



THE CLEARING CORPORATION OF INDIA LIMITED

**FINANCIAL STATEMENTS
2021 - 2022**

The Clearing Corporation of India Limited



Financial Statements 2021-2022



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Board of Directors

Mr. R. Gandhi (Chairman)
Mr. Hare Krishna Jena (Managing Director)
Dr. G. Sivakumar
Mr. B. Prasanna
Dr. Meena Hemchandra
Mr. S.Vishvanathan
Mr. Ashish Parthasarthy
Mr. S.V. Sastry
Mr. P.R. Ramesh
Ms. Radhavi Deshpande
Dr. H. K. Pradhan
Dr. D. Manjunath

Executive Vice President

Mr. O. N. Ravi

Chief Financial Officer

Mr. Deepak Chande

Company Secretary and Compliance Officer

Mr. Pankaj Srivastava

Auditors

M/s G. M. Kapadia & Co., Chartered Accountants

Registered and Corporate Office

CCIL Bhavan,
S. K. Bole Road,
Dadar (West),
Mumbai-400 028
Tel: +91 22 61546200 / 24396200 • Fax: 24326042
Website: www.ccilindia.com
CIN-U65990MH2001PLC131804



Financial Statements 2021-2022

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INDEPENDENT AUDITOR'S REPORT

**To the Members of
The Clearing Corporation of India Limited
Report on the Standalone Financial Statements**

Opinion

We have audited the standalone financial statements of **THE CLEARING CORPORATION OF INDIA LIMITED** which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards specified under section 133 of the Act (“Ind AS”), of the state of affairs of the Company as at March 31, 2022 and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Financial Statements and Our Report thereon

The Company’s Board of Directors is responsible for the other information. The Other Information comprises the information included in Director’s Report but does not include the financial statements and our auditor’s report thereon, which we obtained prior to the date of this report. Our opinion on the standalone financial statements does not cover the Other Information and we do not and will not express any form of assurance conclusion thereon.

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

If, based on the work we have performed on the Other Information that we obtained prior to the date of this auditor’s report, we conclude that if there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity, cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and



qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the standalone financial statements.

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

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

Other Matters

The Standalone Financial Statements of the Company for the year ended March 31, 2021 were audited by other auditors of the Company. The predecessor audit firm have expressed an unmodified opinion dated May 7, 2021 on such Standalone Financial Statements.

Our Opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the 'Annexure A', a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity 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 March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note 44 to the Standalone Financial Statements;



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 39)
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; (Refer note 39) and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. (a) The final dividend proposed for the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- (b) The total dividend declared and paid during the year (including preference share dividend) by the Company is in compliance with section 123 of the Companies Act, 2013.
- (c) As stated in note 16 to the Financial Statements, the Board of Directors of the Company have proposed final dividend on the equity shares for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed declared is in accordance with section 123 of the Act, as applicable.

For G. M. KAPADIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No 104767W

Sd/-
Rajen Ashar
Partner

Membership No. 048243
UDIN: 22048243AIPVVP7431

Place: Mumbai
Dated this 9 day of May, 2022



Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under 'Report on Other Legal & Regulatory Requirements' of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
- (B) The Company has maintained proper records of Intangible assets showing full particulars of such assets;
- (b) As informed to us, the property, plant and equipment and right-to-use assets have been physically verified by the management during the period according to a phased programme. In our opinion, such programme is reasonable having regard to the size of the Company and the nature of its assets. We have been further informed that no material discrepancies were noticed on such verification by the management between the book records and physical verification.
- (c) Based on our examination of the documents provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in are held in the name of the Company as at the balance sheet date except

Particulars	Description of item of property	Gross Carrying Value as at 31.03.2022 (Rs. in lakhs)	Title Deed held in the name of	Whether Title Deed held in the name of Promoter/ Director/ Relative of Director/ Promotor/ Employee	Property Held since which date	Reason for not holding in the name of the Company
Property, Plant and Equipment	Freehold Land	1,320	The Vicar Of The Church Of N S Da Salvacas Shrikrishna Madhav Kulkarni	No	14.10.2011	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.

- (d) The Company not has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, paragraph 3(i)(d), of the Order are not applicable;
- (e) As represented by the management there are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The Company's business does not involve inventories and accordingly, the provision of the clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has been sanctioned Rupee Lines of Credits (LOC) to meet rupee shortages in its settlement processes and Overdraft facility against from various banks and USD Line of Credit. Such facilities are not charged against current assets. Thus reporting under paragraph 3(ii)(b), of the Order are not applicable;

- (iii) The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year,
- The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable
 - In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest
 - The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any entity during the year, and hence reporting under clause (iii)(c) to (f) of the Order is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, to the extent applicable. We are informed by the Management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this regard.
- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence reporting under clause 3 (vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Income-tax, Sales Tax and Goods and Services Tax. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at March 31, 2022 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us, the Company has no disputed statutory dues as at March 31, 2022 except

Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	18	AY 2009-10	Assistant Commissioner of Income Tax
		32	AY 2015-16	Assistant Commissioner of Income Tax
		776	AY 2016-17	Commissioner of Income Tax (Appeals)
		259	AY 2017-18	Commissioner of Income Tax (Appeals)
		560	AY 2017-18	Assistant Commissioner of Income Tax
		261	AY 2018-19	Commissioner of Income Tax (Appeals)

- (viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



- (ix) (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loans during the year. Hence reporting under clause 3 (ix) (c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company has not taken any funds from an entity or person to meet the obligation of any of the subsidiaries. The Company does not have any joint ventures or associate companies Accordingly, paragraph 3 (ix)(e) of the order is not applicable to the Company;
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries The Company does not have any joint ventures or associate companies Accordingly, paragraph 3 (ix)(f) of the order is not applicable to the Company;
- (x) The Company has not raised money raised by way of initial public offer or further public offer (including debt instruments) nor any term loan during the period under audit. Accordingly, clause 3(x) of the Order is not applicable.
- (xi) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no material frauds have been noticed or reported during the period by the Company.
- (xii) The Company is not a chit fund or a Nidhi Company. Accordingly, the provision of the clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (c) As use informed to us there are no whistle-blower complaints received by the management during the year,
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him covered under the provisions of section 192 of the Act. Accordingly, the provision of the clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (d) In our opinion, and according to the information and explanation given to us, in the group (in accordance with Core Investment Companies (Reserve Bank) Directions, 2016) there are no companies forming part of the promoter/promoter group of the Company which are CICs
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



- (xviii) There has been no resignation of the statutory auditor of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For G. M. KAPADIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No 104767W

Sd/-

Rajen Ashar
Partner

Membership No. 048243
UDIN: 22048243AIPVVP7431

Place: Mumbai

Dated this 9 day of May, 2022



Annexure B - referred to in paragraph 3(f) under “Report on Other Legal and Regulatory Requirements” of our report of even date

Report on the Internal Financial Control with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

Opinion

We have audited the internal financial controls with reference financial statements of The Clearing Corporation of India Limited as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial statements 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).

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls With reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Financial Statements

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

***For G. M. KAPADIA & CO.
CHARTERED ACCOUNTANTS***
Firm Registration No 104767W

Sd/-
Rajen Ashar
Partner

Membership No. 048243
UDIN: 22048243AIPVVP7431

Place: Mumbai
Dated this 9 day of May, 2022



THE CLEARING CORPORATION OF INDIA LIMITED

BALANCE SHEET AS AT 31 MARCH 2022

(₹ in lakhs)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
I. ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	16,509	16,730
Capital Work-In-Progress	4	88	14
Intangible Assets	5	3,616	4,857
Intangible Assets Under Development	6	613	642
Financial Assets			
Investments in Subsidiaries	7	1,450	1,450
Other Non Current Financial Assets	8	42	41
Other Non Current Assets	9	64	61
Non Current Tax Assets (Net)	10	2,010	1,710
Total Non Current Assets		24,392	25,505
Current Assets			
Financial Assets			
Investments	11	13,76,734	12,18,865
Trade Receivables	12	4,093	3,388
Cash and Cash Equivalents	13a	61,061	1,22,271
Other Bank Balances	13b	4,95,236	4,17,308
Other Current Financial Assets	14	8,437	7,524
Other Current Assets	15	4,182	959
Total Current Assets		19,49,743	17,70,315
TOTAL ASSETS		19,74,135	17,95,820
II. EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	5,000	5,000
Other Equity	17	4,15,915	3,80,254
Total Equity		4,20,915	3,85,254
Non Current Liabilities			
Financial Liabilities			
Borrowings	18	-	5,000
Deferred Tax Liabilities (Net)	19	1,027	1,206
Non Current Provisions	20	1,602	1,545
Total Non Current Liabilities		2,629	7,751
Current Liabilities			
Financial Liabilities			
Borrowings	21	8,171	-
Trade Payables Due to :	22		
- Micro and Small Enterprises		43	13
- Other than Micro and Small Enterprises		362	430
Other Current Financial Liabilities	23	15,39,547	14,00,246
Other Current Liabilities	24	1,121	587
Current Provisions	25	1,172	1,496
Current Tax Liabilities (Net)	26	175	43
Total Current Liabilities		15,50,591	14,02,815
TOTAL EQUITY AND LIABILITIES		19,74,135	17,95,820

Significant Accounting Policies and Notes to the Financial Statements 1-54

As per our report of even date attached

For and on behalf of
For G. M Kapadia & Co.
Chartered Accountants
Firm Registration No: 104767W

