	Less : Unamortised transaction cost	(9.2)	(9.2)
	Interest accrued but not due on term loans from banks	11.8	14.4
		1,223.8	**1,893.2**
23	**Borrowings (Current) (Continued)**		-
			-

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 2022: Rs. nil).

4 **Fair value and carrying value**

		31 March 2023	
	Nominal interest rate	**Maturity**	**Carrying Amount**
Current liabilities			
Secured short term loan	7.35% to 11.00%	Less than 1 year	669.6
Secured cash credit and overdraft facility	7.25% to 12.05%	Less than 1 year	16.4
Interest accrued but not due on term loans from banks	7.25% to 12.05%	Less than 1 year	11.8
Total interest-bearing liabilities			697.9

		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

* 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 2023	31 March 2022
Secured loans		
Non convertible debentures	426.6	231.9
Term loans		
from banks	108.5	281.1
Total	**535.1**	**513.0**

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
25	**Trade payables**		
	Total outstanding dues of micro enterprise and small enterprise (refer note 50)	44.6	6.2
	Total outstanding dues of creditors other than micro enterprise and small enterprise	271.1	261.8
		315.6	**268.0**

		31 March 2023	31 March 2022
26	**Other financial liabilities**		
	Payable for capital expenditure	230.7	264.0
	Security deposits	1.9	2.6
	Margin money payable	1.5	5.4
	Payable to employees*	33.5	42.0
	Liabilities towards contract**	74.0	57.1
	Others#	40.6	45.9
		382.2	**417.0**

*includes amount of ESOP cash settlement
**liability pertains for obligations towards one of the customers
#Payable towards excess amount collected from customers.

27	**Other current liabilities**		
	Advance from customers (refer note 51)	15.1	38.3
	Statutory dues	66.4	67.0
	Government grants (refer note 46)	4.7	4.7
		86.1	**110.0**
28	**Provisions**		
	Provision for compensated absences (refer note 47)	0.1	7.2
	Provision for gratuity (refer note 47)	24.0	26.6
	Provision for litigations (refer note 49)	299.3	257.7
	Contingent provision against standard assets	0.5	-
		323.9	**291.5**

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
29	**Revenue from operations**		
	(a) Sales of goods	388.1	743.1
	(b) Sale of services :		
	Warehousing services	1,020.6	1,165.5
	Testing and certification	294.6	261.9
	Weather and market intelligence	191.4	201.8
	Vehicle management services	83.7	117.2
	Transaction charge on electronic auction	5.2	4.8
	(c) Finance services:		
	Interest income from finance operations	86.9	112.2
	(d) Other operating income :		
	Revenue from silos (refer note 53)	500.5	337.4
		2,571.0	**2,943.9**
	Sub-note:		
1	**Reconciliation of revenue recognised with contract price:**		
	Contract price	2,571.0	2,943.9
		2,571.0	**2,943.9**
30	**Other income**		
	Interest income on:		
	- Fixed deposits	35.6	40.7
	- Income tax refund	0.6	1.9
	- Others	2.0	1.9
	Liabilities no longer required written back*	58.0	0.0
	Gain on sale of property, plant and equipment (net)	(0.0)	8.7
	Government grants (refer note 46)	4.7	6.6
	Miscellaneous income	3.9	1.1
		104.8	**60.9**
	* Below rounding off norms adopted by the Company.		
31	**Changes in inventories of stock-in-trade**		
	Opening inventories		
	Traded goods valued at lower of cost or net realisable value	10.1	219.2
		10.1	**219.2**
	Less: Closing inventories		
	Traded goods valued at lower of cost or net realisable value	18.8	10.1
		18.8	**10.1**
		(8.7)	**209.1**
32	**Cost of operations**		
	Direct costs attributable to silos	343.8	235.8
		343.8	**235.8**
33	**Employee benefits expense**		
	Salaries, wages and bonus*	404.4	426.6
	Contribution to provident and other funds (refer note 47)	30.7	34.3
	Contribution towards gratuity (refer note 47)	0.6	0.3
	Staff welfare expenses	5.6	0.7
		441.3	**461.9**
	*Excluding amount transferred to capital work in progress		

(Currency : Indian Rupees in Million)

