

The Clearing Corporation of India Limited



Financial Statements
2009-2010

■ Board of Directors:

Dr. R. H. Patil (Chairman)
Mr. Syed Shahabuddin (Managing Director)
Mr. Yeshwant S.S. Kapdi
Mr. Y. H. Malegam
Mr. S. Venkiteswaran
Mr. M. R. Ramesh
Mr. A. V. Rajwade
Mr. K. R. Ramamoorthy
Dr. N. L. Sarda
Dr. Ajay Shah
Mr. P. Sanyal
Mr. S. Sarker
Mr. B. B. Shetty
Mr. Anjan Barua
Ms. Shilpa Kumar
Mr. A. D. M. Chavali
Mr. Bhavesh Zaveri

■ Company Secretary:

Mr. O. N. Ravi

■ Auditors:

M/s. Lodha & Company
Chartered Accountants

■ Registered Office:

5th, 6th,7th Floor, Trade World
C-Wing, Kamala City,
Senapati Bapat Marg,
Lower Parel (W),
Mumbai 400 013.
Tel: 24928155 ♦ Fax: 24951089
Website: www.ccilindia.com



THE CLEARING CORPORATION OF INDIA LIMITED

Financial Statements 2009-2010

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AUDITORS' REPORT

To the members of

THE CLEARING CORPORATION OF INDIA LIMITED

1. We have audited the attached Balance Sheet of THE CLEARING CORPORATION OF INDIA LIMITED as at 31st March 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (hereinafter referred to as the "Act"), we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:-
 - (a) We have 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 appears from our examination of those books.
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act, to the extent applicable.



- (e) On the basis of written representations received from directors as on 31st March, 2010, and taken on record by the Board of Directors, wherever applicable, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director of the Company in terms of clause (g) of sub-section (1) of Section 274 of the Act.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with 'Significant Accounting Policies and Notes to the Accounts' in Schedule '11' and other notes appearing elsewhere in the accounts, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - ii) in the case of the Profit & Loss Account, of the profit for the year ended as on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **LODHA & CO.**
Chartered Accountants

Sd/-
A.M. Hariharan
Partner
(Membership No. 38323)
(Firm Registration No. 301051E)

Place: Mumbai
Date : May 5, 2010

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2010 OF THE CLEARING CORPORATION OF INDIA LIMITED

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) All the assets have been physically verified by the management at reasonable intervals during the year. No discrepancies were noticed on such verification.
c) No substantial part of the fixed assets has been disposed off during the year.
2. The Company does not have any inventory. Therefore, the provisions of clause 4(ii) of the Order are not applicable to the Company.
3. The Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the purchases are of special nature and suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. The Company has neither purchased any inventory nor sold any goods. During the course of our audit, no major weakness has been noticed in the internal control system.
5. There are no particulars of contracts or arrangements referred to in Section 301 of the Act which need to be entered in the register required to be maintained under that section.
6. No deposits within the meaning of Sections 58A, 58AA or any other relevant provision of the Act and rules framed thereunder have been accepted by the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. As per the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Act, for any services rendered by the Company. Therefore, the provisions of the clause 4(viii) of the Order are not applicable to the Company.



9. (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Cess and other statutory dues applicable to it with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) There are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses as at 31st March, 2010 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. The Company has not defaulted during the year in repayment of dues to any bank or financial institution.
12. During the year, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, provisions of clause 4(xiii) of the Order are not applicable to the Company.
14. The Company is not carrying the business of dealing or trading in shares, securities, debentures and other investments. However, proper records have been maintained in respect of transactions and contracts entered into, wherever the investments are made by the Company in securities. The securities have been held by the Company in its own name.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company has not obtained any term loan.
17. Funds raised on short-term basis have not been used for long term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered and recorded in the register maintained under Section 301 of the Act.
19. The Company has not issued any debentures.
20. The Company has not raised any money by public issue.



21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **LODHA & CO.**
Chartered Accountants

Sd/-
A.M. Hariharan
Partner
(Membership No. 38323)
(Firm Registration No. 301051E)

Place: Mumbai
Date : May 5, 2010



THE CLEARING CORPORATION OF INDIA LIMITED
BALANCE SHEET AS AT MARCH 31, 2010

		(Rs. in lacs)	
	Schedule	As at 31.03.2010	As at 31.03.2009
SOURCE OF FUNDS			
Shareholders' Funds			
Share Capital	1	10,000	10,000
Reserves and Surplus	2	44,134	27,253
TOTAL		54,134	37,253
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	3	9,046	8,526
Less : Depreciation		6,166	6,372
Net Block		2,880	2,154
Capital Work-In-Progress (including capital advances)		7,540	4,422
		10,420	6,576
Investments	4	1,300	22,025
Net Deferred Tax Asset		41	166
Current Assets, Loans and Advances			
(i) Sundry Debtors	5	1,024	1,271
(ii) Cash and Bank balances		227,119	211,736
(iii) Current Investments		144,776	144,755
(iv) Accrued Interest/Income		5,336	5,135
(v) Loans and Advances		1,131	1,379
		379,386	364,276
Less : Current Liabilities and Provisions			
(i) Current Liabilities	6	335,317	354,027
(ii) Provisions		1,696	1,763
		337,013	355,790
Net Current Assets		42,373	8,486
TOTAL		54,134	37,253
Significant Accounting Policies and Notes to Accounts			
	11		

The Schedules referred to above form an integral part of the Balance Sheet

As per our attached report of even date

For LODHA & CO.