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

Sd/-
Rajen Ashar
Partner
Membership No.: 048243

Sd/-
Hare Krishna Jena
Managing Director
(DIN : 07624556)

Sd/-
R Gandhi
Chairman
(DIN : 03341633)

Place : Mumbai

Sd/-
Deepak Chande
Chief Financial Officer

Sd/-
Pankaj Srivastava
Company Secretary

Date : May 09, 2022

THE CLEARING CORPORATION OF INDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022



(₹ in lakhs)

Particulars	Note	Year Ended 31 March 2022	Year Ended 31 March 2021
Income			
Revenue from Operations			
- Income from Operations	27	35,077	32,291
- Other Operating Revenues	28	21,002	26,660
Other Income	29	15,319	16,771
Total Income		71,398	75,722
Expenses			
Employee Benefit Expenses	30	5,164	5,288
Finance Cost	31	2,613	2,971
Depreciation and Amortization Expenses	32	4,312	4,131
Other Expenses	33	8,560	7,355
Total Expenses		20,649	19,745
Profit Before Tax		50,749	55,977
Tax Expense	34		
Current Tax		13,070	14,282
Deferred Tax Expense / (Income)		86	66
Tax Adjustments Relating to Earlier Years		(353)	-
Total Tax Expenses		12,803	14,348
Profit After Tax		37,946	41,629
Other Comprehensive Income			
<u>Items that will not be reclassified to Profit and Loss</u>			
- Remeasurements of the Defined Benefit Plans		125	(29)
- Income Tax on above		(31)	7
		94	(22)
<u>Items that will be reclassified to Profit and Loss</u>			
- Investments measured at FVOCI		(1,174)	(2,702)
- Income Tax on above		295	680
		(879)	(2,022)
Other Comprehensive Income for the Year, {Net of Income Tax}		(785)	(2,044)
Total Comprehensive Income for the Year		37,161	39,585
Earnings Per Equity Share			
Basic Earnings Per Share (₹)	35	75.89	83.26
Diluted Earnings Per Share (₹)		75.89	83.26
(Equity Share of Face Value of ₹ 10 each)			
Significant Accounting Policies and Notes to the Financial Statements	1-54		
As per our report of even date attached			
For and on behalf of For G. M Kapadia & Co. Chartered Accountants Firm Registration No: 104767W	Signatures to the Financial Statements and Notes thereon For and on behalf of the Board of Directors		
Sd/- Rajen Ashar Partner Membership No.: 048243	Sd/- Hare Krishna Jena Managing Director (DIN : 07624556)	Sd/- R Gandhi Chairman (DIN : 03341633)	
Place : Mumbai	Sd/- Deepak Chande Chief Financial Officer	Sd/- Pankaj Srivastava Company Secretary	
Date : May 09, 2022			



THE CLEARING CORPORATION OF INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

Particulars	2021-2022	2020-2021
A. Cash Flow from Operating Activities		
Net Profit Before Tax	50,749	55,977
Adjustments for :		
Depreciation and Amortisation Expense	4,312	4,131
Unrealised (Gain)/Loss on Foreign Exchange	(34)	38
Interest on Taxes	5	-
Interest Income on Investments made out of Own Funds	(14,181)	(15,762)
Profit/(Loss) on Sale of Property, Plant and Equipment (Net) *	(5)	(2)
Remeasurement of Defined Benefit Obligation	125	(29)
Fair Valuation of Variable Pay	(18)	(33)
Provision for Dividend on Preference Share	425	425
Finance Cost	30	40
Operating Profit before Working Capital Changes	41,408	44,785
Net Change in :		
(Increase) / Decrease Trade Receivables	(705)	1,016
(Increase) / Decrease Other Non Current Financial Assets	(1)	-
(Increase) / Decrease Other Non Current Assets	(4)	(8)
(Increase) / Decrease Other Current Financial Assets	(357)	33
(Increase) / Decrease Other Current Assets	(3,190)	10,255
(Increase) / Decrease Interest Accrued	517	(2,472)
(Increase) / Decrease in Investments & Bank Deposits made out of Operational Funds	(2,09,032)	(1,87,874)
Increase / (Decrease) Borrowings	3,171	(10,456)
Increase / (Decrease) Other Current Financial Liabilities	1,39,300	2,24,339
Increase / (Decrease) Trade Payables	(39)	64
Increase / (Decrease) Other Current Liabilities	533	72
Increase / (Decrease) Current Provisions	(323)	37
Increase / (Decrease) Non Current Provisions	45	57
Cash Generated from / (Used in) Operating Activities	(28,677)	79,848
Taxes Paid (Net of Refund)	(12,889)	(14,705)
Net Cash Generated from / (Used in) Operating Activities (A)	(41,566)	65,143
B. Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipments	(1,176)	(2,733)
Purchase of Intangible Assets	(1,724)	(3,011)
Sale of Property, Plant and Equipments	11	2
Purchase of Government of India Treasury Bills out of Own Funds	(2,58,208)	(2,75,548)
Redemption of Government of India Treasury Bills made out of Own Funds	2,10,961	2,00,316

THE CLEARING CORPORATION OF INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022 (Contd...)



Particulars	(₹ in lakhs)	
	2021-2022	2020-2021
Placement of Bank Deposits made out of Own Funds	(1,56,300)	(1,39,809)
Redemption of Bank Deposits made out of Own Funds	1,77,405	1,75,859
Interest Income	11,312	25,795
Net Cash Generated from / (Used in) Investing Activities (B)	(17,719)	(19,129)
C. Cash Flow from Financing Activities		
Dividend/Dividend Distribution Tax Paid	(1,925)	(1,925)
Net Cash Generated from / (Used in) Financing Activities (C)	(1,925)	(1,925)
Net Increase/(Decrease) in Cash and Cash Equivalents (A) + (B) + (C)	(61,210)	44,089
Cash and Cash Equivalents at the beginning of the year	1,22,271	78,182
Cash and Cash Equivalents at the end of the year	61,061	1,22,271
CLOSING BALANCE		
- Before Adjustment of Unrealised Foreign Exchange	61,020	1,22,464
- Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	41	(193)
Total	61,061	1,22,271

Notes: The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.

As per our report of even date attached
For and on behalf of
For G. M Kapadia & Co.
Chartered Accountants
Firm Registration No: 104767W

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

Sd/-
Rajen Ashar
Partner
Membership No.: 048243

Sd/-
Hare Krishna Jena
Managing Director
(DIN : 07624556)

Sd/-
R Gandhi
Chairman
(DIN : 03341633)

Place : Mumbai

Sd/-
Deepak Chande
Chief Financial Officer

Sd/-
Pankaj Srivastava
Company Secretary

Date : May 09, 2022



STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED 31 MARCH 2022

(a) Equity Share Capital	Note	₹ in lakhs		Retained Earnings	Contingency Reserve Fund	General Reserve	Settlement Reserve Fund	Other Comprehensive Income		Total
								Fair Valuation of Debt Instruments Measured at FVOCI	Re measurement of Defined Benefit Plan	
Balance as at 1 April 2020	16		5,000	4,438	77,900	1,23,232	1,75,000	(62)	(254)	3,80,254
Changes in Equity Share Capital due to prior period errors			-	37,946	-	-	-	-	-	37,946
Restated Balance as at 1 April 2020			5,000	-	-	-	-	(879)	-	(879)
Changes in Equity Share Capital during the year	16		5,000	-	-	-	-	-	94	94
Balance as at 31 March 2021			5,000	37,946	-	-	-	(879)	94	37,161
Changes in Equity Share Capital due to prior period errors			-	(1,500)	-	-	-	-	-	(1,500)
Restated Balance as at 1 April 2021			5,000	(36,600)	8,100	3,500	25,000	-	-	-
Changes in Equity Share Capital during the year	16		5,000	4,284	86,000	1,26,732	2,00,000	(941)	(160)	4,15,915
Balance as at 31 March 2022			5,000	37,946	77,900	1,13,232	1,50,000	1,960	(232)	3,42,169
Profit for the Period			-	41,629	-	-	-	-	-	41,629
Fair Value Changes in Investments Measured at OCI			-	-	-	-	-	(2,022)	-	(2,022)
Gain / (Loss) on Re-measurement of Defined Benefit Plans			-	-	-	-	-	-	(22)	(22)
Total Comprehensive Income			-	41,629	-	-	-	(2,022)	(22)	39,585
Dividend Paid on Equity Shares			-	(1,500)	-	-	-	-	-	(1,500)
Dividend Distribution Tax Paid - Equity Shares			-	(42,625)	-	-	25,000	-	-	-
Transferred from Retained Earnings			-	4,438	7,625	10,000	7,625	-	-	-
Balance as at 31 March 2021			5,000	4,438	77,900	1,23,232	1,75,000	(62)	(254)	3,80,254

As per our report of even date attached

For and on behalf of

For G. M Kapadia & Co.

Chartered Accountants

Firm Registration No: 104767W

Sd/-

Rajen Ashar

Partner

Membership No.: 048243

Place : Mumbai

Date : May 09, 2022

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

Sd/-

Hare Krishna Jena

Managing Director

(DIN : 07624556)

Sd/-

R Gandhi

Chairman

(DIN : 03341633)

Sd/-

Deepak Chande

Chief Financial Officer

Sd/-

Pankaj Srivastava

Company Secretary



1. Background of the Company and Nature of Operations

The Clearing Corporation of India Limited ('the Company') was incorporated on April 30, 2001 having CIN U65990MH2001PLC131804. It 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.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is CCIL Bhavan, S .K.Bole Road, Dadar (West), Mumbai 400028, Maharashtra.

