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# 23<sup>RD</sup> ANNUAL

# REPORT 2020-21

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## BOARD OF DIRECTORS



Mr. S.V. Sastry  
State Bank of India  
Chairman



Mr. B. Prasanna  
ICICI Bank Ltd.  
Vice Chairman



Mr. Ashish Parthasarthy  
HDFC Bank



Mr. V.V. Murar  
Central Bank of India



Mr. Badrinivas NC  
Citi Bank



Mr. Neeraj Gambhir  
Axis Bank



Mr. V. Lakshmanan  
Federal Bank



Mr. Sudarshana Bhat  
Union Bank of India



Mr. Mahesh Pai  
Canara Bank



Mr. KV Rajani Kanth  
IDBI Bank



Mr. Dillip Kumar Mishra  
SBI DFHI



Mr. Sushanta Kumar Mohanty  
Bank of Baroda

## **BOARD OF DIRECTORS**

### **Present Directors as on 30.09.2021 :**

1. Mr. S.V. Sastry from 30.7.2020 - Chairman
2. Mr. B. Prasanna, Vice Chairman
3. Mr. Ashish Parthasarathy
4. Mr. Vijay Murar
5. Mr. Badrinivas NC
6. Mr. Neeraj Gambhir
7. Mr. V. Lakshmanan from 30.7.2020
8. Mr. Sudarshana Bhat from 25.5.2021
9. Mr. Mahesh Pai from 25.5.2021
10. Mr. KV Rajani Kanth from 23.08.2021
11. Mr. Dillip Kumar Mishra from 23.8.2021
12. Mr. Sushanta Kumar Mohanty from 23.8.2021

### **Past Directors who held position for part of the year under review**

1. Mr. Biswa Ketan Das, Chairman till 29.7.2020
2. Mr. Baby K. P till 29.7.2020
3. Mr. Subrat Kumar till 27.8.2020
4. Mr. Iswar Padhan till 18.10.2020
5. Mr. G.V. Prabhu till 17.2.2021
6. Mr. Nitesh Ranjan till 24.5.2021
7. Mr. Moni NSS till 17.06.2021
8. Mr. Vineet Kumar Dudeja till 31-05-2021
9. Ms. Maya Chakravorty till 29.06.2021

### **CHIEF EXECUTIVE OFFICER**

Mr. G. Ravindranath

### **AUDITORS**

M/S. M.P.CHITALE & CO  
Chartered Accountants  
Hamam House  
Ambalal Doshi Marg  
Fort, Mumbai – 400 001

## DIRECTORS' REPORT

Dear Members,

At the outset, on behalf of all of us, I would like to pay our homage and acknowledge sacrifices of all the Covid warriors in general and members of BFSI fraternity in particular, who have fought valiantly to keep the wheels of economy running and unfortunately succumbed to the dreaded virus.

Your Directors are pleased to present the 23<sup>rd</sup> Annual Report for the Fixed Income Money Market and Derivatives Association of India (FIMMDA) together with the audited financial statements for the year 31<sup>st</sup> March 2021.

The Indian economy is still passing through a very difficult spell for nearly past 1 year and 6 months and the focus continues on Covid-19 pandemic. Most of the steps being taken by the Government and RBI are for containing the impact and working towards normalisation. Expectedly the worst of the second wave is behind us and substantial pick up in Covid - 19 vaccination is a fillip to open up and normalise economic activity.

### Global Economy

Global growth is expected to accelerate to 5.6% this year, largely on the strength in major economies such as the United States and China. Though the growth for almost every region of the world has been revised upward for 2021, many continue to struggle with COVID-19. Despite this year's increase in growth, the level of global GDP in 2021 is expected to be 3.2% below pre-pandemic projections, and per capita GDP among many emerging market and developing economies is anticipated to remain below pre-COVID-19 peaks for an extended period. As the pandemic continues to flare, it will shape the path of global economic activity. The United States and China are each expected to contribute about one quarter of global growth in 2021. Global inflation, which has increased along with the economic recovery, is anticipated to continue to rise over the rest of the year; however, it is expected to remain within the target range for most countries. In those emerging market and developing economies in which inflation rises above target, this trend may not warrant a monetary policy response provided it is temporary and inflation expectations remain well-anchored. Amid exceptional uncertainty, the global economy is projected to grow 5.5 percent in 2021 and 4.2 percent in 2022. The 2021 forecast is revised up 0.3 percentage point relative to the previous forecast, reflecting expectations of a vaccine-powered strengthening of activity later in the year and additional policy support in a few large economies. The global community will need to continue working closely to ensure adequate access to international liquidity for these countries.

## Key Global Policy Rates

<i>Key Policy Rate</i>	<i>Country</i>	<i>October 2020</i>	<i>October 2021</i>	<i>Policy Rate (Effective From)</i>
RBA Cash rate	Australia	0.25%	0.10%	03-Nov-20
BACEN Selic rate	Brazil	2.25%	6.25%	22-Sep-21
BOC Target ON rate	Canada	0.25%	0.25%	27-Mar-20
PBC lending rate	China	3.85%	3.85%	20-Apr-20
ECB Key interest rate	Europe	0.00%	0.00%	10-Mar-16
BOE Bank rate	Great Britain	0.10%	0.10%	19-Mar-20
BOJ Key policy rate	Japan	-0.10%	-0.10%	01-Feb-16
CBR Key rate	Russia	4.50%	7.50%	22-Oct-21
SARB Repo rate	South Africa	3.50%	3.50%	23-Jul-20
FED funds rate	United States	0.25%	0.25%	15-Mar-20

Source - <https://www.global-rates.com/en/interest-rates/central-banks/central-bank-brazil/bacen-interest-rate.aspx>

## Domestic Economy

### Overview (October 2021)

The release of National Statistical Office on August 31 2021 shows real GDP growth for Q1 : 2021-22 was at 20.1 per cent exhibiting resilience of the economy despite the second wave of COVID-19. Almost all components of GDP registered y-o-y growth despite adverse factors due to second wave.

Recovery in aggregate demand, improvement in government capex and recovery in services sector on one hand and impact of elevated input costs on profit margins, potential global and financial market volatility, which impart downside risks on the other hand, all factored in, RBI has retained its projection of real GDP growth at 9.5% for 2021-22 consisting of 7.9% in Q2; 6.8% in Q3; 6.1% in Q4 of 2021-22. Real GDP growth for Q1 2022-23 is projected by RBI at 17.2 per cent

Headline CPI inflation at 5.3% in August 2021 depicted moderation from the level in June 2021 primarily due to moderation in food inflation even though fuel inflation surged and core inflation still remains elevated.

Since the onset of the pandemic RBI has maintained ample surplus liquidity in the system to support economic recovery. The level of surplus liquidity in the system increased further as may be observed with absorption by RBI through its various tools averaging Rs 9.5 lac crore per day (upto October 6) as against Rs 7.0 lac crore during June to August 2021. The potential liquidity overhang amounts to more than Rs 13.0 lac crore

As the economy shows signs of recovery, the Central Bank has expressed its intention to sync the liquidity conditions emanating from exceptional measures instituted during the crisis with the macroeconomic developments in a gradual, calibrated and non-disruptive manner while retaining its accommodative stance and remaining supportive of the economic recovery.

### Budget 2020-2021

- The government proposes to spend Rs 34,83,236 crore in 2021-22. As per the revised estimates, the government spent Rs 34,50,305 crore in 2020-21, 13% higher than the budget estimate.

The government is estimated to spend Rs 34,83,236 crore during 2021-22 which is an annual increase of 14% over 2019-20.

- Out of the total expenditure, revenue expenditure is estimated to be Rs 29,29,000 crore (12% annual increase over 2019-20) and capital expenditure is estimated to be Rs 5,54,236 crore (29% annual increase over 2019-20).
- The receipts (other than borrowings) are expected to be Rs 19,76,424 crore in 2021-22, which is 23% higher than the revised estimates of 2020-21. In 2020-21, revised estimates for receipts were 29% lower than budget estimates.
- Given the impact due to COVID-19, it is useful to see the growth from 2019-20, an annual increase of 6%.
- Nominal GDP is expected to grow at of 14.4% (i.e., real growth plus inflation) in 2021-22.

Revenue deficit is targeted at 5.1% of GDP in 2021-22, which is lower than the revised estimate of 7.5% in 2020-21 (3.3% in 2019-20).

- Fiscal deficit is targeted at 6.8% of GDP in 2021-22, down from the revised estimate of 9.5% in 2020-21 (4.6% in 2019-20).
- The government aims to steadily reduce fiscal deficit to 4.5% of GDP by 2025-26.

### Other Announcements:

An Asset Reconstruction Company Limited and Asset Management Company will be set up to consolidate and take over existing stressed debt, and manage and dispose assets. (ARC since setup). An institutional framework will be created for the corporate bond market to instil confidence among participants and enhance liquidity of secondary markets. An investor charter will be introduced for financial investors across all products. Alternate methods of debt resolution and special frameworks for MSMEs will be introduced. A Conciliation Mechanism will be set up for quick resolution of contractual disputes.

## Real Growth Rate of India's GDP (%)

<i>Fiscal Year/Sector</i>	<i>Agriculture</i>	<i>Industry</i>	<i>Services</i>	<i>Real GDP</i>	<i>WPI</i>	<i>CPI</i>	<i>CAD</i>
2011-2012	6.40	3.60	5.90	5.20	9.00	11.70	-4.20
2012-2013	1.50	3.30	8.30	5.50	7.40	9.90	-4.70
2013-2014	5.60	3.80	7.70	6.40	5.20	9.40	-1.70
2014-2015	-0.20	7.00	9.80	7.40	1.30	6.00	-1.30
2015-2016	0.60	9.60	9.40	8.00	-3.60	4.90	-1.10
2016-2017	6.30	7.70	8.40	8.20	1.80	4.50	-0.60
2017-2018	5.00	5.90	8.10	7.20	2.90	3.60	-1.80
2018-2019	2.90	6.90	7.50	6.80	4.30	3.40	-2.10
2019-2020	2.80	2.50	6.90	5.00	1.70	4.80	-0.90
2020-2021	3.40	-9.60	-8.80	-7.70	-0.01	6.60	-0.20

Source- Economic Survey 2020-21

## Gist of Monetary Policies: (Since last Report)

### Bi-monthly Monetary Policy-9<sup>th</sup> October 2020:

The Monetary Policy Committee (MPC) decided to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 4.0 per cent. The reverse repo rate under the LAF remains unchanged at 3.35 per cent and the marginal standing facility (MSF) rate and the Bank Rate at 4.25 per cent.

The MPC also decided to continue with the accommodative stance as long as necessary – at least during the current financial year and into the next financial year – to revive growth on a durable basis and mitigate the impact of COVID-19 on the economy, while ensuring that inflation remains within the target going forward.

The main considerations underlying the decision are set out below.

### Global Economy

Global trade is expected to be subdued. The rebound could turn out to be stronger among advanced economies (AEs) than in emerging market economies (EMEs).

Global financial markets remain supported by highly accommodative monetary and liquidity conditions.

There is a slight uptick in inflation of some EMEs in recent months notwithstanding, risks to the recovery remain on the downside due to the sizeable aggregate demand compression effect and continued disruption of supply.

Central banks have pledged to keep rates at the current historic low levels and governments are implementing large fiscal support programs, the improvement in financing conditions that is still unfolding should impart upside to the recovery when it takes hold.

The global economy is still reeling under the impact of the unprecedented COVID-19 shock.

### **Domestic Economy**

High frequency indicators suggest that economic activity is stabilizing in Q2:2020-21 after the 23.9 per cent year-on-year (y-o-y) decline in real GDP in Q1 (April-June).

Headline CPI inflation increased to 6.7 per cent during July-August 2020 as pressures accentuated across food, fuel and core constituents on account of supply disruptions, higher margins and taxes.

Domestic financial conditions have eased substantially, with systemic liquidity remaining in large surplus. Reserve money increased by 13.5 per cent on a year-on-year basis (as on October 2<sup>nd</sup>, 2020), driven by a surge in currency demand (21.5 per cent). Growth in money supply (M3), however, was contained at 12.2 per cent as on September 25, 2020. Banks' non-food credit growth remains subdued. India's foreign exchange reserves stood at US\$ 545.6 billion on October 2<sup>nd</sup>, 2020. The MPC is of the view that revival of the economy from an unprecedented COVID-19 pandemic assumes the highest priority in the conduct of monetary policy.

Liquidity measures by the RBI will now include revival of activity in specific sectors that have both backward and forward linkages, and multiplier effects on growth and it has been decided to conduct on tap TLTRO with tenors of up to three years for a total amount of up to ₹1,00,000 crore at a floating rate linked to the policy repo rate.

### **Bi-monthly Monetary Policy- 4<sup>th</sup> December 2020:**

The Monetary Policy Committee (MPC) decided to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 4.0 per cent. The reverse repo rate under the LAF remains unchanged at 3.35 per cent and the marginal standing facility (MSF) rate and the Bank Rate at 4.25 per cent.

The MPC also decided to continue with the accommodative stance as long as necessary – at least during the current financial year and into the next financial year – to revive growth on a durable basis and mitigate the impact of COVID-19 on the economy, while ensuring that inflation remains within the target going forward.

The main considerations underlying the decision are set out below.

### **Global Economy**

The outlook for Q4 (October-December) of 2020 is overcast with a surge in COVID-19 infections in a second wave across Europe, the US and major emerging market economies (EMEs), with accompanying lockdowns.

World trade recorded a rebound in Q3 as lockdowns were eased, but it is likely to slow in Q4 as pent-up demand is exhausted, inventory restocking is completed, and trade-related uncertainty is rising with the second wave.

Global financial markets remain buoyant, supported by highly accommodative monetary policies and positive news on the vaccine.

CPI inflation has remained muted across major advanced economies (AEs) while it picked up in some EMEs on firming food prices and supply disruptions.

### **Domestic Economy**

The data release of the National Statistical Office (NSO) on November 27 showed a contraction of 7.5 per cent in real GDP in Q2:2020-21 (July-September).

Core inflation, i.e., CPI excluding food and fuel, also picked up from 5.4 per cent in September to 5.8 per cent in October.

Domestic financial conditions remained easy in October-November and systemic liquidity continued to be in large surplus. Reserve money increased by 15.3 per cent (y-o-y) (as on November 27<sup>th</sup>, 2020), driven by a surge in currency demand. Money supply (M3), on the other hand, grew by only 12.5 per cent as on November 20<sup>th</sup>, 2020.

The RBI had announced the TLTRO on Tap Scheme on October 9<sup>th</sup>, 2020 which will be available up to March 31<sup>th</sup>, 2021. Accordingly, it was decided to conduct on tap TLTRO with tenors of up to three years for a total amount of up to ₹ 1,00,000 crore at a floating rate linked to the policy repo rate with flexibility to enhance the amount and period after a review of the response to the scheme.

### **Bi-monthly Monetary Policy-5th February 2021:**

The Monetary Policy Committee (MPC) decided to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 4.0 per cent. The reverse repo rate under the LAF remains unchanged at 3.35 per cent and the marginal standing facility (MSF) rate and the Bank Rate at 4.25 per cent.

The MPC also decided to continue with the accommodative stance as long as necessary – at least during the current financial year and into the next financial year – to revive growth on a durable basis and mitigate the impact of COVID-19 on the economy, while ensuring that inflation remains within the target going forward.

The main considerations underlying the decision are set out below.

### **Global Economy**

Global economic recovery slackened in Q4 (October-December) of 2020 relative to Q3 (July-September) as several countries battle second waves of COVID-19 infections, including more virulent strains.

In January 2021 update, the International Monetary Fund (IMF) has revised upward its estimate of global growth in 2020 to (-)3.5 per cent from (-)4.4 per cent and increased the projection of global growth for 2021 by 30 basis points to 5.5 per cent.

Financial markets remain buoyant, supported by easy monetary conditions, abundant liquidity and optimism from the vaccine rollout. Global trade is also expected to rebound in 2021, with services trade on a slower recovery than merchandise trade.

## Domestic Economy

The first advance estimates of GDP for 2020-21 released by the National Statistical Office (NSO) on January 7, 2021 estimated real GDP to contract by 7.7 per cent, in line with the projection of (-)7.5 per cent set out in the December 2020 resolution of the MPC.

Core inflation, i.e. CPI inflation excluding food and fuel remained elevated at 5.5 per cent in December with marginal moderation from a month ago.

Systemic liquidity remained in large surplus in December 2020 and January 2021, engendering easy financial conditions. Reserve money rose by 14.5 per cent y-o-y (on January 29, 2021), led by currency demand. Money supply (M3), on the other hand, grew by only 12.5 per cent as on January 15, 2021, but with non-food credit growth of scheduled commercial banks accelerating to 6.4 per cent.

The Union Budget 2021-22 has introduced several measures to provide an impetus to growth. The projected increase in capital expenditure augurs well for capacity creation thereby improving the prospects for growth and building credibility around the quality of expenditure.

The recovery and growth path of the economy will depend upon the pace of vaccination and effectively taking measures to bring the second wave of the pandemic under control. Both Government and Reserve Bank of India are taking necessary steps towards this objective, as seen in the various measures announced in the Budget and bi monthly policies respectively. The COVID 19 second wave appears to have ebbed and we are optimistic of tiding over the a third wave, if and when it occurs. As stated by RBI Governor , RBI will continue to undertake proactive and conventional and unconventional measures to effectively channelling system liquidity to alleviate stress of critical sectors which have borne the brunt of the second wave.

The need of the hour is not to be overawed by the current situation but to collectively fight and overcome it.

### Bi-monthly Monetary Policy-7th April 2021:

Policy Repo rate kept unchanged at 4per cent. The marginal standing facility (MSF) and the bank rate kept unchanged at 4.25 percent. The Reverse Repo Rate stood unchanged at 3.35 percent

MPC also unanimously decided to continue with the accommodative stance as long as necessary to sustain growth on a durable basis, continue to mitigate COVID -19 impact on the economy while ensuring that inflation remains within the target going forward.

The National Statistical Office in its update on February 26, 2021 placed the contraction in real GDP at 8.00 percent for 2020-2021.

## Growth

Global growth is gradually recovering from slowdown but it remains uneven across countries. World output is projected by OECD to reach its pre pandemic level by mid-2021 depending on pace of vaccination and its efficacy against emerging variants of the virus.

## **Domestic Economy**

The focus is on containing the spread of the virus as well as economic revival.

High frequency lead and coincident indicators reveal that economic activity is normalising. The increase in international commodity prices since the February Policy and recurrence in Global Financial market volatility accentuated downside risks.

Taking these factors into consideration the projection of real GDP growth for 2021-2022 is retained at 10.5 per cent consisting of 26.2 per cent in Q1; 8.3 per cent in Q2 ; 5.4 per cent in Q3; and 6.2 per cent in Q4.

## **Inflation**

The food inflation trajectory will critically depend on the South West monsoon in its 2021 season.

Some respite on incidence of Domestic taxes on petroleum products through coordinated efforts of Central and State Governments could provide relief on top of easing of international crude oil prices.

A combination of high international commodity prices and logistics costs may push up input price pressures across manufacturing and services.

Taking into consideration all these factors, the projection for CPI inflation has been revised to 5 per cent in Q4 2021; 5.2per cent in Q1 2021-22; 5.2 per cent in Q2; 4.4 per cent in Q3; and 5.1 per cent in Q4 with risks broadly balanced.

## **Bi-monthly Monetary Policy-4th June 2021:**

The Monetary Policy Committee (MPC) decided to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 4.0 per cent. The reverse repo rate under the LAF remains unchanged at 3.35 per cent and the marginal standing facility (MSF) rate and the Bank Rate at 4.25 per cent.

The MPC also decided to continue with the accommodative stance as long as necessary to revive and sustain growth on a durable basis and continue to mitigate the impact of COVID-19 on the economy, while ensuring that inflation remains within the target going forward.

## **Global Economy**

The global economic recovery has been seen gaining momentum, driven mainly by major advanced economies (AEs) and powered by massive vaccination programmes and stimulus packages. Activity remains uneven in major emerging market economies (EMEs), with downside risks from renewed waves of infections and slow progress in vaccination.

## **Domestic Economy**

Provisional estimates of national income released by the National Statistical Office (NSO) on May 31<sup>st</sup>, 2021 placed India's real gross domestic product (GDP) contraction at 7.3 per cent for 2020-21, The India Meteorological Department (IMD) has forecast a normal south-west monsoon, which augurs well for agriculture.

Industrial production registered a broad-based improvement in March 2021. Although GST collections were at their highest during April 2021, there are indications of moderation in May as reflected in lower E-way bills generation. Other high-frequency indicators recorded sequential moderation during April-May 2021 due to restrictions

Headline inflation registered a moderation to 4.3 per cent in April from 5.5 per cent in March, largely on favourable base effects. Food inflation fell to 2.7 per cent in April from 5.2 per cent in March. While fuel inflation surged, core (CPI excluding food and fuel) inflation moderated in April mainly due to base effects.

System liquidity remained in large surplus in April and May 2021, with average daily net absorption under the liquidity adjustment facility (LAF) amounting to ₹ 5.2 lakh crore. Reserve money (adjusted) expanded by 12.4 per cent (y-o-y) on May 28<sup>th</sup>, 2021. Money supply (M3) and bank credit grew by 9.9 per cent and 6.0 per cent, respectively, as on May 21<sup>th</sup>, 2021 as compared with growth of 11.7 per cent and 6.2 per cent, respectively, a year ago. India's foreign exchange reserves increased by US\$ 21.2 billion in 2021-22 (up to May 28) to US\$ 598.2 billion.

Going forward, the inflation trajectory is likely to be shaped by uncertainties impinging on the upside and the downside. The rising trajectory of international commodity prices, especially of crude, together with logistics costs, pose upside risks to the inflation outlook. Further supply side measures are needed to soften pressures on pulses and edible oil prices. Weak demand conditions may also temper the pass-through to core inflation. Taking into consideration all these factors, CPI inflation is projected at 5.1 per cent during 2021-22.

