

The Clearing Corporation of India Limited



Financial Statements

2015-2016



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Board of Directors:

Mrs. Usha Thorat (Chairperson)
Mr. R. Sridharan (Managing Director)
Mrs. Shilpa Kumar
Mr. Bhavesh Zaveri
Mr. M. S. Sundara Rajan
Mr. Sankarshan Basu
Mr. V Chandrasekaran
Mr. Sudhir Joshi
Mr. Rajendra Chitale
Mr. B. Sambamurthy
Mrs. Anshula Kant
Mr. Karnam Sekar
Mr. Narayan K Seshadri

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
CIN-U65990MH2001PLC131804



THE CLEARING CORPORATION OF INDIA LIMITED

Financial Statements 2015 - 2016

Contents

1.	Auditors' Report	3
2.	Financial Statements	
	Balance Sheet	10
	Statement of Profit and Loss	11
	Cash Flow Statement	12
	Notes to the Financial Statements	14
	Form AOC-I pursuant to Companies (Accounts) Rules, 2014	41
3.	Auditors' Report and Consolidated Financial Statements	43



INDEPENDENT AUDITOR'S 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, 2016, 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 there under.

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. 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, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
3. 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 pending litigations which would impact its financial position (Refer Note no. 25 (i) to the financial statements);
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there are 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 during the year ended March 31, 2016.

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

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

Place: Mumbai
Date: May 12, 2016



“Annexure A”

(Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date)

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.
c) Based on the verification and examination of records, title deeds of the immovable properties are in the name of the Company except a Freehold land having Gross block of Rs.1320 lakhs as at March 31, 2016.
2. The Company does not have any inventory. Therefore, Para 3 (ii) of the Order is not applicable to the Company.
3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Therefore, Para 3 (iii) of the Order is not applicable to the Company.
4. During the year, the Company has not entered into transaction in respect of loans, investments, guarantees and security with parties covered in the register maintained under section 189 of the Act. Therefore, Para 3 (iv) of the Order is not applicable to the Company.
5. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.
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 regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any 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 year 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 or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
8. During the year, the Company has not defaulted in repayment of dues to Banks. Further the Company has not taken any loan or borrowing from a financial institution, government or debenture holders.
 9. The Company has not raised any money by way of initial public offer or further public offer during the year and has not taken any term loan. Therefore, Para 3 (ix) of the Order is not applicable to the Company.
 10. 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 by officers or employees of the Company, noticed or reported during the year, nor have we been informed of such case by the management.
 11. The Company has paid or provided managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.
 12. In our opinion, the Company is not Nidhi Company. Therefore, Para 3 (xii) of the Order is not applicable to the Company.
 13. All transactions with the related parties are in compliance with section 177 and 188 of Act and the details have been disclosed in the Financial Statements (Refer note No.31 to the financial statements) as required by the applicable accounting standards.
 14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
 15. The Company has not entered into any non-cash transactions with directors or persons connected with him under section 192 of the Act.

The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

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

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

Place: Mumbai
Date: May 12, 2016



Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of **THE CLEARING CORPORATION OF INDIA LIMITED** (“the Company”) as of March 31, 2016 in conjunction with our audit of Company for the year ended on that date

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :
- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
 - (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Place: Mumbai
Date: May 12, 2016



THE CLEARING CORPORATION OF INDIA LIMITED
BALANCE SHEET AS AT MARCH 31, 2016

(₹ in lakhs)

	Note No.	As at 31.03.2016	As at 31.03.2015
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2	10,000	10,000
Reserves and Surplus	3	191,958	162,551
Non-Current Liabilities			
Deferred Tax Liabilities	4	1,329	913
Long-Term Provisions	5	710	609
Current Liabilities			
Trade Payables	6	189	166
Other Current Liabilities	7	692,113	585,829
Short-Term Provisions	8	2,552	2,559
TOTAL		898,851	762,627
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets	9		
-Tangible Assets		14,470	14,976
-Intangible Assets		2,129	1,901
-Capital Work-in-Progress		-	3
-Intangible Assets under Development-Software		1,817	1,165
Non-Current Investments	10	1,250	1,000
Long-Term Loans and Advances	11	294	723
Other Non-Current Assets	12	294,425	225,474
Current Assets			
Current Investments	13	485,051	337,565
Trade Receivables	14	3,569	3,509
Cash and Bank Balances	15	81,167	161,767
Short-Term Loans and Advances	16	113	109
Other Current Assets	17	14,566	14,435
TOTAL		898,851	762,627

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS 1-37

As per our attached report of even date

For and on behalf of

LODHA & COMPANY
CHARTERED ACCOUNTANTS

Firm Reg. No. 301051E

Sd/-

R.P.Baradiya

PARTNER

Place : Mumbai

Date : May 12, 2016

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

Sd/-

Usha Thorat

Chairperson

(DIN:00542778)

Sd/-

O. N. Ravi

Company Secretary &

Corporate Development Officer

Sd/-

R. Sridharan

Managing Director

(DIN:00868787)

Sd/-

Rajendra Chitale

Director

(DIN:00015986)

Sd/-

Deepak Chande

Chief Financial Officer



THE CLEARING CORPORATION OF INDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	Note No.	For the year ended 31.03.2016	For the year ended 31.03.2015
Revenue from Operations			
Income from Operations	18	29,196	35,512
Other Operating Revenues	19	16,371	17,501
		45,567	53,013
Other Income	20	14,508	13,160
Total Revenue		60,075	66,173
Expenses			
Employee Benefits Expense	21	3,661	3,329
Finance Costs	22	1,296	1,101
Depreciation and Amortization Expense	23	1,606	1,019
Other Expenses	24	5,041	4,470
Total Expenses		11,604	9,919
Profit Before Tax for the year		48,471	56,254
Tax Expense			
- Current Tax		16,457	18,469
- Deferred Tax		417	673
- Tax Adjustments relating to earlier years		(127)	(93)
Profit After Tax for the year		31,724	37,205
Earnings per Equity Share:			
-Basic		62.42	73.39
-Diluted		62.42	73.39
(Equity Share of face value of ₹ 10 each)			

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS 1-37

As per our attached report of even date

For and on behalf of

LODHA & COMPANY
CHARTERED ACCOUNTANTS

Firm Reg. No. 301051E

Sd/-

R.P.Baradiya
PARTNER

Place : Mumbai

Date : May 12, 2016

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

Sd/-

Usha Thorat
Chairperson
(DIN:00542778)

Sd/-

O. N. Ravi
Company Secretary &
Corporate Development Officer

Sd/-

R. Sridharan
Managing Director
(DIN:00868787)

Sd/-

Rajendra Chitale
Director
(DIN:00015986)

Sd/-

Deepak Chande
Chief Financial Officer



THE CLEARING CORPORATION OF INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	(₹ in lakhs)	
	2015-16	2014-15
(A) CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	48,471	56,254
Add: Adjustments for :		
Depreciation and Amortization Expense	1,606	1,019
Wealth Tax (included under Rates & Taxes)	-	10
Interest on Taxes	17	37
Less: Adjustments for :		
Interest Income on Investments made out of Own Funds	13,752	12,095
Provision Written Back	60	15
Profit/(Loss) on Sale of Fixed Asset (net)	0*	6
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>36,282</u>	<u>45,204</u>
Adjustments for :		
(Increase)/ Decrease in Non Current Assets / Current Assets	(133,724)	(44,062)
Increase/(Decrease) in Non Current Liabilities / Current Liabilities	106,460	64,278
CASH GENERATED FROM OPERATIONS	<u>9,017</u>	<u>65,420</u>
Direct Taxes paid	(15,916)	(18,659)
NET CASH FROM/ (USED IN) OPERATING ACTIVITIES (A)	<u>(6,898)</u>	<u>46,761</u>
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,995)	(2,609)
Sale of Fixed Assets	19	6
Interest Income on Investments made out of Own Funds	12,545	11,110
Purchase of Government of India Treasury Bills out of Own Funds	(6,692)	(4,140)
Placement of Fixed Deposits with Banks made out of Own Funds	(165,000)	(125,410)
Redemption of Fixed Deposits with Banks made out of Own Funds	136,410	106,616
Sale/Redemption of Investments out of Own Funds	5,137	4,673
NET CASH FROM/ (USED IN) INVESTING ACTIVITIES (B)	<u>(19,576)</u>	<u>(9,754)</u>

* denotes amount less than ₹ 1 Lakh



THE CLEARING CORPORATION OF INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	2015-16	2014-15
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Investment in Equity Shares of Subsidiary Company	(250)	-
Dividend/Dividend Distribution Tax paid	(2,317)	(2,252)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)	(2,567)	(2,252)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(29,041)	34,755
CASH AND CASH EQUIVALENTS		
OPENING BALANCE	47,548	12,793
CLOSING BALANCE		
Before adjustment of unrealised foreign exchange	17,996	47,209
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	511	339
	18,507	47,548
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(29,041)	34,755

As per our attached report of even date

For and on behalf of

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

Place : Mumbai
Date : May 12, 2016

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

Sd/- Usha Thorat Chairperson (DIN:00542778)	Sd/- R. Sridharan Managing Director (DIN:00868787)	Sd/- Rajendra Chitale Director (DIN:00015986)
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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, 2016

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 Act, 2013, 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) In case of investment in discounted securities/instruments the discount is accrued over the period to maturity and included in Income from Investments.
- (iii) Dividend Income is recognized when the right to receive is established.
- (iv) 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.
- (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:

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

- 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.