2. Basis of Preparation, Measurement and Significant Accounting Policies

2.1 Basis of Preparation and Measurement

(a) Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The financial statement have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. Based on the nature of services and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

These standalone Ind AS financial statements were authorized for issue by the Company's Board of Directors on May 9, 2022.

(b) Basis of Measurement

These financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans are measured at fair value of planed assets less present value of defined benefit obligations.

2.2 Key Estimates and Assumptions

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The areas involving critical estimates or judgements are :

- i. Determination of the estimated useful lives of property plant and equipments and the assessment as to which components of the cost may be capitalized; (Note 2.4(a))
- ii. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life; (Note 2.4(b))
- iii. Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used; (Note 2.4(j))
- iv. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 2.4(g))
- v. Fair value of financial instruments (Note 2.4(e))



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

- vi. Recognition and measurement of defined benefit obligations, key actuarial assumptions; (Note 2.4(i))
- vii. Recognition and measurement of Right of use asset and lease liability (Note 2.4(k))

2.3 Measurement of Fair Values

The Company's accounting policies and disclosures require financial instruments to be measured at fair values.

The Company has an established control framework with respect to the measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.4 Significant Accounting Policies

a) Property Plant and Equipments

Recognition and Measurement

Property, plant and equipment are stated at cost which comprises of purchase price, freight, duties, taxes except for recoverable taxes, cost of installation and other incidental expenses incurred towards acquisition and installation of such assets.

Any profit or loss on derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognized.

Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Depreciation

Depreciation on property, plant and equipment, is provided on Straight Line Method (SLM) prescribed under Schedule II of the Act, except for the following:

- a) Furniture and fittings (Chairs), which are depreciated over 5 Years, and;
- b) Non Carpeted Road, which is depreciated over 5 Years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The Estimated useful life of property, plant and equipment considered for providing depreciation are as under:

Asset	Estimated useful life (in years)	Estimated scrap value (% of cost)
Buildings- Residential	60	5
Buildings- Office	60	5
Non Carpeted Road	5	-
Computer Systems - Hardware	3 to 6	-
Electrical Installations and Equipments	10	-
Furniture and Fittings	5 to 10	-
Office Equipments	5	-

b) Intangible Assets

Expenses incurred towards acquisition or development of software by an external vendor is capitalized as Computer Software.

Following initial recognition, intangible assets are carried at cost less any accumulated impairment losses.

Intangible assets are amortised on a straight line basis over the estimated useful life.

Amortization

Amortization of Intangible Assets is based on Internal technical assessment/advice. Residual value, is estimated to be immaterial by Management. The estimated useful life of intangible assets comprising of computer software considered for providing depreciation is 3 years.

c) Impairment of Non-financial Assets

The carrying amount of assets is reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an individual asset exceeds its recoverable amount.

The recoverable amount is the greater of the asset's net selling price and value in use. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

d) Borrowing Costs:

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

e) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as forward contracts, futures and currency options.

1. Financial Assets

(i) Recognition and Initial Measurement

Trade receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

A financial asset, except for an item measured at fair value through profit and loss (FVTPL), is initially measured at fair value plus transaction costs that are directly attributable to its acquisition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(ii) Classification and Subsequent Measurement of Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI - debt investment;
- FVOCI - equity investment; or
- FVTPL

The classification of debt investment as amortised cost or FVOCI is based on the business model and cash flow characteristics of such instrument.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Financial Assets Measured at Amortised Cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain and loss on derecognition is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Debt Investments Measured at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative



financial assets unless designated as effective hedge instruments.

The Company measures its investment in Treasury Bills at FVOCI since it satisfies both the business model test and the SPPI specified in Ind AS 109.

In case of investment in discounted securities/instruments, the discount is accrued over the period to maturity and included in Income from Investments.

Equity Investments:

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

For other equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit or loss on disposal of the investments. These investments in equity are not held for trading. Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in the Statement of Profit or Loss.

Dividend Income on equity investments is recognized when the right to receive is established.

Debt Instruments at Amortized Cost

A debt instrument' is measured at the amortized cost if both the following conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- (i) The contractual rights to receive cash flows from the financial asset have expired, or
- (ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of Financial Assets

The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised costs are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

2. Financial Liabilities

(i) Recognition and Initial Measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

(ii) Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of profit or loss. Any gain or loss on derecognition is also recognised in Statement of profit or loss.

(iii) Loans and Borrowing :

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iv) Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

3. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

f) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet includes cash at bank and on hand, deposits held at call with financial institutions, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits as defined above, as they are considered an integral part of the Company's cash management.

g) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each reporting date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognized as finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognized till the realization of the income is virtually certain.

h) Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115.

- (i) Revenue from services is recognized as and when the service is performed as per the relevant agreements.
- (ii) Other revenue income is recognised as and when services are rendered and there is a reasonable certainty of ultimate realisation.
- (iii) Interest income on financial assets is recognized on an accrual basis using effective interest method.

Revenue is reported excluding applicable taxes.

For income from investments refer point 2.4(e) on financial instruments.

i) 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.
- (c) **National Pension Scheme:** The National Pension Scheme is operated by Pension Fund Regulatory and Development Authority (PFRDA) and the contribution thereof in respect of eligible employees is paid/provided for.

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

(ii) Defined Benefits plans:

Gratuity: Gratuity for employees is covered by Gratuity Scheme with Life Insurance Corporation of India and the contribution thereof is paid/provided for. Provision for Gratuity is made as per actuarial valuation as at the end of the year. Actuarial gains/losses at the end of the year accrued to the defined benefit plans are taken to the Other Comprehensive income (OCI) for the respective financial year and are not deferred.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(iii) Other Long Term benefits:

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

j) **Income-Tax**

Income tax expense /income comprises current tax expense/income and deferred tax expense/income. It is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income. In which case, the tax is recognized directly in equity or other comprehensive income, respectively.

Current Tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations and establishes provisions where appropriate.

- Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax

Deferred Income tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the Company.

k) **Lease**

Accounting for Lease as a Lessor :

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

A Lessor shall recognise assets held under a finance lease in its Balance Sheet and present them as a receivable at an amount equal to the net investment in the lease.

Lease income from operating leases, is recognised as income on straight-line basis over the term of lease.

l) Foreign Currency Transactions

Functional and Presentation Currency

The Company's financial statements are prepared and presented in Indian Rupees (INR) which is also Company's functional currency.

Transactions and Balances

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in statement of profit or loss in the year in which they arise.

m) Dividend:

Final dividend on shares is recorded as a liability on the date of approval by the equity shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

n) Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 3

Property, Plant and Equipment

Changes in the Carrying Value of Property, Plant and Equipment for the year ended 31 March 2022:

DESCRIPTION	(₹ in lakhs)									
	Freehold Land	Buildings - Residential	Buildings - Office	Furniture and Fixtures	Electrical Installations and Equipment	Office Equipment	Computer Systems - Hardware	Non Carpeted Road	Total	
Cost as at 1 April 2021	1,320	921	10,395	136	369	132	5,845	24	19,142	
Additions	-	-	-	8	3	10	1,081	-	1,102	
Disposals/Adjustment *	-	-	-	0	(110)	1	227	-	118	
Cost as at 31 March 2022 (A)	1,320	921	10,395	144	262	143	7,153	24	20,362	
Accumulated Depreciation as at 1 April 2021	-	70	705	114	304	71	1,127	21	2,412	
Depreciation charged for the year	-	18	181	14	54	20	1,028	3	1,318	
Disposals/Adjustment *	-	-	-	0	(110)	1	232	-	123	
Accumulated depreciation up to 31 March 2022 (B)	-	88	886	128	248	92	2,387	24	3,853	
Net Carrying amount as at 31 March 2022 (A) - (B)	1,320	833	9,509	16	14	51	4,766	-	16,509	

Changes in the Carrying Value of Property, Plant and Equipment for the year ended 31 March 2021:

DESCRIPTION	(₹ in lakhs)									
	Freehold Land	Buildings - Residential	Buildings - Office	Furniture and Fixtures	Electrical Installations and Equipment	Office Equipment	Computer Systems - Hardware	Non Carpeted Road	Total	
Cost as at 1 April 2020	1,320	959	10,357	136	367	128	3,314	24	16,605	
Additions	-	-	-	0	2	4	2,712	-	2,718	
Disposals/Adjustment	-	(38)	38	-	-	(0)	(181)	-	(181)	
Cost as at 31 March 2021 (A)	1,320	921	10,395	136	369	132	5,845	24	19,142	
Accumulated Depreciation as at 1 April 2020	-	52	524	88	214	48	608	15	1,549	
Depreciation charged for the year	-	18	181	26	90	23	700	6	1,044	
Disposals/Adjustment	-	-	-	-	-	(0)	(181)	-	(181)	
Accumulated depreciation up to 31 March 2021 (B)	-	70	705	114	304	71	1,127	21	2,412	
Net Carrying amount as at 31 March 2021 (A) - (B)	1,320	851	9,690	22	65	61	4,718	3	16,730	

Note :

* includes Gross Block and Accumulated Depreciation deduction for previous years.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 3

Property, Plant and Equipment (Contd.)