		31 March 2023	31 March 2022
34	**Finance costs**		
	Interest on current borrowings	128.2	108.5
	Interest on non current borrowings	24.3	29.3
	Interest on non convertible debenture	302.3	302.4
	Interest on compulsory convertible debenture (refer note 38)	73.4	79.2
	Interest on lease obligations (refer note 39)	24.6	20.6
	Other borrowing costs	160.5	122.8
		713.3	**662.8**
	Less: Transfer to capital work-in-progress	368.2	355.0
		345.1	**307.8**
35	**Depreciation and amortisation**		
	Depreciation on property, plant and equipment (refer note 5)	224.5	189.7
	Amortisation on intangible assets (refer note 6.1)	15.2	19.3
	Depreciation on right of use assets (refer note 5.1 & 39)	47.3	36.3
		287.0	**245.3**
36	**Other expenses**		
	Lease rentals:		
	- Warehouse rent (refer note 39)	205.9	201.2
	- Office rent (refer note 39)	1.3	2.2
	Outsourcing expenses	51.0	85.9
	Security expenses	40.7	45.8
	Storage charges	153.2	179.5
	Dunnage and fumigation	54.2	38.5
	Professional fees	60.1	90.4
	Provision against claims receivables	156.4	0.8
	Warehousing service expenses	27.7	25.1
	Insurance	42.8	74.2
	Testing and certification charges	98.1	61.1
	Travelling and conveyance expenses	49.1	59.0
	Postage, courier and telephone charges	18.1	21.5
	Repairs and maintenance - others	48.5	56.6
	Allowance for credit impaired trade receivables	81.4	232.6
	Allowance for credit impaired advances	17.4	99.3
	Bad debts written off	15.0	-
	Electricity charges	32.0	29.0
	Rates and taxes	52.8	51.4
	Bank charges	22.7	16.3
	Payment to auditors	7.0	6.7
	Directors' sitting fees (refer note 38)	0.4	0.6
	Corporate social responsibility expenses	-	1.8
	Provision for standard assets	1.2	0.4
	Provision for non-performing assets	1.9	3.1
	Foreign exchange loss	-	0.8
	Weather station expenses	44.8	51.2
	Expected credit loss	19.5	-
	Vehicle management expenses	74.6	107.7
	Allowance for capital advances	-	58.3
	Miscellaneous expenses	17.4	50.2
		1,395.2	**1,651.2**

(Currency : Indian Rupees in Million)

37 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	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
1. **Segment revenue**		
a. Warehousing services	1,020.6	1,165.5
b. Trading of goods	388.1	743.1
c. Finance services	86.9	112.2
d. Silo's	500.5	337.4
e. Other services	575.1	585.7
Total	**2,571.0**	**2,943.9**
Less : Inter segment revenue	-	-
Revenue from operations	**2,571.0**	**2,943.9**
2. **Segment results**		
a. Warehousing services	(117.8)	(35.8)
b. Trading of goods	(1.3)	(137.9)
c. Finance services	62.5	62.6
d. Silo's	(109.2)	(40.4)
e. Other services	(163.6)	(121.7)
Total	**(329.5)**	**(273.2)**
Less: Finance costs	(345.1)	(307.8)
Other un-allocable expenditure net off un-allocable income	(173.3)	36.3
Impairmement of capital work in progress in subsidiaries	760.6	-
3. Loss before tax	**(1,261.8)**	**(617.3)**
Segment assets		
a. Warehousing services	4,439.1	4,603.1
b. Trading of goods	114.6	150.1
c. Finance services	409.9	1,273.9
d. Silo's	6,530.2	5,960.3
e. Other services	733.8	850.7
f. Unallocated corporate	1,087.0	1,822.1
Total (A)	**13,314.6**	**14,660.2**
Segment liabilities		
a. Warehousing services	666.4	592.8
b. Trading of goods	13.2	21.9
c. Finance services	22.6	26.9
d. Silo's	2,510.9	1,951.6
e. Other services	302.1	276.2
f. Unallocated corporate	5,187.3	5,863.9
Total (B)	**8,702.3**	**8,733.3**
Total (A) – (B)	**4,612.3**	**5,926.9**

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 singe customer contribution is more than 10% of revenue as at 31 March 2023 and 31 March 2022.

(Currency : Indian Rupees in Million)

38 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. Sanjay Kumar Gupta (Managing Director and CEO) (w.e.f 1 June 2022)	Key management personnel
Mr. Siraj A. Chaudhry (Managing Director and CEO till 31 May 2022 and Non Executive Director w.e.f 1 June 2022	Key management personnel
Mr. Unupom Kausik (Director and President till 12 October 2021)	Key management personnel
Mr. Anuj Kumar Vasdev (Chief Financial Officer)	Key management personnel
Ms. Rupinder Kaur (till 30 November 2022)	Key management personnel
Ms. Ashima Aneja (w.e.f 14 February 2023)	Key management personnel
Ms. Zohra Chatterji (till 31 July 2022)	Independent Director
Mr. Pravin Kumar Vohra (till 10 March 2023)	Independent Director
Mr. Sunil Behari Mathur (till 30 September 2021)	Independent Director
Mr. Rajendran Chinna Veerapan (w.e.f 24 May 2023)	Independent Director
Ms. Renu Kohli	Independent Director
Mr. Sumit Maheswari (till 10 March 2023)	Nominee Director
Mr. Anish Thurthi (w.e.f 24 May 2023)	Nominee Director
Mr. Chandran Ratnaswami	Nominee Director
Fellow subsidiaries with whom transaction have taken place	
Quess Corp Limited	Fellow subsidiary
Thomas Cook (India) Limited	Fellow subsidiary

Transactions with controlling party:

Related party	Nature of transaction	31 March 2023	31 March 2022
FIH Mauritius Investments Limited	Conversion of compulsory convertible debentures into equity shares	1002.8	-
FIH Mauritius Investments Limited	Interest expenses	73.4	79.2

Transactions with key management personnel :

