

The Clearing Corporation of India Limited



Financial Statements

2012-2013

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Duncan Wood, Editor **Risk**
July 2012



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Board of Directors:

Mrs. Shyamala Gopinath (Chairperson)

Mr. R. Sridharan (Managing Director)

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

Mrs. Shilpa Kumar

Mr. Bhavesh Zaveri

Mr. M. S. Sundara Rajan

Mr. N. S. Venkatesh

Mr. V. H .Thatte

Mr. P. Pradeep Kumar

Mr. Anjan Barua

Company Secretary:

Mr. O. N. Ravi

Auditors:

M/s. Kalyaniwalla & Mistry

Chartered Accountants

Registered and Corporate office:

CCIL Bhavan

College Lane,

Off. S. K. Bole Road,

Dadar (West),

Mumbai-400 028

Tel: 61546200 ♦ Fax: 24326042

Website: www.ccilindia.com



THE CLEARING CORPORATION OF INDIA LIMITED

Financial Statements 2012-2013

Contents

1. Auditors' Report	7
2. Financial Statements	
Balance Sheet	12
Statement of Profit and Loss	13
Cash Flow Statement	14
Notes to the Financial Statements	16
Statement pursuant to Section 212 of the Companies Act, 1956	39

AUDITORS' REPORT

To the members of
THE CLEARING CORPORATION OF INDIA LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of *THE CLEARING CORPORATION OF INDIA LIMITED* ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - (e) on the basis of written representations received from the Directors as on March 31, 2013 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants
Firm Regn. No.: 104607W

Sd/-
Daraius Z. Fraser
Partner
M. No.: 42454

Place: Mumbai
Date : May 14, 2013

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date:

1. Fixed Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) In our opinion, the disposal of fixed assets during the year does not affect the going concern assumption.

2. Inventory:

The Company does not have any inventory.

3. Loans and Advances:

The Company has neither granted nor taken any loans, secured or unsecured to / from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchases of fixed assets and for services. 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. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder. No order has been passed by the Company Law Board, or National Company Law Tribunal, or Reserve Bank of India, or any Court, or any other Tribunal.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956, for any of the activities of the Company.



9. Statutory Dues:
- a) According to the information and explanation given to us, the company is regular in depositing undisputed statutory dues, including dues pertaining to Investor Education and Protection Fund, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Cess and any other statutory dues with the appropriate authorities. We have been informed that there are no undisputed dues which have remained outstanding as at the end of the financial year, for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty or cess outstanding on account of any dispute.
10. The Company does not have accumulated losses as at the end of the financial year, nor has it incurred cash losses in the current financial year, or in the immediately preceding financial year.
11. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks. There are no dues to financial institutions or debenture holders.
12. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund/ societies.
14. The Company is not carrying on 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 Company has made investments. The securities have been held by the Company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, the Company has not obtained any term loan.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Cash Flow Statement and other records examined by us, the Company has not used funds raised on short term basis for long term investment.

18. The Company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company did not issue any debentures during the year.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the company, has been noticed or reported during the year.

For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants
Firm Regn. No.: 104607W

Sd/-
Daraius Z. Fraser
Partner
M. No.: 42454

Place: Mumbai
Date : May 14, 2013



THE CLEARING CORPORATION OF INDIA LIMITED
BALANCE SHEET AS AT MARCH 31, 2013

(₹ in lakhs)

	Note No.	As at 31.03.2013	As at 31.03.2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	10,000	10,000
Reserves and Surplus	3	97,668	72,552
Non-current Liabilities			
Deferred Tax Liabilities (Net)	4	221	60
Long-term Provisions	5	374	336
Current Liabilities			
Trade Payables	6	243	302
Other Current Liabilities	7	450,864	409,053
Short-term Provisions	8	1,003	1,507
TOTAL		560,373	493,810
ASSETS			
Non-current Assets			
Fixed Assets	9		
-Tangible Assets		15,338	15,719
- Intangible Assets		568	322
-Capital Work-in-Progress		3	-
-Software under Development		298	358
Non-current Investments	10	1,000	1,000
Long-term Loans and Advances	11	207	95
Other Non-current Assets	12	193,510	177,489
Current Assets			
Current Investments	13	228,563	209,960
Trade Receivables	14	2,821	1,640
Cash and Bank Balances	15	106,976	78,630
Short-term Loans and Advances	16	31	75
Other Current Assets	17	11,058	8,522
TOTAL		560,373	493,810
Significant Accounting Policies and Notes to the Financial Statements	1-37		

As per our attached report of even date

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

Sd/-

Daraius Z. Fraser
Partner

Place : Mumbai
Date : May 14, 2013

Signatures to the Balance Sheet and Notes thereon

For and on behalf of the Board of Directors

Sd/-
Shyamala Gopinath
Chairperson

Sd/-
R. Sridharan
Managing Director

Sd/-
Y. H. Malegam
Director

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



THE CLEARING CORPORATION OF INDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