Additional Regulatory Information

Particulars	Description of item of property	Gross Carrying Value as at 31.03.2022 (₹ in lakhs)	Title Deed held in the name of	Whether Title Deed held in the name of Promoter/Director/Relative of Director/Promotor/Employee	Property Held since which date	Reason for not holding in the name of the Company
Property, Plant and Equipment	Freehold Land	1,320	THE VICAR OF THE CHURCH OF N S DA SALVACAS SHRIKRISHNA MADHAV KULKARNI	No	14.10.2011	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.

Note 4

Capital Work-in-Progress

Particulars	(₹ in lakhs)	
	As At 31 March 2022	As At 31 March 2021
Capital Work-in-Progress (CWIP)	88	14
	88	14

Note :

a) Capital Work-in-Progress Ageing

Capital Work-in-Progress ageing as on 31 March 2022:

(₹ in lakhs)

Capital Work-in-Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
CWIP-Electrical Installation	74	14	-	-	88
TOTAL	74	14	-	-	88

Capital Work-in-Progress ageing as on 31 March 2021:

(₹ in lakhs)

Capital Work-in-Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
CWIP-Electrical Installation	-	14	-	-	14
TOTAL	-	14	-	-	14

b) There are no instances of CWIP whose completion is overdue or exceeded its cost compared to its original plan.

c) There are no projects whose activity has been suspended.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 5

Intangible Assets

Changes in the Carrying Value of Intangible Assets for the year ended 31 March 2022:

(₹ in lakhs)

DESCRIPTION	Computer Software
Cost as at 1 April 2021	14,099
Additions	1,753
Disposals	(9)
Cost as at 31 March 2022 (A)	15,843
Accumulated amortisation as at 1 April 2021	9,242
Amortisation recognised for the year	2,994
Disposals	(9)
Accumulated Amortisation up to 31 March 2022 (B)	12,227
Net Carrying Amount as at 31 March 2022 (A) - (B)	3,616

Changes in the Carrying Value of Intangible Assets for the year ended 31 March 2021:

(₹ in lakhs)

DESCRIPTION	Computer Software
Cost as at 1 April 2020	11,035
Additions	3,064
Disposals	-
Cost as at 31 March 2021 (A)	14,099
Accumulated amortisation as at 1 April 2020	6,155
Amortisation recognised for the year	3,087
Disposals	-
Accumulated Amortisation up to 31 March 2021 (B)	9,242
Net Carrying Amount as at 31 March 2021 (A) - (B)	4,857

Note 6

Intangible Assets under Development

(₹ in lakhs)

Particulars	As At 31 March 2022	As At 31 March 2021
Intangible Assets under Development	613	642
	<u>613</u>	<u>642</u>

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 6

Intangible Assets under Development (Contd...)

a) Intangible Assets under Development Ageing

Intangible Assets under Development ageing as on 31 March 2022:

(₹ in lakhs)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in Progress (Software Versions)					
CORE	23	-	40	-	63
CSS	18	-	-	49	67
Derivatives	98	-	-	-	98
FSS	1	-	-	-	1
IRMS/IRIS	65	27	-	-	92
NDS OM	58	29	26	-	113
RMS	18	-	-	-	18
Trade Repository	4	46	-	-	50
Other License Softwares	111	-	-	-	111
TOTAL	396	102	66	49	613

Intangible Assets under Development ageing as on 31 March 2021:

(₹ in lakhs)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in Progress (Software Versions)					
CORE	39	35	-	-	74
CSS	132	-	4	-	136
FSS	52	-	-	-	52
IRMS/IRIS	41	-	-	-	41
NDS-OM	93	30	-	-	123
RMS	63	-	-	-	63
Trade Repository	31	-	-	-	31
Other License Softwares	42	80	-	-	122
TOTAL	493	145	4	-	642



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 6

Intangible Assets under Development (Contd...)

- b) Intangible Assets under Development whose completion is overdue or exceeded its cost compared to its original plan.

Intangible Assets under Development whose completion is overdue or exceeded its cost compared to its original plan during the year ended March 31, 2022 are as follows :

(₹ in lakhs)

Intangible Assets under Development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
<u>Projects in Progress (Software Versions)</u>					
1) Cost and Time Overrun Projects					
CSS	49	-	-	-	49
NDS-OM	55	-	-	-	55
Trade Repository	46	-	-	-	46
TOTAL	150	-	-	-	150
2) Time Overrun Projects					
IRMS	27	-	-	-	27
TOTAL	27	-	-	-	27

Intangible Assets under Development whose completion is overdue or exceeded its cost compared to its original plan during the year ended March 31, 2021 are as follows :

(₹ in lakhs)

Intangible Assets under Development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
<u>Projects in Progress (Software Versions)</u>					
1) Cost and Time Overrun Projects					
CSS	-	-	-	-	-
NDS-OM	-	-	-	-	-
Trade Repository	-	-	-	-	-
TOTAL	-	-	-	-	-
2) Time Overrun Projects					
NDS-OM	4	26	-	-	30
Derivatives Web Reporting Platform	-	35	-	-	35
TOTAL	4	61	-	-	65

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 6

Intangible Assets under Development (Contd...)

c) There are no projects whose activity has been suspended.

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 7		
Investments in Subsidiaries		
Investment in Equity Instruments in Wholly Owned Subsidiaries (Unquoted)		
Clearcorp Dealing Systems (India) Limited	1,000	1,000
1,00,00,000 (31 March 2021 - 1,00,00,000) Equity Shares of Face Value ₹ 10 each (Fully Paid Up)		
Legal Entity Identifier India Limited	450	450
4,500,000 (31 March 2021 - 4,500,000) Equity Shares of Face Value ₹ 10 each (Fully Paid Up)		
	1,450	1,450
Aggregate Book Value of Quoted Investments	-	-
Aggregate Market Value of Quoted Investments	-	-
Aggregate Book Value of Unquoted Investments	1,450	1,450
Aggregate Amount of Impairment in Value of Investments	-	-
Note 8		
Other Non Current Financial Assets		
<i>(Unsecured, Considered Good)</i>		
Security Deposits	42	41
	42	41
Note 9		
Other Non Current Assets		
<i>(Unsecured, Considered Good)</i>		
Prepaid Expenses	64	61
	64	61
Note 10		
Non Current Tax Assets (Net)		
Advance Taxes (Net of Provision for Taxes)	2,010	1,710
	2,010	1,710



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 11		
Current Investments		
Investments in Government Securities at Fair Value through Other Comprehensive Income (FVOCI)		
- Investment in US Government Treasury Bills	5,59,454	5,17,852
- Investment in Government of India Treasury Bills	8,17,280	7,01,013
	<u>13,76,734</u>	<u>12,18,865</u>
Aggregate Book Value of Quoted Investments	13,65,851	12,08,606
Aggregate Market Value of Quoted Investments	13,76,734	12,18,865
Aggregate Book Value of Unquoted Investments	-	-
Aggregate Amount of Impairment in Value of Investments	-	-

Note :

- (a) Investment in Government of India Treasury Bills includes Treasury Bills amounting to ₹ 1,26,276 lakhs (31 March 2021 - ₹ 91,728 lakhs) earmarked for Settlement Reserve Fund.
- (b) Investment in Government of India Treasury Bills includes Treasury Bills amounting to ₹ 50,824 lakhs (31 March 2021 - ₹ 42,613 lakhs) earmarked for Contingency Reserve Fund.
- (c) Investment in US Government Treasury Bills above represents Treasury bills amounting to ₹ 5,59,453 lakhs (31 March 2021 ₹ 5,17,852 lakhs) which are held in custody with Settlement Banks, who have extended committed lines of credit amounting to ₹ 3,78,750 lakhs (31 March 2021 ₹ 3,65,738 lakhs) to enable the Company to meet settlement shortages, if any.
- (d) The subject collateralization of US treasury T- bills invested out of cash collaterals received from members is for the purpose of raising liquidity to complete the settlement. According to the provisions of CCIL Bye-Laws, Rules, and relevant Regulations (BRR) read with the Payment and Settlement Systems Act 2007, which is a special legislation for the purpose of settlement of transactions, cash collaterals received from the members, investment made out of the cash collaterals received and collateralisation of the investments made out of same for the purpose of raising liquidity to complete the settlement are special arrangements and can not be treated at par with arrangements relating to Company's proprietary funds. Therefore there is no applicability of creation of Charge under section 77 of the Companies Act, 2013.

Note 12

Trade Receivables

Billed Revenue

Secured, Considered Good	3,302	2,913
Unsecured, Considered Good	563	331

Unbilled Revenue

Secured, Considered Good	-	-
Unsecured, Considered Good	228	144
	<u>4,093</u>	<u>3,388</u>

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 12

Trade Receivables (Contd...)