(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.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

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, 2016

	As at 31.03.2016		As at 31.03.2015	
	Number	₹ in lakhs	Number	₹ in lakhs
<u>NOTE 2 : SHARE CAPITAL</u>				
<u>Authorised</u>				
Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each	50,000,000	5,000	50,000,000	5,000
Equity Shares of ₹ 10 each	50,000,000	5,000	50,000,000	5,000
	100,000,000	10,000	100,000,000	10,000
<u>Issued, Subscribed and Paid up</u>				
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
TOTAL	100,000,000	10,000	100,000,000	10,000

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, 2016

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 31.03.2016		As at 31.03.2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:				
State Bank of India	10,600,000	21.20	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
8.5% Redeemable, Non Convertible, Cumulative Preference Shares :				
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, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
<u>NOTE 3 : RESERVES AND SURPLUS</u>		
General Reserve		
Opening Balance	57,732	39,232
Add: Transferred from Surplus	29,000	18,500
Closing Balance	86,732	57,732
Settlement Reserve Fund {Refer Note below}		
Opening Balance	100,057	84,000
Add: Transferred from Surplus	24	16,057
Closing Balance	100,081	100,057
Surplus		
Opening Balance	4,762	4,431
Add: Net Profit After Tax transferred from Statement of Profit & Loss	31,724	37,205
Amounts available for Appropriation	36,486	41,636
Appropriations :		
- Proposed Dividend on Equity Shares	1,500	1,500
- Proposed Dividend on Preference Shares	425	425
- Dividend Distribution Tax	392	392
- Transfer to General Reserve	29,000	18,500
- Transfer to Settlement Reserve Fund	24	16,057
Closing Balance	5,145	4,762
TOTAL	191,958	162,551

Notes:

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 ₹1,00,057 lakhs (Previous year - ₹84,000 lakhs) are earmarked for this purpose.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

	(₹ in lakhs)	
	As at 31.03.2016	As at 31.03.2015
<u>NOTE 4 : DEFERRED TAX LIABILITIES</u>		
<u>Deferred Tax Liabilities</u>		
Arising out of timing difference in depreciation	1,681	1,285
<u>Less : Deferred Tax Assets</u>		
Arising out of timing difference in respect of expenses allowable on payment basis	352	372
TOTAL	1,329	913
<u>NOTE 5 : LONG TERM PROVISIONS</u>		
Provision for Employee Benefits	710	609
TOTAL	710	609
<u>NOTE 6 : TRADE PAYABLES</u>		
Due to Creditors other than Micro and Small Enterprises	182	160
Due to Micro and Small Enterprises {Refer Note 34}	7	6
TOTAL	189	166
<u>NOTE 7 : OTHER CURRENT LIABILITIES</u>		
Due to Clearcorp Dealing Systems (India) Ltd.-Subsidiary Company	93	180
Creditors for Capital Expenses {Refer Note (a) below}	826	988
Interest Accrued but not Due	2,247	1,765
Deposits from Members {Refer Note (b) below}	687,992	581,858
Statutory Dues payable	213	388
Other payables {Refer Note (c) below}	742	650
TOTAL	692,113	585,829

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

Notes :

- (a) Creditors for Capital Expenses includes ₹17 lakhs (Previous year ₹7 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 :

Particulars	(₹ in lakhs)		
	Cash	Govt. Securities #	Guarantees
Securities Settlement	240,463 (218,160)	3,310,458 (3,026,573)	--
Forex Settlement	402,185 * (323,017) *	--	-- (75,109) **
CBLO Settlement	35,143 (33,312)	22,048,147 (25,656,955)	365,000 @ (265,000) @
Default Funds	10,201 (7,369)	229,213 (173,815)	--
Total	687,992 (581,858)	25,587,818 (28,857,343)	365,000 (340,109)

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 at 31.03.2016	As at 31.03.2015
US Government Treasury Bills (under Current Investments)	389,273	284,055
Government of India Treasury Bills (under Current Investments)	90,084	49,370
Balance in Bank Accounts		
- In Current Accounts	15,188	41,364
- In Deposit Accounts	193,447	207,069
	687,992	581,858

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

* Equivalent to US Dollars 6,06,313 thousands (Previous year - US Dollars 5,16,078 thousands).

** Represents facility extended by Royal Bank of Scotland PLC to State Bank of India (SBI) amounting to USD 1,20,000 thousands in previous year, 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 ₹12 lakhs (Previous year - ₹3 lakhs) 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, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
<u>NOTE 8 : SHORT TERM PROVISIONS</u>		
Provision for Employee Benefits	235	242
Proposed Dividends	1,925	1,925
Provision for Dividend Distribution Tax	392	392
TOTAL	2,552	2,559

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 9 : FIXED ASSETS (₹ in lakhs)

Sr. No.	Particulars	Gross Block			Accumulated Depreciation			Net Block As on 31.03.2016 (31.03.2015)
		Opening Balance	Additions	Disposal	Closing Balance	Opening Balance	Depreciation for the year	
a	Tangible Assets							
	Freehold Land	1,320 (1,320)	-	-	1,320 (1,320)	-	-	1,320 (1,320)
	Buildings - Residential	1,139 (1,139)	-	-	1,139 (1,139)	17 (17)	-	938 (954)
	Buildings - Office	11,370 (11,370)	-	-	11,370 (11,370)	670 (499)	171 (171)	10,529 (10,700)
	Computer Systems Hardware	3,381 (3,038)	162 (416)	31 (73)	3,512 (3,381)	2,426 (2,337)	234 (162)	865 (955)
	Furniture and fittings	581 (575)	0 (6)	-	581 (581)	385 (346)	37 (39)	159 (196)
	Electrical Installations and Equipment	1,555 (1,557)	5 (6)	-	1,560 (1,555)	920 (831)	97 (97)	543 (635)
	Office Equipment	865 (866)	30 (9)	1 (10)	894 (865)	649 (514)	130 (145)	116 (216)
	Total	20,210 (19,864)	198 (437)	32 (91)	20,376 (20,210)	5,234 (4,695)	687 (631)	14,470 (14,976)
b	Intangible Assets							
	Computer Software	9,502 (7,879)	1,148 (1,623)	57 -	10,594 (9,502)	7,602 (7,213)	920 (389)	2,129 (1,901)
	Total	9,502 (7,879)	1,148 (1,623)	57 -	10,594 (9,502)	7,602 (7,213)	920 (389)	2,129 (1,901)
	Grand Total	29,712 (27,743)	1,346 (2,060)	88 (91)	30,970 (29,712)	12,836 (11,908)	1,606 (1,020)	16,599 (16,876)

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, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
<u>NOTE 10 : NON CURRENT INVESTMENTS</u>		
LONG TERM, TRADE, UNQUOTED (AT COST) :		
Investment in Equity instruments in Wholly Owned Subsidiaries		
- Clearcorp Dealing Systems (India) Limited 1,00,00,000 equity shares of ₹10 each, fully paid up	1,000	1,000
-Legal Entity Identifier India Limited 25,00,000 equity shares of ₹10 each, fully paid up	250	-
TOTAL	1,250	1,000

NOTE 11: LONG TERM LOANS AND ADVANCES

(Unsecured, Considered Good)

Capital Advances	3	-
Security Deposits {Refer Note below}	65	65
Advance Tax (Net of Provision)	226	658
TOTAL	294	723

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.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
<u>NOTE 12: OTHER NON CURRENT ASSETS</u>		
Bank Deposits with original maturity of more than 12 months {Refer Note (a) & (b) below}	294,403	225,420
Interest Accrued on Deposits with Banks	-	3
Prepaid Expenses	22	51
TOTAL	294,425	225,474

Notes :

- (a) Bank Deposits with original maturity of more than 12 months includes deposits amounting to ₹70,867 lakhs (Previous year - ₹57,420 lakhs) earmarked for Settlement Reserve Fund.
- (b) Bank Deposits with original maturity of more than 12 months includes deposits amounting to ₹60,945 lakhs (Previous year ₹49,600 lakhs) marked as lien by the various banks against overdraft limits sanctioned by them. The total overdraft limits sanctioned by these banks amounts to ₹54,228 lakhs (Previous year ₹43,544 lakhs). Outstanding Overdraft as on 31.03.2016 - Nil (Previous year - Nil).