		(₹ in lakhs)	
	Note No.	For the year ended 31.03.2013	For the year ended 31.03.2012
Revenue from Operations			
Income from Operations	18	24,231	15,964
Other Operating Revenues	19	15,667	12,946
		39,898	28,910
Other Income	20	7,637	5,299
Total Revenue		47,535	34,209
Expenses:			
Employee Benefits Expense	21	2,569	2,439
Finance Costs	22	853	777
Depreciation and Amortization Expense	23	1,627	1,594
Other Expenses	24	3,203	2,917
Total Expenses		8,252	7,727
Profit Before Tax for the Year		39,283	26,482
Tax Expense:			
- Current Tax		12,660	8,471
- Deferred Tax		161	122
- Tax Adjustments relating to Earlier Year		(3)	-
Profit After Tax for the year		26,465	17,889
Earnings per Equity Share:			
-Basic		51.99	34.85
-Diluted		51.99	34.85
(Equity Share of face value of ₹ 10 each)			
Significant Accounting Policies and Notes to the Financial Statements	1-37		

As per our attached report of even date

For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants

Sd/-
Daraius Z. Fraser
Partner

Place : Mumbai
Date : May 14, 2013

Signatures to the Balance Sheet and Notes thereon

For and on behalf of the Board of Directors

Sd/-
Shyamala Gopinath
Chairperson

Sd/-
Y. H. Malegam
Director

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

Sd/-
R. Sridharan
Managing Director



THE CLEARING CORPORATION OF INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	(₹ in lakhs)	
	2012-13	2011-12
(A) CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	39,284	26,482
Add : Adjustments for -		
Depreciation and Amortization Expense	1,627	1,594
Wealth Tax included under Rates & taxes	11	11
Interest under Income Tax provisions	21	8
Less: Adjustments for -		
Interest Income on Investments made out of Own Funds	7,181	5,008
Profit/(Loss) on Sale of Fixed Asset (net)	4	19
Excess Provision of Depreciation Written Back	1	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	33,757	23,068
Adjustments for -		
(Increase)/ Decrease in Non Current Assets / Current Assets	(53,698)	(11,285)
Increase/(Decrease) in Non Current Liabilities / Current Liabilities	41,832	31,492
CASH GENERATED FROM OPERATIONS	21,891	43,275
Direct Taxes paid	(12,913)	(8,607)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)	8,978	34,668
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,464)	(10,987)
Sale of Fixed Assets	4	20
Interest Income on Investments made out of Own Funds	6,446	4,583
Placement of Fixed Deposits with Banks made out of Own Funds	(80,122)	(58,396)
Redemption of Fixed Deposits with Banks made out of Own Funds	59,298	44,925
Sale/Redemption of Investments	300	-
NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)	(15,538)	(19,855)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Preference Shares	5,000	-
Redemption of Preference Shares	(5,000)	-
Dividend/Dividend Distribution Tax paid	(1,795)	(1,337)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)	(1,795)	(1,337)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(8,355)	13,476



THE CLEARING CORPORATION OF INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013 (contd.)

	(₹ in lakhs)	
	2011-13	2010-12
CASH AND CASH EQUIVALENTS		
OPENING BALANCE	20,115	6,639
CLOSING BALANCE		
Before adjustment of unrealised foreign exchange	11,528	19,629
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	232	486
	11,760	20,115
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(8,355)	13,476

Notes:

1. The above Cash Flow Statement has been prepared using the indirect method as per Accounting Standard AS-3.
2. 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 and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants

Signatures to the Balance Sheet and Notes thereon
For and on behalf of the Board of Directors

Sd/-
Shyamala Gopinath
Chairperson

Sd/-
R. Sridharan
Managing Director

Sd/-
Daraius Z. Fraser
Partner

Sd/-
Y. H. Malegam
Director

Place : Mumbai
Date : May 14, 2013

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



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

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.

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 and Portfolio Compression Charges income are recognised on settlement of respective transactions in terms of the contract with members.
- (ii) Forex Forward Charges income is recognized on accrual basis over the period of respective Forex Forward trades in terms of the contract with the members.
- (iii) 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.
- (iv) In case of investment in discounted securities/instruments the discount is accrued over the period to maturity and included in Income from Investments.
- (v) Dividend Income is recognized when the right to receive is established.
- (vi) Revenue from Services is recognized as and when the Service is performed as per the relevant agreements.
- (vii) Other Revenue Income is recognised as and when there is a reasonable certainty of ultimate realisation.

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(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) Software expenses incurred for Company's core business applications are capitalized as Computer Software.
- (iii) 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
Freehold Land	-	-
Buildings- Residential	1.63%	1.63%
Buildings - Office	1.63%	1.63%
Computer Systems - Hardware	50.00%	16.21%
Furniture and Fixtures	20.00%	6.33%
Office and Other Equipment	20.00%	4.75%
Computer Software	100.00%	16.21%

Fixed Assets whose cost is ₹ 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.

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



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(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 the Statement of Profit & Loss 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 Statement of Profit and Loss.

