

**The Clearing Corporation of India Limited**



**Financial Statements**

**2014-2015**



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## Board of Directors:

Mrs. Shyamala Gopinath (Chairperson)

Mr. R. Sridharan (Managing Director)

Mrs. Shilpa Kumar

Mr. Bhavesh Zaveri

Mr. M. S. Sundara Rajan

Mr. Sankarshan Basu

Mr. V Chandrasekaran

Mr. Melwyn Rego

Mr. Sudhir Joshi

Mr. Rajendra Chitale

Mr. Rajiv Abhyankar

Mr. B. Sambamurthy

Mr. Parveen Kumar Gupta

Ms. Varsha Purandare

## Company Secretary:

Mr. O. N. Ravi

## Auditors:

M/s Lodha & Co.  
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](http://www.ccilindia.com)  
CIN-U65990MH2001PLC131804



## THE CLEARING CORPORATION OF INDIA LIMITED

### Financial Statements 2014 - 2015

#### Contents

|    |   |    |
|----|---|----|
| 1. | Auditors' Report  | 3  |
| 2. | Financial Statements                                    |    |
|    | Balance Sheet   | 8  |
|    | Statement of Profit and Loss                            | 9  |
|    | Cash Flow Statement                                     | 10 |
|    | Notes to the Financial Statements                       | 12 |
|    | Form AOC-I pursuant to Companies (Accounts) Rules, 2014 | 37 |
| 3. | Auditors' Report and Consolidated Financial Statements  | 39 |

## INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF  
THE CLEARING CORPORATION OF INDIA LIMITED  
REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

We have audited the accompanying standalone financial statements of **THE CLEARING CORPORATION OF INDIA LIMITED** (“the Company”), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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, 2015;
- (ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For LODHA & COMPANY**  
Chartered Accountants  
Firm Registration No. 301051E

**Sd/-**  
**R.P. Baradiya**  
Partner  
Membership No. 44101

Place: Mumbai  
Date: May 13, 2015



**ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE CLEARING CORPORATION OF INDIA LIMITED ON THE STANDALONE FINANCIAL STATEMENTS**

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

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) The Company has carried out physical verification of all its fixed assets during the year. In our opinion, the frequency of verification is reasonable considering the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
2. The Company does not have any inventory. Therefore, the provisions of the clause 4 (ii) of the Order are not applicable to the Company.
3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased and sold are of the special nature in respect of which suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control systems commensurate with the size of the Company and nature of its business for purchase of inventory, fixed assets and with regard to the sale of services . During the course of our audit, no major weakness has been noticed in the aforesaid internal control systems.
5. In our Opinion and according to the information and explanations given to us, the Company has not accepted any public deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.
6. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Act for any of the activities of the Company.
7. a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to the Company 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) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty, Cess which have not been deposited on account of any dispute except the following :

| Name of the Statute                              | Nature of Dues | Period to which it relates        | ₹ In Lakhs | Forum where dispute is pending  |
|--|----------------|-----------------------------------|------------|---|
| The Brihanmumbai Municipal Corporation Act, 1888 | Property Tax   | Financial Year 2011-12 to 2014-15 | 550        | Reply against demand raised has been filed before the Municipal Corporation of Greater Mumbai |

8. The Company has no accumulated losses as at the end of the year and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
9. In our opinion and 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.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions. Therefore, the provisions of the clause 4 (x) of the Order are not applicable to the Company.
11. Based on the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Therefore, the provisions of the clause 4 (xi) of the Order are not applicable to the Company.
12. 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 & COMPANY**  
Chartered Accountants  
Firm Registration No. 301051E

**Sd/-**  
**R.P. Baradiya**  
Partner  
Membership No. 44101

Place: Mumbai  
Date: May 13, 2015



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2015**

| (₹ in lakhs)   |             |                     |                     |
|--|-------------|---------------------|---------------------|
|  | Note No.    | As at<br>31.03.2015 | As at<br>31.03.2014 |
| <b>EQUITY AND LIABILITIES</b>  |             |                     |                     |
| <b>Shareholders' Funds</b>   |             |                     |                     |
| Share Capital  | 2           | 10,000              | 10,000              |
| Reserves and Surplus   | 3           | 162,551             | 127,663             |
| <b>Non-Current Liabilities</b>   |             |                     |                     |
| Deferred Tax Liabilities   | 4           | 913                 | 240                 |
| Long-Term Provisions   | 5           | 609                 | 478                 |
| <b>Current Liabilities</b>   |             |                     |                     |
| Trade Payables   | 6           | 166                 | 107                 |
| Other Current Liabilities  | 7           | 585,829             | 521,636             |
| Short-Term Provisions  | 8           | 2,559               | 2,589               |
| <b>TOTAL</b>   |             | <b>762,627</b>      | <b>662,713</b>      |
| <b>ASSETS</b>  |             |                     |                     |
| <b>Non-Current Assets</b>  |             |                     |                     |
| Fixed Assets   | 9           |                     |                     |
| -Tangible Assets   |             | 14,976              | 15,169              |
| -Intangible Assets   |             | 1,901               | 666                 |
| -Capital Work-in-Progress  |             | 3                   | 3                   |
| -Intangible Assets under Development-Software                                |             | 1,165               | 615                 |
| Non-Current Investments  | 10          | 1,000               | 1,000               |
| Long-Term Loans and Advances   | 11          | 723                 | 461                 |
| Other Non-Current Assets   | 12          | 225,474             | 182,068             |
| <b>Current Assets</b>  |             |                     |                     |
| Current Investments  | 13          | 337,565             | 304,536             |
| Trade Receivables  | 14          | 3,509               | 2,091               |
| Cash and Bank Balances   | 15          | 161,767             | 143,149             |
| Short-Term Loans and Advances  | 16          | 109                 | 41                  |
| Other Current Assets   | 17          | 14,435              | 12,914              |
| <b>TOTAL</b>   |             | <b>762,627</b>      | <b>662,713</b>      |
| <b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS</b> | <b>1-36</b> |                     |                     |

As per our attached report of even date

For and on behalf of

**LODHA & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No. 301051E  
Sd/-  
**R.P.Baradiya**  
**PARTNER**

Place : Mumbai  
Date : May 13, 2015

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

|   |  |  |
|---|--|--|
| Sd/-<br><b>Shyamala Gopinath</b><br>Chairperson<br>(DIN:02362921) | Sd/-<br><b>R. Sridharan</b><br>Managing Director<br>(DIN:00868787) | Sd/-<br><b>M.S.Sundara Rajan</b><br>Director<br>(DIN:00169775) |
|---|--|--|

|   |   |
|---|---|
| Sd/-<br><b>O. N. Ravi</b><br>Company Secretary &<br>Corporate Development Officer | Sd/-<br><b>Deepak Chande</b><br>Chief Financial Officer |
|---|---|



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | Note No.    | As at<br>31.03.2015 | As at<br>31.03.2014 |
|--|-------------|---------------------|---------------------|
| <b>Revenue from Operations</b>   |             |                     |                     |
| Income from Operations   | 18          | 35,512              | 30,384              |
| Other Operating Revenues   | 19          | 17,501              | 17,861              |
|  |             | <b>53,013</b>       | <b>48,245</b>       |
| Other Income   | 20          | 13,160              | 10,018              |
| <b>Total Revenue</b>   |             | <b>66,173</b>       | <b>58,263</b>       |
| <b>Expenses</b>  |             |                     |                     |
| Employee Benefits Expense  | 21          | 3,329               | 3,090               |
| Finance Costs  | 22          | 1,021               | 884                 |
| Depreciation and Amortization Expense  | 23          | 1,019               | 1,908               |
| Other Expenses   | 24          | 4,550               | 3,503               |
| <b>Total Expenses</b>  |             | <b>9,919</b>        | <b>9,385</b>        |
| <b>Profit Before Tax for the year</b>  |             | <b>56,254</b>       | <b>48,878</b>       |
| <b>Tax Expense</b>   |             |                     |                     |
| - Current Tax  |             | 18,469              | 16,611              |
| - Deferred Tax   |             | 673                 | 20                  |
| - Tax Adjustments relating to earlier years                                  |             | (93)                | -                   |
| <b>Profit After Tax for the year</b>   |             | <b>37,205</b>       | <b>32,247</b>       |
| <b>Earnings per Equity Share:</b>  |             |                     |                     |
| -Basic   |             | 73.39               | 63.50               |
| -Diluted   |             | 73.39               | 63.50               |
| (Equity Share of face value of ₹ 10 each)                                    |             |                     |                     |
| <b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS</b> | <b>1-36</b> |                     |                     |

As per our attached report of even date

For and on behalf of

**LODHA & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No. 301051E  
Sd/-  
**R.P.Baradiya**  
**PARTNER**

Place : Mumbai

Date : May 13, 2015

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

|   |  |  |
|---|--|--|
| Sd/-<br><b>Shyamala Gopinath</b><br>Chairperson<br>(DIN:02362921) | Sd/-<br><b>R. Sridharan</b><br>Managing Director<br>(DIN:00868787) | Sd/-<br><b>M.S.Sundara Rajan</b><br>Director<br>(DIN:00169775) |
|---|--|--|

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

Sd/-  
**Deepak Chande**  
Chief Financial Officer



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | 2014-15        | 2013-14         |
|--|----------------|-----------------|
| <b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>                       |                |                 |
| PROFIT BEFORE TAX  | 56,254         | 48,878          |
| Add : Adjustments for :  |                |                 |
| Depreciation and Amortization Expense                                | 1,019          | 1,908           |
| Wealth Tax (included under Rates & Taxes)                            | 10             | 10              |
| Interest on Taxes  | 37             | 12              |
| Less: Adjustments for :  |                |                 |
| Interest Income on Investments made out of Own Funds                 | 12,095         | 9,347           |
| Provision Written Back   | 15             | 16              |
| Profit/(Loss) on Sale of Fixed Asset (net)                           | 6              | 2               |
| <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>               | <b>45,204</b>  | <b>41,443</b>   |
| Adjustments for :  |                |                 |
| (Increase)/ Decrease in Non Current Assets / Current Assets          | (44,062)       | (69,016)        |
| Increase/(Decrease) in Non Current Liabilities / Current Liabilities | 64,278         | 70,980          |
| <b>CASH GENERATED FROM OPERATIONS</b>                                | <b>65,420</b>  | <b>43,407</b>   |
| Direct Taxes paid  | (18,659)       | (16,875)        |
| <b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)</b>              | <b>46,761</b>  | <b>26,532</b>   |
| <b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>                       |                |                 |
| Purchase of Fixed Assets   | (2,609)        | (2,155)         |
| Sale of Fixed Assets   | 6              | 2               |
| Interest Income on Investments made out of Own Funds                 | 11,110         | 8,113           |
| Purchase of Government of India Treasury Bills out of Own Funds      | (4,140)        | (4,673)         |
| Placement of Fixed Deposits with Banks made out of Own Funds         | (125,410)      | (108,147)       |
| Redemption of Fixed Deposits with Banks made out of Own Funds        | 106,616        | 82,251          |
| Sale/Redemption of Investments out of Own Funds                      | 4,673          | -               |
| <b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)</b>              | <b>(9,754)</b> | <b>(24,609)</b> |



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | 2014-15        | 2013-14       |
|--|----------------|---------------|
| <b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>                       |                |               |
| Dividend/Dividend Distribution Tax paid                              | (2,252)        | (890)         |
| <b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)</b>              | <b>(2,252)</b> | <b>(890)</b>  |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>  | <b>34,755</b>  | <b>1,033</b>  |
| <b>CASH AND CASH EQUIVALENTS</b>                                     |                |               |
| OPENING BALANCE  | 12,793         | 11,760        |
| CLOSING BALANCE  |                |               |
| Before adjustment of unrealised foreign exchange                     | 47,209         | 12,382        |
| Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents | 339            | 411           |
|  | <b>47,548</b>  | <b>12,793</b> |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>          | <b>34,755</b>  | <b>1,033</b>  |

Note:

The above Cash Flow Statement has been prepared using the indirect method as per Accounting Standard AS-3.

As per our attached report of even date

For and on behalf of

**LODHA & CO.**  
**CHARTERED ACCOUNTANTS**

Firm Reg. No. 301051E

Sd/-

**R.P.Baradiya**  
**PARTNER**

Place : Mumbai

Date : May 13, 2015

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

Sd/-

**Shyamala Gopinath**  
Chairperson  
(DIN:02362921)

Sd/-

**R. Sridharan**  
Managing Director  
(DIN:00868787)

Sd/-

**M.S.Sundara Rajan**  
Director  
(DIN:00169775)

Sd/-

**O. N. Ravi**  
Company Secretary &  
Corporate Development Officer

Sd/-

**Deepak Chande**  
Chief Financial Officer



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

#### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

##### **Nature of Operations :**

The Clearing Corporation of India Limited ('the Company') provides clearing and settlement services 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 provider 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. 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) Revenue from Services is recognized as and when the Service is performed as per the relevant agreements.
- (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) Other Revenue Income is recognised as and when there is a reasonable certainty of ultimate realisation.

###### **(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.

**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

- (ii) Expenses incurred towards acquisition or development of software by an external vendor is capitalized as Computer Software.
- (iii) Depreciation on Tangible assets is provided on Straight Line Method (SLM) over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for the following:
- a) Assets whose cost is ₹ 5,000 or less are fully written off in the year of acquisition, and;
  - b) Furniture and fittings (Chairs), which are depreciated over 5 Years.

Amortization of Intangible Assets is based on Internal technical assessment/advice. Intangible asset whose cost is ₹ 5,000 or less are fully written off in the year of acquisition.

The Estimated useful life of assets considered for providing depreciation/amortization are as under:

| Asset                                  | Useful Life (In Years) |
|--|------------------------|
| Buildings- Residential                 | 60                     |
| Buildings - Office                     | 60                     |
| Computer Systems - Hardware            | 3-6                    |
| Electrical Installations and Equipment | 10                     |
| Furniture and fittings                 | 5-10                   |
| Office Equipment                       | 5                      |
| Computer Software                      | 3                      |

**(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, 2015**

(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 -

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

Contingent Liability is disclosed in the case of -

- i) 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.
- ii) 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, 2015**

|   | As at 31.03.2015   |               | As at 31.03.2014   |               |
|---|--------------------|---------------|--------------------|---------------|
|   | Number             | ₹ in lakhs    | Number             | ₹ in lakhs    |
| <b><u>NOTE 2 : SHARE CAPITAL</u></b>  |                    |               |                    |               |
| <b><u>Authorised</u></b>  |                    |               |                    |               |
| 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         |
|   | <b>100,000,000</b> | <b>10,000</b> | <b>100,000,000</b> | <b>10,000</b> |
| <b><u>Issued, Subscribed and Paid up</u></b>                                |                    |               |                    |               |
| 8.5% 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         |
| <b>TOTAL</b>  | <b>100,000,000</b> | <b>10,000</b> | <b>100,000,000</b> | <b>10,000</b> |

Notes:

(a) There has been no change in the number of Equity Shares & Preference Shares outstanding at the beginning of the current year and the previous year.