NOTE 13 : CURRENT INVESTMENTS

QUOTED :

Investment in Government Securities {Refer Note below}	485,051	337,565
TOTAL	485,051	337,565



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

Note : Details of Current Investments

Sr. No.	Investment	No. of Units		Quoted / Unquoted	Amount (₹ in lakhs) As at		Whether stated at Cost
		As at 31.03.2016	As at 31.03.2015		As at 31.03.2016	As at 31.03.2015	
	Investments in Government Securities						
(i)	US Government Treasury Bills (Fair Value ₹3,89,734 lakhs, Previous year ₹2,84,137 lakhs)	5,880,000	4,540,000	Quoted	389,273	284,055	Cost
(ii)	Government of India Treasury Bills (Fair Value ₹99,226 lakhs, Previous year - ₹ 56,212 lakhs)	101,770,750	57,281,250	Quoted	95,778	53,510	Cost
	TOTAL				485,051	337,565	

Note: Investment in Government of India Treasury Bills includes Treasury Bills amounting to ₹4,672 lakhs (Previous year - ₹990 lakhs) earmarked for Settlement Reserve Fund.

	(₹ in lakhs)	
	As at 31.03.2016	As at 31.03.2015

NOTE 14 : TRADE RECEIVABLES

(Unsecured, Considered Good)

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

3,569

3,509

TOTAL

3,569

3,509

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
NOTE 15 : CASH AND BANK BALANCE		
(A) Cash and Cash Equivalents		
Balances with Banks		
in Current Accounts	17,121	43,707
in Deposit Accounts (original maturity of upto 3 months)	1,385	3,840
	18,506	47,547
 Cash on Hand	 1	 1
	18,507	47,548
 (B) Other Bank Balances		
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}	62,660	112,719
	62,660	114,219
TOTAL	81,167	161,767

Notes :

- (a) Bank Deposits with original maturity upto 3 months in previous year includes deposits amounting to ₹1,500 lakhs marked as lien by a bank against overdraft limit sanctioned. The overdraft limits sanctioned by this bank amounts to ₹1,350 lakhs. Outstanding Overdraft as on 31.03.2016 - Nil (Previous year - Nil).
- (b) Bank Deposits with original maturity of more than 3 months but upto 12 months includes bank deposits amounting to ₹24,518 lakhs (Previous year - ₹25,590 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 ₹4,000 lakhs (Previous year ₹26,200 lakhs) marked as lien by various banks against overdraft limits sanctioned by them. The total overdraft limits sanctioned by these banks amounts to ₹3,600 lakhs (Previous year ₹24,540 lakhs). Outstanding Overdraft as on 31.03.2016 - Nil (Previous year - Nil).

NOTE 16 : SHORT TERM LOANS AND ADVANCES

(Unsecured, Considered Good)

Advances to suppliers and Others	113	109
TOTAL	113	109



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
<u>NOTE 17 : OTHER CURRENT ASSETS</u>		
Interest Accrued on Deposits with Banks	10,348	11,066
Interest Accrued on Current Investments	3,688	2,681
Due from Legal Entity Identifier India Limited-Subsidiary Company	26	-
Service Tax Input Credit	217	331
Prepaid Expenses	287	254
Others	0 *	103
TOTAL	14,566	14,435

* denotes amount less than ₹1 Lakh

	For the year ended 31.03.2016	For the year ended 31.03.2015
<u>NOTE 18 : INCOME FROM OPERATIONS</u>		
<i>(Refer Note 28)</i>		
Transaction Charges -Securities Settlement	19,083	26,801
Transaction Charges -CBLO Settlement	2,312	2,203
Transaction Charges -Forex Settlement	3,790	3,612
Transaction Charges -CLS Settlement	1,443	1,051
Trade Processing Charges - Trade Repository	304	158
Portfolio Compression Charges	181	168
Forex Forward Charges	1,917	1,392
Other fees and charges	166	127
TOTAL	29,196	35,512

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	For the year ended 31.03.2016	For the year ended 31.03.2015
<u>NOTE 19 : OTHER OPERATING REVENUES</u>		
Interest / Income on investments made out of Operational Funds		
-Income on Current Investments	6,117	4,089
-Interest on Fixed Deposits with Banks	17,611	19,821
	23,728	23,910
Less : Interest Paid on Deposits from Members	7,357	6,409
TOTAL	16,371	17,501

NOTE 20 : OTHER INCOME

Interest / Income on Investments made out of Own Funds		
-Income on Current Investments	145	390
-Interest on Fixed Deposits with Banks	13,606	11,705
	13,751	12,095
Profit on Sale of Fixed Assets (net)	0 *	6
Net Profit on Foreign Currency Transaction and Translation	-	1
Business Support Charges from Subsidiary Companies	630	620
Others {Refer Note below}	127	438
TOTAL	14,508	13,160

* denotes amount less than ₹1 lakh

Note:

Others includes in previous year ₹379 lakhs 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	3,059	2,722
Contributions to Provident and Other Funds	412	436
Staff Welfare Expenses	190	171
TOTAL	3,661	3,329



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

	(₹ in lakhs)	
	For the year ended 31.03.2016	For the year ended 31.03.2015
<u>NOTE 22: FINANCE COST</u>		
Interest on Taxes	17	37
Line of Credit Commitment and Other Charges	1,279	1,064
TOTAL	1,296	1,101
<u>NOTE 23: DEPRECIATION AND AMORTIZATION EXPENSE</u>		
Depreciation on Tangible Assets	686	630
Amortisation of Intangible Assets	920	389
TOTAL	1,606	1,019

Note:

Pursuant to the Companies Act, 2013 ("the Act") coming into effect from 1st April, 2014, the Company had realigned the remaining useful life of its fixed assets in accordance with the provisions prescribed under Schedule II to the Act. Accordingly, assets which had written down value as at 01.04.2014 (net of residual value) was depreciated over the revised remaining useful lives. Consequently, the depreciation and amortization expense for the year ended 31st March, 2015 was 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, 2016

	(₹ in lakhs)	
	For the year ended 31.03.2016	For the year ended 31.03.2015
<u>NOTE 24: OTHER EXPENSES</u>		
<i>(Refer Note 28)</i>		
Power and Fuel	411	432
Rent	-	1
Repairs and Maintenance -Buildings	85	102
Repairs and Maintenance -Computer Systems and Equipment	1,294	1,106
Repairs and Maintenance -Others	102	91
Insurance	11	12
Rates and Taxes	124	185
Communication Expenses	226	226
CLS Settlement Charges	1,033	796
Net Loss on Foreign Currency Transaction and Translation	6	-
Expenditure towards Corporate Social Responsibility	963	765
Professional Fees	191	188
Directors' Sitting Fees	75	43
Payment to Auditors	12	13
Others	508	510
TOTAL	5,041	4,470

NOTE 25 : CONTINGENT LIABILITIES AND COMMITMENTS

	(₹ in lakhs)	
Particulars	As at 31.03.2016	As at 31.03.2015
<u>(i) Contingent Liabilities</u>		
(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
<u>(ii) Commitments</u>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,311	1,603
Total	1,311	2,153



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

	(₹ in lakhs)	
	For the year ended 31.03.2016	For the year ended 31.03.2015
<u>NOTE 26 : EARNINGS IN FOREIGN EXCHANGE</u>		
Interest on Deposits with Banks	6	8
Income on US Government Treasury Bills	590	177
Datafeed Charges	22	21
Miscellaneous Receipts	2	0*
Total	620	206