(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
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

	As at 31.03.2013		As at 31.03.2012	
	Number	₹ in lakhs	Number	₹ in lakhs
NOTE 2 : SHARE CAPITAL				
Authorised				
Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each	50,000,000	5,000	50,000,000	5,000
Equity Shares of ₹ 10 each	50,000,000	5,000	50,000,000	5,000
	100,000,000	10,000	100,000,000	10,000
Issued, Subscribed and Paid up				
8.5% Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each	50,000,000	5,000	-	-
8% Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each	-	-	50,000,000	5,000
Equity Shares of ₹ 10 each	50,000,000	5,000	50,000,000	5,000
Total	100,000,000	10,000	100,000,000	10,000

Notes:

- (a) There has been no change in the number of Equity Shares outstanding at the beginning and at the end of the year. Reconciliation of preference shares outstanding at the beginning and at the end of the year is as follows :

Particulars	2012-13	2011-12
8.5% Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each		
Issued during the year	50,000,000	-
No of Shares at the end of the year	50,000,000	-
8% Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each		
No of Shares at the beginning of the year	50,000,000	50,000,000
Redeemed during the year	50,000,000	-
No of Shares at the end of the year	-	50,000,000



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(b) **Rights Attached to Equity Shares**

Voting Rights :

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each Equity Shareholder is entitled to one vote per share.

Dividend :

The dividend recommended by the Board of Directors is subject to the approval of shareholders in the Annual General meeting and would be paid in proportion to the amount of capital paid-up on shares.

Winding up:

If any assets are available for distribution upon liquidation in terms of the provisions of the Act, it will be distributed in proportion to the capital paid-up or which ought to have been paid up at the commencement of winding -up.

(c) **Rights Attached to Preference Shares**

Voting Rights :

The Company has only one class of Preference Shares being Redeemable, Cumulative, Non-convertible and Non-participating Preference Shares. The shareholders have right to vote only on resolutions which directly affect their interest.

Dividend :

The Preference Shareholders are entitled to Dividend @ 8.50% p.a. (Previous year - 8% p.a.)

Redemption :

Preference Shares are redeemable on March 23, 2018. (Previous year - 3,10,00,000 shares redeemable on 26.03.2013 and 1,90,00,000 shares redeemable on 29.03.2013.)

Winding up :

In the event of liquidation, Preference Shares will have preferential right of return of amount paid-up on the shares together with the arrears of cumulative preferential dividend, if any, due on the date of winding up but shall not have further right or claim over the surplus assets of the Company.

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

- (d) Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held are as follows-

Name of Shareholder	As at 31.03.2013		As at 31.03.2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:				
State Bank of India	13,000,000	26.00	13,000,000	26.00
Life Insurance Corporation of India	5,000,000	10.00	5,000,000	10.00
STCI Finance Limited	5,000,000	10.00	5,000,000	10.00
IDBI Bank Limited	3,750,000	7.50	3,250,000	6.50
ICICI Bank Limited	2,750,000	5.50	2,750,000	5.50
8.5% Redeemable, Non Convertible, Cumulative Preference Shares :				
The Kalupur Commercial Co-operative Bank Limited	19,000,000	38.00	-	-
Kotak Mahindra Bank Ltd.	8,000,000	16.00	-	-
The South Indian Bank Limited	5,000,000	10.00	-	-
The Karur Vysya Bank Ltd.	5,000,000	10.00	-	-
The Federal Bank Ltd.	5,000,000	10.00	-	-
Yes Bank Ltd.	5,000,000	10.00	-	-
8% Redeemable, Non Convertible, Cumulative Preference Shares :				
The Kalupur Commercial Co-operative Bank Limited	-	-	19,000,000	38.00
The Saraswat Co-operative Bank Limited	-	-	10,000,000	20.00
The South Indian Bank Limited	-	-	5,000,000	10.00
Reliance Capital Asset Management Limited	-	-	5,000,000	10.00
ICICI Securities Primary Dealership Limited	-	-	5,000,000	10.00

- (e) For the period of five years immediately preceding the date of the Balance Sheet, the Company has not
- i) Allotted any shares as fully paid up pursuant to contracts without payment being received in cash; or
 - ii) Allotted any shares as fully paid up bonus shares; or
 - iii) Bought back any of its Equity Shares.
- (f) There are no calls unpaid on any Equity Shares.
- (g) There are no forfeited shares.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

	As at 31.03.2013	As at 31.03.2012
(₹ in lakhs)		
NOTE 3 : RESERVES AND SURPLUS		
General Reserve		
Opening Balance	24,232	20,232
Add: Transfer from Surplus	6,500	4,000
Closing Balance	<u>30,732</u>	<u>24,232</u>
Settlement Reserve Fund {Refer Note (a) & (b) below}		
Opening Balance	47,000	34,000
Add: Transfer from Surplus	17,000	13,000
Closing Balance	<u>64,000</u>	<u>47,000</u>
Surplus		
Opening Balance	1,320	1,768
Add: Net Profit After Tax transferred from Statement of Profit & Loss	26,465	17,889
Amounts available for Appropriation	27,785	19,657
Appropriations :		
- Interim Dividends {Refer Note (b) below}	395	-
- Proposed Dividend Equity Shares {Refer Note (c) below}	750	750
- Proposed Dividend Preference Shares {Refer Note (d) below}	10	400
- Dividend Distribution Tax	194	187
- Transfer to General Reserve	6,500	4,000
- Transfer to Settlement Reserve Fund	17,000	13,000
Closing Balance	<u>2,936</u>	<u>1,320</u>
Total	<u><u>97,668</u></u>	<u><u>72,552</u></u>

Notes:

- (a) Settlement Reserve Fund represents amounts set aside from the Profits of the Company from time to time as may be considered appropriate by the Board of Directors, 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. Bank deposits amounting to ₹ 47,000 lakhs (Previous year - ₹ 34,000 lakhs) are earmarked for this purpose.