Related party	Nature of transaction	31 March 2023	31 March 2022
Mr.Sanjay Kumar Gupta	Remuneration	25.8	
	Post employment benefits	1.0	
Mr. Siraj A. Chaudhry	Remuneration	28.4	39.5
	Post employment benefits	2.7	0.5
Mr. Unupom Kausik	Remuneration	-	13.1
	Employee stock compensation expense	-	5.1
	Post employment benefits	-	2.0
Ms. Renu Kohli	Remuneration	0.1	-
Mr. Anuj Kumar Vasdev	Remuneration	9.7	9.8
	Post employment benefits	0.9	0.2
Ms. Rupinder Kaur	Remuneration	0.5	0.7
	Post employment benefits	0.0	0.0
Ms. Ashima Aneja	Remuneration	0.3	-
Mr. Sunil Behari Mathur	Director sitting fees	-	0.1
Mr. Pravir Kumar Vohra	Director sitting fees	0.2	0.6
Ms. Zohra Chatterji	Director sitting fees	0.2	0.6

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 2023 and 31 March 2022.

Transactions with fellow subsidiary :

Related party	Nature of transaction	31 March 2023	31 March 2022
Quess Corp Limited	Outsourcing expenses	50.4	58.4

Related party	Balances Outstanding	As at 31 March 2023	As at 31 March 2022
FIH Mauritius Investments Limited	Compulsory convertible debentures and interest accrued there on	347.8	819.4
Thomas Cook Limited*	Advance to supplier	0.2	0.2
Quess Corp Limited*	Advance to supplier	-	7.4

* Impairment of advance to supplier amounting to Rs 0.2 million (31 March 2022 Rs 7.6 million)

39 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 34 and 35.**

(Currency : Indian Rupees in Million)

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

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at beginning of the year	198.6	182.43
Additions	82.5	43.5
Adjustment / Reversal	1.7	(13.2)
Depreciation	(47.3)	(14.09)
Balance as at the end of the year	**235.5**	**198.6**

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

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liabilities - current	45.4	25.7
Lease liabilities - non-current	215.8	188.8
	261.2	**214.5**

The following is the movement in lease liabilities :

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at beginning of the year	214.5	175.1
Additions	82.6	105.3
Interest charged	24.6	(20.6)
Payments made	(60.3)	(45.3)
Balance as at the end of the year	**261.4**	**214.5**

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 was Rs. 208.2 million for the year ended 31 March 2023 (31 March 2022: Rs. 213.2 million).
The Company has taken weighted average incremental borrowing rate of 9.5%

Operating lease commitments - Income

	As at 31 March 2023	As at 31 March 2022
Not later than 1 year	375.9	321.3
Later than 1 year and not later than 5 years	1,921.5	3,837.0
Later than 5 years	20,282.8	44,168.5

Maturity of lease liabilities

	As at 31 March 2023	As at 31 March 2022
Non later than 1 year	45.4	25.7
Later than 1 year and not later than 5 years	170.8	124.4
Later than 5 years	45.1	64.4

40 Earnings per share

Particulars		31 March 2023	31 March 2022
Basic earnings per share			
Loss attributable to the equity shareholders of the group	(A)	(1,855.1)	(643.8)
Weighted-average number of equity shares outstanding during the year - basic (Nos)	(B)	147,479,137	147,438,736
Basic earnings per share	**(A)/(B)**	**(12.58)**	**(4.37)**
Diluted earnings per share			
Weighted-average number of equity shares considered for basic earnings per share		147,479,137	147,438,736
Weighted-average number of employee stock options / compulsory convertible debenture for dilutive earning per share (Nos)	(C)	14,705,847	14,746,247
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)**	**(1,855.1)**	**(643.8)**
Diluted earnings per share#	**(E)/(D)**	**(12.58)**	**(4.37)**

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

(Currency : Indian Rupees in Million)

41 Income taxes

a) Amount recognised in the consolidated statement of profit and loss

	31 March 2023	31 March 2022
Current tax expense :		
Current year	14.5	12.7
Provision for current tax of earlier years	(1.3)	-
	13.2	**12.7**
Deferred tax expense :		
Deferred tax expense/ (credit)	580.1	13.8
	580.1	**13.8**
Tax expenses/ (credit) for current year	**593.3**	**26.5**

b) Amount recognised in OCI

	31 March 2023	31 March 2022
Remeasurement (losses) on post employment defined benefit plan	(0.1)	(2.7)

c) Reconciliation of effective tax rate

	31 March 2023		31 March 2022	
	Percentage	Amount	Percentage	Amount
(Loss) before tax from continuing operations		(1,261.8)		(617.3)
Tax using the Group's domestic tax rate	34.94%	(440.9)	34.94%	(215.7)
Deferred tax asset not recognised on current year loss and other items		-		212.1
Deferred tax reversed (refer note 42 (g)		543.1		
Deferred tax not recongised on current year loss and other items		471.7		
Provision for current tax of earlier years		-		0.8
Others		6.6		16.6
		580.5		**13.8**