* denotes amount less than ₹1 lakh

NOTE 27 : VALUE OF IMPORTS AND EXPENDITURE IN FOREIGN CURRENCY

Value of Imports on CIF basis	51	129
Expenditure in Foreign Currency :		
- Interest paid to Members	588	178
- CLS Settlement Charges	1,032	798
- Other Expenditure	139	96
Total	1,810	1,201

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 28 :

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

Particulars	(₹ in lakhs)	
	For the year ended 31.03.2016	For the year ended 31.03.2015
<u>Revenue from Operations</u>		
Transaction Charges -Securities Settlement	1,314	1,129
Transaction Charges -Forex Settlement	418	309
Other fees and charges	0 *	1
Total	1,732	1,439
<u>Employee Benefits Expense</u>		
Salary to Staff on Deputation	12	-
Staff Welfare Expenses	7	5
Total	19	5
<u>Other Expenses</u>		
Repairs and Maintenance -Computer Systems and Equipment	0 *	-
Communication Expenses	113	118
Travelling Expenses	1	-
Insurance	1	-
Others	2	1
Total	117	119

* denotes amount less than ₹1 Lakh

NOTE 29 : EMPLOYEE BENEFITS - GRATUITY

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



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

Description	Gratuity	
	2015-16	2014-15
A. Amount recognised in the Statement of Profit and Loss for the year		
- Current Service Cost	102	65
- Interest Cost	76	65
- Expected Return on Plan Assets	(80)	(50)
- Net actuarial (Gain) / Loss recognized during the year	43	111
- Total Expenses recognized in the Statement of Profit and Loss	141	191
B. Actual Return on Plan Assets		
- Actual Return of Plan Assets	88	61
C. Amount recognised in the Balance Sheet		
- Present Value of Obligation	1107	(945)
- Fair Value of Plan Assets	1174	1003
- Funded status {surplus / (deficit)}	67	57
- Net Asset/(Liability) recognized in the Balance Sheet	67	57
D. Change in Present Value of Obligation		
- Present Value of Obligation at the beginning of the year	946	696
- Current Service Cost	102	65
- Interest Cost	76	65
- Benefits paid	(68)	(3)
- Actuarial (Gain) / Loss on Obligation	51	123
- Present Value of Obligation at the end of the year	1107	946
E. Change in Plan Assets		
- Fair Value of Plan Assets at the beginning of the year	1003	572
- Expected Return on Plan Assets	80	50
- Contributions Made	151	372
- Benefits Paid	(68)	(3)
- Actuarial Gains / (Loss) on Plan Assets	8	12
- Fair Value of Plan Assets at the end of the year	1174	1003
F. Major categories of Plan Assets as a percentage of total plan	100% Insurance Policy	
G. Actuarial Assumptions		
- Discount Rate	8.06%	8.00%
- Expected Rate of Return on assets	8.06%	8.00%
- Employee Attrition Rate	3%	3%
- Mortality Rate/Table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
- 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, 2016

- (b) Actuarial Valuation has been done using Projected Unit Credit Method.
- (c) **Amounts Recognised as Expense:**
- (i) **Defined Contribution Plan**
- (1) Employer's Contribution to Provident Fund amounting to ₹168 lakhs (Previous year - ₹151 lakhs) has been included in Note 21 under Contribution to Provident Fund and Other Funds.
- (2) Employer's Contribution to Superannuation Fund amounting to ₹86 lakhs (Previous year - ₹75 lakhs) has been included in Note 21 under Contribution to Provident Fund and Other Funds.
- (ii) **Defined Benefit Plan**
- Gratuity cost amounting to ₹141 lakhs (Previous year - ₹191 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		2015-16	2014-15
(i)	Net profit as per Profit & loss A/c (₹ in lakhs)	31,724	37,205
(ii)	Dividend on Preference Capital & Dividend Distribution tax thereon (₹ in lakhs)	512	512
(iii)	Net Profit attributable to Equity Shareholders (₹ in lakhs)	31,212	36,693
(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 ₹)	62.42	73.39



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 31 : RELATED PARTIES DISCLOSURES:

(A) List of Related Parties and their relationship

(i) Party where control exists

Clearcorp Dealing Systems (India) Limited (Clearcorp)- Subsidiary

Legal Entity Identifier India Limited (LEIL) - 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

(B) Details of transactions entered into during the year

(₹ in lakhs)

Nature of Relationship	Subsidiary- Clearcorp	Subsidiary- LEIL	Party having substantial interest	Key Management Personnel
Particulars				
Income from Operations	-----	-----	1,000 (1,389)	-----
Sale consideration for Transfer of Business	-----	47	-----	-----
Business Support Charges and Other receipts	649 (706)	17	-----	-----
Reimbursement/Sharing of expenses - (Receipt)	138 (150)	24	-----	-----
Collaterals Cash Received	-----	-----	38,528 (1,617)	-----
Collaterals Cash Repaid	-----	-----	35,247 (10,182)	-----
Collaterals Securities Received (at face value)	-----	-----	1,199,783 (2,278,800)	-----
Collaterals Securities Returned (at face value)	-----	-----	2,343,400 (1,566,700)	-----



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

Nature of Relationship	Subsidiary-Clearcorp	Subsidiary-LEIL	Party having substantial interest	Key Management Personnel
Interest on deposits from members	-----	-----	142 (182)	-----
Operational Income shared	1,974 (1,617)	-----	-----	-----
Investment in equity shares	-----	250	-----	-----
Remuneration				
- Mr. R. Sridharan	-----	-----	-----	50 (44)
- Mr.O.N.Ravi	-----	-----	-----	87 (86)
- Mr. Deepak Chande {Refer Note (f) below}	-----	-----	-----	81 (36)
Outstanding Balance as at the year end :				
Receivable	-----	26	99 (87)	-----
Payable	93 (180)	-----	58 (54)	-----
Collaterals outstanding - Cash	-----	-----	20,367 (16,353)	-----
Collaterals outstanding - Securities (at face value) {Refer Note (d) below}	-----	-----	226,021 (1,369,638)	-----
Collaterals outstanding - Guarantees {Refer Note (e) below}	-----	-----	- (75,109)	-----
Investment in equity shares	1000 (1,000)	250	-----	-----
Payable				
- Mr. R. Sridharan	-----	-----	-----	1 (3)
- Mr.O.N.Ravi	-----	-----	-----	4 (1)
- Mr. Deepak Chande	-----	-----	-----	3 (1)

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.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

- (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' in previous year represents USD 1,20,000 thousands.
- (f) Remuneration for the previous year is for the period of 25th August,2014 to 31st March,2015.
- (g) The amounts are inclusive of Service Tax wherever applicable.
- (h) No amounts have been written off / provided for or written back during the year in respect of amounts due from or to related parties.
- (l) 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.

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 31.03.2016		As at 31.03.2015	
	Amount in US Dollars (in Thousands)	Amount in INR (₹ in lakhs)	Amount in US Dollars (in Thousands)	Amount in INR (₹ in lakhs)
ASSETS				
US Govt. Treasury Bills	586,848	389,273	453,828	284,055
Bank Balance in Current Accounts	19,675	13,051	62,327	39,011
Accrued Interest on US T Bills	433	287	79	49
Total	606,956	402,611	516,234	323,115
LIABILITIES				
Deposits from Members	606,313	402,185	516,078	323,017
Interest payable to Members	630	418	143	89
Bank Charges Payable	136	90	147	92
Creditors for Capital Expenses	8	5	180	113
Total	607,087	402,698	516,548	323,311
Net Assets / (Liabilities)	(131)	(87)	(314)	(196)

NOTE 33 :

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, 2016

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 31.03.2016 are as follows :

(₹ in lakhs)

Particulars	As at 31.03.2016			As at 31.03.2015		
	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.	7	12	17	6	3	7
(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 :

Details of Payment to Auditors is as under:

Payment to Auditors	2015-16	2014-15
Audit Fees	8	7
Tax Audit Fees	2	3
Taxation Matters	-	1
Certification Fees	2	2
Reimbursement of Expenses	0*	0*
TOTAL	12	13

* denotes amount less than ₹1 Lakh



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 36 :

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

NOTE 37 :

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

For and on behalf of the Board of Directors

Sd/-
Usha Thorat
Chairperson
(DIN:00542778)

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

Sd/-
Rajendra Chitale
Director
(DIN:00015986)

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

Sd/-
Deepak Chande
Chief Financial Officer

Place : Mumbai
Date : May 12, 2016

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	Legal Entity Identifier India Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	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.	N.A.
4.	Share capital	1,000	250
5.	Reserves & surplus	3,909	(41)
6.	Total assets	5,446	237
7.	Total Liabilities	537	28
8.	Investments	-	-
9.	Turnover	3,235	0
10.	Profit before taxation	1,239	(41)
11.	Provision for taxation	425	-
12.	Profit after taxation	814	(41)
13.	Proposed Dividend	-	-
14.	% of shareholding	100	100
* denotes amount less than ₹1 Lakh			

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	



THE CLEARING CORPORATION OF INDIA LIMITED

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.
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

For and on behalf of the Board of Directors

Sd/-
Usha Thorat
Chairperson
(DIN:00542778)

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

Sd/-
Rajendra Chitale
Director
(DIN:00015986)

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

Sd/-
Deepak Chande
Chief Financial Officer

Place : Mumbai
Date : May 12, 2016

INDEPENDENT AUDITOR'S 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 subsidiaries collectively referred to as 'the Group', which comprise the Consolidated Balance Sheet as at 31st March, 2016, 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.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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.