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

- (b) Interim Dividend represents dividend of ₹ 0.80 per Preference Share on 8% Preference shares of ₹10 each aggregating to ₹ 395 Lakhs (Previous year - Nil) paid on pro-rata basis, for the period April 1, 2012 till the date of redemption.
- (c) Proposed Dividend on Equity Shares consist of dividend of ₹ 1.50 per Equity Share aggregating to ₹ 750 lakhs (Previous year - ₹ 1.50 per Equity Share aggregating to ₹ 750 lakhs).
- (d) Proposed Dividend on Preference Shares consist of dividend of ₹ 0.85 per Preference Share on 8.5% Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each aggregating to ₹ 10 lakhs provided on pro-rata basis for the period from the date of issue till March 31, 2013 (Previous year - ₹ 0.80 per Preference Share on 8% Redeemable, Non Convertible, Cumulative Preference Shares aggregating to ₹ 400 lakhs).

	(₹ in lakhs)	
	As at 31.03.2013	As at 31.03.2012
NOTE 4 : DEFERRED TAX LIABILITY (NET)		
<u>Deferred Tax Liabilities</u>		
Arising out of timing difference in-		
- Depreciation	465	227
<u>Deferred Tax Assets</u>		
Arising out of timing difference in-		
- Provision for Leave Entitlement	(135)	(115)
- Provision for Deferred Incentive	-	(32)
- Provision for Medical Leave	(23)	(20)
- Provision for Property Tax	(86)	-
Total	221	60

NOTE 5 : LONG TERM PROVISIONS

Provision for Employee Benefits	374	336
Total	374	336

NOTE 6 : TRADE PAYABLES

Due to Creditors other than Micro and Small Enterprises	233	302
Due to Micro and Small Enterprises	10	0 *
Total	243	302

* denotes amount less than ₹ 1 lakh.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

	(₹ in lakhs)	
	As at 31.03.2013	As at 31.03.2012
NOTE 7 : OTHER CURRENT LIABILITIES		
Due to Clearcorp Dealing Systems (India) Ltd. -Subsidiary Company	-	35
Creditors for Capital Expenses	673	902
Settlement Dues Payables {Refer Note (a) below}	-	4,176
Interest Accrued but not Due	1,386	1,139
Deposits from Members {Refer Note (b) below}	448,016	402,276
Others {Refer Note (c) below}	789	525
Total	450,864	409,053

Notes:

- (a) Settlement Dues payable as on 31.03.2012 represents amount withheld from payout to a member on account of securities shortage on 30.03.2012, as per terms of Bye-laws, Rules & Regulations for Securities Settlement operations. This amount was released to the member on 03.04.2012 on replenishment of securities due.
- (b) Deposits from Members include amount of collaterals received from members and outstanding as at the year end as detailed below :

	(₹ in lakhs)		
Particulars	Cash	Govt. Securities #	Guarantees
Securities Settlement	179,907 (154,320)	2,122,722 (1,494,768)	--
Forex Settlement	232,389 * (213,435) *	--	65,267 ** (61,388) **
CBLO Settlement	35,720 (34,521)	18,362,586 (15,074,791)	265,000 @ (265,000)
Default Fund - Forex Forwards	--	88,798 (73,634)	--
Total	448,016 (402,276)	20,574,106 (16,643,193)	330,267 (326,388)

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

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

The Collaterals received in the form of cash have been invested as under and are included in respective accounts:

	(₹ in lakhs)	
	As on 31.03.2013	As on 31.03.2012
USD Investments (under Current Investments)	228,563	209,660
Balance in Bank Accounts		
- In Current Accounts	4,977	4,532
- In Deposit Accounts	214,476	188,084
Total	448,016	402,276

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 except for Securities having face value amounting to ₹ 4,200 lakhs which had been utilised on 30.03.2012 towards meeting securities default as per terms of Byelaws, Rules & Regulations of Securities Settlement Operations. The same were replenished on 03.04.2012.

* Equivalent to US Dollars 4,273 lakhs (Previous year - US Dollars 4,172 lakhs).

@ The Company has accepted Bank Guarantees as additional collaterals towards CBLO Settlement.

** Represents facility extended by Royal Bank of Scotland PLC to State Bank of India (SBI) amounting to USD 1,200 lakhs (Previous year - USD 1,200 lakhs), exclusively for SBI's obligations towards the Company, undertaking to meet liability arising out of any default by SBI in CLS Settlement Operations.