On growth outlook, rural demand remains strong and the expected normal monsoon bodes well. Urban demand has been dented by the second wave.. On the other hand, the strengthening global recovery should support the export sector. Domestic monetary and financial conditions remain highly accommodative and supportive of economic activity. Real GDP growth is now projected at 9.5 per cent in 2021-22.

At this juncture, policy support from all sides – fiscal, monetary and sectoral – is required to nurture recovery and expedite return to normalcy. Accordingly, the MPC decided to retain the prevailing repo rate at 4 per cent and continue with the accommodative stance as long as necessary to revive and sustain growth on a durable basis and continue to mitigate the impact of COVID-19 on the economy, while ensuring that inflation remains within the target going forward.

#### **Bi-monthly Monetary Policy-6<sup>th</sup> August 2021:**

The Monetary Policy Committee (MPC) decided to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 4.0 per cent. The reverse repo rate under the LAF remains unchanged at 3.35 per cent and the marginal standing facility (MSF) rate and the Bank Rate at 4.25 per cent.

The MPC also decided to continue with the accommodative stance as long as necessary to revive and sustain growth on a durable basis and continue to mitigate the impact of COVID-19 on the economy, while ensuring that inflation remains within the target going forward.

## Global Economy

The pace of global recovery appears to be moderating with the resurgence of infections in several parts of the world, especially from the delta variant of the virus. The growing consensus is that the recovery is occurring on a diverging two-track mode. Countries that are ahead in vaccination and have been able to provide or maintain policy stimulus are rebounding strongly. Growth in other economies remains subdued and vulnerable to new waves of infections. There has been a slowing of momentum in global trade volumes in Q2:2021

There has been a considerable hardening of commodity prices, particularly of crude oil. Headline inflation has ratcheted up in several advanced economies (AEs) as well as most emerging market economies (EMEs), prompting a few central banks in EMEs to tighten monetary policy. In contrast, sovereign bond yields have softened across AEs as markets seem to have acquiesced to the views of central banks that inflation is largely transitory. In EMEs, bond yields remain relatively high on inflation concerns and country-specific factors.

## Domestic Economy

On the domestic front, economic activity picked up pace as some states eased pandemic containment measures. As regards agriculture, the pace of sowing of kharif crops picked up in July along with some high frequency indicators of rural demand, notably tractor and fertiliser sales.

Headline CPI inflation plateaued at 6.3 per cent in June after having risen by 207 basis points in May 2021. Food inflation increased and Fuel inflation moved into double digits. After rising sharply to 6.6 per cent in May, core inflation moderated to 6.1 per cent in June, driven by softening of inflation in housing, health, transport and communication and personal care and effects etc.

System liquidity remained ample, with average daily absorption under the LAF increasing from ₹ 5.7 lakh crore in June to ₹6.8 lakh crore in July and further to ₹8.5 lakh crore in August so far.

Domestic economic activity is starting to recover with the ebbing of the second wave. Looking ahead, agricultural production and rural demand are expected to remain resilient. Urban demand is likely to mend with a lag as manufacturing and non-contact intensive services resume on a stronger pace, and the release of pent-up demand acquires a durable character with an accelerated pace of vaccination. Buoyant exports, the expected pick-up in government expenditure, including capital expenditure, and the recent economic package announced by the Government will provide further impetus to aggregate demand. Although investment demand is still anaemic, improving capacity utilisation and congenial monetary and financial conditions are preparing the ground for a long-awaited revival.

CPI inflation is now projected at 5.7 per cent during 2021-22, with risks broadly balanced. CPI inflation for Q1:2022-23 is projected at 5.1 per cent and projection for real GDP growth is retained at 9.5 per cent in 2021-22.

Inflationary pressures are being closely and continuously monitored. The outlook for aggregate demand is improving, but still weak and overcast by the pandemic. The current assessment is that the inflationary pressures during Q1:2021-22 are largely driven by adverse supply shocks which are expected to be transitory. While the Government has taken certain steps to ease supply constraints, concerted efforts in this direction

are necessary to restore supply-demand balance. The nascent and hesitant recovery needs to be nurtured through fiscal, monetary and sectoral policy levers.

**Bi-monthly Monetary Policy-8<sup>th</sup> October 2021:**

Monetary Policy Committee met on 6<sup>th</sup>, 7<sup>th</sup> and 8<sup>th</sup> October 2021.

Policy Repo rate kept unchanged at 4.00%

Reverse Repo rate kept unchanged at 3.35 %

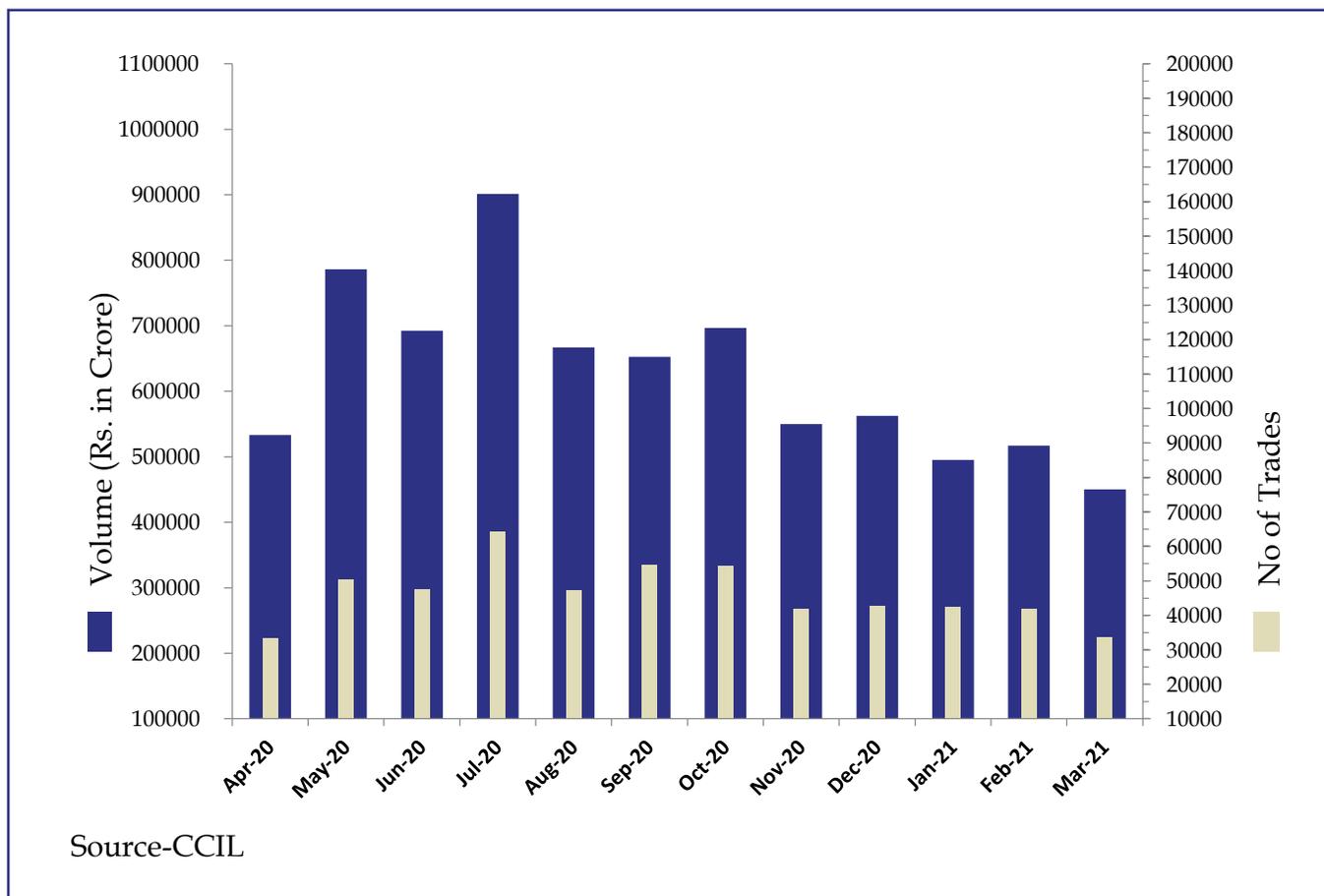
MSF and Bank rate unchanged at 4.25%

Stance - Accommodative as long as necessary to revive and sustain growth on durable basis while ensuring inflation remains within the target going forward

**Statistical Data**

**Government Securities**

**Total Trades & Volume on NDS-OM & OTC Trades during the Year 2020-21**

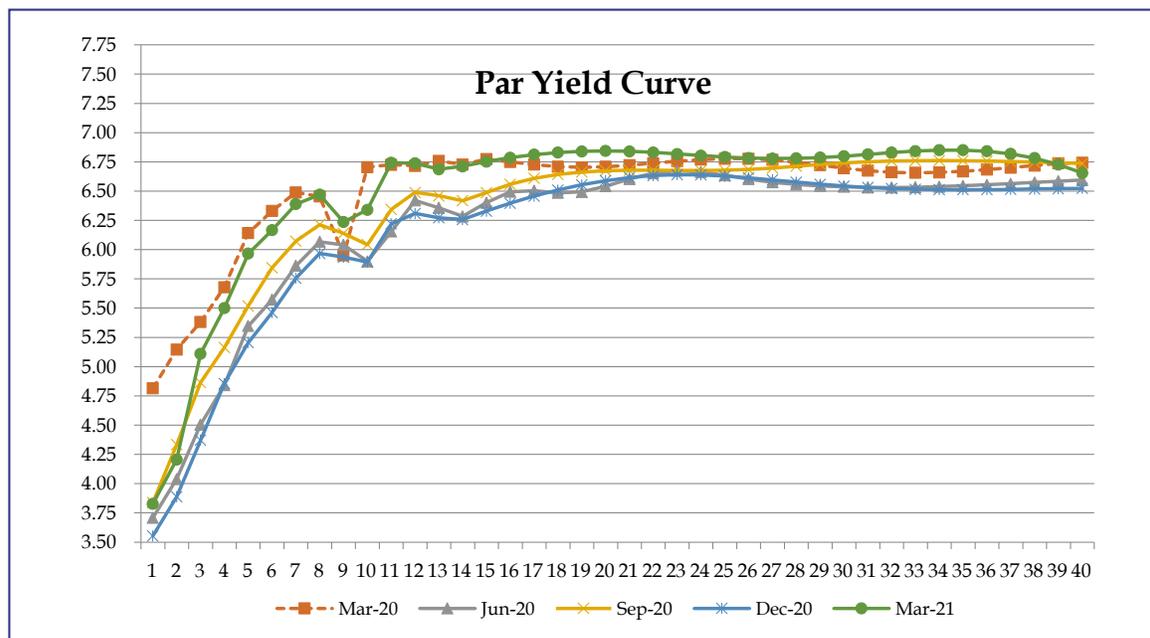


**FIMMDA's Closing Govt. Securities Yield (as per Nodal Point in a Tenor)**

**FIMMDA's Closing Govt. Securities Yield (as per Nodal Point in a Tenor)**

<i>As on 31st March 2020</i>			<i>As on 31st March 2021</i>		
<i>Maturity year</i>	<i>Coupon (%)</i>	<i>Yield</i>	<i>Maturity year</i>	<i>Coupon (%)</i>	<i>Yield</i>
2021	06.17 GS 2021	4.9659	2021	-	-
2022	06.84 GS 2022	5.2730	2022	08.20 GS 2022	3.7486
2023	07.37 GS 2023	5.3986	2023	04.48 GS 2023	4.6672
2024	07.32 GS 2024	5.5857	2024	07.32 GS 2024	4.9293
2025	07.72 GS 2025	6.1771	2025	05.15 GS 2025	5.7047
2026	07.27 GS 2026	6.3142	2026	07.27 GS 2026	5.9605
2027	06.79 GS 2027	6.4950	2027	06.79 GS 2027	6.1540
2028	07.17 GS 2028	6.5467	2028	07.17 GS 2028	6.3116
2029	06.45 GS 2029	6.1382	2029	06.45 GS 2029	6.3882
2030	07.88 GS 2030	6.6568	2030	05.85 GS 2030	6.1768
2031	06.68 GS 2031	6.6040	2031	06.68 GS 2031	6.5457
2032	07.95 G.S 2032	6.7290	2032	-	-
2033	07.57 GS 2033	6.7089	2033	07.57 GS 2033	6.6952
2034	07.73 GS 2034	6.7638	2034	06.19 GS 2034	6.6849
2035	07.40 GS 2035	6.7668	2035	06.22 GS 2035	6.7125
2039	06.83 GS 2039	6.8002	2039	-	-
2040	-	-	2040	08.30 GS 2040	6.8088
2042	-	-	2042	08.30 GS 2042	6.8077
2046	07.06 GS 2046	6.7852	2046	07.06 GS 2046	6.7641
2050	-	-	2050	06.67 GS 2050	6.7671
2051	06.62 GS 2051	6.6466	2051	-	-
2059	07.63 GS 2059	6.7394	2059	-	-
2060	-	-	2060	06.80 GS 2060	6.7409
2061	-	-	2061	06.76 GS 2061	6.6995

## FIMMDA's Par Yield in a Tenor (Quarterly)



## Details of Central Government Borrowings

Amount in Rupees Crore

<i>Date of Auction</i>	<i>Notified Amount</i>	<i>Accepted Amount</i>	<i>Date of Auction</i>	<i>Notified Amount</i>	<i>Accepted Amount</i>
<b>2019-20</b>			<b>2020-21</b>		
20-Mar	-	-	21-Mar	84,000	70,802
20-Feb	-	-	21-Feb	1,34,000	70,799
20-Jan	73,000	76,000	21-Jan	1,19,000	1,06,641
19-Dec	62,000	64,000	20-Dec	99,975	94,975
19-Nov	80,000	80,000	20-Nov	79,000	79,000
19-Oct	47,000	48,000	20-Oct	1,09,435	1,10,000
19-Sep	67,000	66,014	20-Sep	1,18,000	84,166
19-Aug	83,000	85,000	20-Aug	1,20,000	1,07,378
19-Jul	67,000	68,000	20-Jul	1,50,000	1,70,000
19-Jun	68,000	68,000	20-Jun	1,20,000	1,32,000
19-May	85,000	85,000	20-May	1,09,000	1,31,000
19-Apr	67,000	66,380	20-Apr	75,000	83,000
<b>Total</b>	<b>6,99,000</b>	<b>7,06,394</b>	<b>Total</b>	<b>1,31,7410</b>	<b>1,23,9761</b>

(Source RBI site)

## Secondary Market Trades in GOI Securities

<i>Sr No.</i>	<i>Coupon</i>	<i>Maturity</i>	<i>Trade</i>	<i>Volume (Rs. cr.)</i>	<i>Sr No.</i>	<i>Coupon</i>	<i>Maturity</i>	<i>Trade</i>	<i>Volume (Rs. cr.)</i>
1	7.8	03-05-2020	18	507	36	7.59	11-01-2026	3,145	73,691
2	8.27	09-06-2020	105	8,009	37	7.27	08-04-2026	11,949	1,87,808
3	8.12	10-12-2020	321	20,082	38	8.33	09-07-2026	636	16,290
4	11.6	27-12-2020	7	31	39	6.97	06-09-2026	2,644	41,975
	<b>4</b>	<b>2020</b>	<b>451</b>	<b>28,629</b>	40	10.18	11-09-2026	21	157
5	7	21-01-2021	654	28,065	41	8.15	24-11-2026	1,008	27,171
6	7.8	11-04-2021	503	28,781		<b>6</b>	<b>2,026</b>	<b>19,403</b>	<b>3,47,092</b>
7	7.94	24-05-2021	309	19,056	42	8.24	15-02-2027	3,228	55,830
8	10.25	30-05-2021	31	371	43	6.79	15-05-2027	8,018	1,35,255
9	6.17	15-07-2021	1,670	68,628	44	8.26	02-08-2027	542	10,429
10	8.79	08-11-2021	391	19,697	45	8.28	21-09-2027	974	19,378
	<b>6</b>	<b>2021</b>	<b>3,558</b>	<b>1,64,599</b>		<b>4</b>	<b>2027</b>	<b>12,762</b>	<b>2,20,892</b>
11	8.2	15-02-2022	830	24,761	47	7.17	08-01-2028	8,931	1,35,981
12	5.09	13-04-2022	867	37,130	48	6.01	25-03-2028	726	3,109
13	8.35	14-05-2022	713	25,937	49	8.6	02-06-2028	769	19,713
14	8.15	11-06-2022	736	33,246	50	6.13	04-06-2028	409	1,643
15	8.08	02-08-2022	246	12,055		<b>4</b>	<b>2028</b>	<b>10,835</b>	<b>1,60,445</b>
16	5.87	28-08-2022	18	86	51	7.26	14-01-2029	12,948	2,04,464
17	8.13	21-09-2022	311	18,281	52	7.59	20-03-2029	937	19,870
18	3.96	09-11-2022	228	5,650	53	6.45	07-10-2029	69,355	8,78,806
19	6.84	19-12-2022	3,425	1,01,054	54	6.79	26-12-2029	2,906	45,037
	<b>9</b>	<b>2022</b>	<b>7,374</b>	<b>2,58,199</b>		<b>4</b>	<b>2029</b>	<b>86,146</b>	<b>1,14,8177</b>
20	6.3	09-04-2023	125	1,216	55	7.88	19-03-2030	1,289	24,159
21	7.37	16-04-2023	1,898	45,490	56	7.61	09-05-2030	746	13,285
22	7.16	20-05-2023	1,347	35,728	57	5.79	11-05-2030	52,777	6,05,687
23	6.17	12-06-2023	457	3,748	58	5.77	03-08-2030	1,30,238	1,29,9279
24	4.48	02-11-2023	636	13,944	59	9.2	30-09-2030	200	4,429
25	8.83	25-11-2023	1,188	35,658	60	5.85	01-12-2030	35,019	3,52,855
26	7.68	15-12-2023	1,980	51,917	61	8.97	05-12-2030	180	2,676
	<b>7</b>	<b>2023</b>	<b>7,631</b>	<b>1,87,701</b>		<b>7</b>	<b>2030</b>	<b>2,20,449</b>	<b>2,30,2371</b>

Sr No.	Coupon	Maturity	Trade	Volume (In Cr.)	Sr No.	Coupon	Maturity	Trade	Volume (In Cr.)
27	7.32	28-01-2024	11,167	2,24,949	62	6.68	17-09-2031	3,651	49,491
28	7.35	22-06-2024	764	19,183		<b>1</b>	<b>2031</b>	<b>3,651</b>	<b>49,491</b>
29	8.4	28-07-2024	393	10,198	63	8.28	15-02-2032	176	2,837
30	6.18	04-11-2024	147,82	2,59,283	64	8.32	02-08-2032	233	3,204
31	9.15	14-11-2024	311	7,212	65	7.95	28-08-2032	1,806	31,934
	<b>5</b>	<b>2024</b>	<b>27,417</b>	<b>5,20,825</b>	66	8.33	21-09-2032	10	76
32	7.72	25-05-2025	2005	41,448		<b>4</b>	<b>2032</b>	<b>2,225</b>	<b>38,050</b>
33	5.22	15-06-2025	26,222	4,15,845	67	7.57	17-06-2033	13,682	2,12,938
34	8.2	24-09-2025	734	16,919	68	8.24	10-11-2033	586	11,468
35	5.15	09-11-2025	13,157	1,87,831	69	6.57	05-12-2033	3,272	26,864
	<b>4</b>	<b>2025</b>	<b>42,118</b>	<b>6,62,042</b>		<b>3</b>	<b>2033</b>	<b>17,540</b>	<b>2,51,269</b>
70	7.5	10-08-2034	1,083	21,081	82	8.17	01-12-2044	200	3,828
71	6.19	16-09-2034	61,516	6,73,986		<b>1</b>	<b>2044</b>	<b>200</b>	<b>3,828</b>
72	7.73	19-12-2034	977	21,895	83	8.13	22-06-2045	171	3,722
	<b>3</b>	<b>2034</b>	<b>63,576</b>	<b>7,16,962</b>		<b>1</b>	<b>2045</b>	<b>171</b>	<b>3,722</b>
73	6.22	16-03-2035	18,878	2,08,337	84	7.06	10-10-2046	615	3,959
74	7.4	09-09-2035	1,260	19,664		<b>1</b>	<b>2046</b>	<b>615</b>	<b>3,959</b>
	<b>2</b>	<b>2035</b>	<b>20,138</b>	<b>2,28,001</b>	85	7.72	15-06-2049	64	2,782
75	8.33	07-06-2036	191	3,110		<b>1</b>	<b>2049</b>	<b>64</b>	<b>2,782</b>
	<b>1</b>	<b>2036</b>	<b>191</b>	<b>3,110</b>	86	7.16	20-09-2050	1,650	38,999
76	6.83	19-01-2039	1,289	9,468	87	6.67	17-12-2050	588	10,112
	<b>1</b>	<b>2039</b>	<b>1,289</b>	<b>9,468</b>		<b>2</b>	<b>2043</b>	<b>2,238</b>	<b>49,110</b>
77	8.3	02-07-2040	145	3,567	88	6.62	28-11-2051	1,288	5,199
	<b>1</b>	<b>2040</b>	<b>145</b>	<b>3,567</b>		<b>1</b>	<b>2051</b>	<b>1,288</b>	<b>5,199</b>
78	8.83	12-12-2041	235	5,629	89	7.72	26-10-2055	81	4,278
	<b>1</b>	<b>2041</b>	<b>235</b>	<b>5,629</b>		<b>1</b>	<b>2055</b>	<b>81</b>	<b>4,278</b>
79	8.3	31-12-2042	278	7,551	90	7.63	17-06-2059	54	2,579
	<b>1</b>	<b>2042</b>	<b>278</b>	<b>7,551</b>		<b>1</b>	<b>2059</b>	<b>54</b>	<b>2,579</b>
80	7.69	17-06-2043	38	1,045	91	7.19	15-09-2060	433	1,79,72
81	9.23	23-12-2043	489	8,425	92	6.8	15-12-2060	1,400	46,046
	<b>2</b>	<b>2043</b>	<b>527</b>	<b>9,470</b>		<b>2</b>	<b>2060</b>	<b>1,833</b>	<b>64,018</b>