Chartered Accountants

Sd/-

A. M. Hariharan
Partner

For and on behalf of the Board of Directors

Sd/-

Dr. R. H. Patil
Chairman

Sd/-

Syed Shahabuddin
Managing Director

Sd/-

Y.H.Malegam
Director

Place : Mumbai

Date : May 5, 2010

Sd/-

O. N. Ravi
Company Secretary &
Corporate Development Officer



THE CLEARING CORPORATION OF INDIA LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

(Rs. in lacs)			
	Schedule	For the year ended 31.03.2010	For the year ended 31.03.2009
INCOME			
Income from Operations	7	14,876	11,765
Interest/Income from Investments (Net)	8	16,617	10,259
Other Income (Refer Note no. 9(a) in Schedule 11)		208	233
		31,701	22,257
EXPENDITURE			
Employment Cost	9	1,459	1,423
Operating, Administration and Other Expenses	10	2,755	2,101
Depreciation		1,056	780
		5,270	4,304
Profit Before Tax		26,431	17,953
Provision for Tax			
- Current tax		8,080	6,140
- Tax adjustments relating to earlier years		(10)	(6)
- Deferred tax		125	(15)
- Fringe Benefit tax		--	22
- Wealth tax		10	10
Net Profit After Tax		18,226	11,802
Balance brought forward from previous year		3,021	2,888
Profit available for appropriation		21,247	14,690
APPROPRIATIONS:			
Proposed Dividend		1,150	1,150
Corporate Dividend Tax		195	195
General Reserve		3,000	5,000
Settlement Reserve Fund		13,000	5,324
Balance carried to Balance Sheet		3,902	3,021
		21,247	14,690
Basic and Diluted earnings per share (Rs.) (Equity Share of face value of Rs. 10 each)		35.52	22.67

Significant Accounting Policies and Notes to Accounts 11

The Schedules referred to above form an integral part of the Profit & Loss Account

As per our attached report of even date

For and on behalf of the Board of Directors

For LODHA & CO.
Chartered Accountants

Sd/-
A. M. Hariharan
Partner

Sd/-
Dr. R. H. Patil
Chairman

Sd/-
Syed Shahabuddin
Managing Director

Sd/-
Y.H.Malegam
Director

Place : Mumbai
Date : May 5, 2010

Sd/-
O. N. Ravi
Company Secretary &
Corporate Development Officer



THE CLEARING CORPORATION OF INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

(Rs. in lacs)

	2009-10	2008-09
(A) CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	26,431	17,953
Add : Adjustments for -		
Depreciation	1,056	780
Interest paid on Deposits from Members	1,971	4,772
(Profit)/ Loss on sale of fixed asset (net)	(20)	(3)
Loss on sale/redemption of Investments	--	1
Less: Adjustments for -		
Interest Income	16,220	14,913
Profit on Sale/Redemption of mutual funds	2,368	--
Dividend from Units of Mutual Funds	--	118
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	10,850	8,472
Adjustments for :		
(Increase)/ Decrease in Trade and Other Receivables	497	(1,062)
Increase/(Decrease) in Trade and Other Payables	75	(83)
CASH GENERATED FROM OPERATIONS	11,422	7,326
Direct Taxes paid	(8,134)	(6,005)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)	3,288	1,321
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(4,900)	(5,149)
Sale of Fixed Assets	21	3
Interest/income received	16,017	13,441
Dividend from Units of Mutual Funds	--	118
Purchase/Acquisition of Investments	(262,595)	(303,003)
Sale/Redemption of Investments	286,167	242,032
NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)	34,710	(52,558)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Investment in Equity Shares of Subsidiary Company	(500)	--
Increase/(Decrease) in Deposits from Members	(17,706)	141,244
Interest paid on Deposits from Members	(3,064)	(5,678)
Dividend/Corporate Dividend tax paid	(1,345)	(884)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)	(22,615)	134,683
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	15,383	83,446
CASH AND CASH EQUIVALENTS - OPENING BALANCE	211,736	128,290
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	227,119	211,736
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	15,383	83,446



THE CLEARING CORPORATION OF INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010 (contd.)

1. The above cash flow statement has been prepared using the indirect method as per Accounting Standard 3.
 2. Cash and Cash Equivalents includes Rs. 8,000 lacs (Previous Year - Nil) in Bank Deposits earmarked towards Settlement Reserve Fund (Refer Note no. 19 in Schedule 11).
 3. Previous year's figures have been regrouped, reclassified and rearranged to conform to current year's presentation, wherever necessary.
-

As per our attached report of even date
For **LODHA & CO.**
Chartered Accountants

Sd/-
A. M. Hariharan
Partner

For and on behalf of the Board of Directors

Sd/-
Dr. R. H. Patil
Chairman

Sd/-
Syed Shahabuddin
Managing Director

Sd/-
Y.H.Malegam
Director

Place : Mumbai
Date : May 5, 2010

Sd/-
O. N. Ravi
*Company Secretary &
Corporate Development Officer*



THE CLEARING CORPORATION OF INDIA LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

	(Rs. in lacs)	
	As at 31.03.2010	As at 31.03.2009
SCHEDULE 1 : SHARE CAPITAL		
Authorised		
5,00,00,000 Equity Shares of Rs. 10 each	5,000	5,000
5,00,00,000 Preference Shares of Rs. 10 each (Redeemable, Cumulative or Non-Cumulative)	5,000	5,000
TOTAL	<u>10,000</u>	<u>10,000</u>
Issued, Subscribed and Paid-up		
5,00,00,000 Equity Shares of Rs. 10 each fully paid up	5,000	5,000
5,00,00,000 8% Redeemable, Cumulative Preference Shares of Rs. 10 each	5,000	5,000
(3,10,00,000 Preference Shares are redeemable on 26.03.2013 and 1,90,00,000 Preference Shares are redeemable on 29.03.2013)		
TOTAL	<u>10,000</u>	<u>10,000</u>
SCHEDULE 2: RESERVES AND SURPLUS		
General Reserve		
As per last Balance Sheet	16,232	11,232
Add: Transferred from Special Reserve	--	--
Add: Transferred from Profit and Loss Account	<u>3,000</u>	<u>5,000</u>
	19,232	16,232
Special Reserve		
As per last Balance Sheet	--	176
Less: Transferred to Settlement Reserve	<u>--</u>	<u>176</u>
		--
Settlement Reserve		
As per last Balance Sheet	8,000	2,500
Add: Transferred from Special Reserve	--	176
Add: Transferred from Profit and Loss Account (Refer Note no.19 of Schedule 11)	<u>13,000</u>	<u>5,324</u>
	21,000	8,000
Balance as per annexed Profit and Loss Account	<u>3,902</u>	<u>3,021</u>
TOTAL	<u>44,134</u>	<u>27,253</u>