(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) **Terms of Preference Shares**

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. The Preference Shareholders are entitled to dividend @ 8.50% p.a. and shares are redeemable on March 23, 2018.



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

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.

- (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 31.03.2015   |              | As at 31.03.2014   |              |
|---|--------------------|--------------|--------------------|--------------|
|   | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| <b>Equity Shares:</b>   |                    |              |                    |              |
| 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         | 3,750,000          | 7.50         |
| ICICI Bank Limited  | 2,750,000          | 5.50         | 2,750,000          | 5.50         |
| <b>8.5% Redeemable, Non Convertible, Cumulative Preference Shares :</b> |                    |              |                    |              |
| The Kalupur Commercial Co-operative Bank Limited                        | 19,000,000         | 38.00        | 19,000,000         | 38.00        |
| Kotak Mahindra Bank Ltd.  | 8,000,000          | 16.00        | 8,000,000          | 16.00        |
| The South Indian Bank Limited   | 5,000,000          | 10.00        | 5,000,000          | 10.00        |
| The Karur Vysya Bank Ltd.   | 5,000,000          | 10.00        | 5,000,000          | 10.00        |
| The Federal Bank Ltd.   | 5,000,000          | 10.00        | 5,000,000          | 10.00        |
| Yes Bank Ltd.   | 5,000,000          | 10.00        | 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.



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | As at<br>31.03.2015 | As at<br>31.03.2014 |
|--|---------------------|---------------------|
| <b>NOTE 3 : RESERVES AND SURPLUS</b>                                     |                     |                     |
| <b>General Reserve</b>   |                     |                     |
| Opening Balance  | 39,232              | 30,732              |
| Add: Transferred from Surplus  | 18,500              | 8,500               |
| <b>Closing Balance</b>   | <b>57,732</b>       | <b>39,232</b>       |
| <b>Settlement Reserve Fund {Refer Note below}</b>                        |                     |                     |
| Opening Balance  | 84,000              | 64,000              |
| Add: Transferred from Surplus  | 16,057              | 20,000              |
| <b>Closing Balance</b>   | <b>100,057</b>      | <b>84,000</b>       |
| <b>Surplus</b>   |                     |                     |
| Opening Balance  | 4,431               | 2,936               |
| Add: Net Profit After Tax transferred from<br>Statement of Profit & Loss | 37,205              | 32,247              |
| Amounts available for Appropriation                                      | <b>41,636</b>       | <b>35,183</b>       |
| <b>Appropriations :</b>  |                     |                     |
| - Proposed Dividend on Equity Shares                                     | 1,500               | 1,500               |
| - Proposed Dividend on Preference Shares                                 | 425                 | 425                 |
| - Dividend Distribution Tax  | 392                 | 327                 |
| - Transfer to General Reserve  | 18,500              | 8,500               |
| - Transfer to Settlement Reserve Fund                                    | 16,057              | 20,000              |
| <b>Closing Balance</b>   | <b>4,762</b>        | <b>4,431</b>        |
| <b>TOTAL</b>   | <b>162,551</b>      | <b>127,663</b>      |

Note:

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 default, consequences of operational failures and any loss on account of settlement bank failure or of failure of any bank/institution with which investments are made or which operates as custodian for such investments. Bank Deposits/Current Investments amounting to ₹84,000 lakhs (Previous year - ₹64,000 lakhs ) are earmarked for this purpose.



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | As at<br>31.03.2015 | As at<br>31.03.2014 |
|--|---------------------|---------------------|
| <b><u>NOTE 4 : DEFERRED TAX LIABILITIES</u></b>                                    |                     |                     |
| <b><u>Deferred Tax Liabilities</u></b>   |                     |                     |
| Arising out of timing difference in depreciation                                   | 1,285               | 657                 |
| <b><u>Less : Deferred Tax Assets</u></b>   |                     |                     |
| Arising out of timing difference in respect of expenses allowable on payment basis | 372                 | 417                 |
| <b>TOTAL</b>   | <b>913</b>          | <b>240</b>          |
| <b><u>NOTE 5 : LONG TERM PROVISIONS</u></b>  |                     |                     |
| Provision for Employee Benefits  | 609                 | 478                 |
| <b>TOTAL</b>   | <b>609</b>          | <b>478</b>          |
| <b><u>NOTE 6 : TRADE PAYABLES</u></b>  |                     |                     |
| Due to Creditors other than Micro and Small Enterprises                            | 160                 | 101                 |
| Due to Micro and Small Enterprises {Refer Note 34}                                 | 6                   | 6                   |
| <b>TOTAL</b>   | <b>166</b>          | <b>107</b>          |
| <b><u>NOTE 7 : OTHER CURRENT LIABILITIES</u></b>                                   |                     |                     |
| Due to Clearcorp Dealing Systems (India) Ltd.-Subsidiary Company                   | 180                 | 9                   |
| Creditors for Capital Expenses {Refer Note (a) below}                              | 988                 | 1,156               |
| Interest Accrued but not Due   | 1,765               | 1,530               |
| Deposits from Members {Refer Note (b) below}                                       | 581,858             | 517,832             |
| Statutory Dues payable   | 388                 | 546                 |
| Other payables {Refer Note (c) below}  | 650                 | 563                 |
| <b>TOTAL</b>   | <b>585,829</b>      | <b>521,636</b>      |

Notes:

- (a) Creditors for Capital Expenses includes ₹7 lakhs ( Previous year ₹6 lakhs ) due to Micro and Small Enterprises {Refer Note 34}
- (b) "Deposits from Members" represents collaterals received in the form of cash. Total collaterals received from members and outstanding at the end of the year are as under :



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

| Particulars                   | Cash                               | Govt. Securities #                       | Guarantees                         |
|-------------------------------|------------------------------------|--|------------------------------------|
| Securities Settlement         | 218,160<br>(206,327)               | 3,026,573<br>(2,581,086)                 | --                                 |
| Forex Settlement              | 323,017 *<br>(272,483) *           | --                                       | 75,109 **<br>(72,120) **           |
| CBLO Settlement               | 33,312<br>(38,922)                 | 25,656,955<br>(21,586,019)               | 265,000 @<br>(265,000) @           |
| Default Fund - Forex Forwards | 7,369<br>(100)                     | 173,815<br>(113,555)                     | --                                 |
| <b>Total</b>                  | <b>581,858</b><br><b>(517,832)</b> | <b>28,857,343</b><br><b>(24,280,660)</b> | <b>340,109</b><br><b>(337,120)</b> |

Figures in brackets 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 are included in respective accounts:

|  | As on<br>31.03.2015 | As on<br>31.03.2014 |
|--|---------------------|---------------------|
| US Government Treasury Bills (under Current Investments)       | 284,055             | 264,342             |
| Government of India Treasury Bills (under Current Investments) | 49,370              | 35,521              |
| Balance in Bank Accounts                                       |                     |                     |
| - In Current Accounts  | 41,364              | 10,169              |
| - In Deposit Accounts  | 207,069             | 207,800             |
|  | <b>581,858</b>      | <b>517,832</b>      |

# 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 5,16,078 thousands (Previous year - US Dollars 4,53,384 thousands).

\*\* Represents facility extended by Royal Bank of Scotland PLC to State Bank of India (SBI) amounting to USD 1,20,000 thousands (Previous year - USD 1,20,000 thousands), exclusively for SBI's obligations towards the Company, undertaking to meet liability arising out of any default by SBI in CLS Settlement Operations.

@ The Company has accepted Bank Guarantees as additional collaterals

(c) Other payables includes ₹3 lakhs (Previous year - Nil) due to Micro and Small Enterprises {Refer Note 34}



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | As at<br>31.03.2015 | As at<br>31.03.2014 |
|--|---------------------|---------------------|
| <b><u>NOTE 8 : SHORT TERM PROVISIONS</u></b> |                     |                     |
| Provision for Employee Benefits              | 242                 | 337                 |
| Proposed Dividends                           | 1,925               | 1,925               |
| Provision for Dividend Distribution Tax      | 392                 | 327                 |
| <b>TOTAL</b>                                 | <b>2,559</b>        | <b>2,589</b>        |

**THE CLEARING CORPORATION OF INDIA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

| Sr. No.  | Particulars                            | Gross Block                |                          |                    | Accumulated Depreciation   |                            |                           | Net Block As on 31.03.2015 (31.03.2014) |
|----------|--|----------------------------|--------------------------|--------------------|----------------------------|----------------------------|---------------------------|---|
|          |  | Opening Balance            | Additions                | Disposal           | Closing Balance            | Opening Balance            | Depreciation for the year |   |
| <b>a</b> | <b>Tangible Assets</b>                 |                            |                          |                    |                            |                            |                           |   |
|          | Freehold Land                          | 1,320<br>(1,320)           | -                        | -                  | 1,320<br>(1,320)           | -                          | -                         | 1,320<br>(1,320)                        |
|          | Buildings - Residential                | 1,139<br>(1,139)           | -                        | -                  | 1,139<br>(1,139)           | 168<br>(149)               | 17<br>(19)                | 954<br>(971)                            |
|          | Buildings - Office                     | 11,370<br>(11,370)         | -                        | -                  | 11,370<br>(11,370)         | 499<br>(314)               | 171<br>(185)              | 10,700<br>(10,871)                      |
|          | Computer Systems Hardware              | 3,038<br>(2,390)           | 416<br>(679)             | 73<br>(31)         | 3,381<br>(3,038)           | 2,337<br>(2,241)           | 162<br>(127)              | 955<br>(701)                            |
|          | Furniture and fittings                 | 575<br>(547)               | 6<br>(28)                | -                  | 581<br>(575)               | 346<br>(238)               | 39<br>(108)               | 196<br>(229)                            |
|          | Electrical Installations and Equipment | 1,557<br>(1,541)           | 6<br>(16)                | 8                  | 1,555<br>(1,557)           | 831<br>(529)               | 97<br>(301)               | 635<br>(726)                            |
|          | Office Equipment                       | 866<br>(862)               | 9<br>(6)                 | 10<br>(3)          | 865<br>(866)               | 514<br>(360)               | 145<br>(158)              | 216<br>(351)                            |
|          | <b>Total</b>                           | <b>19,864<br/>(19,169)</b> | <b>437<br/>(729)</b>     | <b>91<br/>(34)</b> | <b>20,210<br/>(19,864)</b> | <b>4,695<br/>(3,831)</b>   | <b>631<br/>(898)</b>      | <b>14,976<br/>(15,169)</b>              |
| <b>b</b> | <b>Intangible Assets</b>               |                            |                          |                    |                            |                            |                           |   |
|          | Computer Software                      | 7,879<br>(6,771)           | 1,623<br>(1,108)         | -                  | 9,502<br>(7,879)           | 7,213<br>(6,203)           | 389<br>(1,010)            | 1,901<br>(666)                          |
|          | <b>Total</b>                           | <b>7,879<br/>(6,771)</b>   | <b>1,623<br/>(1,108)</b> | <b>-</b>           | <b>9,502<br/>(7,879)</b>   | <b>7,213<br/>(6,203)</b>   | <b>389<br/>(1,010)</b>    | <b>1,901<br/>(666)</b>                  |
|          | <b>Grand Total</b>                     | <b>27,743<br/>(25,940)</b> | <b>2,060<br/>(1,837)</b> | <b>91<br/>(34)</b> | <b>29,712<br/>(27,743)</b> | <b>11,908<br/>(10,033)</b> | <b>1,020<br/>(1,908)</b>  | <b>16,877<br/>(15,835)</b>              |

**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.
- "0" denotes amount less than ₹1 lakh
- Figures in brackets represent corresponding amounts in the previous year.



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | As at<br>31.03.2015 | As at<br>31.03.2014 |
|--|---------------------|---------------------|
| <b><u>NOTE 10 : NON CURRENT INVESTMENTS</u></b>                    |                     |                     |
| <b>LONG TERM, TRADE, UNQUOTED ( AT COST ) :</b>                    |                     |                     |
| Investment in Equity instruments                                   |                     |                     |
| -Wholly Owned Subsidiary Clearcorp Dealing Systems (India) Limited |                     |                     |
| 1,00,00,000 equity shares of ₹10 each, fully paid up               |                     |                     |
|  | 1,000               | 1,000               |
| <b>TOTAL</b>   | <b>1,000</b>        | <b>1,000</b>        |

**NOTE 11: LONG TERM LOANS AND ADVANCES**

(Unsecured, Considered Good)

|                                      |            |            |
|--------------------------------------|------------|------------|
| Capital Advances                     | -          | 0 *        |
| Security Deposits {Refer Note below} | 65         | 65         |
| Advance Tax (Net of Provision)       | 658        | 396        |
| <b>TOTAL</b>                         | <b>723</b> | <b>461</b> |

Note:

'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) & (b) below} | 225,420        | 181,960        |
| Interest Accrued on Deposits with Banks  | 3              | 3              |
| Service Tax Input Credit   | -              | 76             |
| Prepaid Expenses   | 51             | 29             |
| <b>TOTAL</b>   | <b>225,474</b> | <b>182,068</b> |

Notes :

- (a) Bank Deposits with original maturity of more than 12 months includes deposits amounting to ₹57,420 lakhs (Previous year ₹39,860 lakhs) earmarked for Settlement Reserve Fund.
- (b) Bank Deposits with original maturity of more than 12 months includes deposits amounting to ₹49,600 lakhs (Previous year ₹41,500 lakhs) marked as lien by the various banks against overdraft limits sanctioned by them. The total overdraft limits sanctioned by these banks amounts to ₹43,544 lakhs (Previous year ₹36,175 lakhs). Outstanding Overdraft as on 31.03.2015 - Nil (Previous year - Nil).