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 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. 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 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 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, of the state of affairs of the Group as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure "A".
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 Group 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 relevant books of account.



- (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 subsidiaries as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 pending litigations which would impact its financial position (Refer Note no. 25 to the consolidated financial statements);
 - (ii) The Group did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred, to the investor Education and Protection Fund by the Group during the year ended March 31, 2016.

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

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

Place: Mumbai
Date: May 12, 2016



“Annexure A”

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of The Clearing Corporation of India Limited (“the Parent Company”) and its subsidiaries collectively referred to as ‘the Group’ as of March 31, 2016 in conjunction with our audit for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

2. The Holding Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures

that :

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai

Date: May 12, 2016

For LODHA & COMPANY

Chartered Accountants

Firm Registration No. 301051E

Sd/-

R.P. Baradiya

Partner

Membership No. 44101



THE CLEARING CORPORATION OF INDIA LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

		(₹ in lakhs)	
	Note No.	As at 31.03.2016	As at 31.03.2015
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2	10,000	10,000
Reserves and Surplus	3	195,785	165,646
Non-Current Liabilities			
Deferred Tax Liabilities	4	1,429	966
Long-Term Provisions	5	868	743
Current Liabilities			
Trade Payables	6	227	205
Other Current Liabilities	7	692,168	585,838
Short-Term Provisions	8	2,646	2,635
TOTAL		903,123	766,033
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets	9		
-Tangible Assets		14,478	14,993
-Intangible Assets		3,148	2,933
-Capital Work-in-Progress		-	3
-Intangible Assets under Development-Software		2,026	1,389
Deferred Tax Assets (Net)	10	-	-
Long-Term Loans and Advances	11	332	759
Other Non-Current Assets	12	297,840	225,771
Current Assets			
Current Investments	13	485,051	337,565
Trade Receivable	14	3,712	3,708
Cash and Bank Balances	15	81,638	164,094
Short-Term Loans and Advances	16	142	128
Other Current Assets	17	14,756	14,690
TOTAL		903,123	766,033

1-32

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

As per our attached report of even date

For and on behalf of

LODHA & COMPANY
CHARTERED ACCOUNTANTS

Firm Reg. No. 301051E

Sd/-

R.P.Baradiya
PARTNER

Place : Mumbai

Date : May 12, 2016

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

Sd/-

Usha Thorat
Chairperson
(DIN:00542778)

Sd/-

O. N. Ravi
Company Secretary &
Corporate Development Officer

Sd/-

R. Sridharan
Managing Director
(DIN:00868787)

Sd/-

Rajendra Chitale
Director
(DIN:00015986)

Sd/-

Deepak Chande
Chief Financial Officer



THE CLEARING CORPORATION OF INDIA LIMITED

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	Note No.	For the year ended 31.03.2016	For the year ended 31.03.2015
Revenue from Operations			
Income from Operations	18	32,430	38,416
Other Operating Revenues	19	16,371	17,501
		48,801	55,917
Other Income	20	14,104	12,766
Total Revenue		62,905	68,683
Expenses			
Employee Benefits Expense	21	4,280	3,882
Finance Costs	22	1,297	1,119
Depreciation and Amortization Expense	23	2,114	1,199
Other Expenses	24	5,586	4,950
Total Expenses		13,277	11,150
Profit Before Tax		49,628	57,533
- Current Tax		16,846	18,737
- Deferred Tax		465	818
- Tax Adjustments relating to earlier years		(139)	(124)
Profit After Tax		32,456	38,102
Earnings per Equity Share (EPS)			
-Basic		63.89	75.18
-Diluted		63.89	75.18
(Equity Share of face value of ₹10 each)			

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

1-32

As per our attached report of even date

For and on behalf of

LODHA & COMPANY
CHARTERED ACCOUNTANTS

Firm Reg. No. 301051E

Sd/-

R.P.Baradiya
PARTNER

Place : Mumbai

Date : May 12, 2016

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

Sd/-

Usha Thorat
Chairperson
(DIN:00542778)

Sd/-

O. N. Ravi
Company Secretary &
Corporate Development Officer

Sd/-

R. Sridharan
Managing Director
(DIN:00868787)

Sd/-

Rajendra Chitale
Director
(DIN:00015986)

Sd/-

Deepak Chande
Chief Financial Officer



THE CLEARING CORPORATION OF INDIA LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	(₹ in lakhs)	
	2015-16	2014-15
(A) CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	49,628	57,533
Add : Adjustments for:		
Depreciation and Amortization Expense	2,114	1,200
Wealth Tax (included under Rates & Taxes)	-	10
Interest on Taxes	18	55
Less: Adjustments for:		
Interest Income on Investments made out of Own Funds	14,029	12,323
Provision Written Back	62	19
Profit/(Loss) on Sale of Fixed Asset (net)	0 *	6
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>37,669</u>	<u>46,450</u>
Adjustments for :		
(Increase)/ Decrease in Non Current Assets / Current Assets	(134,932)	(44,131)
Increase/(Decrease) in Non Current Liabilities / Current Liabilities	107,897	64,185
CASH GENERATED FROM OPERATIONS	<u>10,634</u>	<u>66,504</u>
Direct Taxes paid	(16,297)	(18,940)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)	<u>(5,663)</u>	<u>47,564</u>
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,466)	(3,177)
Sale of Fixed Assets	19	6
Interest Income on Investments made out of Own Funds	12,795	11,315
Purchase of Government of India Treasury Bills out of Own Funds	(6,692)	(4,140)
Placement of Fixed Deposits with Banks made out of Own Funds	(168,710)	(128,185)
Redemption of Fixed Deposits with Banks made out of Own Funds	138,990	108,946
Sale/Redemption of Investments out of Own Funds	5,137	4,673
NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)	<u>(20,927)</u>	<u>(10,562)</u>

* denotes amount less than ₹1 Lakh



THE CLEARING CORPORATION OF INDIA LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	2015-16	2014-15
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Dividend/Dividend Distribution Tax paid	(2,317)	(2,252)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)	(2,317)	(2,252)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(28,907)	34,750
CASH AND CASH EQUIVALENTS		
OPENING BALANCE	47,575	12,825
CLOSING BALANCE		
Before adjustment of unrealised foreign exchange	18,157	47,236
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	511	339
	18,668	47,575
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(28,907)	34,750

As per our attached report of even date

For and on behalf of

LODHA & COMPANY
CHARTERED ACCOUNTANTS

Firm Reg. No. 301051E

Sd/-

R.P.Baradiya
PARTNER

Place : Mumbai

Date : May 12, 2016

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

Sd/-

Usha Thorat
Chairperson
(DIN:00542778)

Sd/-

O. N. Ravi
Company Secretary &
Corporate Development Officer

Sd/-

R. Sridharan
Managing Director
(DIN:00868787)

Sd/-

Rajendra Chitale
Director
(DIN:00015986)

Sd/-

Deepak Chande
Chief Financial Officer



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

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 subsidiaries namely Clearcorp Dealing Systems (India) Limited and Legal Entity Identifier India Limited (“the Subsidiary Companies”), collectively referred to as “the Group.

The Clearing Corporation of India Limited 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.