Trade Receivable Ageing as on 31 March 2022 :

Particulars	Trade Receivable Not Due	Outstanding for the following periods from the due date of payment/date of transaction					Total
		Less than 6 Months	6 months - 1 Year	1-2 years	2-3 years	more than 3 years	
Billed Debtors							
1) Undisputed Trade Receivables - <i>Considered Good</i>	3,698	151	16	0	-	-	3,865
2) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
3) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
4) Disputed Trade Receivables - <i>Considered Good</i>	-	-	-	-	-	-	-
5) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
6) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	3,698	151	16	0	-	-	3,865
Unbilled Debtors							228
Total							4,093

Trade Receivable Ageing as on 31 March 2021 :

(₹ in lakhs)

Particulars	Trade Receivable Not Due	Outstanding for the following periods from the due date of payment/date of transaction					Total
		Less than 6 Months	6 months - 1 Year	1-2 years	2-3 years	more than 3 years	
Billed Debtors							
1) Undisputed Trade Receivables - <i>Considered Good</i>	3,223	10	11	0	-	0	3,244
2) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
3) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
4) Disputed Trade Receivables - <i>Considered Good</i>	-	-	-	-	-	-	-
5) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
6) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	3,223	10	11	0	-	0	3,244
Unbilled Debtors							144
Total							3,388

"0" denotes amount less than ₹ 0.50 lakh



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 13a		
Cash and Cash Equivalents		
Cash on Hand	1	0 *
Balances with Banks		
- in Current Accounts	24,577	24,945
- in Deposit Accounts (Original Maturity of upto 3 Months)	36,483	97,326
	<u>61,061</u>	<u>1,22,271</u>

Note 13b

Other Bank Balances

Bank Deposits with Original Maturity of more than 3 Months but Residual Maturity upto 12 months {Refer Note below}	4,95,236	4,17,308
	<u>4,95,236</u>	<u>4,17,308</u>

Note

- a) Bank deposits includes ₹ 48,724 lakhs (31 March 2021 : ₹ 59,394 lakhs) earmarked for Settlement Reserve Fund.
- b) Bank deposits includes ₹ 27,075 lakhs (31 March 2021 : ₹ 28,176 lakhs) earmarked for Contingency Reserve Fund.
- c) Bank deposits includes ₹ 1,15,490 lakhs (31 March 2021: ₹ 65,832 lakhs) are held in custody by various banks against overdraft limits sanctioned by them. The total overdraft limits of ₹ 1,03,941 lakhs (as on 31 March 2021 : ₹ 57,804 lakhs) sanctioned by these banks against Bank Deposits submitted as on 31 March 2022.
- d) The subject collateralization of Bank Deposits invested out of cash collaterals received from members is for the purpose of raising liquidity to complete the settlement. According to the provisions of CCIL Bye-Laws, Rules, and relevant Regulations (BRR) read with the Payment and Settlement Systems Act 2007, which is a special legislation for the purpose of settlement of transactions, cash collaterals received from the members, investment made out of the cash collaterals received and collateralisation of the investments made out of same for the purpose of raising liquidity to complete the settlement are special arrangements and can not be treated at par with arrangements relating to Company's proprietary funds. Therefore there is no applicability of creation of Charge under section 77 of the Companies Act, 2013.

Note 14

Other Current Financial Assets

(Unsecured, Considered Good)

Due from Legal Entity Identifier India Limited - Subsidiary Company	58	21
Due from Clearcorp Dealing Systems (India) Limited - Subsidiary Company	97	52
Interest Accrued on Bank Deposits	8,007	7,451
Others	275	-
	<u>8,437</u>	<u>7,524</u>

*denotes amount less than ₹ 0.50 lakh

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 15		
Other Current Assets (Unsecured, Considered Good)		
Prepaid Expenses	921	578
Balances with Government Authorities	-	300
Advance to Suppliers and Others	46	18
Funds Used for Default	3,171	-
Others	44	63
	4,182	959

Note 16

Equity Share Capital

a. Details of Authorised, Issued and Subscribed Share Capital

	31 March 2022		31 March 2021	
	Number	₹ in lakhs	Number	₹ in lakhs
Authorised Share Capital				
Equity Shares of ₹ 10/- each	5,00,00,000	5,000	5,00,00,000	5,000
Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10/- each*	5,00,00,000	5,000	5,00,00,000	5,000
Issued, Subscribed and Fully Paid Up				
Equity shares of ₹ 10/- each fully paid	5,00,00,000	5,000	5,00,00,000	5,000
	5,00,00,000	5,000	5,00,00,000	5,000

*5,00,00,000 Nos 8.50% Redeemable, Cumulative, Non-Convertible Preference Shares of ₹ 10 each (total face value of ₹ 5,000) are classified as Financial Liability (See Note 18 & 21)

b. Reconciliation of Number of Equity Shares at the beginning and at the end of the year

	31 March 2022		31 March 2021	
	Number	₹ in lakhs	Number	₹ in lakhs
Equity Shares outstanding at the beginning of the year	5,00,00,000	5,000	5,00,00,000	5,000
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	5,00,00,000	5,000	5,00,00,000	5,000

c. Particulars of shareholders holding more than 5% of equity shares held

Name of Shareholder	31 March 2022		31 March 2021	
	No of equity shares held	Percentage	No of equity shares held	Percentage
State Bank of India	84,00,000	16.80%	84,00,000	16.80%
Life Insurance Corporation of India	50,00,000	10.00%	50,00,000	10.00%
STCI Finance Limited	50,00,000	10.00%	50,00,000	10.00%
ICICI Bank Limited	49,50,000	9.90%	49,50,000	9.90%
HDFC Bank Limited	45,00,000	9.00%	45,00,000	9.00%



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 16 : Equity Share Capital (Contd...)

d. Disclosure of Shareholding of Promoters

Shares held by Promoters as at 31 March 2022 as follows :

Promoter Name	31 March 2022		31 March 2021		% Change during the Period
	Number of Shares	% of Total Shares	Number of Shares	% of Total Shares	
i) State Bank of India	84,00,000	16.80%	84,00,000	16.80%	Nil
ii) Bank of Baroda	5,00,000	1.00%	5,00,000	1.00%	Nil
iii) HDFC Bank Limited	45,00,000	9.00%	45,00,000	9.00%	Nil
iv) ICICI Bank Limited	49,50,000	9.90%	49,50,000	9.90%	Nil
v) Life Insurance Corporation of India	50,00,000	10.00%	50,00,000	10.00%	Nil

Shares held by Promoters as at 31 March 2021 as follows :

Promoter Name	31 March 2021		31 March 2020		% Change during the Period
	Number of Shares	% of Total Shares	Number of Shares	% of Total Shares	
i) State Bank of India	84,00,000	16.80%	84,00,000	16.80%	Nil
ii) Bank of Baroda	5,00,000	1.00%	5,00,000	1.00%	Nil
iii) HDFC Bank Limited	45,00,000	9.00%	45,00,000	9.00%	Nil
iv) ICICI Bank Limited	49,50,000	9.90%	49,50,000	9.90%	Nil
v) Life Insurance Corporation of India	50,00,000	10.00%	50,00,000	10.00%	Nil

e. Terms/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. The Board of Directors have recommended dividend of ₹ 2.5 per fully paid up equity share of ₹ 10/- each, aggregating ₹ 1,250 Lakhs for the financial year 2021-22, which is based on relevant share capital as on 31st March, 2022.

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.

- f. There are no shares reserved for issue under options and contracts or commitments for sale of shares.
- g. 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.
- h. There are no securities convertible into equity / preference shares.
- i. There are no calls unpaid.
- j. No shares have been forfeited.

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 17		
Other Equity (Refer Statement of Changes in Equity)		
Settlement Reserve Fund	2,00,000	1,75,000
Contingency Reserve Fund	86,000	77,900
General Reserve	1,26,732	1,23,232
Other Comprehensive Income	(1,101)	(316)
Retained Earnings	4,284	4,438
	4,15,915	3,80,254

17.1 Nature and Purpose of Reserves

Settlement Reserve Fund

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 utilised for meeting claims in relation to any participants' default. Bank Balances / Bank Deposits / Current Investments amounting to ₹ 1,75,000 lakhs (31 March 2021: ₹ 1,50,000 lakhs) are earmarked for this purpose.

Contingency Reserve Fund

Contingency 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 utilised for meeting Non-default losses. Bank Balances / Bank Deposits / Current Investments amounting to ₹ 77,900 lakhs (31 March 2021: ₹ 70,275 lakhs) are earmarked for this purpose.

General Reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Other Comprehensive Income

Other comprehensive income represents the actuarial gain or loss on fair valuation of defined benefit obligation and fair valuation gain or loss on investments classified as FVOCI.

Retained Earnings

Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Note 18

Borrowings

Redeemable Preference Shares (Unsecured)

- 8.5% Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each (RNCPS II)	-	5,000
	-	5,000



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 18

Borrowings (Contd....)

Terms of Preference Shares:

- 1) The Company has only one class of Preference Shares being Redeemable, Cumulative, Non-convertible and Non-participating Preference Shares.
- 2) 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 22, 2023.
- 3) 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.

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 19	1,699	1,613
Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities		
Difference between Book Base and Tax Base of Property, Plant and Equipment and Intangible Assets		
Fair Valuation of Investments Carried at FVOCI	-	5
Fair Valuation of Variable Compensation	8	11
	<u>1,707</u>	<u>1,629</u>
Deferred Tax Assets		
Tax Disallowances	389	423
Fair Valuation of Investments Carried at FVOCI	291	-
	<u>680</u>	<u>423</u>
Deferred Tax Assets (Net) / (Deferred Tax Liabilities (Net))	<u><u>1,027</u></u>	<u><u>1,206</u></u>

Note 20

Non Current Provisions

Provision for Employee Benefits	1,602	1,545
	<u><u>1,602</u></u>	<u><u>1,545</u></u>

Note 21

Current Borrowings

Redeemable Preference Shares (Unsecured)		
- 8.5% Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each (RNCPS II)	5,000	-
Line of Credit from a Bank	3,171	-
	<u><u>8,171</u></u>	<u><u>-</u></u>

Terms of Preference Shares:

- 1) The Company has only one class of Preference Shares being Redeemable, Cumulative, Non-convertible and Non-participating Preference Shares.
- 2) 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 22, 2023.
- 3) In the event of liquidation, Preference Shares will have preferential right of return of amount paid-up on the shares together with the arrears of cumulative preferential dividend, if any, due on the date of winding up but shall not have further right or claim over the surplus assets of the Company.