(c) Others includes provision for estimated Property Tax Liability amounting to ₹ 253 lakhs for the period up to March 31,2013, for the Company's Dadar Premises as per the new Capital Value System, pending demand notice from the Municipal Corporation of Greater Mumbai (Previous year - Nil).

NOTE 8 : SHORT TERM PROVISIONS

Provision for Employee Benefits	113	101
Provision for Taxation (Net of tax payments and tax deducted at source - ₹ 29,281 lakhs for Previous year)	-	69
Proposed Dividends	760	1,150
Provision for Dividend Distribution Tax	130	187
Total	1,003	1,507

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(₹ in lakhs)

Sr. No.	Particulars	Gross Block				Accumulated Depreciation				Net Block			
		As on 01.04.2012	Additions	Disposal	Adjustments	As on 31.03.2013	Upto 31.03.2012	Depreciation for the year	On Disposals	Adjustments	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
a	Tangible Assets												
	Freehold Land	1,320	-	-	-	1,320	-	-	-	-	-	1,320	1,320
	Buildings - Residential	1,139	-	-	-	1,139	130	19	-	-	149	990	1,009
	Buildings - Office	10,938	444	-	(12)	11,370	129	185	-	(0)	314	11,056	10,809
	Computer Systems												
	Hardware	2,310	156	76	-	2,390	2,003	314	76	-	2,241	149	307
	Furniture and Fixtures	512	37	1	(1)	547	133	106	1	(0)	238	309	379
	Office and Other Equipment	2,326	93	-	(16)	2,403	431	459	-	(1)	889	1,514	1,895
	Total	18,545	730	77	(29)	19,169	2,826	1,083	77	(1)	3,831	15,338	15,719
b	Intangible Assets												
	Computer Software	5,981	790	-	-	6,771	5,659	544	-	(0)	6,203	568	322
	Total	5,981	790	-	-	6,771	5,659	544	-	(0)	6,203	568	322
c	Capital Work In Progress												
												3	-
d	Software under Development												
												298	358
												301	358
	Grand Total	24,526	1,520	77	(29)	25,940	8,485	1,627	77	(1)	10,034	16,207	
	Previous Year	13,359	11,571	404	-	24,526	7,293	1,594	403	-	8,485		16,399

Notes:

- Freehold Land represents allocated cost of land related to Company's office building at Dadar (Mumbai), the conveyance for which is yet to be executed in favour of the Company.
- Cost of building under "Building - Residential" includes ₹ 14,000 paid towards 14 shares of ₹1,000 each of an Apartment Condominium.
- Adjustments under Gross Block and Accumulated Depreciation represents change in cost of assets capitalised in the previous year on estimated basis and depreciation thereon respectively.
- "0" denotes amount less than ₹ 1 Lakh



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

	(₹ in lakhs)	
	As at 31.03.2013	As at 31.03.2012
NOTE 10 : NON CURRENT INVESTMENTS		
Unquoted (at Cost):		
Investment in Equity instruments		
-Wholly Owned Subsidiary Clearcorp Dealing Systems (India) Limited	1,000	1,000
1,00,00,000 equity shares of ₹ 10 each, fully paid up		
Total	1,000	1,000

NOTE 11: LONG TERM LOANS AND ADVANCES

Capital Advances		
Unsecured, Considered Good	1	31
Security Deposits {Refer Note (a) below}		
Unsecured, Considered Good	52	64
Others		
Advance Tax & Tax deducted at Source (Net of Provision for tax - ₹ 33,941 lakhs)	154	-
Total	207	95

Note:

- (a) Security Deposits includes a deposit of ₹ 38 lakhs (Previous year - ₹ 38 lakhs) paid by the Developers of Office Premises at Dadar to The Municipal Corporation of Greater Mumbai for basement area, yet to be transferred in the name of the Company.

NOTE 12: OTHER NON CURRENT ASSETS

Bank Deposits with original maturity of more than 12 months {Refer Note (a) below}	193,480	177,465
Others	30	24
Total	193,510	177,489

Note:

- (a) 'Bank Deposits' includes deposits amounting to ₹ 34,685 lakhs (Previous year - ₹ 30,985 lakhs) earmarked for Settlement Reserve Fund.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

	(₹ in lakhs)	
	As at 31.03.2013	As at 31.03.2012
NOTE 13 : CURRENT INVESTMENTS		
Investment in Government Securities	228,563	209,660
Investment in Debentures or Bonds	-	300
Total	228,563	209,960

Note:

(a) Particulars of Quoted/Unquoted Investments

Aggregate amount of quoted investments (Market Value - ₹ 2,28,662 lakhs, Previous Year - ₹ 2,09,689 lakhs)

228,563 209,660

Aggregate amount of unquoted investments

- 300

228,563 **209,960**

(b) Details of Current Investments :

Sr. No.	Investments	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount (₹ in lakhs)	Whether stated at Cost
		As at				As at	
		31.03.2013	31.03.2012			31.03.2013	31.03.2012
(a) Investments in Government Securities							
	US Government Treasury Bills	4,205,000	4,100,000	Quoted	Fully Paid	228,563	209,660
						228,563	209,660
(b) Investments in Debentures or Bonds							
	5.30% Nuclear Power Corporation of India Limited (Face Value per Unit ₹ 100,000) (Maturity Date 31.12.2012)	-	300	Unquoted	Fully paid	-	300
						-	300
						228,563	209,960