\* denotes amount less than ₹1 lakh



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | As at<br>31.03.2015 | As at<br>31.03.2014 |
|--|---------------------|---------------------|
| <b>NOTE 13 : CURRENT INVESTMENTS</b>                   |                     |                     |
| <b>QUOTED :</b>  |                     |                     |
| Investment in Government Securities {Refer Note below} | 337,565             | 304,536             |
| <b>TOTAL</b>   | <b>337,565</b>      | <b>304,536</b>      |

Note : Details of Current Investments

| Sr. No. | Investment   | No. of Shares / Units |                     | Quoted / Unquoted | Partly Paid / Fully paid | Amount (₹ in lakhs) |                     | Whether stated at Cost |
|---------|--|-----------------------|---------------------|-------------------|--------------------------|---------------------|---------------------|------------------------|
|         |  | As at<br>31.03.2015   | As at<br>31.03.2014 |                   |                          | As at<br>31.03.2015 | As at<br>31.03.2014 |                        |
|         | Investments in Government Securities   |                       |                     |                   |                          |                     |                     |                        |
| (i)     | US Government Treasury Bills ( Fair Value ₹2,84,137 lakhs, Previous year ₹2,64,398 lakhs)      | 4,540,000             | 4,400,000           | Quoted            | Fully paid               | 284,055             | 264,342             | Cost                   |
| (ii)    | Government of India Treasury Bills ( Fair Value ₹56,212 lakhs, Previous year - ₹41,468 lakhs ) | 5,72,81,250           | 42,599,500          | Quoted            | Fully paid               | 53,510              | 40,194              | Cost                   |
|         | <b>TOTAL</b>   |                       |                     |                   |                          | <b>337,565</b>      | <b>304,536</b>      |                        |

Note : Investment in Government of India Treasury Bills includes Treasury Bills amounting to ₹990 lakhs (Previous year - ₹1,485 lakhs) earmarked for Settlement Reserve Fund.

|  | As at<br>31.03.2015 | As at<br>31.03.2014 |
|--|---------------------|---------------------|
| <b>NOTE 14 : TRADE RECEIVABLES</b>   |                     |                     |
| (Unsecured, Considered Good)   |                     |                     |
| Trade Receivables outstanding for a period less than six months from the date they are due for payment | 3,509               | 2,091               |
| <b>TOTAL</b>   | <b>3,509</b>        | <b>2,091</b>        |



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | As at<br>31.03.2015 | As at<br>31.03.2014 |
|--|---------------------|---------------------|
| <b>NOTE 15 : CASH AND BANK BALANCE</b>   |                     |                     |
| <b>(A) Cash and Cash Equivalents</b>   |                     |                     |
| <b>Balances with Banks</b>   |                     |                     |
| in Current Accounts  | 43,707              | 12,692              |
| in Deposit Accounts (original maturity of upto 3 months)   | 3,840               | 100                 |
|  | <u>47,547</u>       | <u>12,792</u>       |
| <b>Cash on Hand</b>  | 1                   | 1                   |
|  | <u>47,548</u>       | <u>12,793</u>       |
| <b>(B) Other Bank Balances</b>   |                     |                     |
| Bank Deposits with original maturity upto 3 months {Refer Note (a) below}                                    | 1,500               | -                   |
| Bank Deposits with original maturity of more than 3 months but upto 12 months {Refer Note (b) and (c) below} | 112,719             | 130,356             |
|  | <u>114,219</u>      | <u>130,356</u>      |
| <b>TOTAL</b>   | <u>161,767</u>      | <u>143,149</u>      |

Notes :

- (a) Bank Deposits with original maturity upto 3 months includes deposits amounting to ₹1,500 lakhs (Previous year - Nil) marked as lien by a bank against overdraft limit sanctioned. The overdraft limits sanctioned by this bank amounts to ₹1,350 lakhs (Previous year - Nil). Outstanding Overdraft as on 31.03.2015 - Nil (Previous year - Nil).
- (b) Bank Deposits with original maturity of more than 3 months but upto 12 months includes bank deposits amounting to ₹25,590 lakhs (Previous year ₹22,655 lakhs) earmarked for Settlement Reserve Fund.
- (c) Bank Deposits with original maturity of more than 3 months but upto 12 months includes deposits amounting to ₹26,200 lakhs ( Previous year ₹3,500 lakhs ) marked as lien by various banks against overdraft limits sanctioned by them. The total overdraft limits sanctioned by these banks amounts to ₹24,540 lakhs (Previous year ₹3,075 lakhs). Outstanding Overdraft as on 31.03.2015 - Nil (Previous year - Nil).



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | As at<br>31.03.2015 | As at<br>31.03.2014 |
|--|---------------------|---------------------|
|--|---------------------|---------------------|

**NOTE 16 : SHORT TERM LOANS AND ADVANCES**

(Unsecured, Considered Good)

|                                  |            |           |
|----------------------------------|------------|-----------|
| Advances to suppliers and Others | 109        | 41        |
| <b>TOTAL</b>                     | <b>109</b> | <b>41</b> |

**NOTE 17 : OTHER CURRENT ASSETS**

|   |               |               |
|---|---------------|---------------|
| Interest Accrued on Deposits with Banks | 11,066        | 11,224        |
| Interest Accrued on Current Investments | 2,681         | 1,297         |
| Service Tax Input Credit                | 331           | 166           |
| Prepaid Expenses                        | 254           | 179           |
| Others                                  | 103           | 48            |
| <b>TOTAL</b>                            | <b>14,435</b> | <b>12,914</b> |

| For the year ended<br>31.03.2015 | For the year ended<br>31.03.2014 |
|----------------------------------|----------------------------------|
|----------------------------------|----------------------------------|

**NOTE 18 : INCOME FROM OPERATIONS**

(Refer Note 28)

|  |               |               |
|--|---------------|---------------|
| Transaction Charges -Securities Settlement | 26,801        | 23,289        |
| Transaction Charges -CBLO Settlement       | 2,203         | 1,883         |
| Transaction Charges -Forex Settlement      | 3,612         | 3,241         |
| Transaction Charges -CLS Settlement        | 1,051         | 1,084         |
| Trade Processing Charges- Trade Repository | 158           | -             |
| Portfolio Compression Charges              | 168           | 202           |
| Forex Forward Charges                      | 1,392         | 554           |
| Membership Fees                            | 11            | 10            |
| Other fees and charges                     | 116           | 121           |
| <b>TOTAL</b>                               | <b>35,512</b> | <b>30,384</b> |



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | For the year ended<br>31.03.2015 | For the year ended<br>31.03.2014 |
|--|----------------------------------|----------------------------------|
| <b><u>NOTE 19 : OTHER OPERATING REVENUES</u></b>               |                                  |                                  |
| Interest / Income on investments made out of Operational Funds |                                  |                                  |
| -Income on Current Investments                                 | 4,089                            | 1,292                            |
| -Interest on Fixed Deposits with Banks                         | 19,821                           | 23,514                           |
|  | 23,910                           | 24,806                           |
| Less : Interest Paid on Deposits from Members                  | 6,409                            | 6,945                            |
| <b>TOTAL</b>   | <b>17,501</b>                    | <b>17,861</b>                    |

**NOTE 20 : OTHER INCOME**

|  |               |               |
|--|---------------|---------------|
| Interest / Income on Investments made out of Own Funds     |               |               |
| -Income on Current Investments                             | 390           | 297           |
| -Interest on Fixed Deposits with Banks                     | 11,705        | 9,050         |
|  | 12,095        | 9,347         |
| Profit on Sale of Fixed Assets (net)                       | 6             | 2             |
| Net Profit on Foreign Currency Transaction and Translation | 1             | -             |
| Business Support Charges from Subsidiary Company           | 620           | 617           |
| Others {Refer Note below}                                  | 438           | 52            |
| <b>TOTAL</b>   | <b>13,160</b> | <b>10,018</b> |

Note:

Others include ₹379 lakhs (Previous year Nil) received from Reserve Bank of India being reimbursement of costs relating to earlier years towards Trade Repository system.

**NOTE 21: EMPLOYEE BENEFITS EXPENSE**

(Refer Note 28)

|  |              |              |
|--|--------------|--------------|
| Salaries                                   | 2,722        | 2,470        |
| Contributions to Provident and Other Funds | 436          | 444          |
| Staff Welfare Expenses                     | 171          | 176          |
| <b>TOTAL</b>                               | <b>3,329</b> | <b>3,090</b> |



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | For the year ended<br>31.03.2015 | For the year ended<br>31.03.2014 |
|--|----------------------------------|----------------------------------|
| <b><u>NOTE 22: FINANCE COST</u></b>                          |                                  |                                  |
| Interest on Taxes  | 37                               | 12                               |
| Line of Credit Commitment Charges                            | 984                              | 872                              |
| <b>TOTAL</b>   | <b>1,021</b>                     | <b>884</b>                       |
| <b><u>NOTE 23: DEPRECIATION AND AMORTIZATION EXPENSE</u></b> |                                  |                                  |
| Depreciation on Tangible Assets                              | 630                              | 898                              |
| Amortisation of Intangible Assets                            | 389                              | 1,010                            |
| <b>TOTAL</b>   | <b>1,019</b>                     | <b>1,908</b>                     |

Note:

Pursuant to the Companies Act, 2013 ("the Act") coming into effect from 1st April, 2014, the Company has realigned the remaining useful life of its fixed assets in accordance with the provisions prescribed under Schedule II to the Act. Accordingly, assets which have written down value as at 01.04.2014 (net of residual value) is being depreciated over the revised remaining useful lives. Consequently, the depreciation and amortization expense for the year ended 31st March, 2015 is lower by ₹620 lakhs (net of deferred tax ₹320 lakhs).



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

|   | (₹ in lakhs)                     |                                  |
|---|----------------------------------|----------------------------------|
|   | For the year ended<br>31.03.2015 | For the year ended<br>31.03.2014 |
| <b>NOTE 24: OTHER EXPENSES</b>                                      |                                  |                                  |
| <i>(Refer Note 28)</i>  |                                  |                                  |
| Power and Fuel  | 432                              | 373                              |
| Rent  | 1                                | 14                               |
| Repairs and Maintenance -Buildings                                  | 102                              | 87                               |
| Repairs and Maintenance -Computer Systems and Equipment             | 1,106                            | 983                              |
| Repairs and Maintenance -Others                                     | 91                               | 80                               |
| Insurance   | 12                               | 10                               |
| Rates and Taxes   | 265                              | 214                              |
| Communication Expenses  | 226                              | 198                              |
| CLS Settlement Charges  | 796                              | 812                              |
| Net Loss on Foreign Currency Transaction and Translation            | -                                | 4                                |
| CSR Expense - Contribution to Prime Minister's National Relief Fund | 765                              | -                                |
| Professional Fees   | 188                              | 195                              |
| Payment to Auditors:  |                                  |                                  |
| - Audit Fees  | 7                                | 6                                |
| - Tax Audit Fees  | 3                                | 2                                |
| - Taxation Matters  | 1                                | 4                                |
| - Certification Fees  | 2                                | 1                                |
| - Reimbursement of Expenses   | 0 *                              | 0 *                              |
| Others  | 553                              | 520                              |
| <b>TOTAL</b>  | <b>4,550</b>                     | <b>3,503</b>                     |

**NOTE 25 : CONTINGENT LIABILITIES AND COMMITMENTS**

|  | ( ₹ in lakhs)    |                  |
|--|------------------|------------------|
| Particulars  | As at 31.03.2015 | As at 31.03.2014 |
| <b>(i) Contingent Liabilities</b>  |                  |                  |
| (a) Cases where litigations are pending before the various Courts of Law                       | -                | -                |
| (b) Other disputed matters(other than in Courts of Law):                                       |                  |                  |
| Property Tax   | 550              | -                |
| <b>(ii) Commitments</b>  |                  |                  |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 1,603            | 58               |
| <b>TOTAL</b>   | <b>2,153</b>     | <b>58</b>        |

\* denotes amount less than ₹1 lakh



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|  | For the year ended<br>31.03.2015 | For the year ended<br>31.03.2014 |
|--|----------------------------------|----------------------------------|
| <b><u>NOTE 26 : EARNINGS IN FOREIGN EXCHANGE</u></b> |                                  |                                  |
| Interest on Deposits with Banks                      | 8                                | 2                                |
| Income on US Government Treasury Bills               | 177                              | 213                              |
| Pre-funding Handling Charges                         | 0 *                              | 0 *                              |
| Datafeed Charges                                     | 21                               | 20                               |
| Miscellaneous Receipts                               | 0 *                              | 1                                |
| <b>TOTAL</b>   | <b>206</b>                       | <b>236</b>                       |

**NOTE 27 : VALUE OF IMPORTS AND EXPENDITURE IN FOREIGN CURRENCY**

|                                   |              |              |
|-----------------------------------|--------------|--------------|
| Value of Imports on CIF basis     | 129          | -            |
| Expenditure in Foreign Currency : |              |              |
| - Interest paid to Members        | 178          | 215          |
| - CLS Settlement Charges          | 798          | 816          |
| - Other Expenditure               | 96           | 46           |
| <b>TOTAL</b>                      | <b>1,201</b> | <b>1,077</b> |

\* denotes amount less than ₹ 1 lakh



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

**NOTE 28 :**

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

|   | For the year ended<br>31.03.2015 | For the year ended<br>31.03.2014 |
|---|----------------------------------|----------------------------------|
|   |                                  | (₹ in lakhs)                     |
| <b><u>Revenue from Operations</u></b>                   |                                  |                                  |
| Transaction Charges -Securities Settlement              | 1,129                            | 912                              |
| Transaction Charges -Forex Settlement                   | 309                              | 203                              |
| Membership Fees   | 1                                | 2                                |
| <b>TOTAL</b>  | <b>1,439</b>                     | <b>1,117</b>                     |
| <b><u>Expenses</u></b>                                  |                                  |                                  |
| Employee Benefits Expense                               | -                                | -                                |
| Staff Welfare Expenses                                  | 5                                | 4                                |
| <b>TOTAL</b>  | <b>5</b>                         | <b>4</b>                         |
| <b><u>Other Expenses</u></b>                            |                                  |                                  |
| Repairs and Maintenance -Computer Systems and Equipment | -                                | 39                               |
| Communication Expenses                                  | 118                              | 77                               |
| Others  | 1                                | 1                                |
| <b>TOTAL</b>  | <b>119</b>                       | <b>117</b>                       |

**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. In accordance with the Accounting Standard on employee benefits (AS 15) revised 2005 notified by the Companies (Accounting Standards) Rules 2006, following disclosures have been made which is based on Actuarial Valuation provided by Independent Actuary/LIC.