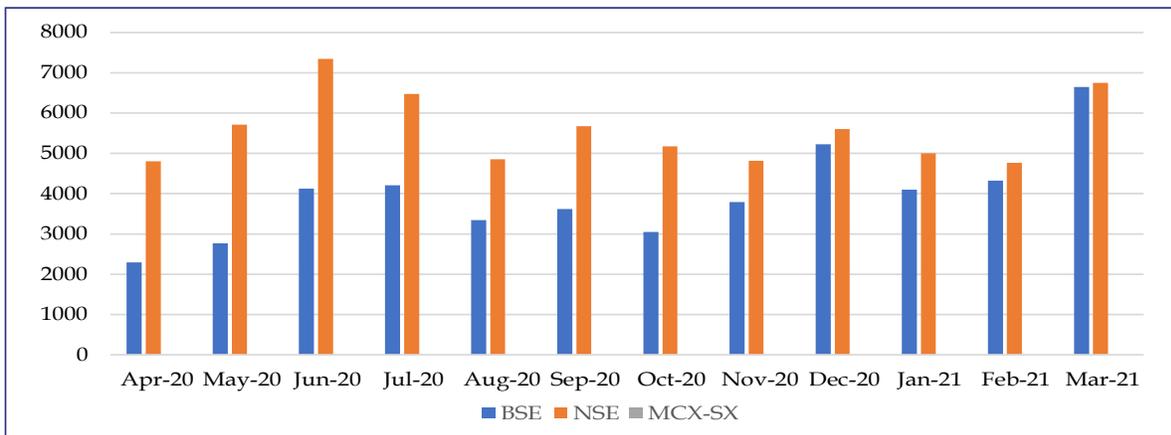
Source-CCIL

### Yield Movement in Government Securities (2019 - 20) - 10-year Sovereign paper 10 Year G-sec Movement

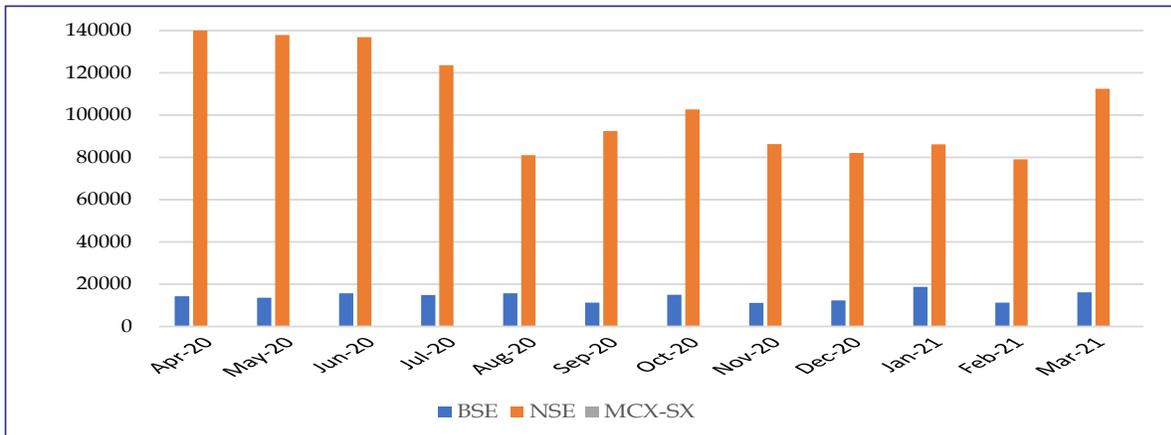


Source-Cogencis

### Corporate Bond: Secondary Market - OTC No. of Trades:



### Market Volume (In Crs.)



Source-CCIL

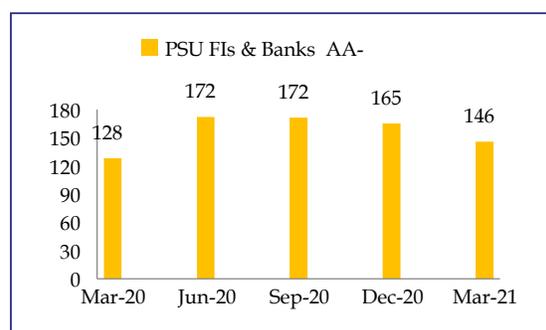
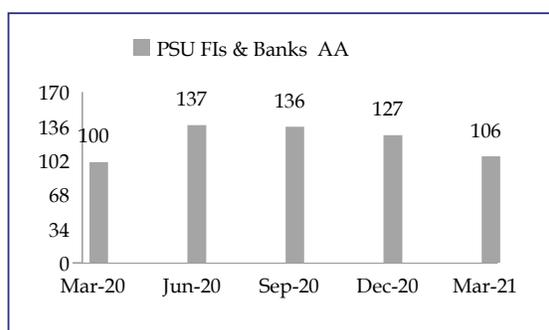
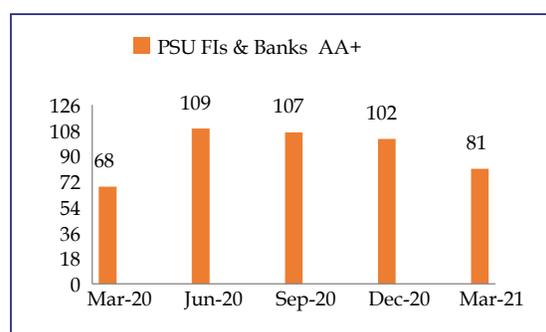
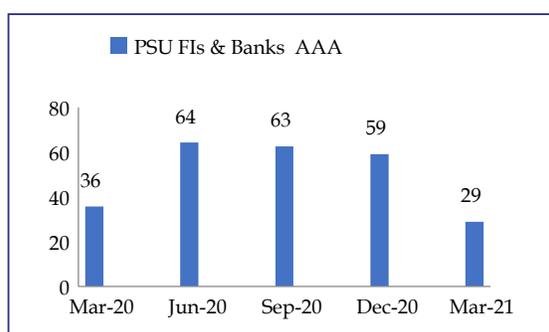
## Corporate Bonds

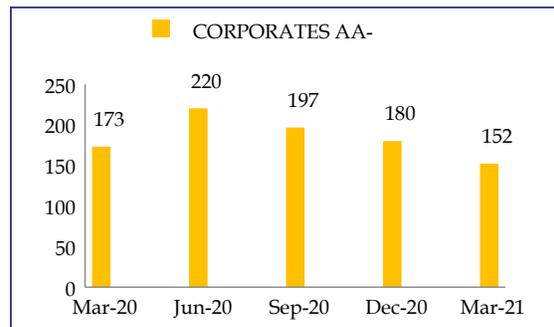
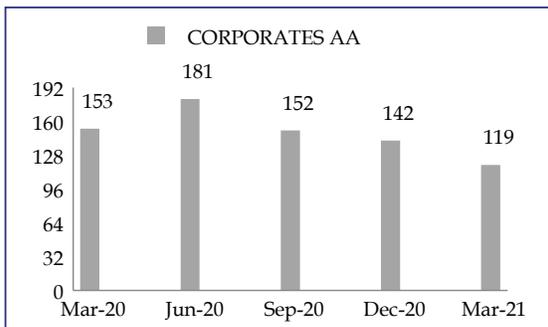
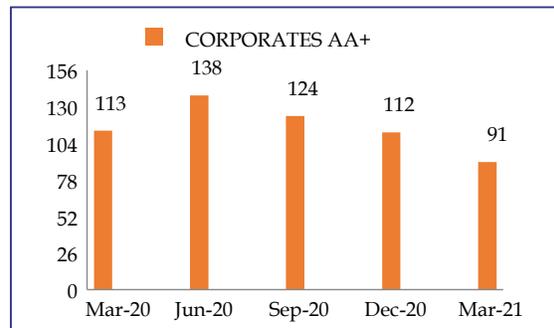
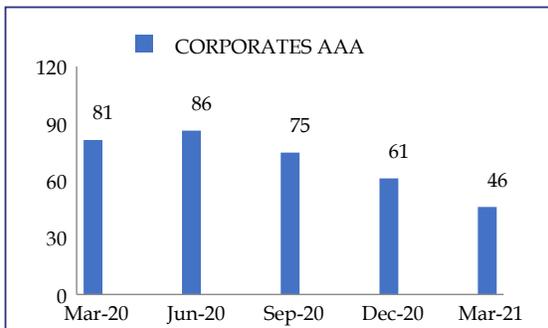
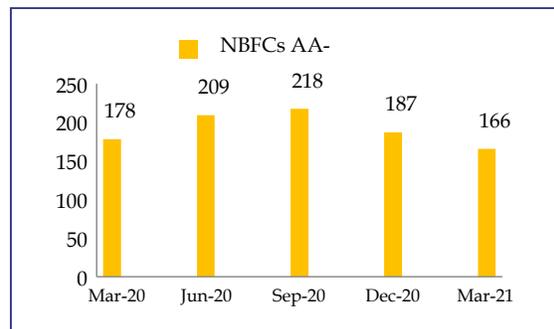
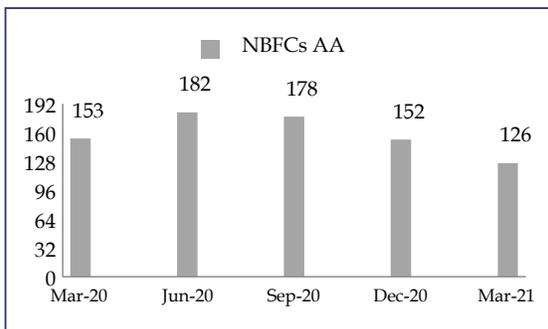
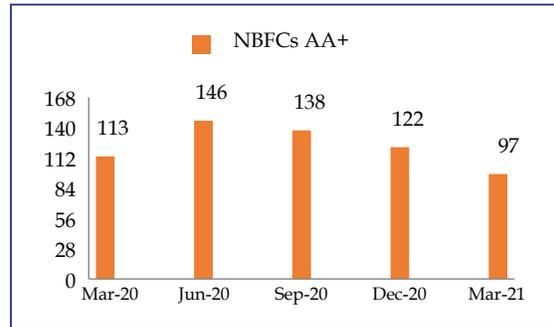
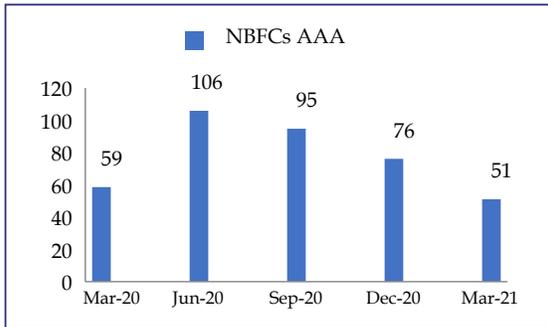
## PRIMARY MARKET: Category-wise primary issuances in Corporate Bonds

ISSUER TYPE	Issue Amt	% Change	Issue Amt	% Change	Issue Amt	% Change
	(in Crs.)	YOY	(in Crs.)	YOY	(in Crs.)	YOY
	2018-19		2019-20		2020-21	
ALL-INDIA FINANCIAL INSTITUTIONS & BANKS/ SUBSIDIARIES	3,03,14	47.78	2,98,649	44.6	3,43,275	46
STATE FINANCIAL INSTITUTIONS	0	0	250	0	2,040	0
PUBLIC SECTOR UNDERTAKINGS	40,829	6.43	1,32,564	19.8	1,17,165	16
STATE LEVEL UNDERTAKINGS	2,990	0.47	293	0	549	0
PRIVATE SECTOR	2,87,902	45.32	2,37,569	35.5	2,89,700	38
<b>TOTAL</b>	<b>6,35,235</b>		<b>6,69,325</b>		<b>7,52,729</b>	

Source: Prime Database

## Change in Corporate Bond Spreads (over G-Sec) during the year 2020-2021





## Secondary Market: CP-CD-CB Repo

<i>Period 2020-21</i>	<i>Trades</i>	<i>CDs Volume (in Rs. cr.)</i>	<i>Trades</i>	<i>CPs Volume (in Rs. cr.)</i>	<i>Trades</i>	<i>CB Repo Volume (in Rs. cr.)</i>
1-Apr-20	462	31,854	436	40,920	37	12,265
1-May-20	332	23,988	336	26,950	113	21,950
1-Jun-20	414	25,797	358	28,947	122	25,321
1-Jul-20	274	15,744	384	38,501	49	11,595
1-Aug-20	211	13,755	365	32,591	22	5,095
1-Sep-20	208	12,007	536	61,788	89	11,495
1-Oct-20	198	10,729	291	36,225	122	26,888
1-Nov-20	99	4,597	155	11,707	61	13,985
1-Dec-20	178	11,674	341	35,995	97	7,033
1-Jan-21	130	7,343	262	27,425	95	13,659
1-Feb-21	80	3,945	234	21,680	70	8,131
1-Mar-21	205	17,240	327	31,745	122	24,979
<b>Total</b>	<b>2,791</b>	<b>1,78,672</b>	<b>4,025</b>	<b>3,94,473</b>	<b>999</b>	<b>1,82,396</b>

Source: CCIL

## Business Growth in Currency derivative Segment i.e. No. of Contracts and Turnover in Currency Futures and Currency Option

<i>Year</i>	<i>Currency Futures</i>		<i>Currency Options</i>			<i>Total</i>		<i>Average Daily Turnover (Rs Crores)</i>
	<i>No. of contracts</i>	<i>Turnover (Rs Crores)</i>	<i>No. of contracts</i>	<i>Notional Turnover (Rs Crores)</i>	<i>Premium Turnover (Rs Crores)</i>	<i>No. of contracts</i>	<i>Turnover (Rs Crores)</i>	
2020-21	736740585	57,23,577	858951441	63,82,400	14,764	1595692026	57,38,341	23,421

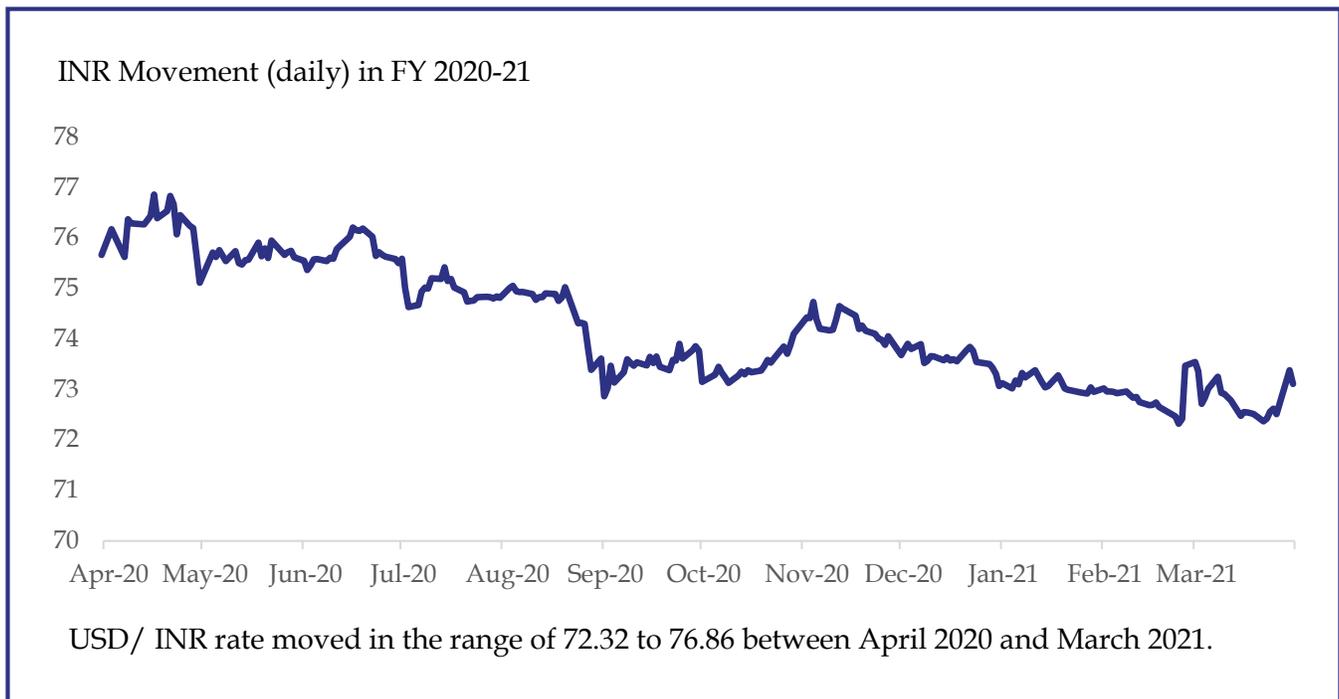
Data Source- NSE Note -For computing total turnover and average daily turnover, we have considered premium turnover

IRD turnover and contracts traded for period from 01-04-2020 to 31-03-2021

<i>Sr. No.</i>	<i>Product</i>	<i>Underlying</i>	<i>Notional turnover (in Rs. cr.)</i>	<i>Premium turnover (in Rs. cr.)</i>	<i>No. of contracts TRADED</i>
1	FUTIRD	577GS2030	9,497.86836	9,497.86836	4,89,440
2	FUTIRD	579GS2030	0.41872	0.41872	21
3	FUTIRD	585GS2030	290.83587	290.83587	14,850
4	FUTIRD	645GS2029	29,104.69782	29,104.69782	14,34,529
5	FUTIRD	726GS2029	3,078.86912	3,078.86912	1,43,160
6	FUTIRD	757GS2033	205.42202	205.42202	9,500
7	FUTIRD	795GS2032	55.54625	55.54625	2,500

Data Source: BSE

## CURRENCY MOVEMENT

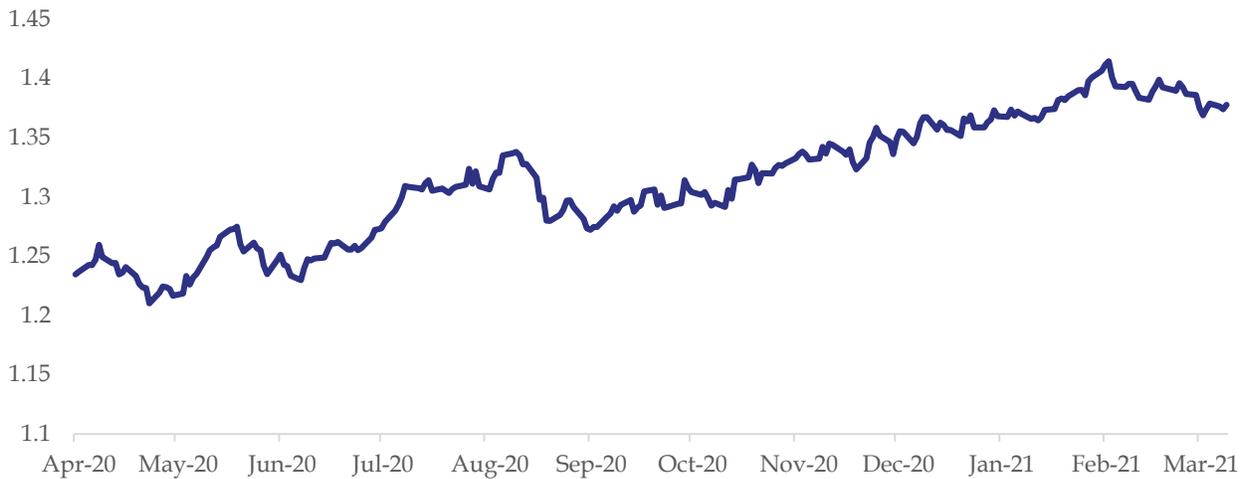


EUR Movement (daily) in FY 2020-21



EUR/USD rate moved in the range of 1.08 to 1.23 between April 2020 and March 2021.

GBP Movement (daily) in FY 2020-21



GBP/USD rate moved in the range of 1.21 to 1.41 between April 2020 and March 2021.

Source-Cogencis

## DERIVATIVES ACTIVITY:

Outstanding positions in IRS transactions on NSE

Comparison in outstanding trades in MIBOR, MIFOR & INBMK from 2011-12 to 2020-21

<i>Period</i>	<i>MIBOR</i>		<i>MIFOR</i>		<i>INBMK</i>		<i>TOTAL</i>	
	<i>Trades</i>	<i>Notional Sum (Rs. cr.)</i>						
2011-12	27,613	19,75,121	6,402	2,96,491	520	25,910	34,535	22,97,521
2012-13	20,958	15,54,242	6,017	2,94,937	489	24,845	27,464	18,74,024
2013-14	17,782	14,47,259	5,566	2,76,349	445	22,420	23,793	17,46,028
2014-15	17,279	14,95,595	6,222	3,26,724	387	19,320	23,888	18,41,640
2015-16	16,858	13,68,453	6,171	3,49,766	272	13,585	23,301	17,31,804
2016-17	19,901	14,17,357	6,452	3,68,613	161	8,460	26,514	17,94,430
2017-18	35,414	25,21,244	7,098	3,90,258	138	7,135	42,650	29,18,637
2018-19	47,343	31,69,566	8,139	4,61,281	77	4,635	55,559	36,35,482
2019-20	54,603	31,34,039	10,637	6,57,371	47	2,560	65,287	37,93,970
2020-21	45,452	24,08,882	10,995	7,32,267	7	310	56,454	31,41,460

Source: CCIL

**MIBOR:** Mumbai Inter-bank Offered Rate: the benchmark rate used to be published by NSE/ FIMMDA based on polled rates from a panel of representative banks.

(However, from 23<sup>rd</sup> July, 2015 it is published by FBIL and is called Mumbai Interbank Outright rate, calculated based on traded rates)

**MIFOR:** Mumbai Inter Bank Forward Offered Rate: Implied forward rupee rate derived from USD LIBOR and the USD/INR forward premia. With effect from 3<sup>rd</sup> April, 2018, MIFOR (Mumbai Interbank Forward Outright Rate) is administered by FBIL.