THE CLEARING CORPORATION OF INDIA LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

SCHEDULE 3 : FIXED ASSETS

(Rs. in lacs)

SR. NO.	DESCRIPTION	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK			
		As on 01.04.2009	Additions during the year	Deductions during the year	As on 31.03.2010	Upto 01.04.2009	For the year	Deductions during the year	Upto 31.03.2010	As on 31.03.2010	As on 31.03.2009
1	Building #	1,752	--	--	1,752	75	29	--	104	1,648	1,677
2	Leasehold Improvements	76	--	--	76	76	--	--	76	--	--
3	Computer Systems - Hardware	2,209	1,009	1,239	1,979	2,050	380	1,240	1,190	789	159
4	Computer Systems - Software	4,333	442	10	4,765	4,044	602	10	4,636	129	289
5	Equipment	127	209	13	323	105	30	12	123	200	22
6	Furniture & Fixtures	29	122	--	151	22	15	--	37	114	7
	T O T A L	8,526	1,782	1,262	9,046	6,372	1,056	1,262	6,166	2,880	2,154
	PREVIOUS YEAR	6,901	1,671	46	8,526	5,638	780	46	6,372	2,154	
	CAPITAL WORK-IN PROGRESS (INCLUDING CAPITAL ADVANCES)										
	Computer Systems - Software Systems (Under development)									349	670
	Capital Advances towards purchase of Land & Building - Office Premises (unsecured and considered good)									7,191	3,752
	T O T A L									7,540	4,422
	GRAND TOTAL									10,420	6,576

Cost of Buildings includes Rs. 14,000 paid towards 14 shares of Rs.1,000 each of an Apartment Condominium.





THE CLEARING CORPORATION OF INDIA LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

SCHEDULE 4 : INVESTMENTS

	Maturity Date	Face value per unit (Rs.)	As at 31.03.2010	As at 31.03.2009
			Number of units	Rs. in lacs
				Number of units
			Rs. in lacs	Rs. in lacs
LONG TERM, NON-TRADE, UNQUOTED				
(i) BONDS/DEBENTURES				
Tax-free				
5.30% Nuclear Power Corporation of India Limited	31/Dec/12	100,000	300	300
Sub-Total (i)			300	300
(ii) EQUITY SHARES				
In Subsidiary Companies				
Clearcorp Dealing Systems (India) Limited	--	10	10,000,000	500
Sub- Total (ii)			1,000	500
(iii) MUTUAL FUNDS				
In Fixed Maturity Plans (of 1 year or more)				
DWS Fixed Term Fund Series 49	29/Apr/09	10	--	1,200
Fortis (Previously ABN AMRO) FTP Series 11 Plan A	6/Apr/09	10	--	1,500
Fortis (Previously ABN Amro) FTP Series 12 Plan A	2/Sep/09	10	--	1,000
Fortis (Previously ABN Amro) FTP Ser 11 Plan B	29/Oct/09	10	--	800
HDFC FMP 370D May 2008(2)	27/May/09	10	--	1,500
HDFC FMP 370D March 2008(VII) (2)	6/Apr/09	10	--	1,600
HSBC Fixed Term Series 53	3/Jan/09	10	--	1,000
HSBC Fixed Term Series 63	10/Sep/09	10	--	500
ING Yearly FMP 366-Series A	9/Sep/09	10	--	500
Kotak FMP 13M Series	29/Apr/09	10	--	1,500
Kotak FMP 15M Series 5	24/Aug/09	10	--	1,875
LIC Fixed Maturity Plan-Series 37	21/Apr/09	10	--	2,000
LIC MF Interval Fund-Annual Plan-Series1	12/May/09	10	--	800
Reliance Fixed Horizon Fund -VIII Series 5	15/Jun/09	10	--	1,000
Reliance Fixed Horizon Fund -VIII-Series 4	11/Jun/09	10	--	1,100
Reliance Fixed Horizon Fund-VIII-Series II	11/May/09	10	--	500
Reliance Fixed Horizon Fund-VII-Series	25/May/09	10	--	1,500
SBI Debt Fund Series-370 days	7/Sep/09	10	--	250
SBI MF-SDFS-13 months	21/Sep/09	10	--	500
Tata Fixed Horizon Fund Series 18 -Scheme D	12/Oct/09	10	--	600
Sub- Total (iii)			--	21,225
TOTAL (AGGREGATE OF UNQUOTED INVESTMENTS)			1,300	22,025

Notes : (i) Net Asset Value of investments in Mutual Funds {(iii) above} as on 31.03.2010 was Nil (Previous year - Rs. 23,066 lacs)
(ii) Investments in Mutual Funds include Nil (Previous Year - Rs.13,175 lacs) invested out of Collaterals received in Cash (Refer note No. 11 of Schedule 11)



THE CLEARING CORPORATION OF INDIA LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

(Rs. in lacs)