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

| Description  | Gratuity                                    |                          |
|--|---|--------------------------|
|  | 2014-15                                     | 2013-14                  |
| <b>A. Amount recognised in the Statement of Profit and Loss for the year</b> |   |                          |
| - Current Service Cost   | 65  | 53                       |
| - Interest Cost  | 65  | 36                       |
| - Expected Return on Plan Assets   | (50)  | (43)                     |
| - Net actuarial (Gain) / Loss recognized during the year                     | 111   | 190                      |
| - Total Expenses recognized in the Statement of Profit and Loss              | 191   | 236                      |
| <b>B. Actual Return on Plan Assets</b>                                       |   |                          |
| - Actual Return of Plan Assets   | 61  | 43                       |
| <b>C. Amount recognised in the Balance Sheet</b>                             |   |                          |
| - Present Value of Obligation  | (945)                                       | 696                      |
| - Fair Value of Plan Assets  | 1003  | 572                      |
| - Funded status {surplus / (deficit)}  | 57  | (124)                    |
| - Net Asset/(Liability) recognized in the Balance Sheet                      | 57  | (124)                    |
| <b>D. Change in Present Value of Obligation</b>                              |   |                          |
| - Present Value of Obligation at the beginning of the year                   | 696   | 451                      |
| - Current Service Cost   | 65  | 53                       |
| - Interest Cost  | 65  | 36                       |
| - Benefits paid  | (3)   | (34)                     |
| - Actuarial (Gain) / Loss on Obligation                                      | 123   | 190                      |
| - Present Value of Obligation at the end of the year                         | 946   | 696                      |
| <b>E. Change in Plan Assets</b>  |   |                          |
| - Fair Value of Plan Assets at the beginning of the year                     | 572   | 466                      |
| - Expected Return on Plan Assets   | 50  | 43                       |
| - Contributions Made   | 372   | 97                       |
| - Benefits Paid  | (3)   | (34)                     |
| - Actuarial Gains / (Loss) on Plan Assets                                    | 12  | -                        |
| - Fair Value of Plan Assets at the end of the year                           | 1003  | 572                      |
| <b>F. Major categories of Plan Assets as a percentage of total plan</b>      | 100% Insurance Policy                       |                          |
| <b>G. Actuarial Assumptions</b>  |   |                          |
| - Discount Rate  | 8.00%                                       | 8.00%                    |
| - Expected Rate of Return on assets  | 8.00%                                       | 8.75%                    |
| - Employee Attrition Rate  | 3%  | 1%-3%                    |
| - Mortality Rate/Table   | Indian Assured Lives<br>Mortality (2006-08) | LIC(1994-96)<br>Ultimate |
| - Future salary increase   | 8.00%                                       | 8.00%                    |

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, 2015**

- (b) Actuarial Valuation has been done using Projected Unit Credit Method.
- (c) Estimated amount of contribution to be made in the next financial year ₹101 lakhs (Previous year - ₹124 lakhs).
- (d) **Amounts Recognised as Expense:**
- (i) Defined Contribution Plan**
- (1) Employer's Contribution to Provident Fund amounting to ₹151 lakhs (Previous year - ₹131 lakhs) has been included in Note 21 under Contribution to Provident Fund and Other Funds.
- (2) Employer's Contribution to Superannuation Fund amounting to ₹75 lakhs (Previous year - ₹60 lakhs) has been included in Note 21 under Contribution to Provident Fund and Other Funds.
- (ii) Defined Benefit Plan**
- Gratuity cost amounting to ₹191 lakhs (Previous year - ₹236 lakhs) has been included in Note 21 under Contribution to Provident and Other Funds.

**NOTE 30: BASIC AND DILUTED EARNINGS PER SHARE**

**Basic and Diluted Earning Per Share is calculated as under:**

| Particulars |   | 2014-15    | 2013-14    |
|-------------|---|------------|------------|
| (i)         | Net profit as per Profit & loss A/c (₹ in lakhs)                                | 37,205     | 32,247     |
| (ii)        | Dividend on Preference Capital & Dividend Distribution tax thereon (₹ in lakhs) | 512        | 497        |
| (iii)       | Net Profit attributable to Equity Shareholders (₹ in lakhs)                     | 36,693     | 31,750     |
| (iv)        | Number of Equity Shares outstanding at the beginning of the year                | 50,000,000 | 50,000,000 |
| (v)         | Number of Equity Shares outstanding at the end of the year                      | 50,000,000 | 50,000,000 |
| (vi)        | Weighted Average Number of Equity Shares outstanding during the year            | 50,000,000 | 50,000,000 |
| (vii)       | Nominal value of Equity shares (Amt. in ₹)                                      | 10.00      | 10.00      |
| (viii)      | Basic and Diluted Earnings Per share (Amt. in ₹)                                | 73.39      | 63.50      |

**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

**NOTE 31 : RELATED PARTIES DISCLOSURES:**

**(A) List of Related Parties and their relationship**

(i) Party where control exists

Clearcorp Dealing Systems (India) Limited Subsidiary

(ii) Other parties with whom the Company has entered into transactions during the year in the ordinary course of the business

**Party having Substantial Interest**

State Bank of India

**Key Management Personnel**

Mr. R. Sridharan - Managing Director

Mr.O.N.Ravi - Company Secretary & Corporate Development Officer

Mr. Deepak Chande - Chief Financial Officer (w.e.f 25.08.2014)

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

(₹ in lakhs)

| Nature of Relationship                        | Subsidiary       | Party having substantial interest | Key Management Personnel |
|---|------------------|-----------------------------------|--------------------------|
| <b>Particulars</b>                            |                  |                                   |                          |
| Income from Operations                        | -----            | 1,389<br>(876)                    | -----                    |
| Business Support Charges                      | 697<br>(617)     | -----                             | -----                    |
| Reimbursement/Sharing of expenses - (Receipt) | 150<br>(82)      | -----                             | -----                    |
| Rent for residential Accomodation - (Receipt) | 9<br>(9)         | -----                             | -----                    |
| Interest on deposits from members             | -----            | 182<br>(114)                      | -----                    |
| Operational Income shared                     | 1,617<br>(1,117) | -----                             | -----                    |
| <b>Remuneration</b>                           |                  |                                   |                          |
| - Mr. R. Sridharan                            | -----            | -----                             | 44<br>(40)               |
| - Mr.O. N.Ravi                                | -----            | -----                             | 86<br>(65)               |
| - Mr. Deepak Chande                           | -----            | -----                             | 36<br>(-)                |



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

| Nature of Relationship   | Subsidiary       | Party having substantial interest | Key Management Personnel |
|--|------------------|-----------------------------------|--------------------------|
| <b>Outstanding Balance as at the year end :</b>                                |                  |                                   |                          |
| Receivable   | -----            | 87<br>(38)                        | -----                    |
| Payable  | 180<br>(9)       | 54<br>(60)                        | -----                    |
| Collaterals outstanding - Cash   | -----            | 16,353<br>(18,607)                | -----                    |
| Collaterals outstanding - Securities (at face value)<br>{Refer Note (d) below} | -----            | 13,69,638<br>(20,57,538)          | -----                    |
| Collaterals outstanding - Guarantees<br>{Refer Note (e) below}                 | -----            | 75,109<br>(72,120)                | -----                    |
| Investment in equity shares  | 1,000<br>(1,000) | -----                             | -----                    |
| Payable  |                  |                                   |                          |
| - Mr. R. Sridharan   | -----            | -----                             | 3<br>(1)                 |
| - Mr.O.N.Ravi  | -----            | -----                             | 1<br>(3)                 |
| - Mr. Deepak Chande  | -----            | -----                             | 1<br>(-)                 |

Notes:

- (a) Figures in brackets represent corresponding amounts in the previous year.
- (b) Transactions with Subsidiary are in respect of common operations and in accordance with the terms of agreements entered into in this regard.
- (c) Transactions with State Bank of India in the nature of banker-customer relationship have been excluded.
- (d) Collaterals received in the form of Government Securities are held under Constituent Subsidiary General Ledger (CSGL) Account with Reserve Bank of India.
- (e) Collaterals outstanding - Guarantees represent USD 1,20,000 thousands (Previous year - USD 1,20,000 thousands).
- (f) The amounts are inclusive of Service Tax wherever applicable.
- (g) No amounts have been written off / provided for or written back during the year in respect of amounts due from or to related parties.
- (h) The above related party information has been disclosed to the extent such parties have been identified by the Company. This has been relied upon by the Auditors.

**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

**NOTE 32 : 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:

| PARTICULARS                       | As at 31.03.2015                       |                               | As at 31.03.2014                       |                               |
|-----------------------------------|--|-------------------------------|--|-------------------------------|
|                                   | Amount in US Dollars<br>(in Thousands) | Amount in INR<br>(₹ in lakhs) | Amount in US Dollars<br>(in Thousands) | Amount in INR<br>(₹ in lakhs) |
| <b>ASSETS</b>                     |  |                               |  |                               |
| US Govt. Treasury Bills           | 453,828                                | 284,055                       | 439,839                                | 264,342                       |
| Bank Balance in Current Accounts  | 62,327                                 | 39,011                        | 13,624                                 | 8,188                         |
| Accrued Interest on US T Bills    | 79                                     | 49                            | 178                                    | 107                           |
| <b>Total</b>                      | <b>516,234</b>                         | <b>323,115</b>                | <b>453,641</b>                         | <b>272,637</b>                |
| <b>LIABILITIES</b>                |  |                               |  |                               |
| Deposits from Members             | 516,078                                | 323,017                       | 453,384                                | 272,483                       |
| Interest payable to Members       | 143                                    | 89                            | 142                                    | 85                            |
| Bank Charges Payable              | 147                                    | 92                            | 115                                    | 69                            |
| Creditors for Capital Expenses    | 180                                    | 113                           | -                                      | -                             |
| <b>Total</b>                      | <b>516,548</b>                         | <b>323,311</b>                | <b>453,641</b>                         | <b>272,637</b>                |
| <b>Net Assets / (Liabilities)</b> | <b>(314)</b>                           | <b>(196)</b>                  | <b>-</b>                               | <b>-</b>                      |

**NOTE 33 :**

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. However the Company has while preparing the consolidated financial statements disclosed the segment information to the extent applicable as required under the said Accounting Standard.



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

**NOTE 34 :**

The details of dues to suppliers registered as micro/small enterprises with the appropriate authority under the Micro, Small and Medium Enterprises Development Act , 2006 ("MSMED Act") as at the year end 31.03.2015 are as follows :

(₹ in lakhs)

| Particulars  | As at 31.03.2015           |                            |  | As at 31.03.2014           |                            |  |
|--|----------------------------|----------------------------|--|----------------------------|----------------------------|--|
|  | Included in Trade Payables | Included in Other Payables | Included in Creditors for Capital Expenses | Included in Trade Payables | Included in Other Payables | Included in Creditors for Capital Expenses |
| (a) Principal amount remaining unpaid at the end of Accounting year.                       | 6                          | 3                          | 7  | 6                          | -                          | 6  |
| (b) Amount of interest paid in terms of 16 of the MSMED Act.                               | -                          |                            | -  | -                          |                            | -  |
| (c) The amount of interest due and payable for the period of delay in making payment.      | -                          |                            | -  | -                          |                            | -  |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year | -                          |                            | -  | -                          |                            | -  |
| (e) Interest due & payable even in succeeding years  | -                          |                            | -  | -                          |                            | -  |

The Company has compiled the above information based on the status submitted by the suppliers under the said Act.

**NOTE 35 :**

Disclosure under Schedule III of the Companies Act, 2013, has been given to the extent applicable.

**NOTE 36 :**

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/-<br><b>Shyamala Gopinath</b><br>Chairperson<br>(DIN:02362921) | Sd/-<br><b>R. Sridharan</b><br>Managing Director<br>(DIN:00868787) | Sd/-<br><b>M.S.Sundara Rajan</b><br>Director<br>(DIN:00169775) |
|---|--|--|

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

Sd/-  
**Deepak Chande**  
Chief Financial Officer

Place : Mumbai  
Date : May 13, 2015



## THE CLEARING CORPORATION OF INDIA LIMITED

### Form AOC-I

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

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

#### Part "A": Subsidiaries

(₹ in lakhs)

| Sr. No. | Particulars  |   |
|---------|--|---|
| 1.      | Name of the subsidiary   | Clearcorp Dealing Systems (India) Limited |
| 2.      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                      | N.A.                                      |
| 3.      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | N.A.                                      |
| 4.      | Share capital  | 1,000                                     |
| 5.      | Reserves & surplus   | 3,095                                     |
| 6.      | Total assets   | 4,586                                     |
| 7.      | Total liabilities  | 491                                       |
| 8.      | Investments  | -   |
| 9.      | Turnover   | 2,904                                     |
| 10.     | Profit before taxation   | 1,279                                     |
| 11.     | Provision for taxation   | 382                                       |
| 12.     | Profit after taxation  | 897                                       |
| 13.     | Proposed Dividend  | -   |
| 14.     | % of shareholding  | 100                                       |

Notes:

|    |   |      |
|----|---|------|
| 1. | Names of subsidiaries which are yet to commence operations                | None |
| 2. | Names of subsidiaries which have been liquidated or sold during the year. | None |

#### Part "B": Associates and Joint Ventures

| Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures |   |      |
|--|---|------|
| 1.   | Name of Associates/ Joint Ventures                                      | None |
| 2.   | Latest audited Balance Sheet Date                                       | N.A. |
| 3.   | Shares of Associate/ Joint Ventures held by the company on the year end |      |
|  | i. No.  | N.A. |
|  | ii. Amount of Investment in Associates/ Joint Venture                   | N.A. |
|  | iii. Extend of Holding %  | N.A. |



## THE CLEARING CORPORATION OF INDIA LIMITED

### Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(₹ in lakhs)

| Sr. No. | Particulars   |      |
|---------|---|------|
| 4.      | Description of how there is significant influence                         | N.A. |
| 5.      | Reason why the associate/joint venture is not consolidated                | N.A. |
| 6.      | Networth attributable to Shareholding as per latest audited Balance Sheet | N.A. |
| 7.      | Profit / Loss for the year  |      |
|         | i. Considered in Consolidation  | N.A. |
|         | ii. Not Considered in Consolidation                                       | N.A. |

Notes:

|    |   |      |
|----|---|------|
| 1. | Names of associates or joint ventures which are yet to commence operations.               | None |
| 2. | Names of associates or joint ventures which have been liquidated or sold during the year. | None |

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

Sd/-  
**Shyamala Gopinath**  
Chairperson  
(DIN:02362921)

Sd/-  
**R. Sridharan**  
Managing Director  
(DIN:00868787)

Sd/-  
**M.S.Sundara Rajan**  
Director  
(DIN:00169775)

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

Sd/-  
**Deepak Chande**  
Chief Financial Officer

Place : Mumbai  
Date : May 13, 2015

## INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF  
THE CLEARING CORPORATION OF INDIA LIMITED  
REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **THE CLEARING CORPORATION OF INDIA LIMITED** (“the Parent Company”) and its subsidiary collectively referred to as 'the Group, which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information. This being the first year of applicability with regard to preparation of the consolidated financial statements, opening balances and previous years' figures have been considered based on Management Certification provided to us.