**INBMK:** Indian Benchmark Rate published by Reuters. This effectively presents a yield for government securities of a specific tenor. This rate is discontinued w.e.f. 28<sup>th</sup> March, 2018 and the outstanding contracts will be valued at FIBIL G-Sec Par Yield Curve.

## Exchange Traded Interest Rate Futures (IRF)

<i>Comparative Position of IRF Contracts traded on NSE</i>						
	<i>2020-21</i>		<i>2019-20</i>		<i>2018-19</i>	
<i>Underlying</i>	<i>Total No. of Contracts</i>	<i>Total Value (Rs. cr.)</i>	<i>Total No. of Contracts</i>	<i>Total Value (Rs. cr.)</i>	<i>Total No. of Contracts</i>	<i>Total Value (Rs. cr.)</i>
577GS2030	12,42,067	24,355				
579GS2030	20,962	417				
585GS2030	59,882	1,166				
619GS2034	8,000	154				
717GS2028			34,03,293	67,522	1,04,29,827	2,01,604
668GS2031			3,750	69	18,756	343
679GS2027			-	-	22,66,605	42,473
726GS2029	10,941	233	92,24,277	1,92,053	19,175	381
795GS2032	22,000	490	2,60,866	5,571	29,750	605
645GS2029	33,64,086	69,038	43,04,188	85,743	-	-
757GS2033	31,500	684	20,750	438	-	-
	47,59,438	96,536	1,72,17,124	3,51,395	1,27,64,113	2,45,406

Source: NSE

## Comparative Position of IRF Contracts traded on BSE

	<i>2020-21</i>		<i>2019-20</i>		<i>2018-19</i>	
<i>Underlying</i>	<i>Total No. of Contracts</i>	<i>Total Value (Rs. cr.)</i>	<i>Total No. of Contracts</i>	<i>Total Value (Rs. cr.)</i>	<i>Total No. of Contracts</i>	<i>Total Value (Rs. cr.)</i>
668GS2031	-	-	9,08,737	17,645	13,89,838	25,349
679GS2027	-	-	-	-	17,79,496	33,365
717GS2028	-	-	30,71,594	62,481	25,65,455	49,280
697GS2026	-	-	-	-	1,02,254	1920
577GS2030	4,89,440	9,498	-	-	-	-
579GS2030	21	0	-	-	-	-
585GS2030	14,850	291	-	-	-	-
645GS2029	14,34,529	29,105	-	-	-	-
726GS2029	1,43,160	3,079	21,62,857	44,837	18,175	362
795GS2032	2,500	56	1,71,701	3,671	46,250	947
727GS2026	-	-	70,501	1,463	-	-
757GS2033	9,500	205	26,500	559	-	-
ONMIBOR	-	-	39	1	-	-
	20,94,000	42,234	64,11,929	1,30,657	59,01,468	1,11,223

Source: BSE

## Comparative Position of IRF Contracts traded on MSEI

No Activity in MSEI from the year 2018-2019 to 2020-2021

Source: MSEI

## Results of the Compression cycles run by CCIL in the financial year 2020-2021

<i>Compression Cycle</i>	<i>Total trades considered for Compression</i>	<i>Total terminated trades</i>	<i>Fully terminated trades</i>	<i>Partially terminated trades</i>	<i>% of Compression (in terms of number of trades cancelled)</i>	<i>Total Notional Amount Considered for Compression (Rs. cr.)</i>	<i>Reduction in Notional Amount (Rs. Crs)</i>	<i>Balance of Notional Amount after Compression (Rs. cr.)</i>	<i>% of Compression (in terms of reduction of Notional Amount)</i>
11-Sep-2020	17,561	15,588	15,358	230	88.76%	8,05,780	6,26,674	1,79,106	77.77%
11-Dec-2020	6,833	5,321	5,138	183	77.87%	3,47,854	2,27,397	1,20,457	65.37%
26-Feb-2021	8,797	6,693	6,445	248	76.08%	4,70,559	2,82,693	1,87,867	60.08%
	33,191	27,602	26,941	661	242.71%	16,24,193	11,36,764	4,87,430	203.22%

## Foreign Exchange Activity

<i>Settlement period</i>	<i>Spot</i>			<i>Forward</i>		
	<i>Trades</i>	<i>Value (USD Mn)</i>	<i>Value (Rs. cr.)</i>	<i>Trades</i>	<i>Value (USD Mn)</i>	<i>Value (Rs. cr.)</i>
2011-12	11,15,364	23,26,368	1,11,41,856	1,10,585	10,76,517	51,28,924
2012-13	12,16,860	22,76,085	1,23,74,662	1,18,554	11,20,379	59,48,085
2013-14	13,43,049	21,98,833	1,32,43,650	1,03,584	9,86,011	58,25,247
2014-15	15,60,718	25,39,790	1,55,19,691	98,632	9,31,337	58,68,727
2015-16	17,08,058	26,13,073	1,71,13,232	1,03,967	10,17,190	66,65,777
2016-17	17,42,074	28,57,495	1,91,75,458	1,01,111	11,26,070	77,02,460
2017-18	19,95,325	32,00,910	2,06,38,692	99,185	11,21,839	74,72,707
2018-19	21,93,499	35,13,505	2,45,37,324	97,779	11,80,332	81,38,004
2019-20	19,35,194	33,33,363	2,36,10,405	1,01,556	13,93,962	99,60,696
2020-21	14,43,856	2,913,895	2,15,54,531	77,742	12,26,257	91,16,419

The total Foreign Exchange Deals reported to CCIL both spot and forward from 2011-12 to 2020-21

Source: CCIL

## FX Option

<i>Outstanding data in respect of Interbank Options deals as on 31<sup>st</sup> March 2021</i>			<i>Outstanding data in respect of Interbank Options deals as on 31<sup>st</sup> March 2020</i>		
FCY_INR Options (Vol in Mln) (one side)			FCY_INR Options (Vol in Mln) (one side)		
USD-INR	EUR-INR	GBP-INR	USD-INR	EUR-INR	GBP-INR
17,087.62	73.29	0.10	2,19,56.16	304.43	32.41

<i>FCY-FCY Options (Vol in Mln) (one side)</i>			<i>FCY-FCY Options (Vol in Mln) (one side)</i>		
EUR-USD	AUD-USD	EUR-JPY	EUR-USD	AUD-USD	EUR-JPY
1,741.40	506.20	-	1,619.4	387	nil
GBP-USD	USD-JPY	USD-SGD	GBP-USD	USD-JPY	USD-SGD
947.57	908.97	nil	1,683.65	847.95	nil

Source: CCIL

## FIMMDA ACTIVITIES

- Dispute Resolution Committee:** During April 2020 -March 2021 we settled 22 cases with disputed amount of Rs. 8.07 Crores.
- Pre policy consultations & interaction with RBI and DEA, GOI:** As is the practice, RBI held pre-policy consultations with FIMMDA to know our views on the market. Many of our suggestions have been accepted and forms part of different Monetary policies.
- Development of Financial Markets:** FIMMDA is actively represented by the CEO on key committees such as Pension Advisory Committee, Committee for Uniform Valuation for Corporate Bonds, CII markets committee at the National Level. FIMMDA is also part of committees of various Educational Institutions engaged in skill building for Financial Markets e.g., NISM, IIBF, NAL
- New Product Committee/Technical committee for Market practices -** New Product Committee and Technical Committee for Market Practices formed as a sequel to achieving the aspirations as envisaged under “Way Forward” for FIMMDA have had meetings and new Product “Swaption” guidelines finalized.

**“Interest Rate Swaption” Product guidelines have been issued and the product has been launched and is trading in the market w.e.f. 17th August 2021. The first day of trade witnessed Rs 700 cr volume. We thank all our member banks, CCIL and FBIL who contributed towards rolling out the Product. We also thank the regulators for their continuance guidance and support**

5. **Interest Rate Options at Exchanges:** We permitted two single bond options in exchanges.
6. **Interest Rate Futures:** We had permitted four new single bond IRFs during the year.
7. **Interest Rate options (OTC):** We held three con calls with the new products committee to discuss various aspects of the product. These discussions will continue and after final approvals, the markets will be able to launch the product.

8. **RBI Draft Guidelines and Market Feedback:**

During the year FIMMDA as a representative market body, has provided to RBI, feedback and market participants' views on various regulations issued and proposed to be issued.

9. **Training programs:** FIMMDA has been holding Training Programs regularly even during the lockdown period. This is the first time that we are holding the training program through webinar, keeping in view the prevailing situation as well as the preference of people for online learning.

FIMMDA has reintroduced the Fixed Income Derivatives Program and we have received good response for this program also.

During the financial year ending 31st March 2021, FIMMDA had conducted online training programs benefitting 117 participants from member as well as non-member institutions.

<i>Faculty</i>	<i>Training</i>	<i>Number of Programs</i>	<i>Number of Participants</i>
D & B	Bond Mathematics	6	95
	Fixed Income Derivatives	1	22
<b>TOTAL</b>		<b>7</b>	<b>117</b>

10. **Financial Benchmarks India Pvt Ltd:** FBIL has presently 12 benchmarks being published. SDL new methodology for was developed and implemented w.e.f 15<sup>th</sup> April, 2019. We contributed for the development of the methodology. We also remain the calculating agent for the same. The Gsec methodology has been finalized. FIMMDA contributed to the development. Development of a software application is under progress.
11. **SLP at Supreme Court:** During the previous year (2019-20) our case was being listed on daily basis but no hearing took place. In 2020-21 with the onset of Covid-19 pandemic since March 2020, the Honourable Supreme Court has been listing and hearing urgent cases only through the video conferencing platforms. It has been informed by the office of the AOR that there is no visibility of the case being listed in the near term.

**The Way Forward:**

1. FIMMDA will continue to work with the Regulators and Ministry of Finance to find ways and means of stabilizing the currency, Interest rates and Derivatives markets and will encourage ways to bring transparency and depth in the derivative and corporate Bonds market.

2. FIMMDA would continue dialogue with Regulator and work towards accreditation as an of SRO.
3. Learning & Development: The following initiatives are proposed to be undertaken:
  - a) Uploading short video capsules capturing the key elements /definition/explanation of the important aspects of Bonds, like Duration, Convexity etc., on FIMMDA website, towards skill development and reinforcement.
  - b) Introduction of Customised / Shorter duration courses for senior executives covering areas of Risk Management, Risk Control and Compliance.
  - c) Designing customised training courses to suit the specific requirements of entities like cooperative banks, regional rural banks, NBFCs etc.
4. FIMMDA will continue to make the website more user friendly and with more data.
5. FIMMDA and FBIL to work jointly to bring forward new Benchmarks.
6. Revising/revisiting documents/Policies/procedures/hand book of market practices. Code of conduct etc. where FIMMDA guidelines etc are in force periodically with a sunset clause if so required.
7. Widening Horizons: Net working with the global peers such as ISDA, ICMA & ASIFMA for development of Indian Financial Markets.
8. FIMMDA is working closely with other industry bodies viz. FEDAI, IBA etc., various initiatives involving Financial Markets including smooth transition from LIBOR.

### Financial Highlights

The Income & Expenditure account for the year ended 31<sup>st</sup> March 2021 shows net surplus over of 188.62 lakhs as compared to 134.23 lakhs last year. The net surplus has been carried over to the balance sheet under the head 'Reserves and Surplus'.

### Transfer to Reserves

The appropriations for the year are:

<i>Particulars</i>	<i>Year Ended 31<sup>st</sup> March, 2021 (Amount in Rs.)</i>
Net surplus for the year	1,88,61,899.08
Transfer to General Reserve	1,88,61,899.08
Balance of Reserve at the end of the year	19,17,88,212.22

## Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

## Capital

The Company is incorporated as “Company Limited by Guarantee” and registered under Section 25 of the Companies Act, 1956. Therefore, the information as per provisions of Section 43(a) (ii), Section 54 (1) (d), Section 62 (1) (b) of the Companies Act, 2013 are not applicable to the Company

## Members

Following entities have been admitted as members of the Association during the year under review:

- Cholamandalam MS General Insurance
- Edelweiss Tokyo Life Insurance Co Ltd
- Tata AIA Life Insurance Company Ltd

Following entities have ceased to be members of the Association during the year under review:

- The Lakshmi Vilas Bank Ltd
- Abudhabi Commercial Bank
- Westpack Banking corporation

At present the total number of members stands at 114. The composition of members is as under:

Public Sector Banks	13
Private Sector Banks	19
Foreign Banks	35
Financial Institutions	7
Primary Dealers (Standalone)	7
Insurance Companies	21
Small Finance Banks	10
Payment Banks	2
<b>Total</b>	<b>114</b>

## Directors

In terms of Article 56(b) of the Articles of Association of the Company, Mr. V.K. Dudeja (Bank of Baroda), Mrs. Maya Chakravorty (IDBI Bank Ltd), Mr. Sudarshana Bhat (Union Bank of India), Mr. Mahesh Pai (Canara Bank), Mr. Sushanta K. Mohanty (Bank of Baroda), Mr. K.V. Rajani Kanth (IDBI Bank Ltd) and Mr. Dillip Kumar Mishra (SBI DFHI Ltd) were appointed as Directors in the casual vacancies caused on account of resignation/withdrawal of nomination of Mr. Subrat Kumar, Mr. Iswar Padhan, Mr. Nitesh Ranjan, Mr. G.V. Prabhu, Mr. V.K. Dudeja, Mrs. Maya Chakravorty and Mr. Moni NSS respectively.

During the year under review, Mr. V.K. Dudeja, Mr. Iswar Padhan, Mr. Nitesh Ranjan, Mr. G.V. Prabhu, Mrs. Maya Chakravorty and Mr. Moni NSS ceased to be the Directors of the Company. Your Directors place on record their appreciation for the valuable services rendered by the outgoing Directors during their tenure of office as Directors of the Company.

Mr. S. V. Sastry, Mr. Ashish Parthasarathy, Mr. Dillip Kumar Mishra, Mr. K.V. Rajani Kanth, Authorised Representatives of State Bank of India, HDFC Bank Ltd, SBI DFHI Ltd and IDBI Bank Ltd respectively will be retiring by rotation in the ensuing Annual General Meeting pursuant to Article 51B (b) of the Articles of Association of the Company, and being eligible, offer themselves for reappointment.

All the directors of the Company have confirmed that they were not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013.

## Number of Meetings of the Board

The Board of Directors duly met five times respectively on 21<sup>st</sup> May, 2020, 30<sup>th</sup> July, 2020, 28<sup>th</sup> August, 2020, 19<sup>th</sup> October, 2020 and 17<sup>th</sup> February, 2021 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

## Particulars of Remuneration

No Managerial Remuneration has been paid to the Directors.

Further none of the employees of the company were in receipt of remuneration exceeding the limits prescribed under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

## Particulars of contracts or arrangement with related parties

During the year under review, the Company continued its arrangement as Calculating Agent with the Financial Benchmarks India Pvt Ltd (FBIL) for calculating various FBIL benchmarks without pecuniary consideration.

The Company has not entered into any other contract or arrangement with related parties pursuant to Section 188 of the Act. Form No. AOC-2 pursuant to Section 134(3) (h) of the Act read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 is given in Annexure I and the same forms part of this report.

## Particulars of loans, guarantees or investments

The particulars of loans, guarantees and investments, if any, have been disclosed in the financial statements.

## Auditors

Messrs. M. P. Chitale & Co., Chartered Accountants have been appointed as the statutory auditors of the Company in the 18th Annual General Meeting (“AGM”) held on 23<sup>rd</sup> September, 2016 in pursuance of Section 139 of the Companies Act, 2013 and they hold office till the conclusion of the 23<sup>rd</sup> AGM to be held in the calendar year 2021.

Since M/s. M.P. Chitale & Co., are acting as Statutory Auditors since incorporation of the Company and holding office for last 23 years, the Board of Directors proposed to appoint of M/s. Borkar & Muzumdar , Chartered Accountants, Mumbai as Statutory Auditors of the Company for next term of five years from the conclusion of 23<sup>rd</sup> AGM to uphold the good corporate governance practices.

M/s. Borkar & Muzumdar have given their consent to act as auditors, if appointed, and confirmed that they were eligible to be appointed as auditors in terms of Section 139 of Companies Act, 2013.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. M. P. Chitale & Co., Statutory Auditors, in their Report.

## Directors’ Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, your directors state that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departures from the same;
- ii. the Directors have 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 as at March 31<sup>st</sup>, 2021 and of the profit of the Company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a ‘going concern’ basis; and
- v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:****(A) Conservation of Energy and Technology Absorption**

Since the Company does not own any manufacturing facility, the particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014 are not applicable.

**(B) Research and Development**

The Company at present has no Research and Development Facilities.

**(C) Foreign Exchange Earnings and Outgo:**

1. Foreign Exchange Earnings	NIL
2. Foreign Exchange Outgo	NIL

**Deposits**

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

**Corporate Social Responsibility**

The provisions relating to Corporate Social Responsibility are not applicable to your Company.

**Subsidiary, Associate and Joint Venture Companies**

As on March 31, 2021, the Company has one subsidiary. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013.

Financial Benchmarks India Private Limited which was incorporated on 09<sup>th</sup> December 2014 under the Companies Act, 2013 has become subsidiary of FIMMDA since incorporation.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached to the financial statements of the Company.

Pursuant to provisions of Section 136 of the Act, the financial statements of the subsidiary Company is placed on the website of the Company and available in the [www.fimmda.org](http://www.fimmda.org).

**Risk Management Policy and Internal Adequacy**

The management of the Company through its board meetings reviews, identifies, and mitigates various risks which may have negative consequences on the Company's business.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations.

### **Internal Financial Controls**

The Company has in place Internal Financial Control System, commensurate with size and complexity of its operations to ensure proper recording of financial and operational information, and compliance of various internal controls and other regulatory compliances. During the year under review, no material or serious observations were noticed for inefficiency or inadequacy of such controls.

### **Material Orders passed by the Regulators, Courts or Tribunals**

There have been no significant or material orders passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

### **Extract of the Annual Return**

The extract of annual return as provided under Section 92(3) of the Act in Form MGT-9 is placed on the website of the Company and available on the following link [[www.fimmda.org](http://www.fimmda.org)] which forms part of this Report.

### **Acknowledgments**

Your Directors wish to record their gratitude to the officials of the Reserve Bank of India, Securities and Exchange Board of India, Ministry of Finance, World Bank and IMF for their encouragement, guidance and co-operation to the Association. A number of senior officers of the member institutions had contributed considerably to strengthen the activities of FIMMDA. Your Directors are thankful to them for the valuable services rendered by them to the Association. Your Directors acknowledge with thanks the services rendered by CCIL as calculating agents of various benchmarks. Your Directors also wish to record their gratitude to the various service providers viz., Sify Technologies, NSE, BSE, MCX-SX, Refinitive, Cogencis and Bloomberg to your Association.

Your Directors also wish to record their appreciation for sister associations like IBA, FEDAI, AMFI, FAI, ASIFMA and PDAI for their co-operation on mutual discussions regarding various issues engaging the financial markets in India.