d) Movement in deferred tax balances

	Net balances at 1 April 2022	Recognised in the statement of profit and loss	Recognised in OCI	Net	Balance at 31 March 2023 Deferred tax asset	Deferred tax liabilities
Property, plant and equipment and intangible assets	(70.7)	70.7	-	70.7	-	-
Provision for standard assets	1.7			-	1.7	-
Provision for litigation	92.7	(92.7)	-	(92.7)	-	-
MAT credit entitlement	73.6	(73.6)	-	(73.6)	-	-
Carry forward losses	40.6	(40.6)		(40.6)	-	-
Employee benefits	21.8	(21.8)	(0.1)	(21.9)	(0.1)	-
Trade and other receivables	343.6	(343.6)	-	(343.6)	-	-
Impairment of Assets	62.5	(62.5)	-	(62.5)	-	-
MTM valuation of inventory	8.4	(8.4)		(8.4)	-	-
Other items	1.4	(1.4)	-	(1.4)	-	-
Tax assets (liabilities) before set-off (A)	**575.6**	**(573.9)**	**(0.1)**	**(574.0)**	**1.6**	**-**
Set-off of deferred tax liabilities					-	
Net deferred tax assets					**1.6**	

	Net balances at 1 April 2022	Recognised in the statement of profit and loss	Recognised in OCI	Net	Balance at 31 March 2023 Deferred tax liabilities	Deferred tax assets
Other items	42.9	6.6	-	6.6	49.5	-
Tax liabilities (B)	**42.9**	**6.6**	**-**	**6.6**	**49.5**	**-**
Net deferred tax liabilities					**49.5**	
Net recognised (A-B)		**(580.5)**	**(0.1)**			

(Currency : Indian Rupees in Million)

	Net balances at 1 April 2021	Recognised in the statement of profit	Recognised in OCI	Balance at 31 March 2022 Net	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)	**571.1**	**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	Balance at 31 March 2022 Net	Deferred tax asset	Deferred tax liabilities
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)**			

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 2023	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	-	-	-	(2,348.5)	(2,348.5)
Unutilized business loss other than specified business	(0.4)	(389.5)	(459.4)	(82.0)	(931.2)

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)

(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 2023 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.

(g) Companyhasprojectedbookprofits,inabsenceofreasonablecertaintywithconvincingevidenceforfuturetaxableprofitsdeferredtaxassetsamountingtoRs543.1millionhavebeenreversedintheStandalone Statement of Profit and Loss in accordance with Ind AS 12

42 Contingent liabilities and commitments

a) Contingent liabilities

	31 March 2023	31 March 2022
(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
(ii) Claims made by certain parties in respect of warehousing services provided	58.8	58.8
(b) Other money for which the Group is contingently liable:		
(i) Orissa VAT liability	-	4.6
	58.8	**87.2**

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 2023	31 March 2022
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	582.8	642.6
(ii) Loans sanctioned but not disbursed (awaiting completion of documentation formalities by borrower)*	85.0	205.0
(iii) Undrawn credit limits/sanction amount by the borrowers*	693.0	586.0
	1,360.8	**1,433.6**

* pertains to loans given by NCML Finance Private Limited

(Currency : Indian Rupees in Million)

43 Financial instruments

(a) The carrying value and fair value of financial instruments by categories as of 31 March 2023 and 31 March 2022 were as follows:

	31 March 2023		
	Amortised cost	**Total carrying value**	**Total fair value**
Financial assets:			
Trade receivables (refer note 12)	670.4	670.4	670.4
Cash and cash equivalents (refer note 13)	327.4	327.4	327.4
Bank balances other than cash and cash equivalents (refer note 14)	369.4	369.4	369.4
Loans (refer note 7 and 15)	347.1	347.1	347.1
Other financial assets (refer note 8 & 16)	1,111.7	1,111.7	1,111.7
	2,825.9	**2,825.9**	**2,825.9**
Financial liabilities:			
Borrowings (refer note 20 & 25)	7,120.4	7,120.4	7,120.4
Lease Liabilities (refer note 39)	261.2	261.2	261.2
Trade payables (refer note 26)	315.6	315.6	315.6
Other financial liabilities (refer note 21 & 27)	382.2	382.2	382.2
	8,079.4	**8,079.4**	**8,079.4**

	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 and 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 39)	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**

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.

45 Employee share-based payment plans

a) Description of share-based payment arrangements:

As at 31 March 2023, 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	

(Currency : Indian Rupees in Million)

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 Attainment of certain financial parameters as set out by the Board	5 years
Deputy CEO	605,000	- Continued employment with the group Attainment of certain financial parameters as set out by the Board	5 years
Senior employees	4,150,000	- Continued employment with the group 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 2014 Employee Stock Option Scheme	
	Option -2	**Option -1**
Fair value of the option at grant date	INR 67.12	INR 52.13
Share price at grant date	INR 85.74	INR 75.81
Exercise price	INR 33.45	INR 23.68
Expected volatility (weighted average)	1.00	1.00
Expected life (weighted average)	2.67 years	4 years
Expected dividend	Nil	Nil
Risk-free interest rate (based on government bond)	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 2022 No. of options (Nos)	Movement from 1 April 2022 to 31 March 2023 Granted	Forfeited	Converted	Exercised	Cash settled	Outstanding as on 31 March 2023
ESOP 2014	23.68	-	-	-	-	-	-	-
ESOP 2014	33.45	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**