**Management's Responsibility for the Consolidated Financial Statements**

The Parent Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (“the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Parent Company has an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the 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 Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2015;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date, and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' reports of the Parent Company and its Indian subsidiary, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.

- d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Parent Company and its subsidiary company as on 31st March, 2015 taken on record by the Board of Directors of the Parent Company and its subsidiary company, none of the directors of the Group's companies are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Group does not have any pending litigations which would impact its consolidated financial position.
  - (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company and its subsidiary.

**For LODHA & COMPANY**  
Chartered Accountants  
Firm Registration No. 301051E  
Sd/-  
**R.P. Baradiya**  
Partner  
Membership No. 44101

Place : Mumbai

**ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND**

**Date : May 15, 2015**



## REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE CLEARING CORPORATION OF INDIA LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

1. (a) The Parent Company and its Indian subsidiary has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The Parent Company and its Indian subsidiary has carried out physical verification of all its fixed assets during the year. In our opinion, the frequency of verification is reasonable considering the size of the Parent Company and its Indian subsidiary and the nature of its assets. No material discrepancies were noticed on such verification.
2. The Parent Company and its Indian subsidiary do not have any inventory. Therefore, the provisions of the clause 4 (ii) of the Order are not applicable to the Company.
3. During the year, the Parent Company and its Indian subsidiary has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 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 items purchased and sold are of the special nature in respect of which suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control systems commensurate with the size of the Parent Company and its Indian subsidiary and nature of its business for purchase of inventory, fixed assets and with regard to the sale of services. During the course of our audit, no major weakness has been noticed in the aforesaid internal control systems.
5. In our Opinion and according to the information and explanations given to us, the Parent Company and its Indian subsidiary has not accepted any public deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.
6. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Act for any of the activities of the Parent Company and its Indian subsidiary.
7. a) The Parent Company and its Indian subsidiary is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to the Parent Company and its Indian subsidiary 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) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty, Cess which have not been deposited on account of any dispute except the following :
8. The Parent Company and its Indian subsidiary has no accumulated losses as at the end of the year and it

| Name of the Statute                              | Nature of Dues | Period to which it relates        | ₹ In Lakhs | Forum where dispute is pending   |
|--|----------------|-----------------------------------|------------|--|
| The Brihanmumbai Municipal Corporation Act, 1888 | Property Tax   | Financial Year 2011-12 to 2014-15 | 550        | Reply against demand raised has been filed before the Municipal Corporation of Greater Mumbai                  |
| The Finance Act, 1994                            | Service Tax    | October-2009 to June -2012        | 167        | Reply to show cause cum demand notice will be filed before the Commissioner of Service Tax - Audit-II (Mumbai) |

has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.

9. In our opinion and 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.
10. According to the information and explanations given to us, the Parent Company and its Indian subsidiary has not given any guarantee for loans taken by others from banks and financial institutions. Therefore, the provisions of the clause 4 (x) of the Order are not applicable to the Parent Company and its Indian subsidiary.
11. Based on the information and explanations given to us by the management, the Parent Company and its Indian subsidiary have not obtained any term loans during the year. Therefore, the provisions of the clause 4 (xi) of the Order are not applicable to the Parent Company and its Indian subsidiary.
12. During the course of our examination of the books and records of the Parent Company and its subsidiary, 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 Parent Company and its subsidiary, noticed or reported during the year, nor have we been informed of such case by the management.

**For LODHA & COMPANY**  
Chartered Accountants  
Firm Registration No. 301051E  
Sd/-  
**R.P. Baradiya**  
Partner  
Membership No. 44101

Place : Mumbai  
Date : May 13, 2015



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015**

|   |             | (₹ in lakhs)        |                     |
|---|-------------|---------------------|---------------------|
|   | Note No.    | As at<br>31.03.2015 | As at<br>31.03.2014 |
| <b>EQUITY AND LIABILITIES</b>   |             |                     |                     |
| <b>Shareholders' Funds</b>  |             |                     |                     |
| Share Capital   | 2           | 10,000              | 10,000              |
| Reserves and Surplus  | 3           | 165,646             | 129,861             |
| <b>Non-Current Liabilities</b>  |             |                     |                     |
| Deferred Tax Liabilities  | 4           | 966                 | 148                 |
| Long-Term Provisions  | 5           | 743                 | 577                 |
| <b>Current Liabilities</b>  |             |                     |                     |
| Trade Payables  | 6           | 205                 | 126                 |
| Other Current Liabilities   | 7           | 585,838             | 521,755             |
| Short-Term Provisions   | 8           | 2,635               | 2,697               |
| <b>TOTAL</b>  |             | <b>766,033</b>      | <b>665,164</b>      |
| <b>ASSETS</b>   |             |                     |                     |
| <b>Non-Current Assets</b>   |             |                     |                     |
| Fixed Assets  | 9           |                     |                     |
| - Tangible Assets   |             | 14,993              | 15,187              |
| - Intangible Assets   |             | 2,933               | 830                 |
| - Capital Work-in-Progress  |             | 3                   | 3                   |
| - Intangible Assets under Development-Software  |             | 1,389               | 1,319               |
| Long-Term Loans and Advances  | 10          | 759                 | 461                 |
| Other Non-Current Assets  | 11          | 225,771             | 182,566             |
| <b>Current Assets</b>   |             |                     |                     |
| Current Investments   | 12          | 337,565             | 304,536             |
| Trade Receivables   | 13          | 3,708               | 2,222               |
| Cash and Bank Balances  | 14          | 164,094             | 144,906             |
| Short-Term Loans and Advances   | 15          | 128                 | 45                  |
| Other Current Assets  | 16          | 14,690              | 13,089              |
| <b>TOTAL</b>  |             | <b>766,033</b>      | <b>665,164</b>      |
| <b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS</b> | <b>1-30</b> |                     |                     |

As per our attached report of even date  
For and on behalf of  
**LODHA & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No. 301051E  
Sd/-  
**R.P.Baradiya**  
**PARTNER**  
Place : Mumbai  
Date : May 13, 2015

Signatures to the Financial Statements and Notes thereon  
For and on behalf of the Board of Directors

|   |  |  |
|---|--|--|
| Sd/-<br><b>Shyamala Gopinath</b><br>Chairperson<br>(DIN:02362921)                 | Sd/-<br><b>R. Sridharan</b><br>Managing Director<br>(DIN:00868787) | Sd/-<br><b>M.S.Sundara Rajan</b><br>Director<br>(DIN:00169775) |
| Sd/-<br><b>O. N. Ravi</b><br>Company Secretary &<br>Corporate Development Officer |  | Sd/-<br><b>Deepak Chande</b><br>Chief Financial Officer        |



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

|   | Note No. | As at<br>31.03.2015 | As at<br>31.03.2014 |
|---|----------|---------------------|---------------------|
| <b>Revenue from Operations</b>              |          |                     |                     |
| Income from Operations                      | 17       | 38,416              | 32,715              |
| Other Operating Revenues                    | 18       | 17,501              | 17,861              |
|   |          | <b>55,917</b>       | <b>50,576</b>       |
| Other Income                                | 19       | 12,766              | 9,626               |
| <b>Total Revenue Expenses</b>               |          | <b>68,683</b>       | <b>60,202</b>       |
| Employee Benefits Expense                   | 20       | 3,882               | 3,622               |
| Finance Costs                               | 21       | 1,039               | 886                 |
| Depreciation and Amortization Expense       | 22       | 1,199               | 2,177               |
| Other Expenses                              | 23       | 5,030               | 3,872               |
| <b>Total Expenses</b>                       |          | <b>11,150</b>       | <b>10,557</b>       |
| <b>Profit Before Tax for the Year</b>       |          | <b>57,533</b>       | <b>49,645</b>       |
| Tax Expense                                 |          |                     |                     |
| - Current Tax                               |          | 18,737              | 16,873              |
| - Deferred Tax                              |          | 818                 | 11                  |
| - Tax Adjustments relating to earlier years |          | (124)               | -                   |
| <b>Profit After Tax for the year</b>        |          | <b>38,102</b>       | <b>32,761</b>       |
| <b>Earnings per Equity Share:</b>           |          |                     |                     |
| -Basic                                      |          | 75.18               | 64.53               |
| -Diluted                                    |          | 75.18               | 64.53               |
| (Equity Share of face value of ₹ 10 each)   |          |                     |                     |

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES  
TO THE CONSOLIDATED FINANCIAL STATEMENTS**

1-30

As per our attached report of even date  
For and on behalf of

**LODHA & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No. 301051E

Sd/-  
**R.P.Baradiya**  
**PARTNER**

Place : Mumbai  
Date : May 13, 2015

**Signatures to the Financial Statements and Notes thereon**  
**For and on behalf of the Board of Directors**

Sd/-  
**Shyamala Gopinath**  
Chairperson  
(DIN:02362921)

Sd/-  
**R. Sridharan**  
Managing Director  
(DIN:00868787)

Sd/-  
**M.S.Sundara Rajan**  
Director  
(DIN:00169775)

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

Sd/-  
**Deepak Chande**  
Chief Financial Officer



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

|  | (₹ in lakhs)    |                 |
|--|-----------------|-----------------|
|  | 2014-15         | 2013-14         |
| <b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>                       |                 |                 |
| PROFIT BEFORE TAX  | 57,533          | 49,645          |
| Add : Adjustments for :  |                 |                 |
| Depreciation and Amortization Expense                                | 1,200           | 2,177           |
| Wealth Tax (included under Rates & Taxes)                            | 10              | 10              |
| Interest on Taxes  | 55              | 14              |
| Less: Adjustments for :  |                 |                 |
| Interest Income on Investments made out of Own Funds                 | 12,323          | 9,553           |
| Provision Written Back   | 19              | 16              |
| Profit/(Loss) on Sale of Fixed Asset (net)                           | 6               | 2               |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES                      | <u>46,450</u>   | <u>42,275</u>   |
| Adjustments for :  |                 |                 |
| (Increase)/ Decrease in Non Current Assets / Current Assets          | (44,131)        | (69,075)        |
| Increase/(Decrease) in Non Current Liabilities / Current Liabilities | 64,185          | 71,065          |
| CASH GENERATED FROM OPERATIONS                                       | <u>66,504</u>   | <u>44,265</u>   |
| Direct Taxes paid  | (18,940)        | (17,147)        |
| NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)                     | <u>47,564</u>   | <u>27,118</u>   |
| <b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>                       |                 |                 |
| Purchase of Fixed Assets   | (3,177)         | (2,667)         |
| Sale of Fixed Assets   | 6               | 2               |
| Interest Income on Investments made out of Own Funds                 | 11,315          | 8,315           |
| Purchase of Government of India Treasury Bills out of Own Funds      | (4,140)         | (4,673)         |
| Placement of Fixed Deposits with Banks made out of Own Funds         | (128,185)       | (110,697)       |
| Redemption of Fixed Deposits with Banks made out of Own Funds        | 108,946         | 84,526          |
| Sale/Redemption of Investments out of Own Funds                      | 4,673           | -               |
| NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)                     | <u>(10,562)</u> | <u>(25,194)</u> |



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

|  | (₹ in lakhs)   |              |
|--|----------------|--------------|
|  | 2014-15        | 2013-14      |
| <b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>                       |                |              |
| Dividend/Dividend Distribution Tax paid                              | (2,252)        | (890)        |
| <b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)</b>              | <b>(2,252)</b> | <b>(890)</b> |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>  | <b>34,750</b>  | <b>1,034</b> |
| <b>CASH AND CASH EQUIVALENTS</b>                                     |                |              |
| OPENING BALANCE  | 12,825         | 11,791       |
| CLOSING BALANCE  |                |              |
| Before adjustment of unrealised foreign exchange                     | 47,236         | 12,414       |
| Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents | 339            | 411          |
|  | 47,575         | 12,825       |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>          | <b>34,750</b>  | <b>1,034</b> |

**Note:**

The above Cash Flow Statement has been prepared using the indirect method as per Accounting Standard AS-3.

As per our attached report of even date  
For and on behalf of

**LODHA & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No. 301051E

Sd/-  
**R.P.Baradiya**  
**PARTNER**

Place : Mumbai  
Date : May 13, 2015

Signatures to the Financial Statements and Notes thereon  
For and on behalf of the Board of Directors

Sd/-  
**Shyamala Gopinath**  
Chairperson  
(DIN:02362921)

Sd/-  
**R. Sridharan**  
Managing Director  
(DIN:00868787)

Sd/-  
**M.S.Sundara Rajan**  
Director  
(DIN:00169775)

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

Sd/-  
**Deepak Chande**  
Chief Financial Officer



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

#### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CFS)**

The Consolidated Financial Statements relates to The Clearing Corporation of India Limited (“the Company” or “the Parent Company”) and its wholly owned subsidiary Clearcorp Dealing Systems (India) Limited (“the Subsidiary Company”), collectively referred to as “the Group”

#### **Significant Accounting Policies:**

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

The consolidated financial statements of the Company and its wholly owned subsidiary 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. 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 consolidated financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the consolidated financial statements as prudent and reasonable. Future results could differ from these estimates.

##### **(b) Principles of consolidation :**

The consolidated financial statements of the Parent Company and the Subsidiary have been prepared in accordance with the consolidation procedures prescribed under AS 21 ‘Consolidated Financial Statements’.

The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the Parent Company and the Subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting profits in full.
- (ii) The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Parent Company for its standalone financial statements.
- (iii) The consolidated financial statements are prepared using uniform accounting policies across the Group.

**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

**(c) Particulars of the Subsidiary:**

| Name of the Company                       | Subsidiary w.e.f | Country of incorporation | Percentage of voting rights as on 31.03.2015 | Reporting date | Financial Statements | Relationship |
|---|------------------|--------------------------|--|----------------|----------------------|--------------|
| Clearcorp Dealing Systems (India) Limited | 11.07.2003       | India                    | 100%   | 31.03.2015     | Audited              | Subsidiary   |

**(d) Revenue Recognition:**

- (i) Revenue from Services is recognized as and when the Service is performed as per the relevant agreements.
- (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) Other Revenue Income is recognised as and when there is a reasonable certainty of ultimate realisation.