For and on behalf of the Board of Directors

S.V. Sastry  
Chairman

Place: Mumbai  
Date: 27<sup>th</sup> October 2021

## ANNEXURE I

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis
  - (a) Name(s) of the related party and nature of relationship:
 

None during the year under review
  - (b) Nature of contracts/ arrangements / transactions
 

None during the year under review
  - (c) Duration of the contracts / arrangements / transactions
 

Not applicable
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 

Not applicable
  - (e) Justification for entering into such contracts or arrangements or transactions
 

Not applicable
  - (f) date (s) of approval by the Board
 

Not applicable
  - (g) Amount paid as advances, if any
 

Not applicable
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
 

Not applicable

2. Details of material contracts or arrangements or transactions at arm's length basis
  - (a) Name(s) of the related party and nature of relationship :

Financial Benchmarks India Pvt Ltd - Subsidiary
  - (b) Nature of contracts/ arrangements / transactions  
The Company has been providing services to Financial Benchmarks India Pvt Ltd for calculation of G-Sec & SDL benchmarks
  - (c) Duration of the contracts / arrangements / transactions  
Not applicable
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:  
The Company has been providing services Financial Benchmarks India Pvt Ltd for calculation of G-Sec & SDL benchmarks without involving pecuniary consideration
  - (e) Date (s) of approval by the Board, if any:  
Not applicable
  - (f) Amount paid as advances, if any  
Not applicable

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

**S.V. Sastry**

**Chairman**

**Place: Mumbai**

**Date: October 27<sup>th</sup>, 2021**

**Form No. AOC-1**

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

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

**Part "A": Subsidiaries**

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

1.	Name of the subsidiary	Financial Benchmarks India Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR
4.	Share Capital	Rs.100,00,000/- divided into 10,00,000 equity shares of Rs.10/- each
5.	Reserves & Surplus	Rs. 11,94,24,153.86
6.	Total assets	Rs. 17,86,44,150.80
7.	Total Liabilities	Rs. 17,86,44,150.80
8.	Investments	Rs. 12,22,97,318.93
9.	Turnover	Rs. 11,75,91,220.31
10.	Profit before taxation	Nil
11.	Provision for taxation	Nil
12.	Profit after taxation	Nil
13.	Proposed Dividend	Nil
14.	% of shareholding	76%

1. Names of subsidiaries which are yet to commence operations : Not Applicable

2. Names of subsidiaries which have been liquidated or sold during the year : Not Applicable

### Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture : *Not Applicable*

	Name 1	Name 2	Name 3
Name of Associates/ Joint Ventures			
1. Latest audited Balance Sheet Date			
2. Shares of Associate/ Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates/ Joint Venture			
Extent of Holding %			
3. Description of how there is significant influence			
4. Reason why the associate/ joint venture is not consolidated			
5. Networth attributable to shareholding as per latest audited Balance Sheet			
6. Profit / Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

- Names of associates or joint ventures which are yet to commence operations  
*Not Applicable*
- Names of associates or joint ventures which have been liquidated or sold during the year  
*Not Applicable*

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

**S.V. Sastry**  
**Chairman**

**Place: Mumbai**  
**Date: October 27<sup>th</sup>, 2021**

**ANNEXURE II****Form No. MGT-9**

EXTRACT OF ANNUAL RETURN  
as on financial year ended on 31st March 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1)  
of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : U67120MH1998GAP114753
- ii) Registration Date : 04<sup>th</sup> May, 1998
- iii) Name of the Company : Fixed Income Money Market And Derivatives Association of India
- iv) Category / Sub-Category of the Company : Company Limited by Guarantee Guarantee and Association Company
- v) Address of the Registered office and contact details : 2nd Floor, United India Building, P.M. Road, Fort, Mumbai - 400 001
- vi) Whether listed company : No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: : Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

Sl. No.	Name and Description of main products / services	NIC code of the Product / Service	% to total turnover of the company
1.	Association of Banks, financial institutions, primary dealers and Insurance Companies.	94110	62.47
2.	Website Access	63112	10.16

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	Applicable Section
1	Financial Benchmarks India Private Limited, 202 -203, Peninsula Centre, S.S. Road, Dr. Babasaheb Ambedkar Road, Parel, Mumbai-400012	U67190MH2014PTC260049	Subsidiary	2(87)

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

(i) Category-wise Share Holding Not Applicable

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any Other _____									
<b>Sub-total (A) (1):</b>									
<b>(2) Foreign</b>									
a) NRIs - Individual									
b) Other - Individual									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other _____									
<b>Sub-total (A) (2):</b>									
<b>Total shareholding of Promoter (A) = (A) (1) + (A) (2)</b>									

<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds									
b) Banks/FI									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B) (1):</b>									
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individual									
i) shareholders holding nominal share capital upto Rs.1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh									
c) Others (specify)									
<b>Sub-total (B) (2) :</b>									
<b>Total Public shareholding (B) = (B) (1) + (B) (2)</b>									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>									

**(ii) Shareholding of Promoters** *Not Applicable*

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1								
2								
3								
	<b>Total</b>							

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**  
*Not Applicable*

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

(iv) *Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRS) :* Not Applicable

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	At the End of the year (or on the date of separation, if separated during the year)				

(v) *Shareholding of Directors and Key Managerial Personnel:*

Not Applicable

Sl. No	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)				
	At the End of the year				

## V. INDEBTEDNESS

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

### Bank Balance in overdraft account

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	1,17,40,890.91	Nil	Nil	1,17,40,890.91
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
- Addition				
- Reduction	33,62,774	Nil	Nil	33,62,774
<i>Net Change</i>				
<b>Indebtedness at the end of the financial year</b>	83,78,116.91	Nil	Nil	83,78,116.91
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>	83,78,116.91	Nil	Nil	83,78,116.91

Indebtedness is on account of overdraft in current account against fixed deposits

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

*Not Applicable*

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager				Total Amount
1	<b>Gross salary</b>  (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	<b>Commission</b> - as % of profit - others, specify					
5	Others, please specify					
	Total (A)  Ceiling as per the Act					

## B. Remuneration to other Directors:

*Not Applicable*

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors <ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>					
	Total (1)					

	4. Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify					
	Total (2)					
	Total (B) = (1 + 2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

*Not Applicable*

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit - others, specify				
5	Others, please specify				
	Total				

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

S.V. Sastry

Chairman

Place: Mumbai

Date: October 27<sup>th</sup>, 2021

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIXED INCOME MONEY MARKET AND DERIVATIVES ASSOCIATION OF INDIA

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

#### Opinion

We have audited the accompanying Standalone Financial Statements of Fixed Income Money Market and Derivatives Association of India (the "Company"), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2021, the Statement of Income & Expenditure and the Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

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 accounting principles generally accepted in India including the Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014 (hereinafter referred to as the "Accounting Standards"), as amended, of the state of affairs (financial position) of the Company as at March 31<sup>st</sup>, 2021, its surplus (financial performance) and Cash Flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (the "SAs") specified under Section 143 (10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 (the "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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

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

The Company's Board of Directors is responsible for the information other than the Standalone Financial Statements and Auditor's Report thereon. The Other Information comprises the Directors' Report including Annexures to Directors' Report (collectively called as "Other Information") but does not include the Standalone Financial Statements and our auditor's report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Other Information, if, we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance.

### **Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs (financial position), surplus or deficit (financial performance) of and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards.

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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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**

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Consolidated 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease 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.

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

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

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

- (i) In our opinion and to the best of our information, the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143 (11) of the Act, does not apply to the Company since it is a company licensed to operate under erstwhile Section 25 of Companies Act, 1956 which is equivalent to Section 8 of the Companies Act, 2013.
- (ii) As required by sub-section (3) of Section 143 of the Act, we report that :
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Income & Expenditure and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014, as amended;
- (e) On the basis of written representations received from the Directors as on March 31<sup>st</sup>, 2021 and taken on record by the Board of Directors, in its meeting held on May 25<sup>th</sup>, 2021 none of the directors is disqualified as on March 31<sup>st</sup>, 2021, 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 and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Further, our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements;
- (g) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not paid the remuneration to its directors during the year. Hence reporting with respect to other matters to be included in the Auditor's Report in accordance with the requirements of Section 197 (16) of the Act, as amended, is not applicable; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company does not have any pending litigations which would impact its financial position except as reported in Notes 13(4) and 13(6) to the Standalone Financial Statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For M. P. Chitale & Co.**  
**Chartered Accountants**  
**ICAI Firm Registration No.: 101851W**

**Anagha Thatte**  
**Partner**  
**ICAI Membership No.: 105525**  
**UDIN : 21105525AAAAFV7323**  
**Place : Mumbai**  
**Date : August 23rd, 2021**

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE  
ON THE STANDALONE FINANCIAL STATEMENTS OF  
FIXED INCOME MONEY MARKET AND DERIVATIVES ASSOCIATION OF INDIA**

(Referred to in paragraph (ii) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members the Company)

**Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to Standalone Financial Statements of Fixed Income Money Market and Derivatives Association of India ("the Company") as of March 31<sup>st</sup>, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and specified under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. 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.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

### Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Standalone 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 Standalone Financial Statements.

### Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31<sup>st</sup>, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M. P. Chitale & Co.**

**Chartered Accountants**

**ICAI Firm Registration No.: 101851W**

**Anagha Thatte**

**Partner**

**ICAI Membership No.: 105525**

**UDIN : 21105525AAAAFV7323**

**Place : Mumbai**

**Date : August 23<sup>rd</sup>, 2021**

**Balance Sheet as at 31<sup>st</sup> March 2021**

Particulars	Note No.	As at 31-Mar-21	As at 31-Mar-20
<b>I EQUITY &amp; LIABILITIES</b>		<b>( In Rs.)</b>	<b>( In Rs.)</b>
1. Shareholders' Funds			
(a) Corpus Contribution	1	15,650,000.00	15,650,000.00
(b) Reserves & Surplus	2	191,788,212.22	172,926,313.14
		<u>207,438,212.22</u>	<u>188,576,313.14</u>
2. Non Current Liabilities			
(a) Long Term Provision	3	473,102.00	135,466.00
		<u>207,911,314.22</u>	<u>188,711,779.14</u>
3. Current Liabilities			
(a) Short Term Borrowings	4	8,378,116.91	11,740,890.91
(b) Other Current Liabilities	5	224,883.00	578,028.00
(c) Short Term Provisions	6	1,197,316.72	1,002,953.33
		<u>9,800,316.63</u>	<u>13,321,872.24</u>
		<u><b>217,711,630.85</b></u>	<u><b>202,033,651.38</b></u>
<b>II ASSETS</b>			
1. Non-current Assets			
(a) Property, Plant & Equipment	7		
(i) Tangible Assets		1,384,571.68	938,061.09
(ii) Intangible Assets		2.00	2.00
		<u>1,384,573.68</u>	<u>938,063.09</u>
(b) Non current Investment	8	7,600,000.00	7,600,000.00
(c) Long-term Loans & Advances	9	14,347,494.25	19,794,835.73
		<u>23,332,067.93</u>	<u>28,332,898.82</u>
2. Current Assets			
(a) Receivables	10	191,160.00	559,200.00
(b) Cash and cash equivalents	11	185,519,000.12	162,482,313.76
(c) Other current assets	12	8,669,402.80	10,659,238.80
		<u>194,379,562.92</u>	<u>173,700,752.56</u>
		<u><b>217,711,630.85</b></u>	<u><b>202,033,651.38</b></u>
Additional Statements to Notes and Significant Accounting Policies	13	-	-

As per our report of even date attached bearing UDIN

For M.P. Chitale & Co.

Chartered Accountants  
ICAI Firm Registration  
Number 101851W

**S.V Sastry**  
State Bank of India  
Chairman

**B.Prasanna**  
ICICI Bank Ltd  
Vice Chairman

**G.Ravindranath**  
FIMMDA  
CEO

**Sudarshana Bhat**  
Union Bank of India  
Director

**S.K.Mohanty**  
Bank of Baroda  
Director

**Anagha Thatte**  
Partner  
ICAI Membership  
Number :105525

**V.Lakshmanan**  
Federal Bank Ltd  
Director

**Vijay Murar**  
Central Bank of India  
Director

**Dillip Kumar Mishra**  
SBI-DFHI Ltd  
Director

**KV Rajani Kanth**  
IDBI Bank  
Director

**Ashish Parthasarthy**  
HDFC Bank Ltd  
Director

**Mahesh M. Pai**  
Canara Bank  
Director

**Neeraj Gambhir**  
Axis Bank Ltd  
Director

**Badri Nivas NC**  
Citi Bank NA  
Director

Place: Mumbai  
Date: August 23<sup>rd</sup>, 2021

For & on behalf of the Board of Directors

Income and Expenditure Statement for the year ended 31<sup>st</sup> March 2021

Particulars	Note No.	As at 31-Mar-21	As at 31-Mar-20
<b>I INCOME</b>		<b>( In Rs.)</b>	<b>( In Rs.)</b>
a) Revenue from Operations	14	35,171,667.00	36,287,333.00
b) Other income	15	13,254,118.70	12,845,077.90
Total Revenue (a+b)		48,425,785.70	49,132,410.90
<b>II EXPENSES</b>			
a) Operating Expenses	16	3,955,171.77	8,090,235.37
b) Employee Benefits Expenses	17	17,317,165.22	16,472,044.28
c) Finance cost	18	175,711.41	225,170.02
d) Depreciation and amortisation	19	441,847.55	848,194.67
e) Other administrative expenses	20	6,545,203.19	5,582,089.90
f) Payments to auditors			
Audit Fees (including for consolidation of Accounts)		120,000.00	120,000.00
Tax Matters		45,000.00	45,000.00
Tax Advisory Services		40,000.00	40,000.00
Out of Pocket Expenses		18,000.00	18,000.00
Total Expenses (a+b+c+d+e+f)		28,658,099.14	31,440,734.24
III Profit before Exceptional, Extraordinary Items and Tax (I - II)		19,767,686.56	17,691,676.66
IV Exceptional Items		-	-
V Profit before Extra Ordinary Items and Tax (III - IV)		19,767,686.56	17,691,676.66
VI Extraordinary Items		-	-
VII Surplus before Tax (V-VII)		19,767,686.56	17,691,676.66
VIII Provision for Tax -current year		905,787.48	4,267,825.89
IX Profit for period from continuing operations (VII - VIII)		18,861,899.08	13,423,850.77
X Profit from discontinuing operations		-	-
XI Tax Expenses of discontinuing operations		-	-
XII Profit from discontinuing operations (after tax)		-	-
XIII Surplus for the period (IX -X-XI-XII)		18,861,899.08	13,423,850.77
Additional Statements to Notes and Significant Accounting Policies	13	-	-

As per our report of even date attached bearing UDIN

For M.P. Chitale &amp; Co.

 Chartered Accountants  
 ICAI Firm Registration  
 Number 101851W

 S.V Sastry  
 State Bank of India  
 Chairman

 B.Prasanna  
 ICICI Bank Ltd  
 Vice Chairman

 G.Ravindranath  
 FIMMDA  
 CEO

 Sudarshana Bhat  
 Union Bank of India  
 Director

 S.K.Mohanty  
 Bank of Baroda  
 Director

 Anagha Thatte  
 Partner  
 ICAI Membership  
 Number :105525

 V.Lakshmanan  
 Federal Bank Ltd  
 Director

 Vijay Murar  
 Central Bank of India  
 Director

 Dillip Kumar Mishra  
 SBI-DFHI Ltd  
 Director

 KV Rajani Kanth  
 IDBI Bank  
 Director

 Ashish Parthasarthy  
 HDFC Bank Ltd  
 Director

 Mahesh M. Pai  
 Canara Bank  
 Director

 Neeraj Gambhir  
 Axis Bank Ltd  
 Director

 Badri Nivas NC  
 Citi Bank NA  
 Director

Place: Mumbai

 Date: August 23<sup>rd</sup>, 2021

For &amp; on behalf of the Board of Directors

**Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021**

Particulars Note No.	As at 31-Mar-21	As at 31-Mar-20
<b>1. CORPUS CONTRIBUTION</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
Opening Balance	15,650,000.00	15,450,000.00
Add: Contribution received during the year	0.00	200,000.00
<b>Total</b>	<b>15,650,000.00</b>	<b>15,650,000.00</b>
As per Article of Association of the Company, mentioned in Para No. 22 related to " Membership", Entrance fees is one time contribution to get the membership and it is non-refundable. Hence, this entrance fees/Corpus contribution has been shown under " Shareholders' Fund".		
<b>Reconciliation of Number of Members:</b>		
<b>Particulars</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
No. of members at the beginning	121	122
Addition during the period	0	1
Deletion during the period	7	2
No. of members at the end	<b>114</b>	<b>121</b>
<b>2. RESERVES &amp; SURPLUS</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
<b>Profit &amp; Loss A/c</b>		
Balance as per last Balance Sheet	172,926,313.14	159,502,462.37
Add: Surplus for the year	18,861,899.08	13,423,850.77
Balance at the end of the period	191,788,212.22	172,926,313.14
<b>Total</b>	<b>191,788,212.22</b>	<b>172,926,313.14</b>
<b>3. LONG TERM PROVISIONS</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
Provisions for:		
Municipal Tax (Old premises International Building)	135,466.00	135,466.00
Municipal Tax (LIC United India Building)	337,636.00	0.00
<b>Total</b>	<b>473,102.00</b>	<b>135,466.00</b>
<b>4. SHORT TERM BORROWINGS</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
Secured		
Loan Repayable on demand from Bank *	8,378,116.91	11,740,890.91
<b>Total</b>	<b>8,378,116.91</b>	<b>11,740,890.91</b>

\* Loan repayable on demand from Bank includes Over Draft facility availed against Fixed Deposits for meeting short term liquidity mismatches.

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

Particulars Note No.	As at 31-Mar-21	As at 31-Mar-20
<b>5. OTHER CURRENT LIABILITIES</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
Advance from Customers / Members	147,430.00	259,430.00
Liability Towards Future Income (CBONDS)	0.00	166,667.00
GST Payable	2,160.00	72,000.00
TDS Payable	75,293.00	79,931.00
<b>Total</b>	<b>224,883.00</b>	<b>578,028.00</b>
<b>6. SHORT TERM PROVISIONS</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
Short Term Provisions	1,197,316.72	1,002,953.33
<b>Total</b>	<b>1,197,316.72</b>	<b>1,002,953.33</b>
<b>8. NON CURRENT INVESTMENT</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
<b>Investments In Equity Instruments (valued at cost)</b>		
<b>Unquoted</b>		
<b>Subsidiary</b>		
Financial Benchmarks India Private Ltd (7,60,000 shares of FV Rs. 10 each)	7,600,000.00	7,600,000.00
<b>Total</b>	<b>7,600,000.00</b>	<b>7,600,000.00</b>
<b>9. LONG-TERM LOANS &amp; ADVANCES</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
Deposits	1,849,116.00	1,819,116.00
Advance Income Tax (Net of provisions)*	12,498,378.25	17,975,719.73
<b>Total</b>	<b>14,347,494.25</b>	<b>19,794,835.73</b>
Please refer to Note 13 Significant Accounting policies and Notes to Accounts Sr No 7(ii)		
<b>10. RECEIVABLES</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
Outstanding		
More than six months	0.00	15,000.00
Less Than six months	191,160.00	544,200.00
<b>Total</b>	<b>191,160.00</b>	<b>559,200.00</b>

Notes To Standalone Financial Statements for the year ended 31<sup>st</sup> March 2021

7. Property Plant & Equipment

Particulars	GROSS BLOCK						DEPRECIATION & AMORTISATION				NET BLOCK	
	Life Of Asset	As at 01-04-2020	Additions	Disposals	As at 31-Mar-21	As at 01-04-2020	For the year (as per SIM)	Adjustments for the year	As at 31-Mar-21	As at 31-Mar-21	As at 31-Mar-20	
<b>TANGIBLE:</b>												
Computer	3 years	1,134,248.10	760,348.04	84,745.72	1,809,850.42	788,342.92	284,936.95	84,744.72	988,535.15	821,315.27	345,905.18	
Office Equipments	5 years	2,217,428.00	128,483.10	2,461.75	2,343,449.35	2,006,694.91	95,330.37	1,989.75	2,100,035.52	243,413.83	210,733.10	
Furniture and Fittings												
i) Furniture	10 years	900,212.72	-	-	900,212.72	519,141.57	61,368.23	-	580,509.80	319,702.92	381,071.15	
ii) Fittings	5 years	3,094,356.00	-	-	3,094,356.00	3,094,004.34	212.00	-	3,094,216.34	139.66	351.66	
<b>Total:::</b>		<b>7,346,244.82</b>	<b>888,831.14</b>	<b>87,207.47</b>	<b>8,147,868.49</b>	<b>6,408,183.74</b>	<b>441,847.55</b>	<b>86,734.47</b>	<b>6,763,296.81</b>	<b>1,384,571.68</b>	<b>938,061.09</b>	
Previous Period		7,346,536.72	602,209.38	602,501.28	7,346,244.82	6,080,977.51	848,194.68	520,988.45	6,408,183.74	938,061.09	1,265,559.21	
<b>INTANGIBLE:</b>												
Cubicspline G-sec	3 years	1.00	-	-	1.00	-	-	-	-	1.00	1.00	
Corp Bond Repo Reporting Platform / F Trac	3 years	1.00	-	-	1.00	-	-	-	-	1.000	1.00	
<b>Total:::</b>		<b>2.00</b>	<b>-</b>	<b>-</b>	<b>2.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.00</b>	<b>2.00</b>	
Previous Period		2.00	-	-	2.00	-	-	-	-	2.00	2.00	
<b>GRAND TOTAL</b>		<b>7,346,246.82</b>	<b>888,831.14</b>	<b>87,207.47</b>	<b>8,147,870.49</b>	<b>6,408,183.74</b>	<b>441,847.55</b>	<b>86,734.47</b>	<b>6,763,296.81</b>	<b>1,384,573.68</b>	<b>938,063.09</b>	
Previous Period Grand total		7,346,538.72	602,209.38	602,501.28	7,346,246.82	6,080,977.51	848,194.68	520,988.45	6,408,183.74	938,063.09	1,265,561.21	

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

Particulars Note No.	As at 31-Mar-21		As at 31-Mar-20	
<b>11. CASH &amp; CASH EQUIVALENTS</b>				
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>31-Mar-21 (In Rs)</b>	<b>As at (In Rs)</b>	<b>31-Mar-20 (In Rs)</b>
Cash on hand		8,777.00		8,777.00
Balances with Banks				
i) Savings Account	71,578.12		93,679.76	
ii) Deposits (Maturing Within 12 mnths)*	177,853,134.00		145,602,686.00	
iii) Deposits (Maturing after 12 mnths)	7,585,511.00	185,510,223.12	16,777,171.00	162,473,536.76
<b>Total</b>		<b>185,519,000.12</b>		<b>162,482,313.76</b>
*Out of Bank deposits, Rs. 3,44,34,587/- kept as security for the Overdraft facility (Previous Year - Rs. 3,24,00,539/-) and Rs. 46,35,724 /-kept as security for the Municipal taxes payable (old premises) (Previous Year Rs. 43,61,185/-)				
<b>12. OTHER CURRENT ASSETS</b>				
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>31-Mar-21 (In Rs)</b>	<b>As at (In Rs)</b>	<b>31-Mar-20 (In Rs)</b>
Prepaid Expenses		205,407.00		303,107.00
Advance Conference expenses Paid		0.00		0.00
Advance Skill Development expenses		0.00		0.00
Input GST Available		799,338.80		593,668.80
Accruied Interest on FD		7,664,657.00		9,762,463.00
<b>Total</b>		<b>8,669,402.80</b>		<b>10,659,238.80</b>
<b>14. REVENUE FROM OPERATIONS</b>				
<b>Particulars</b>		<b>For year ended 31-Mar-21 (In Rs)</b>		<b>For year ended 31-Mar-20 (In Rs)</b>
Annual Subscription		28,500,000.00		24,200,000.00
Conference sponsorship		0.00		4,000,000.00
Training Fees		1,472,000.00		2,664,000.00
Website Registration Fees		3,320,000.00		3,495,000.00
Data vending fees		1,599,667.00		1,683,333.00
Accreditation of Brokers		280,000.00		245,000.00
19th FIMMDA Conference Income (Net)		0.00		0.00
<b>Total</b>		<b>35,171,667.00</b>		<b>36,287,333.00</b>

**Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021**

<b>Particulars Note No.</b>	<b>As at 31-Mar-21</b>	<b>As at 31-Mar-20</b>
<b>15. OTHER INCOME</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
Interest Received (Gross) [TDS: Current Year: 8,96,668 Prev Year: 11,79,338 /- ]	12,381,765.00	12,086,732.00
Miscellaneous Income	510.70	352.90
Profit on Sale of Office Equipment	0.00	21,997.00
Profit on Sale of Computer	8,049.00	15,996.00
Director Fees Received (From FBIL)	320,000.00	680,000.00
Siting Fees for OC/Committee Meeting (From FBIL)	530,000.00	40,000.00
Gain on Exchange Rate	13,794.00	0.00
Expenses Written Back	0.00	0.00
<b>Total</b>	<b>13,254,118.70</b>	<b>12,845,077.90</b>
<b>16. OPERATING EXPENSES</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
AGM Expenses	133,000.00	215,583.00
Meeting & Seminar expenses	0.00	281,979.00
Training expenses	532,950.00	1,305,108.40
20th FIMMDA-PDAI Annual Conference Expenses	0.00	2,062,077.80
IIBF - Award / Prizes Expenses	0.00	16,000.00
Skill Development Expenses	20,000.00	418,684.00
Website Maintenance Charges	659,465.00	660,642.80
Website Cloud Hosting Services AMC	188,345.81	1,462,918.37
Corporate Bond Valuation	485,065.96	103,842.00
SDL Valuation Expenses	291,045.00	0.00
Institutional Membership Fees Paid	70,000.00	70,000.00
Legal & Professional Fees	1,575,300.00	1,493,400.00
<b>Total</b>	<b>3,955,171.77</b>	<b>8,090,235.37</b>
<b>17. EMPLOYEE BENEFITS AND EXPENSES</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
Salaries, Wages and Allowances	17,317,165.22	16,472,044.28
<b>Total</b>	<b>17,317,165.22</b>	<b>16,472,044.28</b>

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

Particulars Note No.	As at 31-Mar-21	As at 31-Mar-20
<b>18. FINANCE COST</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
Interest Expenses	168,551.41	217,941.02
Interest on GST	7,010.00	1,620.00
Interest on TDS	0.00	5,609.00
Interest on Profession Tax	150.00	0.00
<b>Total</b>	<b>175,711.41</b>	<b>225,170.02</b>
<b>19. DEPRECIATION</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
Depreciation on Fixed assets for the year	441,847.55	848,194.67
<b>Total</b>	<b>441,847.55</b>	<b>848,194.67</b>
<b>20. OTHER ADMINISTRATIVE EXPENSES</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
Travelling and conveyance expenses	171,275.00	163,502.92
Rent, Taxes	4,694,771.00	3,246,840.00
Office Repairs & Maintenance	264,751.19	318,652.98
Power & Water Charges	160,238.84	229,370.00
Courier Charges & Postage	115,288.70	162,555.88
Internet & Telephone Charges	295,598.99	325,368.89
Printing & Stationery & Xerox expenses	332,129.54	391,240.27
Books & Periodicals	21,814.00	36,829.00
Insurance	86,801.00	97,484.00
Other Office Expenses	398,428.71	588,266.53
Bank charges	4,058.22	5,209.43
Income Written Back	0.00	16,770.00
Loss on Sale of Office Equipment	48.00	0.00
<b>Total</b>	<b>6,545,203.19</b>	<b>5,582,089.90</b>

### Cash Flow Statement For The Year Ended 31<sup>st</sup> March 2021

Particulars	Amount In Rupees	Year ended 31-03-21 In Rupees	Amount In Rupees	Year Ended 31-03-20 In Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit before Tax		19,767,687		17,691,677
<b>Adjustments for :</b>				
Depreciation(non cash item)	441,848		848,195	
Provision for Municipal Tax (non cash item)	337,636			
Net gain on sale of fixed assets	(8,001)		(37,993)	
Interest Income earned (Considered Separately)	(12,381,765)	<u>(11,610,282)</u>	(12,086,732)	<u>(11,276,530)</u>
<b>Operating profit before working capital changes</b>		<b>8,157,404</b>		<b>6,415,146</b>
<b>Adjustments for :</b>				
Increase/ (Decrease) in short term Provisions	194,363		(467,346)	
Increase/ (Decrease) in other Current Liabilities	(353,145)		189,319	
(Increase)/ Decrease in Other Current Assets	1,989,836		78,377	
(Increase)/ Decrease in Trade Receivables	368,040		1,499,710	
Increase/ (Decrease) in SHORT TERM BORROWINGS	(3,362,774)	(1,163,680)	5,473,597	6,773,657
<b>Cash generated from operations</b>		<b>6,993,725</b>		<b>13,188,804</b>
Direct Taxes paid (Net of Refunds)		(4,571,554)		4,229,933
<b>Net cash generated from operating activities</b>		<b>11,565,279</b>		<b>8,958,871</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets	(888,831)		(602,209)	
Sale Proceeds of Fixed Assets	8,474		119,506	
Interest received On Fixed Deposits	12,381,765		9,261,872	
Deposit Placed	(30,000)	11,471,407	(99,000)	8,680,168
<b>Net Cash (used in)/ generated from Investment activities</b>		<b>11,471,407</b>		<b>8,680,168</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Member Contribution received			200,000	200,000
<b>Net Cash used in financing activities</b>		<b>-</b>		<b>200,000</b>

Cash Flow Statement For The Year Ended 31<sup>st</sup> March 2021

Particulars	Year ended		Year Ended	
	Amount In Rupees	31-03-21 In Rupees	Amount In Rupees	31-03-20 In Rupees
Net (decrease)/increase in cash and cash equivalents		23,036,686		17,839,039
Opening balance of cash and cash equivalents		162,482,314		144,643,275
<b>Closing balance of cash and cash equivalents</b>		<b>185,519,000</b>		<b>162,482,314</b>
<b>Cash and cash equivalents comprise of:</b>				
Cash on Hand		8,777		8,777
Saving Bank Balance		71,578		93,680
Balances with Banks		185,438,645		162,379,857
Highly liquid investments ( Fixed Deposits)				
<b>Total</b>		<b>185,519,000</b>		<b>162,482,314</b>

For & on behalf of the Board of Directors

As per our report of even date attached bearing UDIN

For M.P. Chitale & Co.

Chartered Accountants  
ICAI Firm Registration  
Number 101851W

S.V Sastry  
State Bank of India  
Chairman

B.Prasanna  
ICICI Bank Ltd  
Vice Chairman

G.Ravindranath  
FIMMDA  
CEO

Sudarshana Bhat  
Union Bank of India  
Director

S.K.Mohanty  
Bank of Baroda  
Director

Anagha Thatte  
Partner

ICAI Membership  
Number :105525

V.Lakshmanan  
Federal Bank Ltd  
Director

Vijay Murar  
Central Bank of India  
Director

Dillip Kumar Mishra  
SBI-DFHI Ltd  
Director

KV Rajani Kanth  
IDBI Bank  
Director

Ashish Parthasarthy  
HDFC Bank Ltd  
Director

Mahesh M. Pai  
Canara Bank  
Director

Neeraj Gambhir  
Axis Bank Ltd  
Director

Badri Nivas NC  
Citi Bank NA  
Director

Place: Mumbai

Date: August 23<sup>rd</sup>, 2021

## FIXED INCOME MONEY MARKET AND DERIVATIVES ASSOCIATION OF INDIA NOTE "13"

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. Fixed Income Money Market & Derivatives Association of India is a Company Limited by Guarantee registered under erstwhile Section 25 of Companies Act, 1956 which is equivalent to section 8 of the Companies Act, 2013.

2. **Significant Accounting Policies:**

a. **Basis of Accounting**

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with Generally Accepted Accounting Principles ("GAAP") and in compliance with the Accounting Standards as specified in the Companies (Accounting Standards) Rules 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

The Company is a small and medium size Company (SMC) as defined in the general instructions in respect of Accounting Standards notified under The Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to small and medium size Company.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III of the Companies Act, 2013.

b. **Revenue Recognition**

- i) The company derives its revenues from annual membership, interest on deposits, website registration, trainings fees, sponsorship, accreditation of brokers and other activities, all of which are related to the objects of the Association. They are considered as income when it is due and there is certainty of recognition of revenue, except interest income which is accounted on accrual basis. Entrance fees received from the members is treated as contribution towards the corpus of the association.
- ii) There was no annual conference held during this accounting year.
- iii) Certain uncommon / non regular revenue is accounted on receipt basis.

**c. Expenditure**

Expenses are accounted on accrual basis and provisions are made for all known expenses, losses and liabilities.

**d. Depreciation & Amortization**

- i) Pursuant to implementation of Schedule II of the Companies Act, 2013, from April 01<sup>st</sup>, 2014 the company has been calculating depreciation on Straight Line Method from that date.
- ii) Further, depreciation on assets has been provided based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 on straight line basis. However, in respect of the Fittings segment under Furniture and Fittings category, the depreciation is provided based on useful life of 5 years which are different than 10 years as prescribed in Schedule II. The useful life of 5 years is evaluated and matched with the lease term of the premises.
- iii) While calculating the depreciation on Straight Line Method, the residual value of the assets is considered as Re.1.
- iv) Depreciation is charged on a pro-rata basis for assets purchased / sold during the year.
- v) Intangible assets (software items) have been amortized at 33.33% per annum. Having been amortized fully, the two items of intangible asset viz. (1) Software for Valuation of G-Sec based on Cubic Spline method and (2) Software pertaining to Corporate Bond Repo and Securitized Debt trade reporting platform are kept at a nominal carrying cost of Re.1/- each.

**e. Investments**

Investments are the ones made to support the Company's activities. Investments are either classified as current or long-term based on Company's intention. Long Term investment is carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of the investment.

During the year, there is no change in the Company's investment of 76% in Financial Benchmarks India Private Ltd., a subsidiary company registered under Companies Act, 2013.

**3. Income Tax**

From AY 2012-13 the company has been claiming exemption u/s 11 of Income Tax Act which it was claiming up to AY 2008-09, on the basis of opinions received from the experts/consultants. For the current year the company has assessed its income tax liability based on section 11 of Income Tax Act.

**4. Contingent Liability:**

**Income Tax:** The Company's case was taken up for scrutiny assessment for the AY 2012-13 and subsequent years. For the A.Y. 2012-13, the assessing officer passed assessment order assessing the income as per mutuality and the same was confirmed by the CIT (Appeals). Against the said order, the company has filed an appeal before the ITAT. For the A.Y.2013-14, A.Y.2014-15, A.Y.2015-16 and A.Y. 2016-17 also, the assessing officer passed orders assessing the income as per mutuality. For AY 2017-18 CPC Bengaluru has made provisional assessment and given refund after adjusting the older demands.

However, since it was a provisional assessment, the company has not adjusted older demands in their books of accounts. Against the said orders, the company has filed appeals before the CIT (Appeals). The ITAT has passed order for AY 2012-13 and has directed AO to evaluate the facts of the case by considering the complete facts on records. Accordingly, grounds raised by the Company before the ITAT are allowed for statistical purpose. Similar companies have been given the benefit of section 11 of Income Tax Act and the company is hopeful of favorable outcome of order. However, in the event the cases are decided against the Company, there will be additional tax liability, the quantum of which is not ascertainable and hence not provided for.

#### **5. Provision for unsettled Municipal Tax liability:**

- i) While vacating the old premises at international building, the landlord has raised a demand of Rs.34,28,239/- towards the outstanding but disputed BMC tax payable for the period 1<sup>st</sup> March 2009 to 31<sup>st</sup> March 2010. Though the landlord has already lodged a complaint against the exorbitant rate of tax on rent levied by BMC during 1<sup>st</sup> March 2009 to 31<sup>st</sup> March 2010, the matter is still to be settled. Therefore, the company has executed a declaration-cum-deed of indemnity and kept deposits for an amount of Rs. 34,28,239/- whose value as on 31<sup>st</sup> March 21 rose to Rs. 46,35,724/- in the joint names of the company and the landlords towards contingent liability relating to the outstanding but disputed municipal tax demanded for the period 1<sup>st</sup> March 2009 to 31<sup>st</sup> March 2010. The company, on a prudent basis, made a provision of Rs.1,35,466/- worked out on the basis of annual municipal tax paid in the subsequent financial year towards the Municipal Tax liability.
  - ii) Similar to the above case, LIC of India, the current Landlords of the Company, also raised demand of Rs 11,17,324 for the period from 01.08.2014 to 31.07.2019. Out of which, for the period of 1.08.2014 to 31.03.2015 tax amount was steeply raised by the BMC from Rs 775 p.m. to Rs 45,845 p.m. The Municipal authorities later reset the rate to Rs. 15,769 p.m. from 01.04.2015 onwards, without changing the rates for 2014-15. Hence, various landlords in South Mumbai, while accepting the revised rates w.e.f. 01.04.2015, has challenged the matter in the court praying for revision at more reasonable rate for pre-April 2015 period. The matter is still sub-judice. While for the post-April 2015 period the company has settled all dues with LIC, a provision of Rs. 3,37,636 for the disputed rate pertaining to the period between 01.08.2014 to 31.03.2015 has been provided for.
6. The FIMMDA Board had approved filing of an SLP in the Supreme Court to contest the judgment passed by the Orissa High Court on 24-12-2009 in a PIL filed by one Mr. Pravanjan Patra. In terms of Article 27 (a) of the Memorandum and Articles of Association of FIMMDA, as approved by the Board, it was decided to request selected member banks to share the legal expenses by way of special contributions, on such basis as may be determined by the Board. Accordingly, it was decided to collect Rs. 30,500/- for 2009-10, Rs. 1,04,375/- for 2010-11, Rs. 25,000/-, Rs.25,500/- for 2011-12, Rs.45,400/- for 2012-13, Rs.68,100/- for 2013-14, Rs.1,36,875/- for 2015-16, Rs. 41,236/- for 2016-17, for 2017-18 Rs. 1,28,928/- and for 2018-19 15,98,710. As on 31<sup>st</sup> March 2021 there is no outstanding dues pending related to SLP claim.
7. i) In March 2015, FIMMDA had passed a board resolution to accumulate / set aside under section 11(2) of the Income Tax Act, 1961, net surplus of FY 2012-13 and subsequent four years ending as of March 31<sup>st</sup>, 2017 amounting to Rs. 275 lakh for acquisition of new premises. Considering the full accumulation of Rs.

275 lakhs as of March 31<sup>st</sup>, 2016 and the amendment made to the Income Tax Rules, 1962 vide notification dated 14th January 2016, the company vide revised board resolution, decided to set aside the annual surplus which is allowable u/s 11(2) of income Tax Act, 1961 on year-to-year basis. Accordingly, unspent amounts were set aside for all the subsequent financial years up to 31st March 2020.

Out of the total amount of Rs. 33,72,724/- set aside for the assessment year 2013-14, comprising of Rs25,00,000 for renovation of premises and Rs8,72,724 for acquisition of premises, Rs 25 lacs was utilized towards renovation of premises and the remaining balance of Rs.8,72,724 could not be utilized before the limitation period which ended on 31 March 2018 and provision was made for the same. An unspent amount of 1,25,19,721 which was set aside for AY 2014-15 was due for spending as on 31.03.2019. But the company could not utilize the amount as on 31st March 2019 hence it had to be offered for tax in FY 2019-20. An unspent amount of 35,28,165 which was set aside for AY 2015-16 became due for spending as on 31.03.2020. But the company could not utilize the amount as on 31st March 20 hence it has to be offered for tax in FY 2020-21. Accordingly, while calculating advance tax for FY 2020-21 the company has considered the above amount. Since FIMMDA has sufficient TDS balance, the tax liability of Rs 9,05,787.48 arising from adding back to income the unspent amount of Rs 35,28,165 would be taken care of from the available balance under TDS.

ii)The Company has received total income tax refund of Rs. 75,04,002 and interest on refund amounting to Rs. 7,52,244 for past 3 assessment years. While granting the refund, the taxation authorities has further disallowed few expenses pertaining to respective years or adjusted demands of earlier years for which the company has filed the Rectification letters. As a result of this the refund amount has been shown as liability and the interest on refund has been duly credited to the Statement of Income and Expenditure during the year.

## 8. Earnings per share

Since there is no Equity share capital in the financial statements, the EPS based on the Income & Expenditure/profit & loss account is not relevant and applicable.

9. As on the Balance Sheet date, there was no amount exceeding Rs.1 lakh, due to any small-Scale Industrial undertaking, outstanding for more than 30 days.

10	Name of Subsidiary Company	Percentage of Holding of FIMMDA
	Financial Benchmarks India Private Limited (FBIL)	76

Related Party Disclosure:

List of related parties:

For FIMMDA:

List of related parties:

Sr. No	Key Managerial Personnel	Designation
1	Mr. Biswa Ketan Das (upto 29.07.2020)	Chairman
1	Mr. S.V. Sastry from 30.7.2020	Chairman
2	Mr. B. Prasanna	Vice Chairman
3	Mr. Moni NSS	Director
4	Mr. Nitesh Ranjan (up to 10.03.2021)	Director
5	Mr. Ashish Parthasarathy	Director
6	Mr. Iswar Padhan (up to 19.10.2020)	Director
7	Mr. G.V. Prabhu (up to 31.01.2021)	Director
8	Mr. Mr. Vijay Murar	Director
9	Mr. Subrat Kumar (up to 28.8.2020)	Director
10	Mr. Badri Nivas NC	Director
11	Mr. Neeraj Gambhir	Director
12	Mr. V. Lakshmanan (from 30.7.2020)	Director
13	Mr. Baby K.P. (up to 29.7.2020)	Director
15	Mr. D.V.S.S.V. Prasad (up to 30.09.2020)	Chief Executive Officer (CEO)
16	Mr. G. Ravindranath (from 23.09.2020)	Chief Executive Officer (CEO)

Transactions with Related parties

The details of related party transactions entered into by the Company for the year ended 31<sup>st</sup> March 2021 (Payment for the period of relationship with reporting entity):

Name of Related party	Nature of Transaction	Year Ended 31 <sup>st</sup> March 2021	Year Ended 31 <sup>st</sup> March 2020
Financial Benchmarks	1. Director's Sitting Fees	Rs.3,20,000	Rs. 6,80,000
	2. Sub Committee & OC Sitting Fees	Rs.5,30,000	Rs. 40,000
	3. Reimbursement of expenses by FBIL	NIL	NIL
Mr. D.V.S.S.V. Prasad (Up to 30.09.2020)	Remuneration To CEO	Rs. 38,87,561	Rs. 38,76,972
Mr. G.Ravindranath (From 23.09.2020)	Remuneration To CEO	Rs. 20,82,572	-

11. There was no foreign currency expenditure during the year
12. Previous year's figures are regrouped wherever necessary.

**As per our report of even date attached.**

As per our report of even date attached bearing UDIN

For M.P. Chitale & Co.

Chartered Accountants  
ICAI Firm Registration  
Number 101851W

**S.V Sastry**  
State Bank of India  
Chairman

**B.Prasanna**  
ICICI Bank Ltd  
Vice Chairman

**G.Ravindranath**  
FIMMDA  
CEO

**Sudarshana Bhat**  
Union Bank of India  
Director

**S.K.Mohanty**  
Bank of Baroda  
Director

**Anagha Thatte**  
Partner  
ICAI Membership  
Number :105525

**V.Lakshmanan**  
Federal Bank Ltd  
Director

**Vijay Murar**  
Central Bank of India  
Director

**Dillip Kumar Mishra**  
SBI-DFHI Ltd  
Director

**KV Rajani Kanth**  
IDBI Bank  
Director

**Ashish Parthasarthy**  
HDFC Bank Ltd  
Director

**Mahesh M. Pai**  
Canara Bank  
Director

**Neeraj Gambhir**  
Axis Bank Ltd  
Director

**Badri Nivas NC**  
Citi Bank NA  
Director

Place: Mumbai

Date: August 23<sup>rd</sup>, 2021

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIXED INCOME MONEY MARKET AND DERIVATIVES ASSOCIATION OF INDIA**

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

#### **Opinion**

We have audited the accompanying Consolidated Financial Statements of Fixed Income Money Market and Derivatives Association of India (hereinafter referred to as the "Holding Company") and its subsidiary viz. Financial Benchmarks India Private Limited (the Holding Company and subsidiary together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31<sup>st</sup>, 2021, the Consolidated Statement of Income & Expenditure and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 accounting principles generally accepted in India including the Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014 (hereinafter referred to as the "Accounting Standards"), as amended, of the consolidated state of affairs (financial position) of the Group as at March 31<sup>st</sup>, 2021, its consolidated surplus (financial performance) and consolidated cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (the "SAs") specified under Section 143 (10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report.

We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

#### **Responsibilities of Management for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated state of affairs (financial position), consolidated surplus or deficit (financial performance) and

Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards.

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 Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Boards of Directors of the Companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

#### **Auditor's responsibilities for the audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Consolidated 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 respective 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 Group'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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

- (i) In our opinion and to the best of our information and according to the explanations given to us, the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, does not apply to the auditor's report on Consolidated Financial Statements.
- (ii) As required by sub-section (3) of Section 143 of the Act, based on our audit of the Group, we report that :
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
  - (b) In our opinion, proper books of account as required by law have been kept by the Holding Company and its Subsidiary so far as it appears from our examination of those books;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Income & Expenditure and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014, as amended;
  - (e) On the basis of written representations received from the Directors as on March 31<sup>st</sup>, 2021 and

taken on record by the Board of Directors of the Holding Company, in its meeting held on May 25<sup>th</sup>, 2021, and of the Subsidiary in its meeting held on May 19<sup>th</sup>, 2021 none of the directors is disqualified as on March 31, 2021, 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 Consolidated Financial Statements of the Holding Company and its Subsidiary and the operating effectiveness of such controls, refer to our separate report in “Annexure A”. Further, our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company and its Subsidiary’s internal financial controls with reference to Consolidated Financial Statements;
- (g) According to the information and explanation given to us and based on our examination of the records of the Holding Company, the Holding Company has not paid the remuneration to its directors during the year. Hence reporting with respect to other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197 (16) of the Act, as amended, is not applicable; and
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Group did not have any pending litigations which would be material to impact its financial position of the Group except as disclosed in Note 12 (4) (a), Note 12 (4) (d) and Note 12 (5) to the Consolidated Financial Statements;
  - (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

**For M. P. Chitale & Co.**  
**Chartered Accountants**  
**ICAI Firm Registration No.: 101851W**

**Anagha Thatte**  
**Partner**  
**ICAI Membership No.: 105525**  
**UDIN : 21105525AAAAFV7323**  
**Place : Mumbai**  
**Date : August 23<sup>rd</sup>, 2021**

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF FIXED INCOME MONEY MARKET AND DERIVATIVES ASSOCIATION OF INDIA

(Referred to in paragraph (ii) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members the Company)

### **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")**

We have audited the internal financial controls with reference to financial statements of Fixed Income Money Market and Derivatives Association of India (hereinafter referred to as "Holding Company") and its subsidiary viz. Financial Benchmarks India Private Limited (the Holding Company and its Subsidiary, together referred to as "Group") as of March 31<sup>st</sup>, 2021 in conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Group's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and specified under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. 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.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system with reference to Consolidated Financial Statements.