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		-	-	-	-	-	-
Total		**27,000**	**-**	**-**	**-**	**-**	**27,000**	**-**

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

	31 March 2023 No. of options	Exercise price	Weighted average remaining life	31 March 2022 No. of options	Exercise price	Weighted average remaining life
NCML 2014 ESOP	-	-	-	-	-	-
NCML 2014 ESOP	**-**	**-**	**-**	-	-	-

(Currency : Indian Rupees in Million)

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

	31 March 2023	31 March 2022
NCML 2014 ESOP	-	-
Total expense recognised in 'employee benefits expenses'	**-**	**-**

46 Government grants

	31 March 2023	31 March 2022
At the beginning of the year	157.7	155.4
Received during the year	-	8.9
Refunded during the year	-	-
Released to the statement of profit and loss	(4.7)	(6.6)
At the end of the year	**153.0**	**157.7**
Current	4.7	4.7
Non-current	148.3	153.0
	153.0	**157.7**

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.

47 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.

		Gratuity	
		31 March 2023	31 March 2022
A	Change in present value of the obligation		
	1. Obligation at the beginning of the year	**44.0**	**53.4**
	2. Current service cost	5.5	10.5
	3. Interest cost	3.2	3.1
	4. Benefits paid	(16.4)	(14.9)
	5. Actuarial (gain)/loss on obligation	(2.2)	(8.2)
	6. Obligation at the end of the year	**34.1**	**43.9**
B	Change in fair value of plan assets		
	1. Fair value of plan assets at the beginning of the year	**18.1**	**20.8**
	2. Adjustment to opening fair value of plan assets	-	7.0
	3. Expected return on plan assets	1.2	1.5
	4. Contributions made	2.9	3.8
	5. Benefits paid	(11.8)	(14.9)
	6. Actuarial gain / (loss) on plan assets	(0.1)	(0.1)
	7. Fair value of plan assets at the end of the year	**10.3**	**18.1**
C	Expense recognised in the statement of profit and loss for the year		
	1. Current service cost	5.6	10.5
	2. Interest cost	2.0	1.7
	3. Expected return on plan assets	(0.2)	(0.2)
	4. Total expense	**7.3**	**12.0**
D	Expense recognised in the statement of other comprehensive income		
	1. Actuarial loss	(3.2)	(8.1)
	2. Return on plan assets excluding interest income	0.1	0.1
		(2.6)	**(8.0)**
E	Net (liability) recognised in the balance sheet		
	1. Present value of the obligation	33.7	43.5
	2. Fair value of plan assets	9.2	16.6
	3. Funded status deficit	(24.4)	(26.9)
	4. Net (liability) recognised in the balance sheet	**(24.3)**	**(26.9)**
	Current	(24.0)	(26.6)
	Non Current	(0.3)	(0.3)
	Total	**(24.3)**	**(26.9)**
F	Actual return on plan assets		
	1. Expected return on plan assets	1.1	1.4
	2. Actuarial gain/ (loss) on plan assets	(0.1)	(0.1)
	3. Actual return on plan assets	**1.0**	**1.3**

(Currency : Indian Rupees in Million)

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-2023	**DR Discount Rate**		**ER: Salary Escalation Rate**	
	PVO DR +0.5%	PVO DR +0.5%	PVO ER +0.5%	PVO ER +0.5%
Present Value of Obligations (PVO)	2.2	2.4	2.4	2.3

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

Expected payout

Year	**Year-1**	**Year-2**	**Year-3**	**Year-4**	**Year-5**	**Year-6 to 10**
PVO payouts	0.0	3.0	0.5	0.9	1.2	27.8

Estimated amount of contribution to LIC in the immediate next year is Rs. 9.2 million (9.2 million in March 31,2022)

Demographic and other assumption used in determining gratuity and compensated absence		**31 March 2023**	**31 March 2022**
Weighted average duration of the defined benefit obligation		17.5	17.0
Retirement Age		58 years	58 years
Employee Attrition Rate	Upto Age 30	3%	3%
	31 to 44	2%	2%
	45 and above	1%	1%
Rate of increase in compensation		5%	5%
Mortality rate		100% of IALM (2012-14) Ult.	IALM (2012-14) Ult.
Expected return on plan assets		7.38%	7.10%
Discount rate		7.38%	7.10%

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. 1.4 million (31 March 2022: Rs. 2.2 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. 0.4 million (31 March 2022: Rs. 7.2 million) has been recognised in the consolidated statement of profit and loss on account of provision for compensated absence for leave balances.

48 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 2023. 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 2023	**31 March 2022**
Total financial liabilities (Refer note 20, 21, 25, 26, 27 & 40)	8,079.5	8,074.3
Less: cash and bank balances (Refer note 13, 14 and 8)	902.0	1,832.9
Adjusted net debt	**7,177.5**	**6,241.4**
Total equity (Refer note 19.1 and 19.2)	4,612.2	5,926.9
Less: Other components of equity (ESOP outstanding)	0.3	0.3
Adjusted equity	**4,612.0**	**5,926.5**
Adjusted net debt to adjusted equity ratio (times)	1.6	1.1

Non-compliances of loan covenants are considered not material as waiver for breach of debt covenants has been obtained by the Company from Debenture trustee vide letter dated 17 March 2023 upto the period ending 30 September 2023.