**(e) 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) Expenses incurred towards acquisition or development of software by an external vendor is capitalized as Computer Software.
- (iii) Depreciation on Tangible assets is provided on Straight Line Method (SLM) over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for the following:
  - a) Assets whose cost is ₹5,000 or less are fully written off in the year of acquisition, and;
  - b) Furniture and fittings (Chairs), which are depreciated over 5 Years.

Amortization of Intangible Assets is based on Internal technical assessment/advice. Intangible asset whose cost is ₹5,000 or less are fully written off in the year of acquisition.



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

The Estimated useful life of assets considered for providing depreciation/amortization are as under:

| Asset                                  | Useful Life<br>(In Years) |
|--|---------------------------|
| Buildings- Residential                 | 60                        |
| Buildings - Office                     | 60                        |
| Computer Systems - Hardware            | 3-6                       |
| Electrical Installations and Equipment | 10                        |
| Furniture and fittings                 | 5-10                      |
| Office Equipment                       | 5                         |
| Computer Software                      | 3                         |

**(f) 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.

**(g) 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.

(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.

## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(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.

(h) 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.

(i) 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.

(j) Provisions and Contingent Liabilities:

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

- i) the Group has a present obligation as a result of past event,
- ii) a probable outflow of resources is expected to settle the obligation and
- iii) the amount of the obligation can be reliably estimated.

Contingent Liability is disclosed in the case of -

- i) 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.
- ii) 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

|  | As at 31.03.2015   |               | As at 31.03.2014   |               |
|--|--------------------|---------------|--------------------|---------------|
|  | Number             | ₹ in lakhs    | Number             | ₹ in lakhs    |
| <b>NOTE 2 : SHARE CAPITAL</b>  |                    |               |                    |               |
| <b>Authorised</b>  |                    |               |                    |               |
| 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         |
|  | <u>100,000,000</u> | <u>10,000</u> | <u>100,000,000</u> | <u>10,000</u> |
| <b>Issued, Subscribed and Paid up</b>                                      |                    |               |                    |               |
| 8.5% 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         |
| <b>TOTAL</b>   | <u>100,000,000</u> | <u>10,000</u> | <u>100,000,000</u> | <u>10,000</u> |

**Notes:**

(a) There has been no change in the number of Equity Shares & Preference Shares outstanding at the beginning of the current year and the previous year.

(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) **Terms of Preference Shares**

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. The Preference Shareholders are entitled to dividend @ 8.50% p.a. and shares are redeemable on March 23, 2018.

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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(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 31.03.2015   |              | As at 31.03.2014   |              |
|---|--------------------|--------------|--------------------|--------------|
|   | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| <b>Equity Shares:</b>   |                    |              |                    |              |
| 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         | 3,750,000          | 7.50         |
| ICICI Bank Limited  | 2,750,000          | 5.50         | 2,750,000          | 5.50         |
| <b>8.5% Redeemable, Non Convertible, Cumulative Preference Shares :</b> |                    |              |                    |              |
| The Kalupur Commercial Co-operative Bank Limited                        | 19,000,000         | 38.00        | 19,000,000         | 38.00        |
| Kotak Mahindra Bank Ltd.  | 8,000,000          | 16.00        | 8,000,000          | 16.00        |
| The South Indian Bank Limited   | 5,000,000          | 10.00        | 5,000,000          | 10.00        |
| The Karur Vysya Bank Ltd.   | 5,000,000          | 10.00        | 5,000,000          | 10.00        |
| The Federal Bank Ltd.   | 5,000,000          | 10.00        | 5,000,000          | 10.00        |
| Yes Bank Ltd.   | 5,000,000          | 10.00        | 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.



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ in lakhs)

|   | As at 31.03.2015 | As at 31.03.2014 |
|---|------------------|------------------|
| <b>NOTE 3 : RESERVES AND SURPLUS</b>                                  |                  |                  |
| <b>General Reserve</b>  |                  |                  |
| Opening Balance   | 39,256           | 30,756           |
| Add: Transferred from Surplus   | 18,500           | 8,500            |
| <b>Closing Balance</b>  | <b>57,756</b>    | <b>39,256</b>    |
| <b>Settlement Reserve Fund {Refer Note below}</b>                     |                  |                  |
| Opening Balance   | 84,000           | 64,000           |
| Add: Transferred from Surplus   | 16,057           | 20,000           |
| <b>Closing Balance</b>  | <b>100,057</b>   | <b>84,000</b>    |
| <b>Surplus</b>  |                  |                  |
| Opening Balance   | 6,605            | 4,596            |
| Add: Net Profit After Tax transferred from Statement of Profit & Loss | 38,102           | 32,761           |
| Amounts available for Appropriation                                   | <b>44,707</b>    | <b>37,357</b>    |
| <b>Appropriations :</b>   |                  |                  |
| - Proposed Dividend on Equity Shares                                  | 1,500            | 1,500            |
| - Proposed Dividend on Preference Shares                              | 425              | 425              |
| - Dividend Distribution Tax   | 392              | 327              |
| - Transfer to General Reserve   | 18,500           | 8,500            |
| - Transfer to Settlement Reserve Fund                                 | 16,057           | 20,000           |
| <b>Closing Balance</b>  | <b>7,833</b>     | <b>6,605</b>     |
| <b>TOTAL</b>  | <b>165,646</b>   | <b>129,861</b>   |

#### Notes:

Settlement Reserve Fund represents amounts set aside from the Profits 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 default, consequences of operational failures and any loss on account of settlement bank failure or of failure of any bank/institution with which investments are made or which operates as custodian for such investments. Bank Deposits/Current Investments amounting to ₹84,000 lakhs (Previous year - ₹64,000 lakhs ) are earmarked for this purpose.



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015 (₹ in lakhs)

|  | As at 31.03.2015 | As at 31.03.2014 |
|--|------------------|------------------|
| <b><u>NOTE 4 : DEFERRED TAX LIABILITIES</u></b>                                    |                  |                  |
| <b><u>Deferred Tax Liabilities</u></b>   |                  |                  |
| Arising out of timing difference in depreciation                                   | 1,392            | 657              |
| <b><u>Less : Deferred Tax Assets</u></b>   |                  |                  |
| Arising out of timing difference in respect of expenses allowable on payment basis | 426              | 509              |
| <b>TOTAL</b>   | <b>966</b>       | <b>148</b>       |
| <b><u>NOTE 5 : LONG TERM PROVISIONS</u></b>  |                  |                  |
| Provision for Employee Benefits  | 743              | 577              |
| <b>TOTAL</b>   | <b>743</b>       | <b>577</b>       |
| <b><u>NOTE 6 : TRADE PAYABLES</u></b>  |                  |                  |
| Due to Creditors other than Micro and Small Enterprises                            | 199              | 120              |
| Due to Micro and Small Enterprises   | 6                | 6                |
| <b>TOTAL</b>   | <b>205</b>       | <b>126</b>       |
| <b><u>NOTE 7 : OTHER CURRENT LIABILITIES</u></b>                                   |                  |                  |
| Creditors for Capital Expenses {Refer Note (a) below}                              | 1,092            | 1,199            |
| Interest Accrued but not Due   | 1,765            | 1,530            |
| Deposits from Members {Refer Note (b) below}                                       | 581,858          | 517,832          |
| Statutory Dues payable   | 435              | 579              |
| Other payables {Refer Note (c) below}  | 688              | 615              |
| <b>TOTAL</b>   | <b>585,838</b>   | <b>521,755</b>   |

#### Notes:

- (a) Creditors for Capital Expenses includes ₹7 lakhs ( Previous year ₹6 lakhs ) due to Micro and Small Enterprises.



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(b) 'Deposits from Members' represents collaterals received in the form of cash. Total collaterals received from members and outstanding at the end of the year are as under :

| Particulars                   | (₹ in lakhs)                       |  |                                    |
|-------------------------------|------------------------------------|--|------------------------------------|
|                               | Cash                               | Govt.<br>Securities #                    | Guarantees                         |
| Securities Settlement         | 218,160<br>(206,327)               | 3,026,573<br>(2,581,086)                 | --                                 |
| Forex Settlement              | 323,017<br>(272,483)               | --                                       | 75,109 **<br>(72,120) **           |
| CBLO Settlement               | 33,312 *<br>(38,922) *             | 25,656,955<br>(21,586,019)               | 265,000 @<br>(265,000) @           |
| Default Fund - Forex Forwards | 7,369<br>(100)                     | 173,815<br>(113,555)                     | --                                 |
| <b>TOTAL</b>                  | <b>581,858</b><br><b>(517,832)</b> | <b>28,857,343</b><br><b>(24,280,660)</b> | <b>340,109</b><br><b>(337,120)</b> |

Figures in brackets 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 are included in respective accounts:

|  | (₹ in lakhs)        |                     |
|--|---------------------|---------------------|
|  | As on<br>31.03.2015 | As on<br>31.03.2014 |
| US Government Treasury Bills (under Current Investments)       | 284,055             | 264,342             |
| Government of India Treasury Bills (under Current Investments) | 49,370              | 35,521              |
| Balance in Bank Accounts                                       |                     |                     |
| - In Current Accounts  | 41,364              | 10,169              |
| - In Deposit Accounts  | 207,069             | 207,800             |
|  | <b>581,858</b>      | <b>517,832</b>      |

# Collaterals received in the form of Government Securities are held under Constituent Subsidiary General Ledger (CSGL) Account with Reserve Bank of India.

\* Equivalent to US Dollars 5,16,078 thousands (Previous year - US Dollars 4,53,384 thousands).

\*\* Represents facility extended by Royal Bank of Scotland PLC to State Bank of India (SBI) amounting to USD 1,20,000 thousands (Previous year USD 1,20,000 thousands), exclusively for SBI's obligations towards the Company, undertaking to meet liability arising out of any default by SBI in CLS Settlement Operations.

@ The Company has accepted Bank Guarantees as additional collaterals

(c) Other payables includes ₹3 lakhs ( Previous year - Nil ) due to Micro and Small Enterprises



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**  
(₹ in lakhs)

|  | As at 31.03.2015 | As at 31.03.2014 |
|--|------------------|------------------|
| <b><u>NOTE 8 : SHORT TERM PROVISIONS</u></b> |                  |                  |
| Provision for Employee Benefits              | 318              | 442              |
| Provision for Taxation (Net of Advance)      | -                | 3                |
| Proposed Dividends                           | 1,925            | 1,925            |
| Provision for Dividend Distribution Tax      | 392              | 327              |
| <b>TOTAL</b>                                 | <b>2,635</b>     | <b>2,697</b>     |



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ in lakhs)

| Sr. No.          | Particulars                            | Gross Block                |                          |                    | Accumulated Depreciation   |                            |                           | Net Block<br>As on<br>31.03.2015<br>(31.03.2014) |                            |
|------------------|--|----------------------------|--------------------------|--------------------|----------------------------|----------------------------|---------------------------|--|----------------------------|
|                  |  | Opening Balance            | Additions                | Disposal           | Closing Balance            | Opening Balance            | Depreciation for the year |  | On Disposals               |
| a                | <b>Tangible Assets</b>                 |                            |                          |                    |                            |                            |                           |  |                            |
|                  | Freehold Land                          | 1,320<br>(1,320)           | -                        | -                  | 1,320<br>(1,320)           | -                          | -                         | -  | 1,320<br>(1,320)           |
|                  | Buildings - Residential                | 1,139<br>(1,139)           | -                        | -                  | 1,139<br>(1,139)           | 168<br>(149)               | 17<br>(19)                | -  | 954<br>(971)               |
|                  | Buildings - Office                     | 11,370<br>(11,370)         | -                        | -                  | 11,370<br>(11,370)         | 499<br>(314)               | 171<br>(185)              | -  | 10,700<br>(10,871)         |
|                  | Computer Systems Hardware              | 3,146<br>(2,487)           | 423<br>(690)             | 73<br>(31)         | 3,496<br>(3,146)           | 2,428<br>(2,306)           | 170<br>(153)              | 73<br>(31)                                       | 971<br>(718)               |
|                  | Furniture and fittings                 | 577<br>(549)               | 6<br>(28)                | -<br>(0)           | 583<br>(577)               | 347<br>(238)               | 39<br>(108)               | 0<br>(0)   | 197<br>(230)               |
|                  | Electrical Installations and Equipment | 1,557<br>(1,541)           | 6<br>(16)                | 8<br>(8)           | 1,555<br>(1,557)           | 831<br>(529)               | 97<br>(301)               | 8<br>(8)   | 635<br>(726)               |
| Office Equipment | 866<br>(862)                           | 9<br>(6)                   | 10<br>(3)                | 865<br>(866)       | 514<br>(360)               | 145<br>(158)               | 10<br>(3)                 | 216<br>(351)                                     |                            |
|                  | <b>Total</b>                           | <b>19,974<br/>(19,268)</b> | <b>444<br/>(740)</b>     | <b>91<br/>(34)</b> | <b>20,327<br/>(19,974)</b> | <b>4,787<br/>(3,896)</b>   | <b>639<br/>(924)</b>      | <b>91<br/>(34)</b>                               | <b>14,993<br/>(15,187)</b> |
| b                | <b>Intangible Assets</b>               |                            |                          |                    |                            |                            |                           |  |                            |
|                  | Computer Software                      | 10,292<br>(8,823)          | 2,663<br>(1,469)         | -                  | 12,955<br>(10,292)         | 9,462<br>(8,209)           | 561<br>(1,253)            | -  | 2,933<br>(830)             |
|                  | <b>Total</b>                           | <b>10,292<br/>(8,823)</b>  | <b>2,663<br/>(1,469)</b> | <b>-</b>           | <b>12,955<br/>(10,292)</b> | <b>9,462<br/>(8,209)</b>   | <b>561<br/>(1,253)</b>    | <b>-</b>   | <b>2,932<br/>(830)</b>     |
|                  | <b>Grand Total</b>                     | <b>30,266<br/>(28,091)</b> | <b>3,107<br/>(2,209)</b> | <b>91<br/>(34)</b> | <b>33,282<br/>(30,266)</b> | <b>14,249<br/>(12,104)</b> | <b>1,200<br/>(2,177)</b>  | <b>91<br/>(34)</b>                               | <b>17,926<br/>(16,017)</b> |

Notes:

- 1 Freehold Land represents allocated cost of land related to office building at Dadar (Mumbai), the conveyance for which is yet to be executed in favour of the Parent Company.
- 2 Cost of building under "Building - Residential" includes ₹14,000 paid towards 14 shares of ₹1,000 each of an Apartment Condominium.
- 3 "0" denotes amount less than ₹1 lakh
- 4 Figures in brackets represent corresponding amounts in the previous year.



