



Statement of Financial Results for the Quarter & Year Ended March 31, 2022

(₹ In lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		Mar 31, 2022 (Unaudited)	Dec 31, 2021 (Unaudited)	Mar 31, 2021 (Unaudited)	Mar 31, 2022 (Audited)	Mar 31, 2021 (Audited)
		1	2	3	4	5
1	Income					
(a)	Revenue from operations	323.17	436.59	341.58	1,835.42	1,199.84
(b)	Other Income	232.22	337.80	242.71	1,232.56	1,009.37
	Total Income	555.39	774.39	584.29	3,067.98	2,209.21
2	Expenditure					
(a)	Employee benefits expense	314.26	286.65	276.81	1,170.55	1,126.59
(b)	Technology expenses	158.01	155.02	101.17	635.01	540.34
(c)	Rent expenses	2.14	2.16	22.98	8.53	101.72
(d)	Finance cost	7.18	7.58	-	31.29	-
(e)	Depreciation and amortization expenses	60.13	58.87	29.93	221.00	103.46
(f)	Other expenses	71.07	79.95	82.59	363.65	314.43
	Total expenses	612.79	590.23	513.48	2,430.03	2,186.54
3	Profit / (Loss) before tax (1-2)	(57.40)	184.16	70.81	637.95	22.67
4	Exceptional Items (refer note 6)	-	-	-	-	93.01
5	Profit / (Loss) after exceptions items and before tax (3-4)	(57.40)	184.16	70.81	637.95	(70.34)
6	Tax expense					
	Current tax	(15.26)	54.94	15.81	183.51	18.51
	Deferred tax	(0.28)	(2.54)	6.14	(6.01)	(33.95)
	Total tax expense	(15.54)	52.40	21.95	177.50	(15.44)
7	Net Profit / (Loss) after tax (3-4)	(41.86)	131.76	48.86	460.45	(54.90)
8	Other Comprehensive Income / (Loss) (net of tax)					
	<u>Items that will not be reclassified to profit or loss</u>					
	Remeasurements of post-employment benefit obligations	17.32	(13.23)	22.92	(22.36)	(0.71)
	Tax Remeasurements of post-employment benefit obligations	(4.82)	3.68	(6.37)	6.22	0.20
	Other Comprehensive Income / (Loss)	12.50	(9.55)	16.55	(16.14)	(0.51)
9	Total Comprehensive Income / (Loss) (7+8)	(29.36)	122.21	65.41	444.31	(55.41)
10	Paid-up equity share capital (Face value ₹ 10 per share)	12,125	12,125	12,125	12,125	12,125
11	Reserves (excluding Revaluation Reserve) #				4374.06#	3,223.35#
12	Earnings per share (Face value ₹ 10 per share)					
	Basic (₹)	(0.03)*	0.11*	0.04*	0.38	(0.05)
	Diluted (₹)	(0.03)*	0.11*	0.04*	0.38	(0.05)
	* Not Annualised					

Includes Company's own contribution towards Core SGF amounting to ₹ 11,931.50 lakhs (March 31, 2021 : ₹ 11,931.50 lakhs) and income earned thereon amounting to ₹ 2,637.58 lakhs (March 31, 2021 : ₹ 1,931.18 lakhs) aggregating to ₹ 14,569.08 lakhs (March 31, 2021 : ₹ 13,862.68 lakhs)



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National Commodity Clearing Limited
Balance Sheet as at March 31, 2022

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
ASSETS		
Non-Current Assets		
Property, plant and equipment	91.85	70.57
Right to use assets	281.25	-
Other intangible assets	317.14	270.11
Intangible assets under development	324.20	238.98
Financial assets		
- Other financial assets		
- Bank balances	3,179.55	521.93
- Others	1.27	1.37
Deferred tax assets (net)	243.52	231.29
Income tax assets	361.85	273.24
Other non-current assets	9.76	0.15
Total non-current assets	4,810.39	1,607.64
Current Assets		
Financial assets		
- Investment	1,190.31	4,267.98
- Trade receivables	1,928.55	1,948.07
- Cash and cash equivalents	1,449.56	12,585.57
- Bank balances other than cash and cash equivalents	32,512.18	29,988.09
- Others	1,040.72	1,077.87
Other current assets	54.84	52.64
Total current assets	38,176.16	49,920.22
TOTAL ASSETS	42,986.55	51,527.86
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	12,125.00	12,125.00
Other equity	12,330.42	10,573.08
Total Equity	24,455.42	22,698.08
LIABILITIES		
Non-current liabilities		
Provisions	183.57	140.57
Lease liability	238.31	-
Total non-current liabilities	421.88	140.57
Current liabilities		
Financial liabilities		
- Deposits	8,315.40	8,778.06
- Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	43.56	14.85
- Total outstanding dues of creditors other than micro enterprises and small enterprises	297.96	396.43
Other Financial liabilities	8,920.28	19,027.86
Lease Liability	59.30	-
Other current liabilities	95.70	135.36
Provisions	159.72	118.84
Current Tax Liabilities (net)	217.33	217.81
Total current liabilities	18,109.25	28,689.21
TOTAL LIABILITIES	18,531.13	28,829.78
TOTAL EQUITY AND LIABILITIES	42,986.55	51,527.86