(Currency : Indian Rupees in Million)

49 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 2022	Additions during the year	Utlisaition during the year	As at 31 March 2023
Provision for litigation	257.7	155.7	(114.1)	299.3

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

50 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 2023	31 March 2022
Principal amount remaining unpaid to any supplier as at the year end	44.6	6.2
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	0.9	-
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	-	-

51 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 2023	31 March 2022
Unbilled revenue (contract assets)		
At the beginning of the reporting year	126.3	172.6
At the end of the reporting year	0.5	126.3
Net (Decrease)/ Increase	**(125.8)**	**(46.3)**
Advance from customers (contract liability)		
At the beginning of the reporting year	38.3	142.6
Revenue recognised during the year	388.1	743.1
Progress billings made towards contracts-in-progress	(411.3)	(847.4)
At the end of the reporting year (refer note 28)	**15.1**	**38.3**

(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.

52 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	31-Mar-23	31-Mar-22
Opening balance	-	-
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	-	-
Amount pending to be utilised - parked in escrow account	-	-

(Currency : Indian Rupees in Million)

53 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-23**	**31-Mar-22**
Construction revenue	253.2	141.4
Interest income	103.1	103.1
Service concession revenue	**356.3**	**244.6**
Construction cost	329.7	235.8

54 Statement of profit or loss attributable to owner and non controlling interest
31 March 2023

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	71.76%	4,612.8	92.01%	(1,847.6)	94.02%	6.0	92.00%	(1,841.6)
NCML Finance Private Limited	20.07%	1,290.1	(2.13)%	42.7	5.98%	0.4	(2.15)%	43.1
NCML Mktyard Private Limited	(0.27)%	(17.5)	0.27%	(5.4)	0.00%	-	0.27%	(5.4)
NCML Agribusiness Consultants Private Limited	(0.21)%	(13.3)	0.96%	(19.2)	0.00%	-	0.96%	(19.2)
NCML Basti Private Limited	1.09%	70.3	0.26%	(5.2)	0.00%	-	0.00%	(5.2)
NCML Varanasi Private Limited	(0.13)%	(8.6)	0.01%	(0.2)	0.00%	-	0.00%	(0.2)
NCML Faizabad Private Limited	0.88%	56.5	0.56%	(11.3)	0.00%	-	0.00%	(11.3)
NCML Batala Private Limited	1.76%	113.4	0.21%	(4.1)	0.00%	-	0.00%	(4.1)
NCML Chhehreatta Private Limited	1.79%	114.8	0.12%	(2.5)	0.00%	-	0.00%	(2.5)
NCML Deoria Private Limited	0.55%	35.4	0.12%	(2.3)	0.00%	-	0.00%	(2.3)
NCML Palwal Private Limited	(1.66)%	(106.7)	1.47%	(29.6)	0.00%	-	0.00%	(29.6)
NCML Bettiah Private Limited	(0.90)%	(57.7)	0.01%	(0.1)	0.00%	-	0.00%	(0.1)
NCML Bhattu Private Limited	(0.15)%	(9.4)	3.34%	(67.1)	0.00%	-	0.00%	(67.1)
NCML Jalalabad Private Limited	0.52%	33.4	0.23%	(4.6)	0.00%	-	0.00%	(4.6)
NCML Sonepat Private Limited	4.42%	284.4	2.37%	(47.5)	0.00%	-	0.00%	(47.5)
NCML KB Private Limited	0.59%	38.1	(0.23)%	4.6	0.00%	-	0.00%	4.6
NCML Motihari Private Limited	(0.02)%	(1.5)	0.09%	(1.8)	0.00%	-	0.00%	(1.8)
NCML Madhepura Private Limited	(0.07)%	(4.4)	0.23%	(4.7)	0.00%	-	0.00%	(4.7)
NCML Saran Private Limited	(0.03)%	(1.9)	0.11%	(2.2)	0.00%	-	0.00%	(2.2)
Total	**100%**	**6,428.1**	**100%**	**(2,008.1)**	**100%**	**6.4**	**100%**	**(2,001.7)**
Adjustment arising out of consolidation		(1,815.8)		153.0		-		153.0
		4,612.2		**(1,855.1)**		**6.4**		**(1,848.7)**

(Currency : Indian Rupees in Million)

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 Collateral Management Services Limited	76.72%	5,919.0	78.57%	(576.1)	0.80	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)**	**100%**	**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)**

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 Holding Company has appointed independent consultants for conducting the Transfer Pricing Study to determine whether the transactions with associated enterprises undertaken 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.

56 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.