Clearcorp Dealing Systems (India) Limited provides dealing systems/platforms, facilitates trading in the money market instruments, foreign exchange and other financial market instruments and carries out related activities.

Legal Entity Identifier India Limited is engaged in business of Local Operating Unit (LOU) for the issuance, maintenance and provision of Legal Entity Identifier (LEI) services in India or abroad.

Significant Accounting Policies:

(a) Basis of preparation of Consolidated Financial Statements :

The consolidated financial statements of the Company and its wholly owned subsidiaries have been prepared to comply in all material respects with the Accounting Standards notified by the Companies Act, 2013, 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 Subsidiaries have been prepared in accordance with the consolidation procedures prescribed under AS 21 - 'Consolidated Financial Statements'.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

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

- (i) The financial statements of the Parent Company and the Subsidiaries 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.

(c) Particulars of the Subsidiaries :

Name of the Company	Subsidiary w.e.f	Country of incorporation	Percentage of voting rights as on 31.03.2016	Reporting date	Financial Statements	Relationship
Clearcorp Dealing Systems (India) Limited	11.06.2003	India	100%	31.03.2016	Audited	Subsidiary
Legal Entity Identifier India Limited	05.10.2015	India	100%	31.03.2016	Audited	Subsidiary

(d) Revenue Recognition:

- (i) Revenue from Services is recognized as and when the Service is performed as per the relevant agreements.
- (ii) In case of investment in discounted securities/instruments the discount is accrued over the period to maturity and included in Income from Investments.
- (iii) Dividend Income is recognized when the right to receive is established.
- (iv) 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:



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

- 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

(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.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(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.

(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, 2016

	As at 31.03.2016		As at 31.03.2015	
	Number	₹ in lakhs	Number	₹ in lakhs
<u>NOTE 2 : SHARE CAPITAL</u>				
<u>Authorised</u>				
Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each	50,000,000	5,000	50,000,000	5,000
Equity Shares of ₹ 10 each	50,000,000	5,000	50,000,000	5,000
	100,000,000	10,000	100,000,000	10,000
<u>Issued, Subscribed and Paid up</u>				
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
	100,000,000	10,000	100,000,000	10,000
TOTAL	100,000,000	10,000	100,000,000	10,000

Notes:

(a) There has been no change in the number of Equity Shares & 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

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 31.03.2016		As at 31.03.2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:				
State Bank of India	10,600,000	21.20	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
8.5% Redeemable, Non Convertible, Cumulative Preference Shares :				
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, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
General Reserve		
Opening Balance	57,756	39,256
Add: Transferred from Surplus	29,000	18,500
Closing Balance	86,756	57,756
Settlement Reserve Fund {Refer Note below}		
Opening Balance	100,057	84,000
Add: Transferred from Surplus	24	16,057
Closing Balance	100,081	100,057
Surplus		
Opening Balance	7,833	6,605
Add: Net Profit After Tax transferred from Statement of Profit & Loss	32,456	38,102
Amounts available for Appropriation	40,289	44,707
Appropriations :		
- Proposed Dividend on Equity Shares	1,500	1,500
- Proposed Dividend on Preference Shares	425	425
- Dividend Distribution Tax	392	392
- Transfer to General Reserve	29,000	18,500
- Transfer to Settlement Reserve Fund	24	16,057
Closing Balance	8,948	7,833
TOTAL	195,785	165,646

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 ₹1,00,057 lakhs (Previous year - ₹84,000 lakhs) are earmarked for this purpose.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
<u>NOTE 4 : DEFERRED TAX LIABILITIES</u>		
<u>Deferred Tax Liabilities</u>		
Arising out of timing difference in depreciation	1,851	1,392
<u>Less : Deferred Tax Assets</u>		
Arising out of timing difference in respect of expenses allowable on payment basis	422	426
TOTAL	1,429	966
<u>NOTE 5 : LONG TERM PROVISIONS</u>		
Provision for Employee Benefits	868	743
TOTAL	868	743
<u>NOTE 6 : TRADE PAYABLES</u>		
Due to Creditors other than Micro and Small Enterprises	220	199
Due to Micro and Small Enterprises {Refer Note 34}	7	6
TOTAL	227	205
<u>NOTE 7 : OTHER CURRENT LIABILITIES</u>		
Creditors for Capital Expenses {Refer Note (a) below}	906	1,092
Interest Accrued but not Due	2,247	1,765
Deposits from Members {Refer Note (b) below}	687,992	581,858
Statutory Dues payable	244	435
Other payables {Refer Note (c) below}	779	688
TOTAL	692,168	585,838

Notes :

(a) Creditors for Capital Expenses includes ₹17 lakhs (Previous year ₹7 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, 2016

(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. Securities #	Guarantees
Securities Settlement	240,463 (218,160)	3,310,458 (3,026,573)	--
Forex Settlement	402,185 * (323,017) *	--	-- (75,109) **
CBLO Settlement	35,143 (33,312)	22,048,147 (25,656,955)	365,000 @ (265,000) @
Default Fund - Forex Forwards	10,201 (7,369)	229,213 (173,815)	--
Total	687,992 (581,858)	25,587,818 (28,857,343)	365,000 (340,109)

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 at 31.03.2016	As at 31.03.2015
US Government Treasury Bills (under Current Investments)	389,273	284,055
Government of India Treasury Bills (under Current Investments)	90,084	49,370
Balance in Bank Accounts		
- In Current Accounts	15,188	41,364
- In Deposit Accounts	193,447	207,069
	687,992	581,858

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 6,06,313 thousands (Previous year - US Dollars 5,16,078 thousands).

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

@ The Parent Company has accepted Bank Guarantees as additional collaterals

(c) Other payables includes ₹12 lakhs (Previous year - ₹3 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, 2016
(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
<u>NOTE 8 : SHORT TERM PROVISIONS</u>		
Provision for Employee Benefits	329	318
Proposed Dividends	1,925	1,925
Provision for Dividend Distribution Tax	392	392
TOTAL	2,646	2,635



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in Lakhs)

NOTE 9 : FIXED ASSETS

Sr. No.	Particulars	Gross Block				Accumulated Depreciation			Net Block As on 31.03.2016 (31.03.2015)
		Opening Balance	Additions	Disposal	Closing Balance	Opening Balance	Depreciation for the year	On Disposals	
a	Tangible Assets								
	Freehold Land	1,320 (1,320)	-	-	1,320 (1,320)	-	-	-	1,320 (1,320)
	Buildings - Residential	1,139 (1,139)	-	-	1,139 (1,139)	185 (168)	17 (17)	-	937 (954)
	Buildings - Office	11,370 (11,370)	-	-	11,370 (11,370)	670 (499)	170 (171)	-	10,530 (10,700)
	Computer Systems Hardware	3,496 (3,146)	162 (423)	31 (73)	3,627 (3,496)	2,525 (2,428)	243 (170)	13 (73)	872 (971)
	Furniture and fittings	583 (577)	0 (6)	-	583 (583)	386 (347)	37 (39)	-	159 (197)
	Electrical Installations and Equipment	1,555 (1,557)	5 (6)	-	1,560 (1,555)	920 (831)	97 (97)	-	543 (635)
	Office Equipment	865 (866)	30 (9)	1 (10)	894 (865)	649 (514)	130 (145)	1 (10)	116 (216)
	Total	20,327 (19,974)	197 (444)	32 (91)	20,492 (20,327)	5,334 (4,787)	694 (639)	14 (91)	14,478 (14,993)
b	Intangible Assets								
	Computer Software	12,955 (10,292)	1,634 (2,663)	57	14,532 (12,955)	10,023 (9,462)	1,418 (561)	57	3,148 (2,933)
	Total	12,955 (10,292)	1,634 (2,663)	57	14,532 (12,955)	10,023 (9,462)	1,418 (561)	57	3,148 (2,933)
	Grand Total	33,282 (30,266)	1,831 (3,107)	88 (91)	35,025 (33,282)	15,357 (14,249)	2,112 (1,200)	71 (91)	17,627 (17,926)

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 Parent 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
<u>NOTE 10 : DEFERRED TAX ASSETS</u>		
<u>Deferred Tax Assets</u>		
Arising out of timing difference in respect of Preliminary Expenses and Carried Forward Loss/depreciation	16	-
<u>Less : Deferred Tax Liabilities</u>		
Arising out of timing difference in depreciation	3	-
Net Deferred Tax Asset	13	-
Less : Deferred tax asset not recognised as a matter of prudence	13	-
	-	-
<u>NOTE 11: LONG TERM LOANS AND ADVANCES</u>		
(Unsecured, Considered Good)		
Capital Advances	3	-
Security Deposits {Refer Note below}	65	65
Advance Tax (Net of Provision)	264	694
TOTAL	332	759