NOTE 14 : TRADE RECEIVABLES

Trade Receivables outstanding for a period less than six months from the date they are due for payment

Unsecured, Considered Good	2,821	1,640
Total	2,821	1,640

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

	(₹ in lakhs)	
	As at 31.03.2013	As at 31.03.2012
NOTE 15 : CASH AND BANK BALANCE		
(A) Cash and Cash Equivalents		
Balances with Banks		
in Current Accounts	7,260	10,114
in Deposit Accounts (original maturity of less than or equal to 3 months)	4,500	10,000
	11,760	20,114
Cash on Hand	0 *	1
	11,760	20,115
(B) Other Bank Balances		
Bank Deposits with original maturity of more than 3 months but less than or equal to 12 months {Refer Note (a) below}	95,216	58,515
	95,216	58,515
Total	106,976	78,630

Note:

- (a) 'Other Bank Balances' includes bank deposits amounting to ₹ 12,315 lakhs (Previous year - ₹ 3,015 lakhs) earmarked for Settlement Reserve Fund.

NOTE 16 : SHORT TERM LOANS AND ADVANCES

Unsecured, Considered Good	31	75
Total	31	75

NOTE 17 : OTHER CURRENT ASSETS

Interest Accrued on Deposits with Banks	10,528	7,794
Interest Accrued on Investments	81	43
Due from Clearcorp Dealing Systems (India) Ltd.- Subsidiary Company	8	-
Others	441	685
Total	11,058	8,522

* denotes amount less than ₹ 1 lakh



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

	(₹ in lakhs)	
	For the year ended 31.03.2013	For the year ended 31.03.2012
NOTE 18 : INCOME FROM OPERATIONS		
<i>(Refer Note 28)</i>		
Transaction Charges -Securities Settlement	17,837	10,028
Transaction Charges -CBLO Settlement	1,558	1,468
Transaction Charges -Forex Settlement	3,092	2,935
Transaction Charges -CLS Settlement	880	501
Portfolio Compression Charges	199	490
Forex Forward Charges	598	412
Membership Fees	19	20
Other	48	110
Total	24,231	15,964
NOTE 19 : OTHER OPERATING REVENUES		
Interest Income on investments made out of Deposits from Members		
-Current Investments	347	209
-Fixed Deposits with Banks	20,420	17,064
	20,767	17,273
Less : Interest Paid on Deposits from Members	5,100	4,327
Total	15,667	12,946
NOTE 20 : OTHER INCOME		
Interest Income on Investments made out of Own Funds		
-Short Term Investments	12	16
-Fixed Deposits with Banks	7,169	4,992
	7,181	5,008
Profit on Sale of Fixed Assets (net)	4	19
Net Profit on Foreign Currency Transaction and Translation	-	5
Income - Business Support Services	266	80
Others	186	187
Total	7,637	5,299

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

	(₹ in lakhs)	
	For the year ended 31.03.2013	For the year ended 31.03.2012
NOTE 21: EMPLOYEE BENEFITS EXPENSE		
<i>(Refer Note 28)</i>		
Salaries	2,123	2,036
Contributions to Provident and Other Funds	274	239
Staff Welfare Expenses	172	164
Total	2,569	2,439
NOTE 22: FINANCE COST		
Interest under Income Tax/ Service Tax Provisions	21	8
Line of Credit Commitment Charges	832	769
Total	853	777
NOTE 23: DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on Tangible Assets	1,083	974
Amortisation of Intangible Assets	544	620
Total	1,627	1,594
NOTE 24: OTHER EXPENSES		
<i>(Refer Note 28)</i>		
Power and Fuel	330	281
Rent	57	596
Repairs and Maintenance -Buildings	87	60
Repairs and Maintenance -Computer Systems and Equipment	879	818
Repairs and Maintenance -Others	66	46
Insurance	10	14
Rates and Taxes	280	24
Communication Expenses	155	156
CLS Settlement Charges	652	346
Net Loss on Foreign Currency Transaction and Translation	13	-
Professional Fees	198	138
Payment to Auditors:		
- As Auditor	6	5
- For Other Services	0 *	0 *
- Reimbursement of Expenses	0 *	0 *
Others	470	432
Total	3,203	2,917

* denotes amount less than ₹ 1 lakh.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

NOTE 25 : CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	(₹ in lakhs)	
	As at 31.03.2013	As at 31.03.2012
(i) Contingent Liabilities		
Claims against the Company not acknowledged as debt {Refer Note (a) below}	-	169
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Previous year -net of advances ₹ 85 lakhs)	2	164
Total	2	333

Note :

- (a) Claims against the Company not acknowledged as debt as on 31.03.2012 comprised of a demand from the Income-tax Authorities for additional tax amounting to ₹ 169 lakhs (including interest of ₹ 45 lakhs) in respect of Assessment Year 2006-07 on account of certain additions to the taxable income assessed for that year. The Company had preferred an appeal against the said demand. The Commissioner of Income-tax (Appeals) vide order dated March 19, 2013, has ruled in favour of the Company and deleted all of the disallowances except under Sec 14A amounting to ₹ 1 lakh.