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ in lakhs)

|   | As at 31.03.2015 | As at 31.03.2014 |
|---|------------------|------------------|
| <b><u>NOTE 10: LONG TERM LOANS AND ADVANCES</u></b> |                  |                  |
| (Unsecured, Considered Good)                        |                  |                  |
| Capital Advances                                    | -                | 0 *              |
| Security Deposits {Refer Note below}                | 65               | 65               |
| Advance Tax (Net of tax Provision)                  | 694              | 396              |
| <b>TOTAL</b>  | <b>759</b>       | <b>461</b>       |

Note:

'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 Parent Company.

### **NOTE 11: OTHER NON CURRENT ASSETS**

|   |                |                |
|---|----------------|----------------|
| Bank Deposits with original maturity of more than 12 months {Refer Note (a), (b) and (c) below} | 225,715        | 182,385        |
| Interest Accrued on Deposits with Banks   | 5              | 5              |
| Service Tax Input Credit  | -              | 147            |
| Prepaid Expenses  | 51             | 29             |
| <b>TOTAL</b>  | <b>225,771</b> | <b>182,566</b> |

Notes :

- Bank Deposits with original maturity of more than 12 months includes deposits amounting to ₹57,420 lakhs (Previous year - ₹39,860 lakhs) earmarked for Settlement Reserve Fund.
- Bank Deposits with original maturity of more than 12 months includes deposits amounting to ₹49,600 lakhs (Previous year ₹ 41,500 lakhs) marked as lien by the various banks against overdraft limits sanctioned by them. The total overdraft limits sanctioned by these banks amounts to ₹43,544 lakhs (Previous year ₹36,175 lakhs). Outstanding Overdraft as on 31.03.2015 - Nil (Previous year - Nil).
- Bank Deposits with original maturity of more than 12 months comprises of deposits amounting to ₹50 lakhs (Previous Year ₹50 lakhs) kept with Bank of Baroda, under lien in favour of Forex Dealers Association of India (FEDAI).

\* denotes amount less than ₹1 lakh



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ in lakhs)

|  | As at 31.03.2015 | As at 31.03.2014 |
|--|------------------|------------------|
| <b>NOTE 12: CURRENT INVESTMENTS</b>                    |                  |                  |
| <b>QUOTED :</b>  |                  |                  |
| Investment in Government Securities {Refer Note below} | 337,565          | 304,536          |
| <b>TOTAL</b>   | <b>337,565</b>   | <b>304,536</b>   |

Note : Details of Current Investments

| Sr. No. | Investment   | No. of Shares / Units |                     | Quoted / Unquoted | Partly Paid / Fully paid | Amount (₹ in lakhs) |                     | Whether stated at Cost |
|---------|--|-----------------------|---------------------|-------------------|--------------------------|---------------------|---------------------|------------------------|
|         |  | As at<br>31.03.2015   | As at<br>31.03.2014 |                   |                          | As at<br>31.03.2015 | As at<br>31.03.2014 |                        |
|         | <b>Investments in Government Securities</b>  |                       |                     |                   |                          |                     |                     |                        |
| (i)     | US Government Treasury Bills<br>( Fair Value ₹2,84,137 lakhs,<br>Previous year ₹2,64,398 lakhs)      | 4,540,000             | 4,400,000           | Quoted            | Fully paid               | 284,055             | 264,342             | Cost                   |
| (ii)    | Government of India Treasury<br>Bills ( Fair Value ₹56,212 lakhs,<br>Previous year - ₹41,468 lakhs ) | 5,72,81,250           | 42,599,500          | Quoted            | Fully paid               | 53,510              | 40,194              | Cost                   |
|         | <b>TOTAL</b>   |                       |                     |                   |                          | <b>337,565</b>      | <b>304,536</b>      |                        |

Note : Investment in Government of India Treasury Bills includes Treasury Bills amounting to ₹990 lakhs (Previous year - ₹1,485 lakhs) earmarked for Settlement Reserve Fund.

### **NOTE 13: TRADE RECEIVABLES**

(Unsecured, Considered Good)

|  |              |              |
|--|--------------|--------------|
| Trade Receivables outstanding for a period less than six months from the date they are due for payment | 3,708        | 2,222        |
| <b>TOTAL</b>   | <b>3,708</b> | <b>2,222</b> |



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015 (₹ in lakhs)

|   | As at 31.03.2015 | As at 31.03.2014 |
|---|------------------|------------------|
| <b>NOTE 14: CASH AND BANK BALANCE</b>   |                  |                  |
| <b>(A) Cash and Cash Equivalents</b>  |                  |                  |
| <b>Balances with Banks</b>  |                  |                  |
| in Current Accounts   | 43,734           | 12,724           |
| in Deposit Accounts (original maturity of upto 3 months)  | 3,840            | 100              |
|   | <b>47,574</b>    | <b>12,824</b>    |
| <b>Cash on Hand</b>   | <b>1</b>         | <b>1</b>         |
|   | <b>47,575</b>    | <b>12,825</b>    |
| <b>(B) Other Bank Balances</b>  |                  |                  |
| Bank Deposits with original maturity upto 3 months<br>{Refer Note (a) below}                                    | 1,500            | -                |
| Bank Deposits with original maturity of more than 3 months<br>but upto 12 months {Refer Note (b) and (c) below} | 115,019          | 132,081          |
|   | <b>116,519</b>   | <b>132,081</b>   |
| <b>TOTAL</b>  | <b>164,094</b>   | <b>144,906</b>   |

#### Notes :

- Bank Deposits with original maturity upto 3 months includes deposits amounting to ₹1500 lakhs (Previous year - Nil) marked as lien by a bank against overdraft limit sanctioned. The overdraft limits sanctioned by this bank amounts to ₹1,350 lakhs (Previous year - Nil). Outstanding Overdraft as on 31.03.2015 - Nil (Previous year - Nil).
- Bank Deposits with original maturity of more than 3 months but upto 12 months includes bank deposits amounting to ₹25,590 lakhs (Previous year - ₹ 22,655 lakhs) earmarked for Settlement Reserve Fund.
- Bank Deposits with original maturity of more than 3 months but upto 12 months includes deposits amounting to ₹26,200 lakhs ( Previous year ₹3,500 lakhs ) marked as lien by various banks against overdraft limits sanctioned by them. The total overdraft limits sanctioned by these banks amounts to ₹24,540 lakhs (Previous year ₹3,075 lakhs). Outstanding Overdraft as on 31.03.2015 - Nil (Previous year - Nil).



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015 (₹ in lakhs)

|   | As at 31.03.2015                         | As at 31.03.2014                         |
|---|--|--|
| <b>NOTE 15: SHORT TERM LOANS AND ADVANCES</b> |  |  |
| (Unsecured, Considered Good)                  |  |  |
| Advances to suppliers and Others              | 128                                      | 45                                       |
| <b>TOTAL</b>                                  | <b>128</b>                               | <b>45</b>                                |
| <b>NOTE 16: OTHER CURRENT ASSETS</b>          |  |  |
| Interest Accrued on Deposits with Banks       | 11,194                                   | 11,328                                   |
| Interest Accrued on Current Investments       | 2,681                                    | 1,297                                    |
| Service Tax Input Credit                      | 433                                      | 219                                      |
| Prepaid Expenses                              | 279                                      | 197                                      |
| Others  | 103                                      | 48                                       |
| <b>TOTAL</b>                                  | <b>14,690</b>                            | <b>13,089</b>                            |
|   | <b>For the year ended<br/>31.03.2015</b> | <b>For the year ended<br/>31.03.2014</b> |
| <b>NOTE 17: INCOME FROM OPERATIONS</b>        |  |  |
| Transaction Charges - Clearing & Settlement   | 35,058                                   | 30,051                                   |
| Transaction Charges - Trading                 | 2,539                                    | 2,055                                    |
| Other fees and charges                        | 819                                      | 609                                      |
| <b>TOTAL</b>                                  | <b>38,416</b>                            | <b>32,715</b>                            |



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015 (₹ in lakhs)

|  | For the year ended<br>31.03.2015 | For the year ended<br>31.03.2014 |
|--|----------------------------------|----------------------------------|
| <b>NOTE 18: Other Operating Revenues</b>                       |                                  |                                  |
| Interest / Income on investments made out of Operational Funds |                                  |                                  |
| -Income on Current Investments                                 | 4,089                            | 1,292                            |
| -Interest on Fixed Deposits with Banks                         | 19,821                           | 23,514                           |
|  | 23,910                           | 24,806                           |
| Less : Interest Paid on Deposits from Members                  | 6,409                            | 6,945                            |
| <b>TOTAL</b>   | <b>17,501</b>                    | <b>17,861</b>                    |

### **NOTE 19: Other Income**

|   |               |              |
|---|---------------|--------------|
| Interest / Income on Investments made out of Own Funds                                  |               |              |
| -Income on Current Investments  | 619           | 503          |
| -Interest on Fixed Deposits with Banks  | 11,705        | 9,050        |
|   | 12,324        | 9,553        |
| Profit on Sale of Fixed Assets (net)  | 6             | 2            |
| Net Profit on Foreign Currency Transaction and Translation<br>Others {Refer Note below} | 1<br>435      | -<br>71      |
| <b>TOTAL</b>  | <b>12,766</b> | <b>9,626</b> |

Note:

'Others' include ₹379 lakhs (Previous year Nil) received from Reserve Bank of India being reimbursement of costs relating to earlier years towards Trade Repository system.



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015 (₹ in lakhs)

|  | For the year ended<br>31.03.2015 | For the year ended<br>31.03.2014 |
|--|----------------------------------|----------------------------------|
| <b><u>NOTE 20: EMPLOYEE BENEFITS EXPENSE</u></b> |                                  |                                  |
| Salaries   | 3,185                            | 2,883                            |
| Contributions to Provident and Other Funds       | 490                              | 531                              |
| Staff Welfare Expenses                           | 207                              | 208                              |
| <b>TOTAL</b>                                     | <b>3,882</b>                     | <b>3,622</b>                     |

#### **NOTE 21: FINANCE COST**

|                                   |              |            |
|-----------------------------------|--------------|------------|
| Interest on Taxes                 | 55           | 14         |
| Line of Credit Commitment Charges | 984          | 872        |
| <b>TOTAL</b>                      | <b>1,039</b> | <b>886</b> |

#### **NOTE 22: DEPRECIATION AND AMORTIZATION EXPENSE**

|                                   |              |              |
|-----------------------------------|--------------|--------------|
| Depreciation on Tangible Assets   | 638          | 924          |
| Amortisation of Intangible Assets | 561          | 1,253        |
| <b>TOTAL</b>                      | <b>1,199</b> | <b>2,177</b> |

#### Note:

Pursuant to the Companies Act, 2013 ("the Act") coming in to effect from 1st April, 2014, the Group has realigned the remaining useful life of its fixed assets in accordance with the provisions prescribed under Schedule II to the Act. Accordingly, assets which have written down value as at 01.04.2014 (net of residual value) is being depreciated over the revised remaining useful lives. Consequently, the depreciation and amortization expense for the year ended 31st March, 2015 is lower by ₹ 696 lakhs (net of deferred tax ₹356 lakhs).



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015 (₹ in lakhs)

|   | For the year ended<br>31.03.2015 | For the year ended<br>31.03.2014 |
|---|----------------------------------|----------------------------------|
| <b>NOTE 23: OTHER EXPENSES</b>                                      |                                  |                                  |
| Power and Fuel  | 432                              | 373                              |
| Rent  | 1                                | 14                               |
| Repairs and Maintenance -Buildings                                  | 102                              | 87                               |
| Repairs and Maintenance -Computer Systems and Equipment             | 1,332                            | 1,208                            |
| Repairs and Maintenance -Others                                     | 91                               | 80                               |
| Insurance   | 12                               | 10                               |
| Rates and Taxes #   | 279                              | 214                              |
| Communication Expenses  | 348                              | 279                              |
| CLS Settlement Charges  | 796                              | 812                              |
| Net Loss on Foreign Currency Transaction and Translation            | -                                | 4                                |
| Professional Fees   | 209                              | 209                              |
| CSR Expense - Contribution to Prime Minister's National Relief Fund | 779                              | -                                |
| Payment to Auditors   | 17                               | 15                               |
| Others  | 632                              | 567                              |
| <b>TOTAL</b>  | <b>5,030</b>                     | <b>3,872</b>                     |

# 'Rates and Taxes' includes Service Tax of ₹ 14 lakhs relating to earlier years.

### **NOTE 24: CONTINGENT LIABILITIES AND COMMITMENTS**

| Particulars   | (₹ in lakhs)        |                     |
|---|---------------------|---------------------|
|   | As at<br>31.03.2015 | As at<br>31.03.2014 |
| <b>(i) Contingent Liabilities</b>   |                     |                     |
| (a) Cases where litigations are pending before the various Courts of Law                                      | -                   | -                   |
| (b) Other disputed matters(other than in courts of law) :   |                     |                     |
| Property Tax  | 550                 | -                   |
| Service Tax ( net of input credit of ₹116 lakhs and including interest of ₹78 lakhs upto the end of the year) | 167                 | -                   |
| <b>(ii) Commitments</b>   |                     |                     |
| Estimated amount of contracts remaining to be executed on capital account and not provided for                | 1,831               | 76                  |
| <b>TOTAL</b>  | <b>2,548</b>        | <b>76</b>           |



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

#### **NOTE 25: EMPLOYEE BENEFITS - GRATUITY**

In terms of the Group's gratuity plans, on leaving of service every employee who has completed at least 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 Group is funded with Life Insurance Corporation of India (LIC) in the form of qualifying insurance policy. In accordance with the Accounting Standard on employee benefits (AS 15) revised 2005 notified by the Companies (Accounting Standards) Rules 2006, following disclosures have been made which is based on Actuarial Valuation provided by Independent Actuary/LIC.