	As at 31.03.2010	As at 31.03.2009
SCHEDULE 5 : CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		
(i) Sundry Debtors		
Unsecured, Considered good and due for less than six months	<u>1,024</u>	<u>1,271</u>
(ii) Cash and Bank Balances		
Cash in hand	1	1
Balances with Scheduled Banks (Refer Note no. 11 in Schedule 11)		
in Current Accounts	1,091	1,749
in Deposit Accounts	<u>221,121</u>	<u>197,436</u>
	222,212	199,185
Balance with Non-Scheduled Banks - in foreign currency (Refer Note no. 11 in Schedule 11)		
in Current Accounts	4,207	1
in Deposit Accounts	<u>--</u>	<u>7,877</u>
	4,207	7,878
Balance with Reserve Bank of India - In current accounts	<u>699</u>	<u>4,672</u>
	<u>227,119</u>	<u>211,736</u>
(iii) Current Investments (Refer Note no. 11 of Schedule 11)		
Quoted, Government Securities		
US Government Treasury Bills	<u>144,776</u>	<u>144,755</u>
(Market Value -Rs. 1,44,838 lacs, Previous Year -Rs.1,45,063 lacs)		
(iv) Interest/Income Accrued :		
On Long Term Investments	13	13
On Current Investments	62	308
On Deposits with Banks	<u>5,261</u>	<u>4,814</u>
	<u>5,336</u>	<u>5,135</u>



THE CLEARING CORPORATION OF INDIA LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

	(Rs. in lacs)	
	As at 31.03.2010	As at 31.03.2009
(v) Loans and Advances		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	369	624
Amount receivable from Clearcorp Dealing Systems (India) Limited - Subsidiary Company	--	8
Deposits	760	747
Fringe Benefit Tax payments less provision (Net of Provision - Rs.61 Lacs, Previous year- Nil)	2	--
	<u>1,131</u>	<u>1,379</u>
TOTAL	<u><u>379,386</u></u>	<u><u>364,276</u></u>

SCHEDULE 6 : CURRENT LIABILITIES AND PROVISIONS

(i) CURRENT LIABILITIES		
Sundry Creditors		
(a) Due to Creditors other than Micro and Small Enterprises	613	495
(b) Due to Micro and Small Enterprises (Refer Note no.20 in Schedule 11)	--	--
Deposits from Members (Refer Note no.11 of Schedule 11)	333,928	351,634
Amount payable to Clearcorp Dealing Systems (India) Limited - Subsidiary Company	32	--
Interest accrued but not due	643	1,736
Other Liabilities	101	162
	<u>335,317</u>	<u>354,027</u>
(ii) PROVISIONS		
Provision for Employee Benefits	275	281
Provision for Income Tax (Net of Payments Rs.18,429 lacs, Previous year - Rs.12,071 lacs)	66	124
Provision for Fringe Benefit Tax (Net of Payments- Nil, Previous year -Rs.58 lacs)	--	3
Provision for Wealth Tax	10	10
Proposed Dividend	1,150	1,150
Provision for Corporate Dividend Tax	195	195
	<u>1,696</u>	<u>1,763</u>
TOTAL	<u><u>337,013</u></u>	<u><u>355,790</u></u>



THE CLEARING CORPORATION OF INDIA LIMITED
SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED MARCH 31, 2010

	(Rs. in lacs)	
	For the year ended 31.03.2010	For the year ended 31.03.2009
SCHEDULE 7 : INCOME FROM OPERATIONS		
(Refer Note no. 2(b) of Schedule 11)		
Transaction Charges	14,782	11,644
Membership Fees	20	22
Others	74	99
TOTAL	14,876	11,765
SCHEDULE 8 : INTEREST/INCOME FROM INVESTMENTS (NET)		
Interest/Income on :		
-Long Term Investments	16	28
-Current Investments	397	1,817
-Fixed Deposits with Banks (Tax Deducted at Source- Rs.2,049 Lacs, Previous year - Rs. 2,663 Lacs)	15,807	13,068
	16,220	14,913
Less : Interest paid on deposits from members	1,971	14,249
Dividend from Units of Mutual Funds - Current Investments	--	118
Profit on Sale/Redemption of mutual funds	2,368	0
TOTAL	16,617	10,259
SCHEDULE 9 : EMPLOYMENT COST		
Salaries & Allowances	1,254	1,125
Contribution to Provident & Other Funds	112	208
Staff Welfare & Training Expenses	93	90
TOTAL	1,459	1,423
SCHEDULE 10 : OPERATING, ADMINISTRATION AND OTHER EXPENSES		
Rent	848	597
Electricity Charges	141	123
Insurance	31	26
Communication Expenses	119	129
Repairs & Maintenance - Building	29	20
Repairs & Maintenance - Computer Systems & Equipment	500	311
Repairs & Maintenance - Others	41	36
Professional Fees	150	85
Line of Credit Commitment Charges	362	268
Bank Transaction Charges	213	191
Directors' Sitting Fees	30	22
Other Expenses	291	293
TOTAL	2,755	2,101



THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts

1. Nature of Operations :

The Clearing Corporation of India Limited ('the Company') provides clearing and settlement system for the transactions in the Money Market, Government Securities Market, Foreign Exchange Market, etc. and carries out related activities. The Company acts as a central counterparty for the trades executed by its members and extends settlement guarantee in terms of the Bye-laws, Rules and Regulations for various types of operations. The Company is authorized as a Payment System under 'The Payment and Settlement Systems Act, 2007' by Reserve Bank of India.

2. Significant Accounting Policies:

(a) **Basis of preparation of Financial Statements :**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, and relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical convention on accrual basis.

The preparation of financial statements requires the management to make estimates and assumptions that have been considered in the reported amounts of assets and liabilities (including current liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements as prudent and reasonable. Future results could differ from these estimates.

(b) **Revenue Recognition :**

- (i) Transaction Charges income is recognised on settlement of respective transactions in terms of the contract with members.
- (ii) Non-refundable one time membership fee is recognised as income in the year in which respective settlement operations commence or in the year in which the membership of the applicant is approved, whichever is later.
- (iii) In case of investment in discounted securities/instruments the discount is accrued over the period to maturity and included in Income from Investments.
- (iv) Dividend Income is recognized when the right to receive is established.
- (v) Revenue from Services is recognized as and when the Service is performed as per the relevant agreements.
- (vi) Other Revenue Income is recognised as and when there is a reasonable certainty of ultimate realisation.

THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

(c) Fixed Assets and Depreciation:

- (i) Fixed assets are stated at cost which comprises of purchase price, freight, duties, taxes, cost of installation and other incidental expenses incurred towards acquisition and installation of such assets.
- (ii) The expenses relating to civil work, electrical installations and other interior work for leased premises are treated as Leasehold Improvements and are amortised over the primary period of lease.
- (iii) Software expenses incurred for Company's core business applications are capitalized as Computer Systems - Software.
- (iv) Depreciation is provided on Straight Line Method as per rates specified below and in the manner specified in Schedule XIV to the Companies Act, 1956:

Asset	Depreciation Rates Applied	SLM Depreciation rates prescribed in the Schedule
Building	1.63%	1.63%
Equipment	20.00%	4.75%
Furniture & Fixtures	20.00%	6.33%
Computer Systems - Hardware	50.00%	16.21%
Computer Systems - Software	100.00%	16.21%

Fixed Assets whose cost is Rs. 5,000 or less are fully written off in the year of acquisition.

(d) Investments:

- (i) Current investments are carried at the lower of the cost and fair value.
- (ii) Long term investments are stated at cost less amortised premium.

(e) Employee Benefits:

Short term Employee Benefits are estimated and provided for. Post Employment Benefits and Other Long term Employee Benefits are treated as follows:

- (i) **Defined Contribution plans:**
 - (a) **Provident Fund:** The provident fund plan is operated by Regional Provident Fund Commissioner (RPFC) and the contribution thereof is paid/provided for.
 - (b) **Superannuation Fund:** Superannuation benefit for the eligible employees is covered by Superannuation Scheme with Life Insurance Corporation of India and the contribution thereof is paid/provided for.



THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

Contributions to the defined contribution plans are charged to Profit & Loss Account for the respective financial year.

(ii) Defined Benefits plans:

Gratuity: Gratuity for employees is covered by Gratuity Scheme with Life Insurance Corporation of India and the contribution thereof is paid/provided for. Provision for Gratuity is made as per actuarial valuation as at the end of the year.

Actuarial gains/losses at the end of the year accrued to the defined benefit plans are taken to Profit & Loss Account for the respective financial year and are not deferred.

(iii) Other Long Term Benefits :

Long term compensated absences: Provision for Leave encashment is made on the basis of actuarial valuation as at the end of the year.

(f) Income Tax:

Provision for current tax is made on the basis of relevant provisions of the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable/virtual certainty that these would be realised in future.

(g) Foreign Currency Transactions:

Revenue Transactions in foreign currency are recorded at the rate of exchange in force at the date of transactions. Foreign Currency assets and liabilities are stated at the rate of exchange prevailing at the year end and resultant gains/losses are recognized in the profit and loss account.

(h) Provisions and Contingent Liabilities:

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if -

- a) the Company has a present obligation as a result of past event,
- b) a probable outflow of resources is expected to settle the obligation and
- c) the amount of the obligation can be reliably estimated.

Contingent Liability is disclosed in the case of -

- a) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- b) a possible obligation, unless the probability of outflow of resources is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, such reimbursement is recognised to the extent of provision or contingent liability, as the case may be, only when it is virtually certain that the reimbursement will be received.



THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

3. Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances) Rs. 3,172 lacs (Previous year Rs. 5,030 lacs).

4. Managerial Remuneration :

(Rs. in lacs)

	2009-10	2008-09 *
Salary & Allowances	21	44
Contribution to Provident Fund	2	5
Perquisites	9	16
Total	32	65

Notes : (i) The above figures exclude provision for leave entitlement and contribution to the approved Group Gratuity Fund, which are actuarially determined, and premium on Group mediclaim policy paid, for the company as a whole.

(ii) Perquisites are evaluated as per income tax provisions wherever necessary.

(iii) Perquisites include Provision for unclaimed Leave Travel Allowance and Medical reimbursement.

(iv) * Includes following amounts pertaining to earlier years:

Salary & Allowances	- Rs. 22 lacs
Contribution to Provident Fund	- Rs. 2 lacs

5. Auditors' Remuneration :

(Rs. in lacs)

	2009-10	2008-09
Audit Fees	4	4
Tax Audit Fees	1	1
Taxation matters	*	#
Other matters	**	##
Out of pocket expenses (Including service tax)	1	1
Total	7	6

* Rs. 40,000 ** Rs. 20,000 # Rs. 37,500 ## Rs. 25,500

6. (a) Value of imports on CIF basis:- NIL (Previous Year - NIL)

(b) Expenditure in Foreign Currency:

(Rs. in lacs)

Particulars	2009-10	2008-09
Interest paid to Members	694	2,729
Other Expenditure	271	268*
Total	965	2,997

* Net of Rs.1 lac reimbursed by Clearcorp Dealing Systems (India) Limited



THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

(c) Earnings in Foreign Exchange:

(Rs. in lacs)

Particulars	2009-10	2008-09
Interest on Deposits with banks	300	845
Income on US Government Treasury Bills	397	1,817
Pre-funding Handling Charges	*	**
Datafeed charges	17	7
Miscellaneous Receipts	1	4
Total	715	2,673

* Rs.11,839 ** Rs.22,250

7. Disclosure as required by Accounting Standard 15 (Revised) on Employee Benefits in respect of Gratuity: The Gratuity Scheme of the Company is funded with LIC of India in the form of qualifying insurance policy. The disclosure is based on Actuarial Valuation details provided by LIC of India.