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 22		
Trade Payables Due to :		
Micro and Small Enterprises		
Billed Creditors	-	12
Unbilled Creditors	43	1
Other than Micro and Small Enterprises		
Billed Creditors	23	214
Unbilled Creditors	339	216
	405	443

Trade Payable Ageing Schedule as on 31 March 2022 :

(₹ in lakhs)

Particulars	Outstanding for the following periods from the due date of payment/date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Billed Creditors					
1) MSME	-	-	-	-	-
2) Others	23	-	-	-	23
3) Disputed dues -MSME	-	-	-	-	-
4) Disputed dues -Others	-	-	-	-	-
	23	-	-	-	23
Undisputed Unbilled Creditors					382
TOTAL					405

Trade Payable Ageing Schedule as on 31 March 2021 :

(₹ in lakhs)

Particulars	Outstanding for the following periods from the due date of payment/date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Billed Creditors					
1) MSME	12	-	-	-	12
2) Others	214	-	-	-	214
3) Disputed dues -MSME	-	-	-	-	-
4) Disputed dues -Others	-	-	-	-	-
	226	-	-	-	226
Undisputed Unbilled Creditors					217
TOTAL					443



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 23		
Other Current Financial Liabilities		
Interest Accrued but not Due	3,746	2,812
Deposits from Members##	15,34,465	13,95,337
Creditors for Capital Expenses	434	1,128
Dividend Payable on Redeemable Preference Shares	425	425
Other Liabilities^	477	544
	15,39,547	14,00,246

^Other Liabilities includes ₹ 48 lakhs (31 March 2021 : ₹ 55 lakhs) due to Micro and Small Enterprises {Refer Note 46}

##. '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 :

(₹ in lakhs)

Particulars	Cash Collaterals	Govt. Securities #	Guarantees**
As at 31 March 2022			
Securities Settlement	6,65,360	1,13,96,651	-
Forex Settlement @	5,85,704	-	-
TREPS Settlement	1,30,815	8,01,26,404	2,15,000
Default Funds	1,52,586	9,27,030	-
Total	15,34,465	9,24,50,085	2,15,000
As at 31 March 2021			
Securities Settlement	5,98,424	81,54,986	-
Forex Settlement @	5,46,253	-	-
TREPS Settlement	1,04,970	6,59,03,486	2,15,000
Default Funds	1,45,690	8,01,760	-
Total	13,95,337	7,48,60,232	2,15,000

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

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
US Government Treasury Bills (under Current Investments)	5,59,563	5,17,682
Government of India Treasury Bills (under Current Investments)	5,63,028	4,94,910
Balance in Bank Accounts (under Cash and Cash Equivalents)		
- In Current Accounts	14,164	21,397
- In Deposit Accounts	3,97,710	3,61,348
	15,34,465	13,95,337

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 773,206 thousands (31 March 2020 : US Dollars 746,783 thousands).

** The Company has accepted Bank Guarantees as additional collaterals.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Note 24		
Other Current Liabilities		
Revenue Received in Advance	4	1
Statutory Dues	1,117	586
	<u>1,121</u>	<u>587</u>
Note 25		
Current Provisions		
Provision for Employee Benefits	1,172	1,496
	<u>1,172</u>	<u>1,496</u>
Note 26		
Current Tax Liabilities (Net)		
Provision for Taxation (Net of Advance Tax)	175	43
	<u>175</u>	<u>43</u>
		(₹ in lakhs)
Particulars	Year Ended	
	31 March 2022	31 March 2021
Note 27		
Income from Operations		
- Transaction Charges - Securities Settlement - Outright Trades	12,761	14,016
- Transaction Charges - Securities Settlement - Repo Trades	5,231	5,022
- Transaction Charges - TREPS Settlement	4,334	3,386
- Transaction Charges - Forex Settlement	4,175	3,453
- Transaction Charges - CLS Settlement	1,712	1,445
- Trade Processing Charges - Trade Repository	862	660
- Portfolio Compression Charges	542	435
- Forex Forward Charges	2,692	2,008
- Derivatives Charges	2,069	1,440
- Other Fees and Charges	699	426
	<u>35,077</u>	<u>32,291</u>
Note 28		
Other Operating Revenues		
Interest / Income on Investments Made Out of Operational Funds		
- Income on Current Investments	18,973	21,363
- Interest on Bank Deposits	14,559	15,204
	<u>33,532</u>	<u>36,567</u>
Less : Interest Paid on Deposits from Members	12,530	9,907
	<u>21,002</u>	<u>26,660</u>



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Note 29		
Other Income		
Interest / Income on Investments Made out of Own Funds		
- On Current Investments	8,339	6,853
- on Bank Deposits	5,842	8,909
	<u>14,181</u>	<u>15,762</u>
Profit on Sale of Property, Plant and Equipments (Net)	5	2
Gain on Foreign Currency Transactions and Translation (Net)	34	-
Business Support Charges from Subsidiary Companies	942	886
Business Management Charges from Subsidiary Companies	34	32
Others	123	89
	<u><u>15,319</u></u>	<u><u>16,771</u></u>
Note 30		
Employee Benefits Expenses		
Salaries	4,365	4,540
Contribution to Provident and Other Funds {Refer Note 47}	627	609
Staff Welfare Expenses	172	139
	<u>5,164</u>	<u>5,288</u>
Note 31		
Finance Cost		
Line of Credit Commitment and Other Charges	2,153	2,506
Dividend on Preference Shares	425	425
Interest on Taxes	5	0*
Interest on Others	30	40
	<u>2,613</u>	<u>2,971</u>
Note 32		
Depreciation & Amortisation Expense		
Depreciation of Property, Plant and Equipment {Refer Note 3}	1,318	1,044
Amortisation of Intangible Assets {Refer Note 5}	2,994	3,087
	<u>4,312</u>	<u>4,131</u>

*denotes amount less than ₹ 0.50 lakh

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Particulars	(₹ in lakhs)	
	Year Ended 31 March 2022	Year Ended 31 March 2021
Note 33		
Other Expenses		
Power and Fuel	381	376
Repairs and Maintenance -Buildings	109	79
Repairs and Maintenance -Computer Systems and Equipment	3,816	2,558
Repairs and Maintenance -Others	147	133
Insurance	154	145
Rates and Taxes	135	135
Communication Expenses	330	302
CLS Settlement Charges	1,122	954
Loss on Foreign Currency Transactions and Translation (Net)	-	38
Expenditure towards Corporate Social Responsibility {Refer Note 49}	1,183	1,133
Professional Fees	292	301
Directors' Sitting Fees	91	76
Payment to Auditors {Refer Note 45}	21	23
Others	779	1,102
	8,560	7,355

Note 34

Income Taxes

Tax Expense

(a) Amounts Recognised in Statement of Profit and Loss

Particulars	(₹ in lakhs)	
	Year Ended 31 March 2022	Year Ended 31 March 2021
Current Tax Expense		
Current Year	13,070	14,282
Changes in Estimates Related to Prior Period	(353)	-
	12,717	14,282
Deferred Tax Expense		
Origination and Reversal of Temporary Differences	86	66
	86	66
Tax Expense for the Year	12,803	14,348



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 34

Income Taxes (Contd...)

(b) Amounts Recognised in Other Comprehensive Income

(₹ in lakhs)

Particulars	Year Ended 31 March 2022			Year Ended 31 March 2021		
	Before Tax	Tax (Expense)/ Benefit	Net of Tax	Before Tax	Tax (Expense)/ Benefit	Net of Tax
Items that will not be Reclassified to Profit or Loss						
Remeasurements of the Defined Benefit Liability (Asset)	125	(31)	94	(29)	7	(22)
Items that will be Reclassified to Profit or Loss						
Investments Measured at FVOCI	(1,174)	295	(879)	(2,702)	680	(2,022)
	(1,049)	264	(785)	(2,731)	687	(2,044)

(c) Reconciliation of Effective Tax Rate

(₹ in lakhs)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Profit Before Tax	50,749	55,977
Statutory Income Tax Rate	25.17%	25.17%
Expected Income Tax Expense	12,772	14,088
Tax Effect of:		
<u>Expenses not allowed under Income Tax</u>		
- Municipal Tax considered under Income from House Property	-	0
- Expenditure towards Corporate Social Responsibilities and Other Donations	298	285
- Interest u/s 234 of Income Tax Act	1	-
<u>Income credited to Statement of Profit & Loss to be considered separately</u>		
- Rent on Residential Flat let out	-	(4)
- Profit on Sale of Property, Plant and Equipment	(1)	(1)
Income from House Property	-	3
Others	86	(23)
Tax Adjustments relating to earlier years	(353)	-
Total Tax Expense	12,803	14,348
Current Tax	13,070	14,282
Deferred Tax	86	66
Tax Adjustments relating to earlier years	(353)	-
Tax Expense as per Profit or Loss	12,803	14,348

“0” denotes amount less than ₹ 0.50 lakh

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 34 Income Taxes (Contd...)