(₹ in lakhs)

| Description  | Gratuity |         |
|--|----------|---------|
|  | 2014-15  | 2013-14 |
| <b>A. Amount recognised in the Statement of Profit and Loss for the year</b> |          |         |
| - Current Service Cost   | 76       | 62      |
| - Interest Cost  | 76       | 41      |
| - Expected Return on Plan Assets   | (57)     | (49)    |
| - Net actuarial (Gain) / Loss recognized during the year                     | 117      | 241     |
| - Total Expenses recognized in the Statement of Profit and Loss              | 212      | 295     |
| <b>B. Actual Return on Plan Assets</b>                                       |          |         |
| - Actual Return of Plan Assets   | 70       | 49      |
| <b>C. Amount recognised in the Balance Sheet</b>                             |          |         |
| - Present Value of Obligation  | (804)    | 816     |
| - Fair Value of Plan Assets  | 1157     | 653     |
| - Funded status {surplus / (deficit)}  | 70       | (163)   |
| - Net Asset/(Liability) recognized in the Balance Sheet                      | 70       | (163)   |
| <b>D. Change in Present Value of Obligation</b>                              |          |         |
| - Present Value of Obligation at the beginning of the year                   | 816      | 511     |
| - Current Service Cost   | 76       | 62      |
| - Interest Cost  | 76       | 41      |
| - Benefits paid  | (12)     | (39)    |
| - Actuarial (Gain) / Loss on Obligation                                      | 131      | 241     |
| - Present Value of Obligation at the end of the year                         | 1087     | 816     |



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015 (₹ in lakhs)

| Description   | Gratuity                                       |                          |
|---|--|--------------------------|
|   | 2014-15  | 2013-14                  |
| <b>E. Change in Plan Assets</b>   |  |                          |
| - Fair Value of Plan Assets at the beginning of the year                | 653  | 528                      |
| - Expected Return on Plan Assets  | 57   | 49                       |
| - Contributions Made  | 445  | 115                      |
| - Benefits Paid   | (12)   | (39)                     |
| - Actuarial Gains / (Loss) on Plan Assets                               | 14   | -                        |
| - Fair Value of Plan Assets at the end of the year                      | 1157   | 653                      |
| <b>F. Major categories of Plan Assets as a percentage of total plan</b> | 100% Insurance Policy                          |                          |
| <b>G. Actuarial Assumptions</b>   |  |                          |
| - Discount Rate   | 8.00%  | 8.00%                    |
| - Expected Rate of Return on assets                                     | 8.00%  | 8.75%                    |
| - Employee Attrition Rate   | 3%   | 1%-3%                    |
| - Mortality Rate/Table  | Indian Assured<br>Lives Mortality<br>(2006-08) | LIC(1994-96)<br>Ultimate |
| - Future salary increase  | 8.00%  | 8.00%                    |

**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.
- (b) Actuarial Valuation has been done using Projected Unit Credit Method.
- (c) Estimated amount of contribution to be made in the next financial year ₹102 lakhs (Previous year - ₹163 lakhs).
- (d) Amounts Recognised as Expense:
- (i) Defined Contribution Plan**
- (1) Employer's Contribution to Provident Fund amounting to ₹175 lakhs (Previous year - ₹151 lakhs) has been included in Note 20 under Contribution to Provident Fund and Other Funds.
- (2) Employer's Contribution to Superannuation Fund amounting to ₹81 lakhs (Previous year - ₹65 lakhs) has been included in Note 20 under Contribution to Provident Fund and Other Funds.
- (ii) Defined Benefit Plan**
- Gratuity cost amounting to ₹212 lakhs (Previous year - ₹295 lakhs) has been included in Note 21 under Contribution to Provident and Other Funds.



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

#### NOTE 26: BASIC AND DILUTED EARNINGS PER SHARE

Basic and Diluted Earning Per Share is calculated as under:

| Particulars |   | 2014-15    | 2013-14    |
|-------------|---|------------|------------|
| (i)         | Net profit as per Consolidated Statement of Profit & loss (₹ in lakhs)          | 38,102     | 32,761     |
| (ii)        | Dividend on Preference Capital & Dividend Distribution tax thereon (₹ in lakhs) | 512        | 497        |
| (iii)       | Net Profit attributable to Equity Shareholders (₹ in lakhs)                     | 37,590     | 32,264     |
| (iv)        | Number of Equity Shares outstanding at the beginning of the year                | 50,000,000 | 50,000,000 |
| (v)         | Number of Equity Shares outstanding at the end of the year                      | 50,000,000 | 50,000,000 |
| (vi)        | Weighted Average Number of Equity Shares outstanding during the year            | 50,000,000 | 50,000,000 |
| (vii)       | Nominal value of Equity shares (Amt. in ₹)                                      | 10.00      | 10.00      |
| (viii)      | Basic and Diluted Earnings Per share (Amt. in ₹)                                | 75.18      | 64.53      |

#### NOTE 27: RELATED PARTIES DISCLOSURES:

##### (A) List of Related Parties and their relationship

Parties with whom transactions have been entered into during the year in the ordinary course of the business :

##### (i) Party having Substantial Interest

State Bank of India

##### (ii) Key Management Personnel

Mr. R. Sridharan - Managing Director

Mr.O.N.Ravi - Company Secretary & Corporate Development Officer

Mr. Deepak Chande - Chief Financial Officer (w.e.f 25.08.2014)

**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

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

| Nature of Relationship   | Party having substantial interest | Key Management Personnel |
|--|-----------------------------------|--------------------------|
| <b>Particulars</b>   |                                   |                          |
| Income from Operations   | 1,417<br>(908)                    | -----                    |
| Interest on deposits from members  | 182<br>(114)                      | -----                    |
| <b>Remuneration</b>  |                                   |                          |
| - Mr. R. Sridharan   | -----                             | 44<br>(40)               |
| - Mr.O.N.Ravi  | -----                             | 86<br>(65)               |
| - Mr. Deepak Chande  | -----                             | 36<br>(-)                |
| <b>Outstanding Balance as at the year end :</b>                                |                                   |                          |
| Receivable   | 89<br>(44)                        | -----                    |
| Payable  | 54<br>(60)                        | -----                    |
| Collaterals outstanding - Cash   | 16,353<br>(18,607)                | -----                    |
| Collaterals outstanding - Securities (at face value)<br>{Refer Note (c) below} | 13,69,638<br>(20,57,538)          | -----                    |
| Collaterals outstanding - Guarantees<br>{Refer Note (d) below}                 | 75,109<br>(72,120)                | -----                    |
| <b>Payable</b>   |                                   |                          |
| - Mr. R. Sridharan   | -----                             | 3<br>(1)                 |
| - Mr.O.N.Ravi  | -----                             | 1<br>(3)                 |
| - Mr. Deepak Chande  | -----                             | 1<br>(-)                 |

Notes:

- (a) Figures in brackets represent corresponding amounts in the previous year.
- (b) Transactions with State Bank of India in the nature of banker-customer relationship have been excluded.
- (c) Collaterals received in the form of Government Securities are held under Constituent Subsidiary General Ledger (CSGL) Account with Reserve Bank of India.



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

- (d) Collaterals outstanding - Guarantees represent USD 1,20,000 thousands (Previous year - USD 1,20,000 thousands).
- (e) The amounts are inclusive of Service Tax wherever applicable.
- (f) No amounts have been written off / provided for or written back during the year in respect of amounts due from or to related parties.
- (g) The above related party information has been disclosed to the extent such parties have been identified by the Group. This has been relied upon by the Auditors.

#### **NOTE 28:**

The disclosure in respect of Segment information as per Accounting Standard - 17 "Segment Reporting" for the year ended 31st March, 2015 is as under :

The Group has identified segments viz. Clearing and Settlement Services and Trading Services. 'Clearing and Settlement Services' comprises of facilitating 'Clearing and Settlement of securities/foreign exchange/money market instruments' and activities incidental thereto. 'Trading services' comprises of facilitating 'Trading of securities/ foreign exchange/money market instruments' and activities incidental thereto. Segments have been identified and reported taking into account nature of services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Group.

(₹ in lakhs)

| Particulars                                 | 2014-15                        |                  |               | 2013-14                        |                  |               |
|---|--------------------------------|------------------|---------------|--------------------------------|------------------|---------------|
|   | Clearing & Settlement Services | Trading Services | Total         | Clearing & Settlement Services | Trading Services | Total         |
| <b>REVENUE</b>                              |                                |                  |               |                                |                  |               |
| Revenue from Operations (External)          | 53,013                         | 2,904            | 55,917        | 48,245                         | 2,331            | 50,576        |
| <b>Total Revenue from Operations</b>        | <b>53,013</b>                  | <b>2,904</b>     | <b>55,917</b> | <b>48,245</b>                  | <b>2,331</b>     | <b>50,576</b> |
| <b>RESULT</b>                               |                                |                  |               |                                |                  |               |
| Segment Result                              | 43,724                         | 1,044            | 44,768        | 39,486                         | 533              | 40,019        |
| Add: Other Income                           |                                |                  | 12,766        |                                |                  | 9,626         |
| <b>Profit Before Tax</b>                    | <b>43,724</b>                  | <b>1,044</b>     | <b>57,534</b> | <b>39,486</b>                  | <b>533</b>       | <b>49,645</b> |
| <b>Tax Expense</b>                          |                                |                  |               |                                |                  |               |
| - Current Tax                               |                                |                  | 18,737        |                                |                  | 16,873        |
| - Deferred Tax                              |                                |                  | 818           |                                |                  | 11            |
| - Tax Adjustments relating to earlier years |                                |                  | (124)         |                                |                  | -             |
| <b>Profit After Tax</b>                     |                                |                  | <b>38,103</b> |                                |                  | <b>32,761</b> |



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

| Particulars                            | 2014-15                        |                  |                | 2013-14                        |                  |                |
|--|--------------------------------|------------------|----------------|--------------------------------|------------------|----------------|
|  | Clearing & Settlement Services | Trading Services | Total          | Clearing & Settlement Services | Trading Services | Total          |
| <b>OTHER INFORMATION</b>               |                                |                  |                |                                |                  |                |
| <b>Assets</b>                          |                                |                  |                |                                |                  |                |
| Segment Assets                         | 761,627                        | 4,406            | 766,033        | 661,713                        | 3,543            | 665,256        |
| <b>Total Assets</b>                    | <b>761,627</b>                 | <b>4,406</b>     | <b>766,033</b> | <b>661,713</b>                 | <b>3,543</b>     | <b>665,256</b> |
|  |                                |                  |                |                                |                  |                |
| <b>Liabilities</b>                     |                                |                  |                |                                |                  |                |
| Segment Liabilities                    | 589,896                        | 491              | 590,387        | 525,041                        | 354              | 525,395        |
| <b>Total Liabilities</b>               | <b>589,896</b>                 | <b>491</b>       | <b>590,387</b> | <b>525,041</b>                 | <b>354</b>       | <b>525,395</b> |
|  |                                |                  |                |                                |                  |                |
| <b>Capital Expenditure</b>             |                                |                  |                |                                |                  |                |
| Segment Capital Expenditure            | 2,060                          | 1,047            | 3,107          | 1,837                          | 372              | 2,209          |
| <b>Total Capital Expenditure</b>       | <b>2,060</b>                   | <b>1,047</b>     | <b>3,107</b>   | <b>1,837</b>                   | <b>372</b>       | <b>2,209</b>   |
|  |                                |                  |                |                                |                  |                |
| <b>Depreciation/Amortisation</b>       |                                |                  |                |                                |                  |                |
| Segment Depreciation/Amortisation      | 1,019                          | 180              | 1,199          | 1,908                          | 269              | 2,177          |
| <b>Total Depreciation/Amortisation</b> | <b>1,019</b>                   | <b>180</b>       | <b>1,199</b>   | <b>1,908</b>                   | <b>269</b>       | <b>2,177</b>   |



## THE CLEARING CORPORATION OF INDIA LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

#### NOTE 29: DISCLOSURE IN RESPECT OF DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN EXPOSURE

- (a) During the year the Group 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:

| PARTICULARS                       | As at 31.03.2015                         |                               | As at 31.03.2014                         |                               |
|-----------------------------------|--|-------------------------------|--|-------------------------------|
|                                   | Amount in US Dollars<br>( in Thousands ) | Amount in INR<br>(₹ in lakhs) | Amount in US Dollars<br>( in Thousands ) | Amount in INR<br>(₹ in lakhs) |
| <b>ASSETS</b>                     |  |                               |  |                               |
| US Govt. Treasury Bills           | 453,828                                  | 284,055                       | 439,839                                  | 264,342                       |
| Bank Balance in Current Accounts  | 62,327                                   | 39,011                        | 13,624                                   | 8,188                         |
| Accrued Interest on US T Bills    | 79                                       | 49                            | 178                                      | 107                           |
| <b>Total</b>                      | <b>516,234</b>                           | <b>323,115</b>                | <b>453,641</b>                           | <b>272,637</b>                |
| <b>LIABILITIES</b>                |  |                               |  |                               |
| Deposits from Members             | 516,078                                  | 323,017                       | 453,384                                  | 272,483                       |
| Interest payable to Members       | 143                                      | 89                            | 142                                      | 85                            |
| Bank Charges Payable              | 147                                      | 92                            | 115                                      | 69                            |
| Creditors for Capital Expenses    | 180                                      | 113                           | -  | -                             |
| <b>Total</b>                      | <b>516,548</b>                           | <b>323,311</b>                | <b>453,641</b>                           | <b>272,637</b>                |
| <b>Net Assets / (Liabilities)</b> | <b>(314)</b>                             | <b>(196)</b>                  | <b>-</b>                                 | <b>-</b>                      |

#### NOTE 30:

This is the first year of applicability with regard to preparation of consolidated financial statements. Accordingly, current year's presented figures are audited and previous year's presented figures are unaudited.

For and on behalf of the Board of Directors

Sd/-  
Shyamala Gopinath  
Chairperson  
(DIN:02362921)

Sd/-  
R. Sridharan  
Managing Director  
(DIN:00868787)

Sd/-  
M.S.Sundara Rajan  
Director  
(DIN:00169775)

Place : Mumbai  
Date : May 13, 2015

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

Sd/-  
Deepak Chande  
Chief Financial Officer



**THE CLEARING CORPORATION OF INDIA LIMITED**  
**ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2015**

(₹ in lakhs)

| Name of the entity in the                 | Net Assets i.e. total assets minus total liabilities |                | Share in profit or loss             |               |
|---|--|----------------|-------------------------------------|---------------|
|   | As % of consolidated net assets                      | Amount         | As % of consolidated profit or loss | Amount        |
| <b>Parent</b>                             |  |                |                                     |               |
| The Clearing Corporation Of India Limited | 98   | 172,551        | 98                                  | 37,205        |
| <b>Subsidiaries - Indian</b>              |  |                |                                     |               |
| Clearcorp Dealing Systems (India) Limited | 2  | 3,095          | 2                                   | 897           |
| <b>Subsidiaries - Foreign</b>             |  |                |                                     |               |
| None                                      | -  | -              | -                                   | -             |
| <b>Minority Interest</b>                  |  |                |                                     |               |
| None                                      | -  | -              | -                                   | -             |
| <b>Joint Ventures</b>                     |  |                |                                     |               |
| None                                      | -  | -              | -                                   | -             |
| <b>TOTAL</b>                              | <b>100</b>   | <b>175,646</b> | <b>100</b>                          | <b>38,101</b> |



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