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.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
NOTE 12: OTHER NON CURRENT ASSETS		
Bank Deposits with original maturity of more than 12 months {Refer Note (a) & (b) below}	297,818	225,715
Interest Accrued on Deposits with Banks	-	5
Prepaid Expenses	22	51
TOTAL	297,840	225,771

Notes :

- (a) Bank Deposits with original maturity of more than 12 months includes deposits amounting to ₹70,867 lakhs (Previous year - ₹57,420 lakhs) earmarked for Settlement Reserve Fund.
- (b) Bank Deposits with original maturity of more than 12 months includes deposits amounting to ₹60,945 lakhs (Previous year ₹49,600 lakhs) marked as lien by the various banks against overdraft limits sanctioned by them. The total overdraft limits sanctioned by these banks amounts to ₹54,228 lakhs (Previous year ₹43,544 lakhs). Outstanding Overdraft as on 31.03.2016 - Nil (Previous year - Nil).
- (c) Bank Deposits with original maturity of more than 12 months comprises of deposits amounting to ₹50 lakhs (Previous Year ₹ 50 lakhs) kept with a bank under lien in favour of Forex Dealers Association of India (FEDAI).

NOTE 13 : CURRENT INVESTMENTS

QUOTED :

Investment in Government Securities {Refer Note below}	485,051	337,565
TOTAL	485,051	337,565

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

Note : Details of Current Investments

Sr. No.	Investment	No. of Shares/Units		Quoted / Unquoted	Amount (₹ in lakhs) As at		Whether stated at Cost
		As at 31.03.2016	As at 31.03.2015		As at 31.03.2016	As at 31.03.2015	
	Investments in Government Securities						
(i)	US Government Treasury Bills (Fair Value ₹3,89,734 lakhs, Previous year ₹2,84,137 lakhs)	5,880,000	4,540,000	Quoted	389,273	284,055	Cost
(ii)	Government of India Treasury Bills (Fair Value ₹99,226 lakhs, Previous year - ₹ 56,212 lakhs)	101,770,750	5,72,81,250	Quoted	95,778	53,510	Cost
	TOTAL				485,051	337,565	

Note: Investment in Government of India Treasury Bills includes Treasury Bills amounting to ₹4,672 lakhs (Previous year - ₹990 lakhs) earmarked for Settlement Reserve Fund.

	(₹ in lakhs)	
	As at 31.03.2016	As at 31.03.2015

NOTE 14 : TRADE RECEIVABLES

(Unsecured, Considered Good)

Trade Receivables outstanding for a period less than six months from the date they are due for payment	3,712	3,708
Due from Others	0*	-
TOTAL	3,712	3,708

* denotes amount less than ₹1 lakh.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
NOTE 15 : CASH AND BANK BALANCE		
(A) Cash and Cash Equivalents		
Balances with Banks		
in Current Accounts	17,202	43,734
in Deposit Accounts (original maturity of upto 3 months)	1,465	3,840
	18,667	47,574
Cash on Hand	1	1
	18,668	47,575
(B) Other Bank Balances		
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}	62,970	115,019
	62,970	116,519
TOTAL	81,638	164,094

Notes :

- Bank Deposits with original maturity upto 3 months in previous year includes deposits amounting to ₹1,500 lakhs marked as lien by a bank against overdraft limit sanctioned. The overdraft limits sanctioned by this bank amounts to ₹1,350 lakhs. Outstanding Overdraft as on 31.03.2016 - Nil (Previous year - Nil).
- Bank Deposits with original maturity of more than 3 months but upto 12 months includes bank deposits amounting to ₹24,518 lakhs (Previous year - ₹25,590 lakhs) earmarked for Settlement Reserve Fund.
- Bank Deposits with original maturity of more than 3 months but upto 12 months includes deposits amounting to ₹4,000 lakhs (Previous year ₹26,200 lakhs) marked as lien by various banks against overdraft limits sanctioned by them. The total overdraft limits sanctioned by these banks amounts to ₹3,600 lakhs (Previous year ₹24,540 lakhs). Outstanding Overdraft as on 31.03.2016 - Nil (Previous year - Nil).

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	As at 31.03.2016	As at 31.03.2015
<u>NOTE 16 : SHORT TERM LOANS AND ADVANCES</u>		
(Unsecured, Considered Good)		
Advances to suppliers and Others	142	128
TOTAL	142	128

NOTE 17 : OTHER CURRENT ASSETS

Interest Accrued on Deposits with Banks	10,507	11,194
Interest Accrued on Current Investments	3,688	2,681
Service Tax Input Credit	267	433
Prepaid Expenses	294	279
Others	0 *	103
TOTAL	14,756	14,690

* denotes amount less than ₹1 Lakh

	For the year ended 31.03.2016	For the year ended 31.03.2015
<u>NOTE 18 : INCOME FROM OPERATIONS</u>		
Transaction Charges - Clearing & Settlement	28,545	35058
Transaction Charges - Trading	2,888	2539
Other fees and charges	997	819
TOTAL	32,430	38,416

NOTE 19 : OTHER OPERATING REVENUES

Interest / Income on investments made out of Operational Funds		
-Income on Current Investments	6,117	4,089
-Interest on Fixed Deposits with Banks	17,611	19,821
	23,728	23,910
Less : Interest Paid on Deposits from Members	7,357	6,409
TOTAL	16,371	17,501



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	For the year ended 31.03.2016	For the year ended 31.03.2015
<u>NOTE 20 : OTHER INCOME</u>		
Interest / Income on Investments made out of Own Funds		
-Income on Current Investments	145	619
-Interest on Fixed Deposits with Banks	13,885	11,705
	<u>14,030</u>	<u>12,324</u>
Profit on Sale of Fixed Assets (net)	0 *	6
Net Profit on Foreign Currency Transaction and Translation	-	1
Others {Refer Note below}	74	435
	<u>14,104</u>	<u>12,766</u>

* denotes amount less than ₹1 lakh

Note:

Others includes in previous year ₹379 lakhs received from Reserve Bank of India being reimbursement of costs relating to earlier years towards Trade Repository system.

NOTE 21: EMPLOYEE BENEFITS EXPENSE

Salaries	3,578	3,185
Contributions to Provident and Other Funds	477	490
Staff Welfare Expenses	226	207
	<u>4,280</u>	<u>3,882</u>

NOTE 22: FINANCE COST

Interest on Taxes	18	55
Line of Credit Commitment and Other Charges	1,279	1,064
	<u>1,297</u>	<u>1,119</u>

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

	For the year ended 31.03.2016	For the year ended 31.03.2015
NOTE 23: DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on Tangible Assets	695	638
Amortisation of Intangible Assets	1,419	561
TOTAL	2,114	1,199

Note:

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

NOTE 24: OTHER EXPENSES

Power and Fuel	411	432
Repairs and Maintenance -Buildings	85	102
Repairs and Maintenance -Computer Systems and Equipment	1,568	1,332
Repairs and Maintenance -Others	102	91
Insurance	11	12
Rates and Taxes	125	199
Communication Expenses	351	348
CLS Settlement Charges	1,033	796
Net Loss on Foreign Currency Transaction and Translation	6	-
Expenditure towards Corporate Social Responsibility	983	779
Professional Fees	210	209
Directors' Sitting Fees	99	53
Payment to Auditors	15	17
Others	587	579
TOTAL	5,586	4,950



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 25: CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	(₹ in lakhs)	
	As at 31.03.2016	As at 31.03.2015
(i) <u>Contingent Liabilities</u>		
(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 (Previous year - ₹116 lakhs) and including interest of ₹104 lakhs(Previous year - ₹78 lakhs) upto the end of the year)	193	167
(ii) <u>Commitments</u>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,370	1,831
Total	1,563	2,548

NOTE 26: EMPLOYEE BENEFITS - GRATUITY

In terms of the Group's gratuity plans, 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 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.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