(Rs. in lacs)

Description	Gratuity	
	2009-10	2008-09
A. Expense recognised in the statement of Profit and Loss Account for the year		
- Current Service Cost	24	24
- Interest Cost	17	9
- Expected return on plan assets	(18)	(13)
- Net actuarial (gain) / loss recognized during the year	(23)	70
- Total Expense to be recognized in Profit & Loss Account	*	90
Less : Already excess recognised	--	--
Add : Additional recognised in the Current Year	--	18
Expense Accounted for the year	*	108
B. Actual return on plan assets		
- Expected return of plan assets	18	13
- Actuarial gain /(loss) on plan assets	--	--
- Actual return of plan assets	18	13

THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

Description	Gratuity	
	2009-10	2008-09
C. Net Asset / (Liability) recognised in the Balance Sheet		
- Present value of obligation	220	210
- Fair value of plan assets	209	163
- Funded status {surplus / (deficit)}	(11)	(47)
- Net Asset/(Liability) recognized in the Balance Sheet	(11)	(47)
D. Change in Present value of Obligation during the year		
- Present value of obligation at the beginning of the year	210	110
- Current Service Cost	24	24
- Interest Cost	17	9
- Benefits paid	(8)	(3)
- Actuarial (gain) / loss on obligation	(23)	70
- Present value of obligation at the end of the year	220	210
E. Change in Assets during the year		
- Fair value of plan assets at the beginning of the year	163	67
- Expected return on plan assets	18	13
- Contributions made	37	86
- Benefits paid	(8)	(3)
- Actuarial (gains) / loss on plan assets	--	--
- Fair value of plan assets at the end of the year	210	163
F. Major categories of plan assets as a percentage of total plan	100% insurance policy	
G. Actuarial Assumptions		
- Discount rate	8.00%	8.00%
- Expected rate of return on assets	9.25%	9.25%
- Employee Attrition Rate	1%-3%	1%-3%
- Mortality Rate/Table	LIC(1994-96) Ultimate	
- Future salary increases consider inflation, seniority, promotion and other relevant factors	5.00%	4.00%

* Rs. 29,891



THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

8. Securities purchased and redeemed/sold during the year are as follows :

(Rs. in lacs)

Securities	Purchase Value	Redemption/Sale value
US Government Treasury Bills *	1,34,326 (1,16,653)	1,34,517 (1,17,695)

Figures in bracket represent corresponding amounts for the previous year

* Actual amounts in US Dollar terms are - Purchase Value USD 2,976 lacs, Redemption Value USD 2,980 lacs. (Previous year figures - Purchase Value USD 2,290 lacs, Redemption Value USD 2,310 lacs).

9. (a) Other income includes-

- (i) Profit on sale of fixed assets (net) - Rs. 20 lacs (Previous year - Rs. 3 lacs).
- (ii) Foreign exchange difference (gain) - Rs. Nil (Previous year - Rs. 71 lacs).
- (iii) Usage charges amounting to Rs. 32 lacs (Previous year - Rs. 32 lacs) reimbursed by Reserve Bank of India.
- (iv) Usage charges amounting to Rs. 88 lacs (Previous year - Rs. 86 lacs) reimbursed by Clearcorp Dealing Systems (India) Limited.
- (v) Income from Datafeed Charges amounting to Rs.32 lacs (Previous year - Rs.13 lacs).
- (vi) Miscellaneous Income amounting to Rs. 36 lacs (Previous year - Rs. 28 lacs).

(b) Other expenses include-

- (i) Rates & taxes - Rs. 5,346 (Previous year - Rs. 555,921)
- (ii) Foreign exchange difference (loss) - Rs. 5 lacs (Previous year - Rs. Nil).
- (iii) Loss on Redemption of Mutual Fund units - Rs. Nil (Previous year - Rs. 68,520)

10. Provision for Employee Benefits includes :-

(Rs. in lacs)

Particulars	2009-10	2008-09
(a) Provision for Gratuity	11	47
(b) Provision for Leave Entitlement	250	223
(c) Provident/Pension Fund Contribution	14	11
Total	275	281

THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

11. Amount of collaterals received from members for various settlement operations and outstanding as on 31.03.2010:

(Rs. in lacs)

Settlement	Cash	Govt. Securities #	Guarantees
Securities	141,390 (139,905)	842,174 (681,286)	--
Forex	* 158,308 (180,357)	--	** 54,168 (61,140)
CBLO	34,229 (31,372)	16,774,181 (12,526,415)	@
Total	333,927 (351,634)	17,616,355 (13,207,701)	54,168 (61,140)

Figures in bracket represent amount outstanding as at the end of the previous year.

The Collaterals received in the form of cash have been invested as under and included in respective accounts - Refer Schedule 5:

(Rs. in lacs)

	As on 31.03.2010	As on 31.03.2009
INR Investments	--	13,175
USD Investments	144,776	144,755
Balance in Bank Accounts		
- In Current Accounts	5,467	5,624
- In Deposit Accounts	183,684	188,080
Total	333,927	351,634

Collaterals received in the form of Government securities are held by the Company under its Constituent Subsidiary General Ledger (CSGL) Account with Reserve Bank of India.

* Equivalent to US Dollars 3,507 lacs (previous year US Dollars 3,540 lacs).

@ The Company has accepted Bank Guarantees amounting Rs.155,000 lacs (Previous year Rs. 165,000 lacs) as additional collaterals towards CBLO Settlement.

** Royal Bank of Scotland PLC has extended a facility to State Bank of India (SBI) amounting to USD 1,200 lacs (Previous year - USD 1,200 lacs), exclusively for its obligations towards the Company, undertaking to meet liability arising out of any default by SBI in CLS Settlement Operations. This has been accepted by the Company as Guarantee.



THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

12. The components of net deferred tax asset/(liability) are as under:

(Rs. in lacs)

Deferred Tax Assets/(Liability)	As at 31.03.2010	As at 31.03.2009
Arising out of timing difference in:		
(i) Depreciation	(46)	74
(ii) Provision for Leave Entitlement	83	76
(iii) Provision for Gratuity	4	16
Net Deferred Tax Asset/(Liability)	41	166

13. Minimum lease rentals payable under non-cancellable operating leases for office/residential accommodations:

(Rs. in lacs)

Period	2009-10	2008-09
Not later than 1 year	620	814
Between 1 and 5 years	8	611
Later than 5 years	Nil	Nil

14. Basic and Diluted Earning Per Share is calculated as under:

Particulars	2009-10	2008-09
(i) Numerator - Net Profit attributable to Equity Shareholders (Rs. in lacs)#	17,758	11,333
(ii) Denominator - Weighted Average Number of Equity Shares outstanding during the year	50000000	50000000
(iii) Nominal value of Equity shares	Rs.10.00	Rs.10.00
(iv) Basic and Diluted Earnings Per share - for the year	Rs.35.52	Rs.22.67

Net Profit attributable to Equity Shareholders have been arrived at after deducting Preference Dividends and Dividend Distribution Tax thereon from the Net Profit after Tax as per Profit & Loss Account

THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

15. Details of balances as at balance sheet date and maximum balances during the year with non-scheduled banks are as follows:

(Amount in Rs)

Balances with non-scheduled Banks	Balance as at 31.03.2010	Balance as at 31.03.2009	Maximum balance during FY 2009-10	Maximum balance during FY 2008-09
In Current Accounts				
RBS, Sydney, Australia	4,144	3,472	116,890,623	65,582,339
RBS, Toronto, Canada	2,344	3,379	39,140,571	3,714
RBS, Zurich, Switzerland	6,277	4,441	1,877,493	28,590
RBS, Copenhagen, Denmark	2,043	2,258	2,267	2,096
RBS, Amstredam, Netherlands	18,842	20,995	20,995	1,420,869,356
RBS, London, U.K	16,133	29,985	53,868,665	61,025,351
RBS, Hongkong	906	1,027	1,025	916
RBS, Tokyo, Japan	2,422	2,645	14,215,038	1,993
DnB NOR Bank, Norway	380	376	4,222	1,277,144,800
ASB Bank, Auckland, New Zealand	1	5,751	11,240	12,327
RBS, Stockholm, Sweden	1,880	1,848	1,925	82,974
RBS, Singapore	3,226	3,354	9,604	2,901
RBS, New York, USA	418,388,185	20,618	7,336,364,881	1,555,606
RBS, Johannesburg, South Africa	3,078	2,638	2,712	2,092,805
Citi Bank, New York, USA	2,257,000	--	5,813,750	--
In Deposit Accounts				
RBS, Newyork, USA	--	--	7,566,000,000	--
RBS Sweep A/C, Cayman Islands	--	530,373,807	947,751,592	4,614,789,841
RBS, Amsterdam, Netherlands	--	--	7,230,000,000	10,294,200,000
Citi Bank Sweep A/C, Nassau, Bahamas	--	257,297,714	98,051,681	882,337,710

RBS=Royal Bank of Scotland

Notes:

- (i) Balances in all the current accounts/deposit accounts in a single Branch are clubbed in order to ascertain above details.
- (ii) End of day balances has been considered while ascertaining maximum balance during the year.
- (iii) Amount in respective currency has been converted into Indian Rupees based on the exchange rate prevailing, on the day of balance sheet, between the subject currency and US Dollar and US Dollar and Indian Rupees.



THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

16. Disclosure in respect of Related Parties pursuant to Accounting Standard 18:

(A) List of Related Parties:

- (i) Parties where control exists - Subsidiaries
Clearcorp Dealing Systems (India) Limited
- (ii) Other Parties with whom the Company has entered into transactions during the year in the ordinary course of the business

Associates

State Bank of India

Key Management Personnel

Mr. Syed Shahabuddin - Managing Director

(B) Details of transactions entered into during the year:

(Rs. in lacs)

Nature of Relationship	Subsidiary	Associate	Key Management Personnel
(i) Transactions during the year			
Income from Operations	-----	456 (421)	-----
Usage Charges recovered	88 (86)	-----	-----
Rent received for residential accommodation	4 (4)	-----	-----
Reimbursement/Sharing of expenses - (Receipt)	81 (56)	1 (-)	-----
Rent paid for residential accommodation	-----	-- (2)	-----
Interest on deposits from members	-----	38 (61)	-----
Operational Income shared	636 (102)	-----	-----
Remuneration	-----	-----	32 (28)

THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

Nature of Relationship	Subsidiary	Associate	Key Management Personnel
(ii) Outstanding balance as at 31.03.2010			
Amounts receivable	-- (8)	32 (41)	-----
Amounts Payable	32 (-)	13 (30)	-----
Collaterals outstanding - Cash	-----	12,295 (11,363)	-----
Collaterals outstanding - Securities (at face value) #	-----	1,845,000 (1,012,500)	-----
Collaterals outstanding - Guarantees \$	-----	54,168 (61,140)	-----
Investment in equity shares	1,000 (500)	-----	-----

- Notes:**
- (a) Figures in bracket represent corresponding amounts in the previous year.
 - (b) Transactions with subsidiary are in respect of common operations and in accordance with the terms of agreement entered into in this regard.
 - (c) No amount in respect of the related parties has been provided for as doubtful debts or written off/back during the year.
 - (d) Transactions with State Bank of India in the nature of banker-customer relationship have been excluded.
 - (e) # Collaterals received in the form of Government securities are held by the Company under its Constituent Account with Reserve Bank of India.
 - (f) \$ Represents USD 1,200 lacs (Previous year - USD 1,200 lacs). Refer note no.11 above.
 - (g) Related party relationship is as identified by the Company and relied upon by the auditors.
 - (h) All the above transactions are in the ordinary course of the business of the Company.