57 Pursuant to changes notified in Schedule-III, during the year ended 31 March 2022, the group has reclassified/regrouped certain previous year's balances

(Currency : Indian Rupees in Million)

58 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

Ashish Gera
Partner
Membership No: 508685

Sanjay Kumar Gupta
Managing Director & CEO
DIN: 01797850

Renu Kohli
Independent Director
DIN: 01382511

Place: Gurugram
Date: 30 May 2023

Anuj Kumar Vasdev
Chief Financial Officer
Membership No: 094898

Ashima Aneja
Company Secretary
Membership No: A28733

(Currency : Indian Rupees in Million)

44 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 2023	As at 31 March 2022
(i)	**Low credit risk on financial reporting date**		
	Loans	347.1	566.1
	Cash and cash equivalents	327.4	781.9
	Other bank balances	369.4	794.2
	Trade receivables	670.4	598.8
	Other financial assets	1,111.7	976.3
(ii)	**High credit risk**		
	Loans	4.9	2.9
	Trade receivables	658.9	542.9
	Other financial assets	639.7	653.4
		4,129.4	**4,916.4**

*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 2023

Particulars	Gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Loans (refer note 7 & 15)	352.0	4.9	347.1
Other financial assets (refer note 8 & 16)	1,751.4	639.7	1,111.7

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

(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 2023			
Trade receivables	428.2	52.3	848.8
Expected probability of default	3%	7%	74%
Expected credit losses	11.6	3.4	624.4
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

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 2023				
Borrowings*	1,223.8	3,336.6	2,560.1	**7,120.4**
Lease liabilities	45.4	63.1	152.9	**261.2**
Trade payable	315.7	-	-	**315.7**
Other financial liabilities	382.2	-	-	**382.2**
Total	**1,967.1**	**3,399.6**	**2,712.9**	**8,079.5**

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**

* 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 2023**		**As at 31 March 2022**	
	Currency	**In FX**	**in INR**	**In FX**	**in INR**
Suppliers credit	USD	-	-	-	-

Particulars of unhedged foreign currency exposures

Particulars		**As at 31 March 2023**		**As at 31 March 2022**	
	Currency	**In FX**	**in INR**	**In FX**	**in INR**
Import of capital goods (Silo's)	USD	-	-	-	-
Interest accrued but not due on suppliers credit	USD	-	-	-	-

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 2023 and 31 March 2022, 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 2023	**31 March 2022**
Fixed rate instruments :		
Financial asset	647.3	951.7
Financial liabilities	(2,986.7)	(4,019.4)
	(2,339.4)	**(3,067.6)**
Variable rate instruments :		
Financial liabilities	**(4,133.7)**	**(3,196.7)**

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 2023				
Secured bank loan - non current	(30.1)	30.1	(19.9)	19.9
Loan facility - current	(6.7)	6.7	(4.4)	4.4
Variable-rate instruments	**(36.8)**	**36.8**	**(24.3)**	**24.3**
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	**(30.7)**	**30.7**	**(20.3)**	**20.3**

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.

National Commodities Management Services Limited
CIN : U74140MH2004PLC148859
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Currency : Indian Rupees in Million)

			Outstanding for following periods from the due date as on 31 March 2023					
	Ageing of Trade Receivables	Not due	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		404.6	48.7	39.5	16.1	-	**508.9**
	- which have significant increase in credit risk		11.0	3.1	29.4	41.8	183.6	**269.0**
	- credit impaired		(11.0)	(21.5)	(30.4)	(41.8)	(183.6)	**(288.4)**
(ii)	**Disputed trade receivables**					-	-	
	- considered good		12.1	0.1	3.7	0.8	164.2	**180.9**
	- which have significant increase in credit risk		0.6	0.3	4.4	167.9	197.3	**370.5**
	- credit impaired		(0.6)	(0.3)	(4.4)	(167.9)	(197.3)	**(370.5)**
	Total	-	**416.6**	**30.4**	**42.2**	**16.9**	**164.2**	**670.4**

			Outstanding for following periods from the due date as on 31 March 2022					
	Ageing of Trade Receivables	Not due	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		439	62	48	16	-	**565.8**
	- which have significant increase in credit risk		23	13	32	33	197	**297.0**
	- credit impaired		(23)	(13)	(32)	(33)	(197)	**(297.0)**
(ii)	**Disputed trade receivables**		-	-	-	-	-	
	- considered good		2	4	0	1	178	**185.3**
	- which have significant increase in credit risk		0	1	167	21	58	**245.9**
	- credit impaired		(0)	(1)	(167)	(21)	(58)	**(245.9)**
	Total		**441.2**	**66.3**	**48.7**	**17.1**	**177.8**	**751.1**

National Commodities Management Services Limited
CIN : U74140MH2004PLC148859
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Currency : Indian Rupees in Million)

			Outstanding for following periods from the due date as on 31 March 2023				
	Ageing of Trade Payables	**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	-	44.2	0.3	0.1	0.0	**44.6**
	- Others	212.6	41.4	5.7	4.1	7.3	**271.1**
(ii)	**Disputed trade payables**						
	- Micro enterprises and small enterprises	-	-	-	-	-	-
	- Others	-	-	-	-	-	-
	Total	**212.6**	**85.6**	**6.1**	**4.2**	**7.3**	**315.7**

			Outstanding for following periods from the due date as on 31 March 2022				
	Ageing of Trade Payables	**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	**6.1**
	- Others	215.4	20.8	7.6	6.0	12.0	**261.8**
	Disputed trade payables	-	-	-	-	-	
(ii)	**- Micro enterprises and small enterprises**						-
	- Micro enterprises and small enterprises	-	-	-	-	-	-
	- Others	-	-	-	-	-	-
	Total	**215.4**	**25.6**	**8.2**	**6.4**	**12.4**	**268.0**