	(₹ in lakhs)	
	For the year ended 31.03.2013	For the year ended 31.03.2012
Interest on Deposits with Banks	2	0 *
Income on US Government Treasury Bills	298	186
Pre-funding Handling Charges	0 *	0 *
Datafeed Charges	18	16
Miscellaneous Receipts	0 *	7
Total	318	209

NOTE 27 : VALUE OF IMPORTS AND EXPENDITURE IN FOREIGN CURRENCY

Value of Imports on CIF basis	-	0 *
Expenditure in Foreign Currency :		
- Interest paid to Members	295	191
- Other Expenditure	702	393
Total	997	584

* denotes amount less than ₹ 1 lakh.

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

NOTE 28 :

Revenue from Operations and Expenses are net of the amounts shared with the subsidiary and other recoveries as mentioned below:

	(₹ in lakhs)	
	For the year ended 31.03.2013	For the year ended 31.03.2012
Revenue from Operations		
Transaction Charges -Securities Settlement	808	473
Transaction Charges -Forex Settlement	156	115
Membership Fees	3	3
Total	967	591
Expenses		
Employee Benefit Expense		
Salaries	-	0 *
Staff Welfare Expenses	5	4
Total	5	4
Other Expenses		
Power and Fuel	-	6
Repairs and Maintenance -Computer Systems and Equipment	48	54
Repairs and Maintenance -Others	-	0 *
Communication Expenses	56	64
Professional Fees Expenses	-	0 *
Others	1	3
Total	105	127

* denotes amount less than ₹ 1 lakh.

NOTE 29 : EMPLOYEE BENEFITS - GRATUITY

In terms of the Company's gratuity plan, on leaving of service every employee who has completed atleast five years of service gets a gratuity computed at the rate of 30 days of last drawn salary for each completed year service. The Gratuity Scheme of the Company is funded with Life Insurance Corporation of India (LIC) in the form of qualifying insurance policy. The disclosure is based on Actuarial Valuation details provided by LIC.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(₹ in lakhs)

Description	Gratuity	
	2012-13	2011-12
A. Amount recognised in the Statement of Profit and Loss for the year		
- Current Service Cost	53	44
- Interest Cost	31	24
- Expected Return on Plan Assets	(41)	(38)
- Net actuarial (Gain) / Loss recognized during the year	33	29
- Total Expenses recognized in the Statement of Profit and Loss	76	59
B. Actual Return on Plan Assets	41	38
C. Amount recognised in the Balance Sheet		
- Present Value of Obligation	451	388
- Fair Value of Plan Assets	466	450
- Funded status {surplus / (deficit)}	15	62
- Net Asset recognized in the Balance Sheet	15	62
D. Change in Present Value of Obligation		
- Present Value of Obligation at the beginning of the year	388	298
- Current Service Cost	53	44
- Interest Cost	31	24
- Benefits paid	(54)	(7)
- Actuarial (Gain) / Loss on Obligation	33	29
- Present Value of Obligation at the end of the year	451	388
E. Change in Plan Assets		
- Fair Value of Plan Assets at the beginning of the year	450	317
- Expected Return on Plan Assets	41	38
- Contributions Made	29	102
- Benefits Paid	(54)	(7)
- Actuarial Gains / (Loss) on Plan Assets	-	-
- Fair Value of Plan Assets at the end of the year	466	450
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	9.30%	9.30%
- Employee Attrition Rate	1%-3%	1%-3%
- Mortality Rate/Table	LIC(1994-96) Ultimate	
- Future salary increase	5.00%	5.00%

Notes:

- (a) Disclosure with respect to experience adjustments to Plan Assets and Liabilities has not been furnished as the relevant data is not readily available.

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(b) Estimated amount of contribution to be made in the next financial year ₹ 69 lakhs (Previous year - ₹ 10 lakhs).

(c) Basis used to determine the expected rate of return on Assets

The expected return on plan assets has been considered at 9.30% based on the current return being received on investment.

(d) **Amounts Recognised as Expense:**

(i) **Defined Contribution Plan**

1 Employer's Contribution to Provident Fund amounting to ₹ 118 lakhs (Previous year - ₹ 107 lakhs) has been included in Note 21 under Contribution to Provident Fund and Other Funds.

2 Employer's Contribution to Superannuation Fund amounting to ₹ 64 lakhs (Previous year - ₹ 59 lakhs) has been included in Note 21 under Contribution to Provident Fund and Other Funds.

(ii) **Defined Benefit Plan**

1 Gratuity cost amounting to ₹ 76 lakhs (Previous year - ₹ 59 lakhs) has been included in Note 21 under Contribution to Provident and Other Funds.

NOTE 30 : LEASE DISCLOSURES

Period	(₹ in lakhs)	
	2012-13	2011-12
Not later than 1 year	2	2

The amounts represent minimum lease payment outstanding under non-cancellable operating lease in respect of the residential accommodation.