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National Commodity Clearing Limited
Statement of Cash Flow for the year ended March 31, 2022

(₹ In lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	637.95	(70.34)
<u>Adjustments for:</u>		
Depreciation & amortisation	221.00	103.46
Loss on sale of fixed assets	0.22	0.84
Interest on Lease Liability	30.67	-
Net gain on sale of investments measured at Fair Value through Profit or Loss	(146.25)	(89.84)
Provision for doubtful debts / loss incurred during liquidation (Exceptional items)	-	93.01
Net gain/(loss) on financial assets mandatorily measured at Fair Value	(0.47)	(3.47)
Interest income on Bank deposit	(1,036.22)	(906.35)
Operating profit before working capital changes	(293.10)	(872.69)
Movements in working capital:		
Decrease / (Increase) in trade receivables	19.52	30.95
Decrease / (Increase) in other current assets	(2.20)	17.96
Decrease / (Increase) in other non current assets	(9.61)	(0.05)
Decrease / (Increase) in other financial assets	(22.88)	3.59
Increase / (Decrease) in long term provision	43.00	51.69
Increase / (Decrease) in trade payables	(69.76)	149.25
Increase / (Decrease) in Short term provision	18.52	8.79
Increase / (Decrease) in financial liabilities	(10,570.24)	5,484.09
Increase / (Decrease) in other current liabilities	(39.66)	80.18
Cash generated/(used) from operations	(10,926.41)	4,953.76
Contribution to Core SGF by Exchange and Settlement Penalties (net of funding from SGF)	230.78	285.44
Direct taxes paid (net of refunds)	(272.60)	132.48
Net cash generated/(used) in operating activities (A)	(10,968.23)	5,371.68
B. Cash flows from investing activities		
Purchase of fixed assets, including intangible assets and CWIP	(304.48)	(284.70)
Purchase of current investments	(1,19,313.00)	(2,47,450.97)
Proceeds from sale of current investments	1,22,547.72	2,45,122.86
Interest received	2,168.27	2,140.48
Investment in fixed deposits	(5,69,936.46)	(2,20,519.31)
Redemption/Maturity of fixed deposits	5,64,754.75	2,23,346.99
Net cash generated/(used) in investing activities (B)	(83.20)	2,355.35
C. Cash Flows from financing activities		
Payment of Lease Rent	(84.58)	-
Proceed of issue of equity shares	-	575.00
Net cash generated/(used) from financing activities (C)	(84.58)	575.00
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(11,136.01)	8,302.03
Cash and cash equivalents at the beginning of the year	12,585.57	4,283.54
Cash and cash equivalents at the end of the year	1,449.56	12,585.57
Components of cash and cash equivalents (Refer note 9)		
Cash and cheques on hand	-	-
With Banks		
- on current accounts *	93.56	624.57
- on fixed deposits (Original maturity being three months or less) **	1,356.00	11,961.00
Total	1,449.56	12,585.57

* Includes current account for Core Settlement Guarantee Fund ₹ 0.50 lakhs (March 31, 2021 : ₹ 0.02 lakhs).

** Includes Fixed Deposit for Core Settlement Guarantee Fund ₹ NIL (March 31, 2021 : ₹ NIL).

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

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



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Notes:

- 1 The above audited financial results for the year ended March 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meeting held on May 5, 2022 and May 6, 2022 respectively.
- 2 The figures of last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective year.
- 3 Securities and Exchange Board of India (SEBI) vide letter no. SEBI/HO/CDMRD/DEA/OW/P/2018/025765/1 dated September 12, 2018 granted recognition to the Company as a 'Clearing Corporation' under Regulation 4 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 for one year. Subsequently, the Company made application for grant of renewal of recognition as a clearing corporation and SEBI vide letter no. SEBI/HO/CDMRD/DRMP/OW/P/2019/22794/1 dated September 05, 2019 granted renewal of recognition to the Company as a "Clearing Corporation" for a period of three years commencing from September 10, 2019.
- 4 Securities and Exchange Board of India, vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014, inter alia, has issued norms related to the computation and Minimum Required Contribution (MRC) to the Core Settlement Guarantee Fund by the Clearing Corporation (minimum 50%) from its own fund, Stock Exchange (minimum 25%) and members (maximum 25%). Based on this the Company has created the Core Settlement Guarantee Fund.

The details of Core SGF as on March 31, 2022 are as under.

(₹ In lakhs)					
Particulars	Settlement penalties	NCCL Contribution	NCDEX Contribution	Member Contribution	Total
As on April 01, 2021	3,818.11	13,862.68	3,531.62	-	21,212.41
Penalties levied & collected during the period	230.78	-	-	-	230.78
Interest on Income Tax refund	0.40	3.01	0.87	-	4.28
Income on investment of SGF (as on respective dates of contribution) adjusted towards contribution (b)	-	-	-	-	-
Income on investment of SGF (other than stated in (b) above) (c)	198.27	703.39	176.31	-	1,077.97
As on March 31, 2022	4,247.56	14,569.08	3,708.80	-	22,525.44

The above Core SGF amounting to ₹22,525.44 lakhs has been considered by the management as a part of equity and is included under "Other Equity".