17. Disclosure in respect of Derivative instruments and unhedged foreign currency exposure

- (a) During the year the Company has not entered into any transaction of Derivative Financial Instrument.
- (b) Following are the particulars of material foreign currency exposures not hedged by any derivative instrument:



THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

(In lacs)

PARTICULARS	As at 31.03.2010		As at 31.03.2009	
	Amount in US Dollars	Amount in INR	Amount in US Dollars	Amount in INR
ASSETS				
US Govt. Treasury Bills	3,207	144,776	2,841	144,755
Income /Interest Accrued	2	87	8	417
Deposits with Banks	210	9,479	715	36,409
Others	94	4,229	1	46
Total	3,513	158,571	3,565	181,627
LIABILITIES				
Deposits from members	3,507	158,308	3,540	180,357
Interest payable to members	5	236	24	1,218
Bank Transaction Charges Payable	1	28	1	43
Total	3,513	158,572	3,565	181,618
Net Assets / (Liabilities)	--	(1)	--	9

18. The Company's operations fall into one business segment comprising of facilitating 'Clearing and Settlement' of securities/foreign exchange/money market instruments and activities incidental thereto, and all its operations are carried out in India. Therefore, the disclosures as required under Accounting Standard 17 - "Segment Reporting" are not applicable.
19. Settlement Reserve Fund represents amount set aside from Profits of the Company, from time to time as may be considered appropriate by the management, to ensure that there are sufficient assigned financial resources which may be utilized for meeting claims in relation to any settlement default, consequences of operational failures and any loss on account of settlement bank failure. 'Balance with Scheduled Banks - in Deposit Accounts' includes Rs.8,000 lacs (Previous year - Nil) earmarked for this purpose.
20. As at March 31, 2010, no supplier has intimated the Company about its status as Micro or Small Enterprises or its Registration with appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006.



THE CLEARING CORPORATION OF INDIA LIMITED

SCHEDULES TO BALANCE SHEET AS AT AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2010

Schedule 11: Significant Accounting Policies and Notes to Accounts (contd.)

21. There is no amount outstanding in respect of items which would be required to be credited to Investor Education and Protection Fund, on completion of specified period, under Section 205C of the Companies Act, 1956.
22. In the opinion of the management, the Current Assets, Loans & Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. Provision for Depreciation and all known liabilities is adequate and not in excess of the amount reasonably necessary.
23. Information with regard to other matters specified in clauses 3, 4C & 4D of Part II to Schedule VI of the Companies Act, 1956 are either nil or not applicable to the Company.
24. Previous year's figures have been regrouped, reclassified and rearranged to conform to current year's presentation, wherever necessary.

For and on behalf of the Board of Directors

Sd/-
Dr. R. H. Patil
Chairman

Sd/-
Syed Shahabuddin
Managing Director

Sd/-
Y. H. Malegam
Director

Sd/-
O.N.Ravi
*Company Secretary &
Corporate Development Officer*

Place : Mumbai
Date : May 5, 2010



THE CLEARING CORPORATION OF INDIA LIMITED

IV Performance of Company (Amount in Rs. Thousands)

Turnover/Total Income

		3	1	7	0	1	0	0
--	--	---	---	---	---	---	---	---

Total Expenditure

		5	2	7	0	0	0
--	--	---	---	---	---	---	---

+ -

Profit / Loss before tax

✓	

		2	6	4	3	1	0	0
--	--	---	---	---	---	---	---	---

+ -

Profit / Loss after tax

✓	

		1	8	2	2	6	0	0
--	--	---	---	---	---	---	---	---

(Please tick Appropriate box + for Profit, - for Loss)

Earning per Share in Rs.

			3	5	.	5	2
--	--	--	---	---	---	---	---

Dividend rate %

1	5
---	---

V Generic Names of Three Principal Products / Services of Company (as per monetary terms)

Item Code No.
(ITC Code)

N	A								
---	---	--	--	--	--	--	--	--	--

Product

F	A	C	I	L	I	T	A	T	I	N	G		C	L	E	A	R	I	N
---	---	---	---	---	---	---	---	---	---	---	---	--	---	---	---	---	---	---	---

Description

G		A	N	D		S	E	T	T	L	E	M	E	N	T				
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For and on behalf of the Board of Directors

Sd/-
Dr. R. H. Patil
Chairman

Sd/-
Syed Shahabuddin
Managing Director

Sd/-
Y. H. Malegam
Director

Sd/-
O.N.Ravi
*Company Secretary &
Corporate Development Officer*

Place : Mumbai
Date : May 5, 2010



THE CLEARING CORPORATION OF INDIA LIMITED
STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956,
RELATING TO SUBSIDIARY COMPANY

1	Name of the subsidiary	:	Clearcorp Dealing Systems (India) Limited
2	Financial Year of the subsidiary Company ended on	:	31st March, 2010
3	Holding Company's interest as on above date	:	
	Number of shares	:	1,00,00,000 equity shares of Rs. 10 each, fully paid
	Extent of Holding	:	100%
4	The Net Aggregate amount of the subsidiary's Profits/(Losses) so far as it concerns members of the holding Company and is not dealt with in Holding Company's accounts	:	
	(i) for the financial year of the Company	:	Rs.28,708 thousands
	(ii) for the previous financial year of the subsidiary since it became the holding Company's subsidiary	:	Rs.50,049 thousands
5	Net aggregate amounts of the Profit/(Losses) of the subsidiary dealt with in the Company's account	:	
	(i) for the financial year of the Company	:	NIL
	(ii) for the previous financial year of the subsidiary since it became the holding Company's subsidiary	:	NIL

For and on behalf of the Board of Directors

Sd/-
Dr. R. H. Patil
Chairman

Sd/-
Syed Shahabuddin
Managing Director

Sd/-
Y. H. Malegam
Director

Sd/-
O.N.Ravi
Company Secretary &
Corporate Development Officer

Place : Mumbai
Date : May 5, 2010



The Clearing Corporation of India Limited

5th - 7th Floor, Trade World - 'C' Wing, Kamala City, S. B. Marg, Lower Parel (West),
Mumbai - 400 013. Tel: 2492 8155 Fax: 2495 1089
Website: www.ccilindia.com