Description	Gratuity	
	2015-16	2014-15
A. Amount recognised in the Statement of Profit and Loss for the year		
- Current Service Cost	120	76
- Interest Cost	87	76
- Expected Return on Plan Assets	(92)	(57)
- Net actuarial (Gain) / Loss recognized during the year	51	117
- Total Expenses recognized in the Statement of Profit and Loss	166	212
B. Actual Return on Plan Assets		
- Actual Return of Plan Assets	102	70
C. Amount recognised in the Balance Sheet		
- Present Value of Obligation	1282	(804)
- Fair Value of Plan Assets	1368	1157
- Funded status {surplus / (deficit)}	86	70
- Net Asset/(Liability) recognized in the Balance Sheet	86	70
D. Change in Present Value of Obligation		
- Present Value of Obligation at the beginning of the year	1087	816
- Current Service Cost	120	76
- Interest Cost	87	76
- Benefits paid	(73)	(12)
- Actuarial (Gain) / Loss on Obligation	61	131
- Present Value of Obligation at the end of the year	1282	1087
E. Change in Plan Assets		
- Fair Value of Plan Assets at the beginning of the year	1157	653
- Expected Return on Plan Assets	92	57
- Contributions Made	182	445
- Benefits Paid	(73)	(12)
- Actuarial Gains / (Loss) on Plan Assets	10	14
- Fair Value of Plan Assets at the end of the year	1368	1157
F. Major categories of Plan Assets as a percentage of total plan		
	100% Insurance Policy	
G. Actuarial Assumptions		
- Discount Rate	8.06%	8.00%
- Expected Rate of Return on assets	8.06%	8.00%
- Employee Attrition Rate	3%	3%
- Mortality Rate/Table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
- 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.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(c) Amounts Recognised as Expense:

(i) Defined Contribution Plan

- (1) Employer's Contribution to Provident Fund amounting to ₹194 lakhs (Previous year - ₹175 lakhs) has been included in Note 20 under Contribution to Provident Fund and Other Funds.
- (2) Employer's Contribution to Superannuation Fund amounting to ₹96 lakhs (Previous year - ₹81 lakhs) has been included in Note 21 under Contribution to Provident Fund and Other Funds.

(ii) Defined Benefit Plan

Gratuity cost amounting to ₹166 lakhs (Previous year - ₹212 lakhs) has been included in Note 21 under Contribution to Provident and Other Funds.

NOTE 27: BASIC AND DILUTED EARNINGS PER SHARE

Basic and Diluted Earning Per Share is calculated as under:

Particulars		2015-16	2014-15
(i)	Net profit as per Consolidated Statement of Profit & loss (₹ in lakhs)	32,456	38,102
(ii)	Dividend on Preference Capital & Dividend Distribution tax thereon (₹ in lakhs)	512	512
(iii)	Net Profit attributable to Equity Shareholders (₹ in lakhs)	31,944	37,590
(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 ₹)	63.89	75.18

NOTE 28: 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

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

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

(₹ in lakhs)

Nature of Relationship	Party having substantial interest	Key Management Personnel
Particulars		
Income from Operations	1,030 (1,417)	-----
Collaterals Cash Received	38,528 (1,617)	-----
Collaterals Cash Repaid	35,247 (10,182)	-----
Collaterals Securities Received (at face value)	1,199,783 (2,278,800)	-----
Collaterals Securities Returned (at face value)	2,343,400 (1,566,700)	-----
Interest on deposits from members	142 (182)	-----
Remuneration		
- Mr. R. Sridharan	-----	50 (44)
- Mr.O.N.Ravi	-----	87 (86)
- Mr. Deepak Chande {Refer Note (f) below}	-----	81 (36)
Outstanding Balance as at the year end :		
Receivable	101 (89)	-----
Payable	58 (54)	-----
Collaterals outstanding - Cash	20,367 (16,353)	-----
Collaterals outstanding - Securities (at face value) {Refer Note (c) below}	226,021 (1,369,638)	-----
Collaterals outstanding - Guarantees {Refer Note (d) below}	- (75,109)	-----
Payable		
- Mr. R. Sridharan	-----	1 (3)
- Mr.O.N.Ravi	-----	4 (1)
- Mr. Deepak Chande	-----	3 (1)

Notes:

- (a) 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, 2016

- (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.
- (d) Collaterals outstanding - Guarantees' in previous year represents USD 1,20,000 thousands.
- (e) The amounts are inclusive of Service Tax wherever applicable.
- (f) Remuneration for the previous year is for the period of 25th August, 2014 to 31st March, 2015.
- (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 Group. This has been relied upon by the Auditors.

NOTE 29:

The disclosure in respect of Segment information as per Accounting Standard - 17 "Segment Reporting" for the year ended 31st March, 2016 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.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakhs)

Particulars	2015-16			2014-15		
	Clearing & Settlement Services	Trading Services	Total	Clearing & Settlement Services	Trading Services	Total
REVENUE						
Revenue from Operations (External)	45,566	3,235	48,800	53,013	2,904	55,917
Total Revenue from Operations	45,566	3,235	48,800	53,013	2,904	55,917
RESULT						
Segment Result	34,563	961	35,524	43,724	1,044	44,768
Add: Other Income			14,104			12,766
Profit Before Tax	34,563	961	49,628	43,724	1,044	57,534
Tax Expense						
- Current Tax			16,846			18,737
- Deferred Tax			465			818
- Tax Adjustments relating to earlier years			(139)			(124)
Profit After Tax			32,456			38,103
OTHER INFORMATION						
Assets						
Segment Assets	897,770	5,353	903,123	761,627	4,406	766,033
Total Assets	897,770	5,353	903,123	761,627	4,406	766,033
Liabilities						
Segment Liabilities	696,801	537	697,338	589,896	491	590,387
Total Liabilities	696,801	537	697,338	589,896	491	590,387
Capital Expenditure						
Segment Capital Expenditure	1,995	471	2,466	2,610	567	3,177
Total Capital Expenditure	1,995	471	2,466	2,610	567	3,177
Depreciation/Amortisation						
Segment Depreciation/Amortisation	1,606	508	2,114	1,019	180	1,199
Total Depreciation/Amortisation	1,606	508	2,114	1,019	180	1,199



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 30: 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 31.03.2016		As at 31.03.2015	
	Amount in US Dollars (in Thousands)	Amount in INR (₹ in lakhs)	Amount in US Dollars (in Thousands)	Amount in INR (₹ in lakhs)
ASSETS				
US Govt. Treasury Bills	586,848	389,273	453,828	284,055
Bank Balance in Current Accounts	19,675	13,051	62,327	39,011
Accrued Interest on US T Bills	433	287	79	49
Advances	4	2	-	-
Total	606,960	402,613	516,234	323,115
LIABILITIES				
Deposits from Members	606,313	402,185	516,078	323,017
Interest payable to Members	630	418	143	89
Bank Charges Payable	136	90	147	92
Creditors for Capital Expenses	8	5	180	113
Total	607,087	402,698	516,548	323,311
Net Assets / (Liabilities)	(127)	(85)	(314)	(196)

NOTE 31:

Details of Payment to Auditors is as under:

Payment to Auditors	2015-16	2014-15
Audit Fees	10	9
Tax Audit Fees	2	4
Taxation Matters	-	1
Certification Fees	2	3
Reimbursement of Expenses	0	0
TOTAL	15	17

"0" denotes amount less than ₹1 lakh.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 32:

The Current year's Consolidated Financial Statements include figures of Legal Entity Identifier Limited, which is wholly owned subsidiary incorporated on October 5,2015. Accordingly, current year's figures are not strictly comparable with those of the previous year. Previous year's figures have been regrouped and rearranged to conform to current year's presentation, wherever necessary.

For and on behalf of the Board of Directors

Sd/-
Usha Thorat
Chairperson
(DIN:00542778)

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

Sd/-
Rajendra Chitale
Director
(DIN:00015986)

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

Sd/-
Deepak Chande
Chief Financial Officer

Place : Mumbai
Date : May 12, 2016



THE CLEARING CORPORATION OF INDIA LIMITED

ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(As prescribed under Schedule III of the Companies Act,2013)

(₹ 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
Parent				
The Clearing Corporation Of India Limited	98.12	201,917	97.62	31,683
Subsidiaries - Indian				
Clearcorp Dealing Systems (India) Limited	1.90	3,909	2.51	814
Legal Entity Identifier India Limited	(0.02)	(41)	(0.13)	(41)
Subsidiaries - Foreign				
None	-	-	-	-
Minority Interest				
None	-	-	-	-
Joint Ventures				
None	-	-	-	-
TOTAL	100	205,785	100	32,456