Details of earmarking of funds towards Core SGF are as under:

(₹ In lakhs)					
Particulars	Settlement penalties	NCCL Contribution	NCDEX Contribution	Member Contribution	Total
Fixed deposits included under 'Cash and cash equivalent'	-	-	-	-	-
Fixed deposits included under 'Bank balances other than cash and cash equivalents'	3,865.19	12,258.22	3,606.93	-	19,730.34
Fixed deposits included under 'Non-current bank balances'	173.97	2,028.58	-	-	2,202.55
Accrued Interest on Fixed Deposits	89.32	226.57	58.53	-	374.42
TDS on Interest/Income	20.74	152.17	44.72	-	217.63
Balance with Bank	0.50	-	-	-	0.50
Total	4,149.72	14,665.54	3,710.18	-	22,525.44

Company's own contribution to Core SGF for the quarter ended March 31, 2022, December 31, 2021 and March 31, 2021 is ₹ NIL, ₹ NIL and ₹ NIL respectively and for the year ended March 31, 2022 and March 31, 2021 is ₹ NIL and ₹ 575.00 lakhs respectively.

- 5 The Company, vide its letter dated September 5, 2018, had given an undertaking to SEBI for increasing the Core Settlement Guarantee Fund (Core SGF) to ₹ 250.00 crore by way of equitable additions every 6 months over the period of 3 years i.e. by September 30, 2021. Accordingly, the Company was required to have the Core SGF of ₹ 250.00 crore as on September 30, 2021, for which the Company, vide its letter dated September 2, 2021 to SEBI, sought an extension of time till March 31, 2022. SEBI has vide it's letter dated September 13, 2021 granted an extension of time to increase the Core SGF till March 31, 2022. Further, the Company vide its letter dated February 2, 2022 to SEBI, sought an extension of time till March 31, 2023. SEBI has vide it's letter dated March 08, 2022 granted an extension of time to increase the Core SGF till December 31, 2022.
- 6 The exceptional item for the year ended March 31, 2021 of ₹ 93.01 lakhs comprises of 'provision for doubtful debt' of ₹ 103.85 lakhs made with respect to GST on penalties recoverable from two defaulting members and ₹ 10.84 lakhs recovery of loss, from National Commodity and Derivatives Exchange Limited, incurred during the liquidation of member open position against total loss of ₹ 21.67 lakhs charged to statement of profit & loss.



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- 7 As per SEBI directives, National Commodity and Derivatives Exchange Limited (NCDEX) has issued circulars informing the market participants that no fresh positions and launch of new contracts are allowed in Chana and Rapeseed-Mustard with effect from August 17, 2021 and October 8, 2021 respectively. In addition to this, NCDEX has issued a circular: NCDEX/SURVEILLANCE & INVESTIGATION-124/2021 dated December 20, 2021 wherein no fresh positions and launch of new contracts are allowed for a period of one year in respect of certain commodities prescribed in the said circular including major commodities like Soyabean and Refined Soy Oil. Accordingly, the revenue of the Company from clearing and settlement activities of these commodities will be impacted. As the suspension of these commodities is for a period of one year, the Company based on its assessment is of the view that there is no impact on the carrying value of its assets. Therefore, no adjustments are made in the results for the quarter and year ended March 31, 2022.
- 8 Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Company. The Company operates only in one Business Segment i.e. facilitating clearing & settlement in commodities and the activities incidental thereto within India, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".
- 9 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020 and the said Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 10 The COVID - 19 outbreak is an unprecedented global situation. The World Health Organisation has declared the same as a pandemic. During the financial year 2021-22, the COVID - 19 has partially impacted the business of the Company.

Based on the current indicators of future economic conditions and the impact of COVID – 19 on business, the Company has made an assessment of its liquidity position, recoverability and carrying values of its assets and ability to pay the liabilities as they become due and is of the view that, there is no adjustment required to be made in these financial results. The Company will continue to evaluate any significant changes having impact on its financial performance and financial position.

- 11 Pursuant to Ind AS 116 "Leases", the Company has measured the right-of-use asset at an amount equal to lease liability, adjusted by the amount of prepaid / accrued lease payments relating to that lease recognised in the Balance Sheet. The Company has recognised equal amount of ₹ 351.52 lakhs towards right-of-use asset and lease liability as at initial recognition. In the statement of profit and loss for the quarter, the nature of expenses in respect of operating leases has changed from lease rent to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability. Accordingly, the Company has charged depreciation of ₹70.27 lakhs, finance cost of ₹ 30.67 lakhs instead of lease rentals of ₹ 84.58 lakhs. As a result of this profit after tax for the year ended is lower by ₹ 11.81 lakhs (i.e. ₹ 16.36 lakhs less deferred tax of ₹ 4.55 lakhs).
- 12 Figures for the previous period/year have been regrouped, rearranged and reclassified wherever necessary.

Place: Mumbai
Date: May 06, 2022



For National Commodity Clearing Limited

Rajiv Relhan
Managing Director & CEO
DIN - 07214524