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

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Consolidated 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 Consolidated Financial Statements.

### Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

### Opinion

In our opinion, the Group has, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M. P. Chitale & Co.**

**Chartered Accountants**

**ICAI Firm Registration No.: 101851W**

**Anagha Thatte**

**Partner**

**ICAI Membership No.: 105525**

**UDIN : 21105525AAAAFV7323**

**Place : Mumbai**

**Date : August 23<sup>rd</sup>, 2021**

### Consolidated Balance Sheet as at 31<sup>st</sup> March 2021

Particulars	Note No.	As at 31-Mar-21	As at 31-Mar-20
<b>I EQUITY &amp; LIABILITIES</b>		<b>( In Rs.)</b>	<b>( In Rs.)</b>
1. Shareholders' Funds			
(a) Corpus Contribution	1	15,650,000.00	15,650,000.00
(b) Reserves & Surplus	2	282,550,569.36	224,636,587.39
<b>Minority Interest</b>		31,061,796.93	18,729,560.22
2. Non Current Liabilities			
(a) Long Term Provision	3	473,102.00	135,466.00
		<u>329,735,468.28</u>	<u>259,151,613.61</u>
3. Current Liabilities			
(a) Short Term Borrowings	4	8,378,116.91	11,740,890.91
(b) Other Current Liabilities	5	5,889,622.00	578,028.00
(c) Short Term Provisions	6	11,808,521.66	16,838,761.21
		<u>26,076,260.57</u>	<u>29,157,680.12</u>
		<u><b>355,811,728.85</b></u>	<u><b>288,309,293.73</b></u>
<b>II ASSETS</b>			
1. Non-current Assets			
(a) Property, Plant & Equipment	7		
(i) Tangible Assets		1,810,589.15	1,348,040.74
(ii) Intangible Assets		5,754,246.19	3.00
		<u>7,564,835.34</u>	<u>1,348,043.74</u>
(b) Long-term Loans & Advances	8	21,900,075.22	25,082,394.39
		<u>29,464,910.56</u>	<u>26,430,438.13</u>
2. Current Assets			
(a) Trade Receivables	9	1,767,078.00	5,699,200.00
(b) Cash and cash equivalents	10	309,796,244.29	240,480,402.60
(c) Other current assets	11	14,783,495.80	15,699,252.80
		<u>326,346,818.09</u>	<u>261,878,855.40</u>
		<u><b>355,811,728.65</b></u>	<u><b>288,309,293.53</b></u>
Additional Statements to Notes and Significant Accounting Policies	12	-	-

As per our report of even date attached bearing UDIN

For M.P. Chitale & Co.  
Chartered Accountants  
ICAI Firm Registration  
Number 101851W

Anagha Thatte  
Partner

ICAI Membership  
Number :105525

Place: Mumbai

Date: August 23<sup>rd</sup>, 2021

S.V Sastry  
State Bank of India  
Chairman

V.Lakshmanan  
Federal Bank Ltd  
Director

Mahesh M. Pai  
Canara Bank  
Director

B.Prasanna  
ICICI Bank Ltd  
Vice Chairman

Vijay Murar  
Central Bank of India  
Director

Neeraj Gambhir  
Axis Bank Ltd  
Director

G.Ravindranath  
FIMMDA  
CEO

Dillip Kumar Mishra  
SBI-DFHI Ltd  
Director

Badri Nivas NC  
Citi Bank NA  
Director

For & on behalf of the Board of Directors

Sudarshana Bhat  
Union Bank of India  
Director

KV Rajani Kanth  
IDBI Bank  
Director

S.K.Mohanty  
Bank of Baroda  
Director

Ashish Parthasarthy  
HDFC Bank Ltd  
Director

Consolidated Income and Expenditure Statement for the year ended 31<sup>st</sup> March 2021

Particulars	Note No.	As at 31-Mar-21	As at 31-Mar-20
<b>I INCOME</b>		<b>( In Rs.)</b>	<b>( In Rs.)</b>
a) Revenue from Operations	13	147,665,418.33	133,912,333.00
b) Other income	14	17,501,587.68	15,308,873.80
Total Revenue (a+b)		<u>165,167,006.01</u>	<u>149,221,206.80</u>
<b>II EXPENSES</b>			
a) Operating Expenses	15	7,661,791.77	12,011,619.37
b) Employee Benefits Expenses	16	34,056,764.87	28,363,264.53
c) Finance cost	17	181,536.41	831,693.66
d) Depreciation and amortisation	18	1,740,572.14	909,747.08
e) Other administrative expenses	19	30,104,334.67	24,382,238.01
f) Director Fees		2,280,000.00	2,480,000.00
g) Payments to auditors			
Audit Fees		180,000.00	180,000.00
Other Services		350,000.00	-
Tax Matters		85,000.00	85,000.00
Certification Fees		7,000.00	39,000.00
Tax Advisory Services		40,000.00	40,000.00
Out of Pocket Expenses		28,000.00	25,000.00
Total Expenses (a+b+c+d+e+f+g)		<u>76,714,999.86</u>	<u>69,347,562.65</u>
III Profit before Tax (I-II)		88,452,006.15	79,873,644.15
IV PY Tax Expense		0.00	111,680.00
V Provision for Tax -current year		18,205,787.48	19,911,878.69
VI Profit for the period (III-IV)		70,246,218.67	59,850,085.46
VII Share of Profit / (Loss) of Minority in Subsidiary (Net)		12,332,236.70	11,142,296.28
VIII Profit after Tax after Minority Adjustment (V-VI)		57,913,981.97	48,707,789.18
Additional Statements to Notes and Significant Accounting Policies	12	-	-

As per our report of even date attached bearing

UDIN

**For M.P. Chitale & Co.**  
**Chartered Accountants**  
**ICAI Firm Registration**  
**Number 101851W**

**S.V Sastry**  
 State Bank of India  
 Chairman

**B.Prasanna**  
 ICICI Bank Ltd  
 Vice Chairman

**G.Ravindranath**  
 FIMMDA  
 CEO

**Sudarshana Bhat**  
 Union Bank of India  
 Director

**S.K.Mohanty**  
 Bank of Baroda  
 Director

**Anagha Thatte**  
**Partner**

**V.Lakshmanan**  
 Federal Bank Ltd  
 Director

**Vijay Murar**  
 Central Bank of India  
 Director

**Dillip Kumar Mishra**  
 SBI-DFHI Ltd  
 Director

**KV Rajani Kanth**  
 IDBI Bank  
 Director

**Ashish Parthasarthy**  
 HDFC Bank Ltd  
 Director

**ICAI Membership**  
**Number :105525**

**Mahesh M. Pai**  
 Canara Bank  
 Director

**Neeraj Gambhir**  
 Axis Bank Ltd  
 Director

**Badri Nivas NC**  
 Citi Bank NA  
 Director

Place: Mumbai

 Date: August 23<sup>rd</sup>, 2021

For &amp; on behalf of the Board of Directors

## Notes To Consolidated Financial Statements For Year Ended 31<sup>st</sup> March 2021

Particulars Note No.	As at 31-Mar-21		As at 31-Mar-20	
<b>1. SOURCES OF FUNDS</b>				
<b>Corpus Contribution</b>				
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>31-Mar-21 (In Rs)</b>	<b>As at (In Rs)</b>	<b>31-Mar-20 (In Rs)</b>
Opening Balance	15,650,000.00		15,450,000.00	
Add: Contribution received during the year	0.00	15,650,000.00	200,000.00	15,650,000.00
<b>Total</b>		<b>15,650,000.00</b>		<b>15,650,000.00</b>
As per Article of Association of the Company, mentioned in Para No. 22 related to " Membership", Entrance fees is one time contribution to get the membership and it is non-refundable. Hence, this entrance fees/Corpus contribution has been shown under " Shareholders' Fund".				
<b>2. RESERVES &amp; SURPLUS</b>				
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>31-Mar-21 (In Rs)</b>	<b>As at (In Rs)</b>	<b>31-Mar-20 (In Rs)</b>
<b>Profit &amp; Loss A/c</b>				
Balance as per last Balance Sheet	224,636,587.39		175,928,798.21	
Add: Surplus for the year	57,913,981.97		48,707,789.18	
Balance at the end of the period		282,550,569.36		224,636,587.39
<b>Total</b>		<b>282,550,569.36</b>		<b>224,636,587.39</b>
<b>3. LONG TERM PROVISIONS</b>				
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>31-Mar-21 (In Rs)</b>	<b>As at (In Rs)</b>	<b>31-Mar-20 (In Rs)</b>
Provisions for:				
Municipal Tax (Old premises International Building)		135,466.00		135,466.00
Municipal Tax (LIC United India Building)		337,636.00		0.00
<b>Total</b>		<b>473,102.00</b>		<b>135,466.00</b>
<b>4. SHORT TERM BORROWINGS</b>				
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>31-Mar-21 (In Rs)</b>	<b>As at (In Rs)</b>	<b>31-Mar-20 (In Rs)</b>
Secured				
Loan Repayable on demand from Bank *		8,378,116.91		11,740,890.91
<b>Total</b>		<b>8,378,116.91</b>		<b>11,740,890.91</b>

\* Loan repayable on demand from Bank includes Over Draft facility availed against Fixed Deposits for meeting short term liquidity mismatches.

Notes To Consolidated Financial Statements For Year Ended 31<sup>st</sup> March 2021

Particulars Note No.	As at 31-Mar-21	As at 31-Mar-20
<b>5. OTHER CURRENT LIABILITIES</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
Advance from Customers / Members	147,430.00	259,430.00
Liability Towards Future Income (CBONDS)	0.00	166,667.00
GST Payable	739,800.00	72,000.00
TDS Payable	2,253,142.00	79,931.00
Techouts Solution India Pvt Ltd (FBIL)	2,749,250.00	0.00
<b>Total</b>	<b>5,889,622.00</b>	<b>578,028.00</b>
<b>6. SHORT TERM PROVISIONS</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
Short Term Provisions	11,808,521.66	16,838,761.21
<b>Total</b>	<b>11,808,521.66</b>	<b>16,838,761.21</b>
<b>8. LONG-TERM LOANS &amp; ADVANCES</b>		
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>As at (In Rs)</b>
Deposits	5,011,227.00	2,681,227.00
Advance Income Tax (Net of provisions)*	16,888,848.22	22,401,167.39
<b>Total</b>	<b>21,900,075.22</b>	<b>25,082,394.39</b>
* Please refer to Note 13 Significant Accounting policies and Notes to Accounts Sr No 4.C(ii)		
<b>9. TRADE RECEIVABLES</b>		
<b>Particulars</b>	<b>31-Mar-20 (In Rs)</b>	<b>31-Mar-19 (In Rs)</b>
Outstanding		
More than six months	0.00	15,000.00
Less Than six months	1,767,078.00	5,684,200.00
<b>Total</b>	<b>1,767,078.00</b>	<b>5,699,200.00</b>

**Notes To The Financial Statements For The Year Ended 31<sup>st</sup> March 2021**

**7. Property Plant & Equipment**

Particulars	GROSS BLOCK						DEPRECIATION & AMORTISATION				NET BLOCK	
	Life of Asset	As at 01-04-2020	Additions	Disposals	Adjustments	As at 31-Mar-21	As at 01-04-2020	For the year (as per SLM)	Adjustments for the year	As at 31-Mar-21	As at 31-Mar-21	As at 31-Mar-20
<b>TANGIBLE:</b>												
Computer	3 years	1,573,840.64	931,131.55	84,745.72	-	2,420,226.47	849,750.84	456,778.25	84,744.72	1,221,784.37	1,198,442.10	724,089.80
Office Equipments	5 years	2,253,450.00	153,589.19	2,461.75	-	2,404,577.44	2,010,929.88	103,332.85	1,989.75	2,112,272.98	292,304.46	242,520.12
<b>Furniture and Fittings</b>												
i) Furniture	10 years	900,220.72	-	-	-	900,220.72	519,141.57	61,368.23	-	580,509.80	319,710.93	381,079.16
ii) Fittings	5 years	3,094,356.00	-	-	8.00	3,094,348.00	3,094,004.34	212.00	-	3,094,216.34	131.66	351.66
<b>Total:...</b>		<b>7,821,867.36</b>	<b>1,084,720.74</b>	<b>87,207.47</b>	<b>8.00</b>	<b>8,819,372.63</b>	<b>6,473,826.63</b>	<b>621,691.33</b>	<b>86,734.47</b>	<b>7,008,783.49</b>	<b>1,810,589.15</b>	<b>1,348,040.74</b>
<b>Previous Period</b>		7,430,599.74	993,768.90	602,501.28	-	7,821,867.36	6,085,067.99	909,747.09	520,988.45	6,473,826.63	1,348,040.74	1,345,531.75
<b>INTANGIBLE:</b>												
Cubicle G-sec	3 years	1.00	-	-	-	1.00	-	-	-	-	1.00	1.00
Corp Bond Repo Reporting Platform / F Trac	3 years	1.00	-	-	-	1.00	-	-	-	-	1.00	1.00
Website	43 Months	-	6,873,125.00	-	-	6,873,125.00	-	1,118,880.81	-	1,118,880.81	5,754,244.19	1.00
<b>Total:...</b>		<b>2.00</b>	<b>6,873,125.00</b>	-	-	<b>6,873,127.00</b>	-	<b>1,118,880.81</b>	-	<b>1,118,880.81</b>	<b>5,754,246.19</b>	<b>3.00</b>
Previous Period		3.00	-	-	-	3.00	-	-	-	-	3.00	3.00
<b>GRAND TOTAL</b>		<b>7,821,869.36</b>	<b>7,957,845.74</b>	<b>87,207.47</b>	-	<b>15,692,499.63</b>	<b>6,473,826.63</b>	<b>1,740,572.14</b>	<b>86,734.47</b>	<b>8,127,664.30</b>	<b>7,564,835.34</b>	<b>1,348,043.74</b>
Previous Period		7,430,602.74	993,768.90	602,501.28	-	7,821,870.36	6,085,067.99	909,747.09	520,988.45	6,473,826.63	1,348,043.74	1,345,531.75
<b>GRAND TOTAL</b>												

Notes To Consolidated Financial Statements For Year Ended 31<sup>st</sup> March 2021

Particulars Note No.	As at 31-Mar-21		As at 31-Mar-20	
<b>10. CASH &amp; CASH EQUIVALENTS</b>				
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>31-Mar-21 (In Rs)</b>	<b>As at (In Rs)</b>	<b>31-Mar-20 (In Rs)</b>
Cash on hand	21,820.00	21,820.00	24,993.00	24,993.00
Balances with Banks				
i) Current Account	1,966,882.24		7,150,280.34	
ii) Savings Account	71,578.12		93,679.76	
<b>Deposits FIMMDA</b>				
iii) Deposits (Maturing Within 12 mnths)*	177,853,134.00		145,602,686.00	
iv) Deposits (Maturing after 12 mnths)	7,585,511.00		16,777,171.00	
<b>Deposits FBIL</b>	122,297,318.93	309,774,424.29	70,831,592.50	240,455,409.60
<b>Total</b>		<b>309,796,244.29</b>		<b>240,480,402.60</b>
**Out of Bank deposits, Rs. 3,44,34,587/- kept as security for the Overdraft facility (Previous Year - Rs. 3,24,00,539/-) and Rs.46,35,724 /-kept as security for the Municipal taxes payable (old premises) (Previous Year Rs.43,61,185 /-)				
<b>11. OTHER CURRENT ASSETS</b>				
<b>Particulars</b>	<b>As at (In Rs)</b>	<b>31-Mar-21 (In Rs)</b>	<b>As at (In Rs)</b>	<b>31-Mar-20 (In Rs)</b>
Prepaid Expenses		3,247,892.00		3,317,967.00
Advance Conference expenses Paid		0.00		0.00
Advance Skill Development expenses		0.00		0.00
GST Under RCM		0.00		0.00
Input GST Credit Available (FBIL+FIMMDA)		3,870,946.80		2,618,822.80
Accrued Interest on FD		7,664,657.00		9,762,463.00
<b>Total</b>		<b>14,783,495.80</b>		<b>15,699,252.80</b>
<b>13. REVENUE FROM OPERATIONS</b>				
<b>Particulars</b>		<b>For year ended 31-Mar-21 (In Rs)</b>		<b>For year ended 31-Mar-20 (In Rs)</b>
Annual Subscription		28,500,000.00		24,200,000.00
Subscription from Benchmark (FBIL)		112,493,751.33		97,625,000.00
Conference sponsorship		0.00		4,000,000.00
Training Fees		1,472,000.00		2,664,000.00
Website Registration Fees		3,320,000.00		3,495,000.00
Data vending fees		1,599,667.00		1,683,333.00
Accreditation of Brokers		280,000.00		245,000.00
19th FIMMDA Conference Income (Net)		0.00		0.00
<b>Total</b>		<b>147,665,418.33</b>		<b>133,912,333.00</b>

**Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021**

<b>Particulars Note No.</b>	<b>As at 31-Mar-21</b>	<b>As at 31-Mar-20</b>
<b>14. OTHER INCOME</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
Interest Received (Gross) [TDS: Current Year: 21,22,369.99/- Prev Year: 33,61,581.53/- ]	17,404,741.00	15,263,522.00
Miscellaneous Income	510.70	352.90
Profit on Sale of Office Equipment	0.00	21,997.00
Profit on Sale of Computer	8,049.00	15,996.00
Gain on Exchange Rate	13,794.00	0.00
Excess Provision Written Back	0.00	7,005.90
"Excess Provision Written Back,Rounding Off,GST & Asset W/O, Travelling Expenses Written During the Year."	74,492.98	0.00
<b>Total</b>	<b>17,501,587.68</b>	<b>15,308,873.80</b>
<b>15. OPERATING EXPENSES</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
AGM Expenses	148,000.00	246,283.00
Meeting expenses	0.00	694,343.00
Training & Seminars	532,950.00	1,305,108.40
20th FIMMDA-PDAI Annual Conference Expenses	0.00	2,062,077.80
IIBF - Award Prizes Expenses	0.00	16,000.00
Website Maintenance Charges	835,715.00	1,318,142.80
Website Cloud Hosting Services AMC	188,345.81	1,462,918.37
Corporate Bond Valuation	485,065.96	103,842.00
Institutional Membership Fees Paid	70,000.00	70,000.00
Legal & Professional Fees	5,046,350.00	4,197,700.00
SDL Valuation Expenses	291,045.00	0.00
Skill Development Expenses	64,320.00	535,204.00
<b>Total</b>	<b>7,661,791.77</b>	<b>12,011,619.37</b>
<b>16. EMPLOYEE BENEFITS AND EXPENSES</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
Salaries, Wages and Allowances	34,056,764.87	28,363,264.53
<b>Total</b>	<b>34,056,764.87</b>	<b>28,363,264.53</b>

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

Particulars Note No.	As at 31-Mar-21	As at 31-Mar-20
<b>17. FINANCE COST</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
Interest Expenses	174,376.41	259,100.66
Interest on TDS	0.00	35,724.00
Interest on GST	7,010.00	1,620.00
Finance Cost	0.00	535,249.00
Interest on Profession Tax	150.00	0.00
<b>Total</b>	<b>181,536.41</b>	<b>831,693.66</b>
<b>18. DEPRECIATION</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
Depreciation on Fixed assets for the year	1,740,572.14	909,747.08
<b>Total</b>	<b>1,740,572.14</b>	<b>909,747.08</b>
<b>19. OTHER ADMINISTRATIVE EXPENSES</b>		
<b>Particulars</b>	<b>For year ended 31-Mar-21 (In Rs)</b>	<b>For year ended 31-Mar-20 (In Rs)</b>
Travelling and conveyance expenses	171,275.00	1,208,916.78
Rent, Taxes	7,409,771.00	4,686,840.00
Office Repairs & Maintenance	264,751.19	326,434.72
Power & Water Charges	232,440.84	316,657.00
Courier Charges & Postage	183,234.06	191,318.01
Internet & Telephone Charges	400,516.44	381,372.71
Printing & Stationery & Xerox expenses	332,129.54	408,068.35
Books & Periodicals	21,814.00	36,829.00
Insurance	180,597.00	193,223.00
Other Office Expenses	769,670.32	962,686.51
Bank charges	5,896.88	10,363.93
Income Written Back	0.00	16,770.00
Loss on Sale of Office Equipment	48.00	0.00
Calculating Agent Charges	3,350,000.00	3,350,000.00
PTEC Expenses	0.00	2,500.00
Expense for LIBOR data	4,661,633.00	4,160,799.00
Advertisement Expenses	0.00	6,400.00
Oc & Sub -Group Committee Representativ	1,510,000.00	450,000.00
Honorarium Expenses	0.00	10,000.00
DataFeed Charges (CCIL & Refinitiv)	10,218,125.40	7,471,250.00
Software (Matlab)	392,432.00	191,809.00
<b>Total</b>	<b>30,104,334.67</b>	<b>24,382,238.01</b>

### Consolidated Cash Flow Statement For The Year Ended 31<sup>st</sup> March 2021

Particulars	Amount In Rupees	Year ended 31-03-21 In Rupees	Amount In Rupees	Year Ended 31-03-20 In Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit before Tax		88,452,006		80,040,311
Adjustments for :				
Depreciation(non cash item)	1,740,572		909,747	
Interest Income earned	(17,404,741)		(15,263,522)	
Net gain on sale of fixed assets	(8,001)		(37,993)	
Provision for Municipal Tax	337,636	(15,334,534)	-	(14,391,768)
<b>Operating profit before working capital changes</b>		<b>73,117,472</b>		<b>65,648,543</b>
<b>Adjustments for :</b>				
Increase/ (Decrease) in short term Provisions	(5,030,240)	(5,030,240)	14,199,619	
Increase/ (Decrease) in other Current Liabilities	5,311,594	5,311,594	(129,279)	
(Increase)/ Decrease in Other Current Assets	(1,182,049)		(1,826,770)	
(Increase)/ Decrease in Trade Receivables	3,932,122		10,773,710	
Increase/ (Decrease) in SHORT TERM BORROWINGS	(3,362,774)		5,473,597	
		(331,347)		28,490,878
<b>Cash generated from operations</b>		<b>72,786,126</b>		<b>94,139,421</b>
Direct Taxes paid (Net of Refunds)		(12,693,468)		(26,947,075)
<b>Net cash generated from operating activities</b>		<b>60,092,657</b>		<b>67,192,346</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Fixed Assets	-		-	
Purchase of Fixed Assets	(7,957,837)		(993,759)	
Sale Proceeds of Fixed Assets	8,474		119,496	
Interest received On Fixed Deposits	19,502,547		12,438,662	
Deposit Placed	(2,330,000)	9,223,184	(99,000)	11,465,399
<b>Net Cash (used in)/ generated from Investment activities</b>		<b>9,223,184</b>		<b>11,465,399</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Received in Member Contribution	-	-	200,000	200,000
<b>Net Cash used in financing activities</b>		<b>-</b>		<b>200,000</b>

Consolidated Cash Flow Statement For The Year Ended 31<sup>st</sup> March 2021

Particulars	Year ended		Year Ended	
	Amount In Rupees	31-03-21 In Rupees	Amount In Rupees	31-03-20 In Rupees
Net (decrease)/increase in cash and cash equivalents		69,315,842		78,857,745
Opening balance of cash and cash equivalents		240,480,403		161,622,658
<b>Closing balance of cash and cash equivalents</b>		<b>309,796,244</b>		<b>240,480,403</b>
<b>Cash and cash equivalents comprise of:</b>				
Cash on Hand		21,820		24,993
Saving Bank Balance				
Balances with Banks		2,038,460		7,243,960
Highly liquid investments ( Fixed Deposits)		307,735,964		233,211,450
<b>Total</b>		<b>309,796,244</b>		<b>240,480,403</b>

As per our report of even date attached bearing UDIN

For M.P. Chitale &amp; Co.