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

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	19-01-17	18-01-17	01-02-17	12-02-16
Reporting period for the subsidiary concerned	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023
Reporting currency	Rupees	Rupees	Rupees	Rupees
Share capital	80,000,000	120,000,000	40,000,000	904,545,290
Reserves and surplus	(9,857,209)	(6,739,564)	(9,76,77,557)	383,523,000
Total assets	98,98,05,823	1,10,94,16,254	45,941	1,351,167,000
Total Liabilities	98,98,05,823	1,10,94,16,254	45,941	1,351,167,000
Investments	-	-	-	-
Turnover / Writeback	-	-	121,064	147,188,730
Profit/ (Loss) before tax	(164,887)	(150,739)	63,510	53,817,950
Provision for taxation	-	-	-	14,169,750
Profit/(Loss) after tax	(164,887)	(150,739)	63,510	39,648,200
Proposed Dividend	-	-	-	-
Percentage of shareholding	100	100	100	100

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	20-01-17	18-01-17	20-01-17	18-01-17
Reporting period for the subsidiary concerned	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023
Reporting currency	Rupees	Rupees	Rupees	Rupees
Share capital	60,000,000	120,000,000	40,000,000	70,000,000
Reserves and surplus	(15,25,17,047)	(5,452,405)	(169,640,032)	(231,196,806)
Total assets	912,420,657	1,12,49,30,577	12,87,68,440	207,992,012
Total Liabilities	912,420,657	1,12,49,30,577	12,87,68,440	207,992,012
Investments	-	-	-	-
Turnover / Writeback	56,427,104	-	-	-
Profit/(Loss) before tax	(83,240,456)	(159,626)	(165,126,457)	(217,826,806)
Provision for taxation	-	-	-	-
Profit/(Loss) after tax	(83,240,456)	(159,626)	(165,126,457)	(217,826,806)
Proposed Dividend	-	-	-	-
Percentage of shareholding	100	100	100	100

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	20-01-17	20-01-17	28-09-17	24-01-17
Reporting period for the subsidiary concerned	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023
Reporting currency	Rupees	Rupees	Rupees	Rupees
Share capital	40,000,000	40,000,000	1,000,000	335,000,000
Reserves and surplus	(187,412,170)	(146,667,483)	56,870,158	(56,201,690)
Total assets	113,912,114	8,21,44,868	93,39,80,708	90,73,58,926
Total Liabilities	113,912,114	8,21,44,868	93,39,80,708	90,73,58,926
Investments	-	-	-	-
Turnover / Writeback	-	45,944#	356,225,539*	87,936,007
Profit/(Loss) before tax	(180,834,808)	15,944	26,161,847	(5,669,935)
Provision for taxation	-	-	6,600,968	-
Profit/(Loss) after tax	(180,834,808)	15,944	19,560,879	(5,669,935)
Proposed Dividend	-	-	-	-
Percentage of shareholding	100	100	100	100

*****Revenue /Turnover is basis applicable Accounting Standard since the project is on DBFOT (Transfer) model*

#*This is write back amount, pertaining to vendors*

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	18-01-17	22-01-19	22-01-19	29-01-19
Reporting period for the subsidiary concerned	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023
Reporting currency	Rupees	Rupees	Rupees	Rupees
Share capital	101,000,000	1,000,000	1,000,000	1,000,000
Reserves and surplus	(108,880,055)	(77,011,511)	(68,026,815)	(61,891,105)
Total assets	6,67,41,999	15,351	2,995,924	10,077
Total Liabilities	6,67,41,999	15,351	2,995,924	10,077
Investments	-	-	-	-
Turnover / Writeback	932,833#	-	-	-
Profit/(Loss) before tax	849,103	(71,614,555)	(65,499,174)	(59,013,610)
Provision for taxation	-	-	-	-
Profit/(Loss) after tax	849,103	(71,614,555)	(65,499,174)	(59,013,610)
Proposed Dividend	-	-	-	-
Percentage of shareholding	100	100	100	100

#This is write back amount, pertaining to vendors

S. No.	17	18
Name of the Subsidiary	NCML MktYard Private Limited	NCML Agribusiness Consultants Private Limited
The date since when subsidiary was acquired	01-02-17	11-02-19
Reporting period for the subsidiary concerned	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023
Reporting currency	Rupees	Rupees
Share capital	50,000,000	3,000,000
Reserves and surplus	(68077603)	(16269238)
Total assets	28090509	22344994
Total Liabilities	28090509	22344994
Investments	-	-
Turnover / Writeback	5,596,015	13200154
Profit/(Loss) before tax	(5423747)	19202243
Provision for taxation	-	
Profit/(Loss) after tax	(5423747)	(19202243)
Proposed Dividend	-	-
Percentage of shareholding	100	100

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

Sanjay Kumar Gupta Managing Director
& Chief Executive Officer
DIN - 01797850

Renu Kohli
Independent Director
DIN - 07981627