(d) Movement in Deferred Tax Balances :

Movement in Deferred Tax Balances (F.Y. 2021-22)

(₹ in lakhs)

Particulars	Net Balance 1 April 2021	Recognised during the year		As at 31 March 2022		
		Recognised in Profit or Loss	Recognised in OCI	Net Deferred Tax (Asset) / Liability	Deferred Tax Asset	Deferred Tax Liability
Deferred Tax Liability						
Difference between Book Base and Tax Base of Property, Plant and Equipment and Intangible Assets	1,613	86	-	1,699	-	1,699
Fair Valuation of Investments Carried at FVOCI	5	-	(295)	(291)	(291)	-
Fair Valuation of Variable Compensation	11	(3)	-	8	-	8
Deferred Tax Asset						
Tax Disallowances	(423)	34	-	(389)	(389)	-
Remeasurment of Defined Benefit Obligation	-	(31)	31	-	-	-
Deferred Tax (Assets) / Liabilities	1,206	86	(264)	1,027	(680)	1,707
Set Off Tax	-	-	-	-	-	-
Net Deferred Tax (Assets) / Liabilities	1,206	86	(264)	1,027	(680)	1,707

Movement in Deferred Tax Balances (F.Y. 2020-21)

(₹ in lakhs)

Particulars	Net Balance 1 April 2020	Recognised during the year		As at 31 March 2021		
		Recognised in Profit or Loss	Recognised in OCI	Net Deferred Tax (Asset) / Liability	Deferred Tax Asset	Deferred Tax Liability
Deferred Tax Liability						
Difference between Book Base and Tax Base of Property, Plant and Equipment and Intangible Assets	1,527	86	-	1,613	-	1,613
Fair Valuation of Investments Carried at FVOCI	685	-	(680)	5	-	5
Fair Valuation of Variable Compensation	13	(2)	-	11	-	11
Deferred Tax Asset						
Tax Disallowances	(397)	(26)	-	(423)	(423)	-
Remeasurment of Defined Benefit Obligation	-	7	(7)	-	-	-
Deferred Tax (Assets) / Liabilities	1,828	66	(687)	1,206	(423)	1,629
Set Off Tax	-	-	-	-	-	-
Net Deferred Tax (Assets) / Liabilities	1,828	66	(687)	1,206	(423)	1,629

Note :

- 1) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- 2) Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 35

Earnings Per Share (EPS)

Basic EPS calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of equity shares outstanding during the year and the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
i. Profit Attributable to Equity Holders (₹ in lakhs)		
Profit attributable to equity holders for basic and diluted EPS	37,946	41,629
	37,946	41,629
ii. Weighted Average Number of Ordinary Shares		
Number of shares outstanding at the beginning of the year	5,00,00,000	5,00,00,000
Add/(Less): Effect of shares issued/ (bought back)	-	-
Weighted average number of shares for calculating basic EPS	5,00,00,000	5,00,00,000
Effect of Dilution		
Share Options	-	-
Weighted average number of shares for calculating diluted EPS	5,00,00,000	5,00,00,000
iii. Basic Earnings Per Share (₹)	75.89	83.26
iv. Diluted Earnings Per Share (₹)	75.89	83.26



Note 36

Financial Instruments - Fair Values

A. Accounting Classification and Fair Values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particular	As at 31 March 2022						
	Carrying Amount			Fair Value			
	Fair Value through Profit and Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total	Level 1 - Quoted Price in Active Markets	Level 2 - Significant Observable Inputs	Level 3 - Significant Unobservable Inputs
Financial Assets							
Investments in Subsidiaries	-	-	1,450	1,450	-	-	1,450
Other Non Current Financial Assets	-	-	42	42	-	-	-
<u>Current Investments</u>							
- Investment in US Government Treasury Bills	-	5,59,454	-	5,59,454	-	5,59,454	-
- Investment in Government of India Treasury Bills	-	8,17,280	-	8,17,280	2,40,157	5,77,123	-
Trade Receivables	-	-	4,093	4,093	-	-	-
Cash and Cash Equivalents	-	-	61,061	61,061	-	-	-
Bank Balances other than Cash and Cash Equivalents	-	-	4,95,236	4,95,236	-	-	-
Other Current Financial Assets	-	-	8,437	8,437	-	-	-
Total Financial Assets	-	13,76,734	5,70,319	19,47,053	2,40,157	11,36,577	1,450
Financial Liabilities							
<u>Borrowings</u>							
- Preference Shares	-	-	5,000	5,000	-	-	-
- Line of Credit from a Bank	-	-	3,171	3,171	-	-	-
Trade Payables	-	-	405	405	-	-	-
Other Current Financial Liabilities	-	-	15,39,547	15,39,547	-	-	-
Total Financial Liabilities	-	-	15,48,123	15,48,123	-	-	-

Note: There are no other categories of financial instruments other than those mentioned above.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 36 Financial Instruments - Fair Values (Contd...)

A. Accounting Classification and Fair Values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	As at 31 March 2021									
	Carrying Amount				Fair Value					
	Fair Value through Profit and Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total	Level 1 - Quoted Price in Active Markets	Level 2 - Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total		
Financial Assets										
Investments in Subsidiaries	-	-	1,450	1,450	-	-	1,450	1,450	-	1,450
Non Current Loans	-	-	41	41	-	-	-	-	-	-
Other Non Current Financial Assets	-	-	-	-	-	-	-	-	-	-
<u>Current Investments</u>										
- Investment in US Government Treasury Bills	-	5,17,852	-	5,17,852	-	5,17,852	-	5,17,852	-	5,17,852
- Investment in Government of India Treasury Bills	-	7,01,013	-	7,01,013	2,20,669	4,80,344	-	7,01,013	-	7,01,013
Trade Receivables	-	-	3,244	3,244	-	-	-	-	-	-
Cash and Cash Equivalents	-	-	1,22,271	1,22,271	-	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents	-	-	4,17,308	4,17,308	-	-	-	-	-	-
Other Current Financial Assets	-	-	7,668	7,668	-	-	-	-	-	-
Total Financial Assets	-	12,18,865	5,51,982	17,70,847	2,20,669	9,98,196	1,450	12,20,315	-	12,20,315
Financial Liabilities										
<u>Borrowings</u>										
- Preference Shares	-	-	5,000	5,000	-	-	-	-	-	-
- Line of Credit from a Bank	-	-	-	-	-	-	-	-	-	-
Trade Payables	-	-	443	443	-	-	-	-	-	-
Other Current Financial Liabilities	-	-	14,00,246	14,00,246	-	-	-	-	-	-
Total Financial Liabilities	-	-	14,05,689	14,05,689	-	-	-	-	-	-

Note: There are no other categories of financial instruments other than those mentioned above

The Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses, if any, of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.



Note 36

Financial Instruments - Fair Values (Contd...)

B. Fair Value Hierarchy

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

Financial Instruments Measured at Fair Value

The following table shows the valuation techniques used in measuring Level 2 fair values for financial instruments measured at fair value in the balance sheet as well as the significant unobservable inputs used.

Type	Valuation Technique	Significant Unobservable Inputs	Inter-relationship between Significant Unobservable Inputs and Fair Value Measurement
Investment in Government Securities	The fair value of treasury bills is calculated on the basis of the market price of these instruments as at the balance sheet date. Market price is calculated on the basis of the price published by Financial Benchmarks India Private Limited (FBIL).	N.A.	N.A.
Investment in U.S. Government Securities	The fair value of treasury bills is calculated on the basis of the market price of these instruments as at the balance sheet date. Market price is calculated on the basis of the price published by Federal Reserve.	N.A.	N.A.

Transfers between Levels

There have been no transfers between levels during the reporting periods.

Risk Management

Introduction

The Company's activities expose it to a number of financial risks, principally liquidity risk, credit risk and market risk (Interest rate risk and foreign exchange risk). In addition to the financial risks, the Company is also exposed to other risks such as operational, legal, compliance and reputational risk. The Company has put in place an Integrated Enterprise Risk Management Framework in order to identify, measure, monitor and effectively manage various risks it is exposed to. The framework prescribes the governance structures and responsibilities and includes written risk policies at all levels, which defines Company's risk appetite, highlights the key risks, and describe the manner in which those risks are properly managed.

Overall responsibility for risk management rests with the Board. The Board has constituted a Committee of Directors for Risk Management (CODRM) which is responsible for developing and monitoring Risk Policies



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 36

Financial Instruments – Fair Values and Risk Management (Contd...)

and deciding all issues relating to risk management of the Company. The Company's Senior Management is responsible for day to day overseeing of the Compliance of the Risk policies. The Company also has a dedicated Risk Management Department which is responsible for day to day administration of Risk Management Activity specially managing risks faced by the Company as a Central Counter Party (CCP). The Company has an elaborate Operation Audit, Internal Audit, Systems Audit, Concurrent Audit and other Control Mechanisms entrusted to independent external professionals.

a. Credit Risk

Risk Description

The Credit risk, for the Company, could arise on account of failure of a member to honor its settlement obligation or upon default by a Settlement Bank. Credit risk could also arise on account of investment activity of the Company.