NOTE 31 : BASIC AND DILUTED EARNINGS PER SHARE

Basic and Diluted Earning Per Share is calculated as under:

Particulars		2012-13	2011-12
(i)	Net Profit attributable to Equity Shareholders (₹ in lakhs) {Refer Note (a) below}	25,996	17,423
(ii)	Number of Equity Shares outstanding at the beginning of the year	50,000,000	50,000,000
(iii)	Number of Equity Shares outstanding at the end of the year	50,000,000	50,000,000
(iv)	Weighted Average Number of Equity Shares outstanding during the year	50,000,000	50,000,000
(v)	Nominal value of Equity shares (Amt. in ₹)	10.00	10.00
(vi)	Basic and Diluted Earnings Per share (Amt. in ₹)	51.99	34.85

Note:

(a) 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 the Statement of Profit and Loss.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

NOTE 32 : RELATED PARTIES DISCLOSURES:

(A) List of Related Parties and their relationship

(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

Parties having substantial interest

State Bank of India

Key Management Personnel

Mr. R. Sridharan -Managing Director -w.e.f. 01.08.2012

Mr. Y. S. S. Kapdi -Managing Director -up to 31.05.2012

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

(₹ in lakhs)

Nature of Relationship	Subsidiary	Party having substantial interest	Key Management Personnel
Particulars			
Income from Operations	-----	603 (398)	-----
Usage Charges recovered	100 (111)	-----	-----
Business Support Services received	266 (88)	-----	-----
Reimbursement/Sharing of expenses - (Receipt)	61 (77)	-----	-----
Interest on deposits from members	-----	49 (26)	-----
Operational Income shared	967 (591)	-----	-----
Remuneration :			
- Mr. Y. S. S. Kapdi	-----	-----	12 (37)
- Mr. R. Sridharan	-----	-----	20 (-)

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(₹ in lakhs)

Nature of Relationship	Subsidiary	Party having substantial interest	Key Management Personnel
Outstanding Balance as at the year end			
Amounts receivable	8 (-)	90 (33)	-----
Amounts Payable	- (35)	10 (13)	-----
Collaterals outstanding - Cash	-----	13,176 (11,179)	-----
Collaterals outstanding - Securities (at face value) {Refer Note (e) below}	-----	601,700 (546,421)	-----
Collaterals outstanding - Guarantees {Refer Note (f) below}	-----	65,267 (61,388)	-----
Investment in equity shares	1,000 (1,000)	-----	-----
Remuneration :			
- Mr. R. Sridharan			1 (-)
- Mr. Y. S. S. Kapdi		-----	- (6)

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) Collaterals outstanding - Guarantees represent USD 1,200 lakhs (Previous year - USD 1,200 lakhs).
- (g) All the above transactions are in the ordinary course of the business of the Company.
- (h) The amounts are inclusive of Service Tax wherever applicable.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

NOTE 33: DISCLOSURE IN RESPECT OF DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN 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:

(In lakhs)

PARTICULARS	As at 31.03.2013		As at 31.03.2012	
	Amount in US Dollars	Amount in INR	Amount in US Dollars	Amount in INR
ASSETS				
US Govt. Treasury Bills	4,202	228,563	4,098	209,660
Deposits with Banks	-	-	-	-
Bank Balance in Current Accounts	72	3,911	75	3,818
Others	5	268	1	61
Total	4,279	232,742	4,174	213,539
LIABILITIES				
Deposits from Members	4,273	232,389	4,172	213,435
Interest payable to Members	3	159	1	65
Bank Transaction Charges Payable	4	194	1	38
Total	4,279	232,742	4,174	213,538
Net Assets / (Liabilities)	0	0	-	1

NOTE 34:

The Company's operations fall into a single 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 As-17 - "Segment Reporting" are not applicable.

NOTE 35:

As at 31.03.2013, Six suppliers (Previous year - six) have intimated that they are registered as micro/small enterprises with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). The details of dues to those suppliers as at the year end are as follows:

(₹ in lakhs)

	As at 31.03.2013		As at 31.03.2012	
	Included in Other Creditors	Included in Creditors for Capital Expenses	Included in Other Creditors	Included in Creditors for Capital Expenses
Principal amount remaining unpaid at the end of Accounting year (not more than 45 days)	0	10	0	90

Note : "0" denotes amount less than ₹ 1 lakh.

NOTE 36 :

Disclosure under Schedule VI (Revised) of the Companies Act, 1956 has been given to the extent applicable.

NOTE 37:

Previous year's figures have been regrouped, reclassified and rearranged to conform to current year's presentation, wherever necessary.



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, 2013
3	Holding Company's interest as on above date		
	Number of shares	:	1,00,00,000 equity shares of ₹ 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	:	₹ 529 lakhs
	(ii) for the previous financial year of the subsidiary since it became the holding Company's subsidiary	:	₹ 1,155 lakhs
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/-
Shyamala Gopinath
Chairperson

Sd/-
R. Sridharan
Managing Director

Sd/-
Y. H. Malegam
Director

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

Place : Mumbai
Date : May 14, 2013



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