Chartered Accountants  
ICAI Firm Registration  
Number 101851WS.V Sastry  
State Bank of India  
ChairmanB.Prasanna  
ICICI Bank Ltd  
Vice ChairmanG.Ravindranath  
FIMMDA  
CEOSudarshana Bhat  
Union Bank of India  
DirectorS.K.Mohanty  
Bank of Baroda  
DirectorAnagha Thatte  
PartnerICAI Membership  
Number :105525V.Lakshmanan  
Federal Bank Ltd  
DirectorVijay Murar  
Central Bank of India  
DirectorDillip Kumar Mishra  
SBI-DFHI Ltd  
DirectorKV Rajani Kanth  
IDBI Bank  
DirectorAshish Parthasarthy  
HDFC Bank Ltd  
DirectorMahesh M. Pai  
Canara Bank  
DirectorNeeraj Gambhir  
Axis Bank Ltd  
DirectorBadri Nivas NC  
Citi Bank NA  
Director

Place: Mumbai

Date: August 23, 2021

For &amp; on behalf of the Board of Directors

## FIXED INCOME MONEY MARKET AND DERIVATIVES ASSOCIATION OF INDIA NOTE "12"

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. Fixed Income Money Market & Derivatives Association of India is a Company Limited by Guarantee registered under erstwhile Section 25 of the Companies Act, 1956 which is equivalent to Section 8 of Companies Act 2013. Financial Benchmarks India Private Limited (FBIL) was jointly formed by Fixed Income Money Market & Derivatives Association of India (FIMMDA), Foreign Exchange Dealers' Association of India (FEDAI) and Indian Banks' Association (IBA). FBIL was incorporated in December 2014 and has commenced operations in February 2015.

FIMMDA holds 76% of the share capital and has the 76% as the voting power in FBIL, which has been considered for the consolidated financial statements.

2. **Significant Accounting Policies:**

- a. **Basis of Accounting**

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ("GAAP") and in compliance with the Accounting Standards as specified in the Companies (Accounting Standards) Rules 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2013 issued by the Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013.

The preparation of financial statements, in conformity with GAAP, requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Division I of Schedule III of the Companies Act, 2013

These **consolidated financial statements** have been prepared in compliance with the Accounting Standards as specified in the Companies (Accounting Standards) Rules 2006 to the extent applicable and in particular Accounting Standard (AS) 21, "Consolidated Financial Statements".

The Company as well as its subsidiary, FBIL, is a Small and Medium size Company (SMC) as defined in the general instructions in respect of Accounting Standards notified under The Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to small and medium size Company.

**b. Revenue Recognition**

- i) The company derives its revenues from annual membership, interest on deposits, website registration, trainings fees, sponsorship, accreditation of brokers and other activities related to the objects of the Association. They are considered as income when it is due and there is certainty of recognition of revenue, except interest income which is accounted on accrual basis. Entrance fees received from the members is treated as contribution towards the corpus of the association.
- ii) The Company and its subsidiary recognize Interest income on accrual basis.
- iii) FBIL derives its revenue from the usage of benchmarks by the subscriber. FBIL recognized income when it is due and there is a certainty of recovery of the revenue.
- iv) Certain uncommon / non regular revenue is accounted on receipt basis. Due to lack of clarity of the accrual of such revenue on the balance sheet date same was booked in the year in which agreement was made.
- v) There was no annual conference held by FIMMDA during this accounting year.

**c. Expenditure**

Expenses are accounted on accrual basis and provisions are made for all known expenses, losses and liabilities.

**d. Depreciation & Amortization**

- i) Pursuant to implementation of Schedule II of the Companies Act, 2013, from April 01, 2014 the company has been calculating depreciation on Straight Line Method from that date.
- ii) Further, depreciation on assets has been provided based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 on straight line basis. However, in respect of the Fittings segment under Furniture and Fittings category, the depreciation is provided based on useful life of 5 years which is different than 10 years as prescribed in Schedule II. The useful life of 5 years is evaluated and matched with the lease term of the premises.
- iii) While calculating the depreciation on Straight Line Method, the residual value of the assets is considered as Re.1.
- iv) Depreciation is charged on a pro-rata basis for assets purchased / sold during the year.
- v) In respect of FBIL,

**Property Plant & Equipment (PPE)**

- i) Tangible and Intangible Assets of the Company are stated at cost less accumulated depreciation, whereas certain assets which were acquired by utilizing the Grant money received from RBI are stated at nominal value.
- ii) Depreciation on tangible assets (except for certain assets which are stated at nominal value) has been provided based on useful life prescribed in Schedule II of the Companies Act, 2013 on Straight Line basis. While calculating the depreciation on Straight Line Method, the residual value of the assets is considered

as Re.1. Depreciation and amortization is charged on a pro-rata basis for PPE purchased / sold during the year.

### **Intangible Assets**

An intangible asset is recognized only when its cost can be measured reliably, and it is probable that the expected future economic benefit that are attributable to it will flow to the company. Software and system development expenditure are capitalized at cost of acquisition including cost attributable to readying the asset for use. Such intangible asset are subsequently measured at cost less accumulated amortization. The useful life of this intangible assets is estimated at five years with zero residual value. Any expenses on such a software for support and maintenance payable annually are charged to the statement of profit and loss.

The residual value, useful life and methods of amortization are reviewed at each financial year end and adjusted prospectively if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates. Intangible assets (software items) are amortized over a period of 43 months.

### **3. Income Tax**

From AY 2012-13 the parent company has been claiming exemption u/s 11 of Income Tax Act which it was claiming up to AY 2008-09, on the basis of opinions received from the experts/consultants. For the current year the company has assessed its income tax liability based on section 11 of Income Tax Act. The Subsidiary company is assessed as under applicable provisions of Income Tax Act ,1961.For FBIL Tax on income is determined on taxable income based on the applicable provisions of Income Tax Act, 1961

### **4. Contingent Liability:**

- a. **Income Tax:** The Company's case was taken up for scrutiny assessment for the AY 2012-13 and subsequent years. For the A.Y. 2012-13, the assessing officer passed assessment order assessing the income as per mutuality and the same was confirmed by the CIT (Appeals). Against the said order, the company has filed an appeal before the ITAT. For the A.Y.2013-14, A.Y.2014-15, A.Y.2015-16 and A.Y. 2016-17 also, the assessing officer passed orders assessing the income as per mutuality. For AY 2017-18 CPC Bengaluru has made provisional assessment and given refund after adjusting the older demands. However, since it was an provisional assessment the company has not adjusted older demands in their books of accounts. Against the said orders, the company has filed appeals before the CIT (Appeals). The ITAT has passed order for AY 2012-13 and has directed AO to evaluate the facts of the case by considering the complete facts on records. Accordingly, grounds raised by the Company before the ITAT are allowed for statistical purpose. Similar companies have been given the benefit of section 11 of Income Tax Act and the company is hopeful of favorable outcome of order. However, in the event the cases are decided against the Company, there will be additional tax liability, the quantum of which is not ascertainable and hence not provided for.
- b. **Provision for unsettled Municipal Tax liability:** While vacating the old premises at international building, the landlord has raised a demand of Rs. 34,28,239/- towards the outstanding but disputed BMC tax payable for the period 1st March 2009 to 31<sup>st</sup> March 2010. Though the landlord has already lodged a complaint against the exorbitant rate of tax on rent levied by BMC during 1st March 2009 to 31<sup>st</sup> March

2010, the matter is still to be settled. Therefore, the company has executed a declaration-cum-deed of indemnity and kept deposits for an amount of Rs. 34,28,239/- whose value as on 31st March 2020 rose to Rs. 46,61,185/- in the joint names of the company and the landlords towards contingent liability relating to the outstanding but disputed municipal tax demanded for the period 1st March 2009 to 31st March 2010. The company, on a prudent basis, made a provision of Rs.1,35,466/- worked out on the basis of annual municipal tax paid in the subsequent financial year towards the Municipal Tax liability.

Similar to the above case, LIC of India, the current Landlords of the Company, also raised demand of Rs 11,17,324 for the period from 01.08.2014 to 31.07.2019. Out of which, for the period of 1.08.2014 to 31.03.2015 tax amount was steeply raised by the BMC from Rs 775 p.m. to Rs 45,845 p.m. The Municipal authorities later reset the rate to Rs. 15,769 p.m. from 01.04.2015 onwards, without changing the rates for 2014-15. Hence, various landlords in South Mumbai, while accepting the revised rates w.e.f. 01.04.2015, has challenged the matter in the court praying for revision at more reasonable rate for pre-April 2015 period. The matter is still sub-judice. While for the post-April 2015 period the company has settled all dues with LIC, a provision of Rs. 3,37,636 for the disputed rate pertaining to the period between 01.08.2014 to 31.03.2015 has been provided for.

- c. i) In March 2015, FIMMDA had passed a board resolution to accumulate / set aside under section 11(2) of the Income Tax Act, 1961, net surplus of FY 2012-13 and subsequent four years ending as of March 31st, 2017 amounting to Rs. 275 lakh for acquisition of new premises. Considering the full accumulation of Rs. 275 lakhs as of March 31st, 2016 and the amendment made to the Income Tax Rules, 1962 vide notification dated 14th January 2016, the company vide revised board resolution, decided to set aside the annual surplus which is allowable u/s 11(2) of income Tax Act, 1961 on year-to-year basis. Accordingly, unspent amounts were set aside for all the subsequent financial years up to 31st March 2020.

Out of the total amount of Rs. 33,72,724/- set aside for the assessment year 2012-13, comprising of Rs. 25,00,000 for renovation of premises and Rs. 8,72,724 for acquisition of premises, Rs. 25 lacs was utilized towards renovation of premises and the remaining balance of Rs. 8,72,724 could not be utilized before the limitation period which ended on 31 March 2018 and provision was made for the same. An unspent amount of 1,25,19,721 which was set aside for AY 2013-14 would become due for spending as on 31.03.2019. But the company could not utilize the amount as on 31st March 2019 hence it had to be offered for tax in FY 2019-20. An unspent amount of 35,28,165 which was set aside for AY 2015-16 became due for spending as on 31.03.2020. But the company could not utilize the amount as on 31st March 20 hence it has to be offered for tax in FY 2020-21. Accordingly, while calculating advance tax for FY 2020-21 the company has considered the above amount. Since FIMMDA has sufficient TDS balance, the tax liability of Rs 9,05,787 arising from adding back to income the unspent amount of Rs. 35,28,165 would be taken care of from the available balance under TDS.

- ii) The Company has received total income tax refund of Rs. 75,04,002 and interest on refund amounting to Rs. 7,52,244 for past 3 assessment years. While granting the refund, the taxation authorities has further disallowed few expenses pertaining to respective years or adjusted demands of earlier years for which the company has filed the Rectification letters. As a result of this the refund amount has been shown as liability and the interest on refund has been duly credited to the Statement of Income and Expenditure during the year.

iii) FIBIL has filed an appeal against an Intimation from Income Tax Department for the A. Y. 2018-19, for an outstanding demand amounting to ₹ 6,20,840/- and expects a favorable result in the appeal, and hence no provision for tax pertaining to the demand has been made in the books of account.

5. The FIMMDA Board had approved filing of an SLP in the Supreme Court to contest the judgment passed by the Orissa High Court on 24-12-2009 in a PIL filed by one Mr. Pravanjan Patra. In terms of Article 27 (a) of the Memorandum and Articles of Association of FIMMDA, as approved by the Board, it was decided to request selected member banks to share the legal expenses by way of special contributions, on such basis as may be determined by the Board. Accordingly, it was decided to collect Rs. 30,500/- for 2009-10, Rs. 1,04,375/- for 2010-11, Rs. 25,000/-, Rs. 25,500/- for 2011-12, Rs. 45,400/- for 2012-13, Rs.68,100/- for 2013-14, Rs. 1,36,875/- for 2015-16, Rs. 41,236/- for 2016-17, for 2017-18 Rs. 1,28,928/- and for 2018-19 Rs. 15,98,710. As on 31<sup>st</sup> March 2021 there is no outstanding due pending related to SLP claim

## 6. Related party Disclosure

FBIL

Names of Shareholders	Share Holding(%)
Fixed Income Money Market and Derivatives Association of India	76
Foreign Exchange Dealers Association of India	14
Indian Banks Association	10

### Key Managerial Personnel as on 31<sup>st</sup> March, 2021

Ms. Usha Thorat	Non-executive Director (Chairperson)
Mr. D.V.S.S.V. Prasad (Till September 30 <sup>th</sup> , 2020)	Non-executive Director
Mr. G Ravindranath (From October 29 <sup>th</sup> , 2020)	Non-executive Director
Mr. Ashwani Sindhvani	Non-executive Director
Mr. B. Raj Kumar (Till May 31 <sup>st</sup> , 2020)	Non-executive Director
Mr. G M Bhagat (From August 14 <sup>th</sup> , 2020)	Non-executive Director
Mr. C. E. S. Azariah	Non-executive Director
Mr. Himadri Bhattacharya	Non-executive Director
Mr. A. N. Appaiah	Independent Director
Dr. Anand Srinivasan	Independent Director
Mr. Rudra Narayan Kar	Chief Executive Officer (CEO)

Other Related Parties	Nature of relationship
Sify Technologies Limited	Common Director

### Transactions with Related parties

The details of related party transactions entered into during the year ended 31<sup>st</sup> March 2021 (Payment for the period of relationship with reporting entity)

#### FBIL (other than inter-company transactions)

The details of related party transactions entered into by the Company for the year ended 31<sup>st</sup> March 2021 (Payment for the period of relationship with reporting entity):

Name of Related party	Nature of Transaction	Year Ended 31 <sup>st</sup> March 2021	Year Ended 31 <sup>st</sup> March 2020
Fixed Income Money Market and Derivatives Association of India (OC & Sub Group Meetings were attended by their Dy CEO, other than the Director)	Director's Sitting Fees (Including OC Committee & Sub Group Sitting Fees ₹ 5,30,000/-)	₹ 8,50,000/-	₹ 7,20,000/-
Foreign Exchange Dealers Association of India (OC & Sub Group Meetings were attended by their Dy CE, other than the Director and ₹,30,000/- Receivable from FEDAI)	Director's Sitting Fees (Including OC Committee Fees ₹ 3,20,000/-)	₹ 6,00,000/-	₹ 2,00,000/-
Indian Banks Association	Director's Sitting Fees	₹ 2,40,000/-	₹ 1,60,000/-
Ms. Usha Thorat	Director's Sitting Fees (Including OC Committee Sitting Fees)	₹ 5,60,000/-	₹ 5,20,000/-

Name of Related party	Nature of Transaction	Year Ended 31 <sup>st</sup> March 2021	Year Ended 31 <sup>st</sup> March 2020
Mr. C. E. S. Azariah	Director's Sitting Fees	₹ 3,20,000/-	₹ 5,20,000/-
Mr. Himadri Bhattacharya	Director's Sitting Fees (Including OC Committee & Sub Group Sitting Fees)	₹ 8,50,000/-	₹ 7,60,000/-
Mr. A. N. Appaiah	Director's Sitting Fees	₹ 2,80,000/-	₹ 1,60,000/-
Dr. Anand Srinivasan	Director's Sitting Fees (Including OC Committee Sitting Fees)	₹ 2,80,000/-	₹ 2,00,000/-
Mr. Rudra Narayan Kar, CEO	Remuneration to CEO	₹ 67,41,937/-	₹ 59,99,996/-
Sify Technologies Limited* (For AMC till August 18 <sup>th</sup> ,2020)	Website Maintenance Charges	₹ 1,66,250/-	₹ 6,57,500/-

\* The payment made to Sify Technologies Limited is exclusive of GST.

#### 7. Earnings per share.

Since there is no Equity share capital in the financial statements, the EPS based on the Income & Expenditure /profit & loss account is not relevant and applicable.

For FBIL Earnings per share (EPS) is calculated as per Accounting Standard 20 by dividing the net profit / loss by weighted average number of equity shares

8. As on the Balance Sheet date, there was no amount exceeding Rs.1 lakh, due to any Small-Scale Industrial undertaking, outstanding for more than 30 days.
9. There were no foreign exchange earnings during the year for Fixed Income Money Market & Derivatives Association of India. For FBIL foreign exchange earnings during the year was equivalent to ₹.4,12,50,000/-.

There was no foreign currency expenditure during the year for Fixed Income Money Market & Derivatives Association of India. FBIL's foreign exchange outgo during the year was equivalent to ₹ 39,59,152/-.

10. The Board of Director of the Company had approved a project for upgradation of Company's IT systems, for which an agreement had been entered into by the Company with the technology vendor on May 29<sup>th</sup>, 2020 which came into force w.e.f. April 1<sup>st</sup>, 2020. There are no capital commitments which are outstanding as on March 31<sup>st</sup>, 2021.
11. Previous year's figures are regrouped, reclassified and rearranged wherever necessary.

### As per our report of even date attached bearing UDIN

For M.P. Chitale & Co. Chartered Accountants ICAI Firm Registration Number 101851W	<b>S.V Sastry</b> State Bank of India Chairman	<b>B.Prasanna</b> ICICI Bank Ltd Vice Chairman	<b>G.Ravindranath</b> FIMMDA CEO	<b>Sudarshana Bhat</b> Union Bank of India Director	<b>S.K.Mohanty</b> Bank of Baroda Director
<b>Anagha Thatte</b> Partner ICAI Membership Number :105525	<b>V.Lakshmanan</b> Federal Bank Ltd Director	<b>Vijay Murar</b> Central Bank of India Director	<b>Dillip Kumar Mishra</b> SBI-DFHI Ltd Director	<b>KV Rajani Kanth</b> IDBI Bank Director	<b>Ashish Parthasarthy</b> HDFC Bank Ltd Director
<b>Place: Mumbai</b> <b>Date: August 23<sup>rd</sup>, 2021</b>	<b>Mahesh M. Pai</b> Canara Bank Director	<b>Neeraj Gambhir</b> Axis Bank Ltd Director	<b>Badri Nivas NC</b> Citi Bank NA Director		

## FIMMDA SECRETARIAT



Mr. Ravindranath Gandrakota  
Chief Executive Officer



Mr. Prabuddha Das Gupta  
Dy. Chief Executive Officer



Mr. Manas Sen  
VP Admin & Finance



Ms. Shiraz Daruwala  
Secretary to CEO



Mr. Meghan Petkar  
Asst. Manager



Mr. Akash Surana  
Asst. Manager



Ms. Ramandeep Kaur  
Asst. Manager



Ms. Anisha Gawde  
Asst. Manager



Ms. Deepika Rathod  
Asst. Manager



Mr. Praagy Srivastava  
Asst. Manager

# TRAININGS & WEBINAR

The slide features the FIMMDA logo on the left and the Dun & Bradstreet logo on the right. The main text reads: "FIMMDA MARKET CONNECT SERIES", "Webinar on Current Macro-Economic Scenario & Impact on Indian Financial Markets", "Wed, Mar 3, 2021", and "3:30 PM to 5:30 PM". At the top, there are five small video thumbnails of participants.

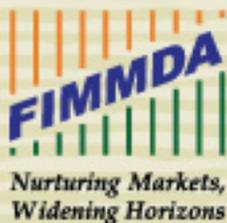


# Corporate Bonds

## Gsec

### SDL

#### Derivatives



2nd Floor, UNITED INDIA BUILDING,  
Next to RBI Amar Bldg Monetary Museum,  
Sir P.M. Road, Fort, Mumbai 400 001.  
Phones : 022-22690322-23 / 022-20820381-85  
Website : [www.fimmda.org](http://www.fimmda.org)