Risk Management Approach

The Company counters Credit Risk exposure to members by reducing the exposures through multi-lateral netting and settling transactions on Delivery Versus Payment (DVP) or Payment Versus Payment (PVP) basis and therefore does not run any Principal Credit Risk. Moreover, the Company has set criteria for membership for each type of settlement.

Most of the settlements happen in the Books of Reserve Bank of India and therefore there is no Settlement Bank Risk in respect of the same. Wherever settlements are settled through Commercial Banks, Settlement Bank Risk is mitigated by the company by prescribing stringent minimum eligibility criteria for selection of the Settlement Banks and setting of appropriate exposure control limits.

The Company regularly invests its internally generated funds and funds received from its members towards Margin and Default funds. The Company has a detailed Investment Policy, approved by the CODRM and the Board, which prescribes eligible instruments, exposure limits, Guidelines on Risk Management and other aspects relating to the investment activity. The CODRM and the Board review the Investment Policy annually. In accordance with the Investment policy, the Company invests only into highly secure and liquid avenues such as Deposit with high net-worth Commercial Banks and short term Government Securities such as Government treasury Bills. The total credit risk of the Company is represented by the total financial assets of the Company. There is no credit risk in case of investment into Government securities. Credit risk in case of Bank Deposits, is mitigated by prescribing stringent eligibility criteria for the investee banks and setting of exposure and concentration limits on the amounts to be invested.

Bank Balances and Bank Deposits

The Company held bank balances and bank deposits of ₹ 5,56,297 lakhs at 31 March 2022 (31 March 2021 : ₹ 5,39,579 lakhs). The bank balances and bank deposits are held with bank and financial institution counterparties with good credit ratings.

Offsetting of Financial Assets and Liabilities

The disclosures set out in the following tables include recognised financial assets and financial liabilities that:

- are offset in the Company's statement of financial position; or
- are subject to an enforceable netting arrangement and other provisions under Bye laws, Rules and regulation of the Company, irrespective of whether they are offset in the statement of financial position.

The Company receives collateral in the form of cash (including US Dollars towards forex settlement) and Government securities in respect of settlement transactions pertaining to the following operations:

- security settlement;
- forex settlement; and
- derivative settlement.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 36

Financial Instruments - Fair Values and Risk Management (Contd...)

Financial assets and financial liabilities are subject to offsetting, enforceable netting arrangements and other provisions under Bye Laws, Rules and Regulations (BRR) of the Company:

(₹ in lakhs)

As at 31 March 2022	Gross Amounts of Financial Assets	Gross Amounts of Financial Liabilities	Net Amounts Presented in Statement of Financial Position after setoff of Financial Assets & Financial Liabilities	Related Amount not offset in Statement of Financial Position		Net Amount
				Financial Instruments (including Non-Cash Collateral)	Cash Collateral Received	
Types of Financial Assets						
Forex Settlement (Including Forwards)	3,21,445	3,21,445	-	-	-	-
Derivative Settlement (IRS)	99,781	99,781	-	-	-	-
Securities Settlement (including TREPS)	7,27,655	7,27,655	-	-	-	-
Total	11,48,881	11,48,881	-	-	-	-

(₹ in lakhs)

As at 31 March 2021	Gross Amounts of Financial Assets	Gross Amounts of Financial Liabilities	Net Amounts Presented in Statement of Financial Position after setoff of Financial Assets & Financial Liabilities	Related Amount not offset in Statement of Financial Position		Net Amount
				Financial Instruments (including Non-Cash Collateral)	Cash Collateral Received	
Types of Financial Assets						
Forex Settlement (Including Forwards)	6,86,120	6,86,120	-	-	-	-
Derivative Settlement (IRS)	1,51,292	1,51,292	-	-	-	-
Securities Settlement (including TREPS)	7,39,304	7,39,304	-	-	-	-
Total	15,76,716	15,76,716	-	-	-	-

b. Liquidity Risk

Risk Description

Liquidity risk is the risk that the Company is unable to meet its payment obligations when they fall due. The Company, being a Central Counter Party (CCP), is required to have adequate liquid resources in order to meet liquidity requirement in case if any member fails to honour its settlement obligations. Liquidity risk also exists as a result of day to day operational flows such as repayment of cash collaterals to members, trade payables etc.

Risk Management Approach

Liquidity risk is managed by ensuring that the Company has sufficient Lines of Credit from the participant banks, overdraft facility against the time deposits placed with Commercial banks and easily marketable securities collected as collaterals. etc. The Company also maintains adequate balances with Banks and keeps its investments in highly liquid avenues to enable it to meet cash collateral withdrawals by members, trade payables, etc.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 36

Financial Instruments – Fair Values and Risk Management (Contd...)

Maturities of Financial Liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in lakhs)

As at 31 March 2022	Contractual Cash Flows				
	Carrying Amount	Total	Upto 1 Year	1 to 5 Years	More than 5 Years
Non-Derivative Financial Liabilities					
Borrowings					
- Preference Shares	5,000	5,000	5,000	-	-
- Line of Credit from Bank	3,171	3,171	3,171	-	-
Trade Payables	405	405	405	-	-
Other Current Financial Liabilities	15,39,547	15,39,547	15,39,547	-	-
Total	15,48,123	15,48,123	15,48,123	-	-

(₹ in lakhs)

As at 31 March 2021	Contractual Cash Flows				
	Carrying Amount	Total	Upto 1 Year	1 to 5 Years	More than 5 Years
Non-Derivative Financial Liabilities					
Borrowings					
- Preference Shares	5,000	5,000	-	5,000	-
- Line of Credit from Banks	-	-	-	-	-
Trade Payables	443	443	443	-	-
Other Current Financial Liabilities	14,00,246	14,00,246	14,00,246	-	-
Total	14,05,689	14,05,689	14,00,689	5,000	-

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows.

c. Market Risk (Price Risk and Interest Rate Risk)

Risk Description

The Company provides Central Counterparty (CCP) clearing services for both cash market and derivative products. The Company settles cash transactions cleared by it on a Delivery versus Payment (or Payment versus Payment in case of currencies). The failure of a member therefore exposes it to market risk arising out of adverse movement in prices of securities cleared or adverse movements in interest rates and exchange rates. In case of derivative products like rupee derivatives and forward USD INR transactions, the company is also exposed to pre-settlement risk which is manifested in the form of market risk.

The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk. However, Company is exposed to the price risk in case of its investment in Government Treasury Bills.

The Company is exposed to the interest rate risk due to interest paid to members, at variable rate, on the deposits received from them towards margins and default fund contributions.



Note 36

Financial Instruments – Fair Values and Risk Management (Contd...)

Risk Management Approach

The Company seeks to cover its market risk exposure through collection of various margins. The potential future exposure is covered by collecting Initial Margin and Volatility Margin. The current exposure is covered by collecting mark to market margins. The efficiency of the margining models is monitored closely through a rigorous daily back-testing process.

The interest rate profile of the Company's interest-bearing financial instruments is as follows :

	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Fixed Rate Instruments		
Financial Assets - INR Investments	13,28,017	11,92,321
Financial Assets - US Dollar Investments	5,80,438	5,41,179
Financial Liabilities	(5,000)	(5,000)
	19,03,455	17,28,500
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities - INR (Deposits from Members)	(9,48,761)	(8,49,084)
Financial Liabilities - US Dollar (Deposits from Members)	(5,85,704)	(5,46,253)
Financial Liabilities - Euro Line of Credit from Bank	(3,171)	-
	(15,37,636)	(13,95,337)
Total	3,65,819	3,33,163

Interest Rate Sensitivity Analysis

The Company aims to minimise its exposure to interest rate fluctuations. Any exposure is predominantly due to the mismatch between the Company's interest bearing assets and interest bearing liabilities (including deposits from members). Since the return paid on member liabilities is generally reset to prevailing market interest rates and after retaining a spread the Company's exposure is limited. Further, the maximum fixed exposure on any asset in the investment portfolio (including Bank Deposits) is 12 months.

The following table shows the estimated impact of the exposure described in the paragraph above on the profit before tax and on retained earnings within shareholders' equity:

Interest Rate Sensitivity - Variable Rate Instruments

A change of 100 basis points (bps) (31 March 2021 : 100 basis points) for INR investments / liabilities and 10 basis points (bps) (31 March 2021 : 10 basis points) for US Dollar investments / liabilities in interest rates at the reporting date would have increased / decreased profit or loss by amounts shown below. This analysis assumes that all other variables remains constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the financial assets / financial liabilities outstanding during the year.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 36

Financial Instruments – Fair Values and Risk Management (Contd...)

(₹ in lakhs)

As at 31 March 2022	INR INVESTMENTS / LIABILITIES		FOREIGN INVESTMENTS / LIABILITIES	
	Gain / (Loss)		Gain / (Loss)	
	100 bp Increase	100 bp Decrease	10 bp Increase	10 bp Decrease
Variable-Rate Instruments				
Cash Flow Sensitivity (Net)	(9,488)	9,488	(589)	589
	(9,488)	9,488	(589)	589
As at 31 March 2021	INR INVESTMENTS / LIABILITIES		FOREIGN INVESTMENTS / LIABILITIES	
	Gain / (Loss)		Gain / (Loss)	
	100 bp Increase	100 bp Decrease	10 bp Increase	10 bp Decrease
Variable-Rate Instruments				
Cash Flow Sensitivity (Net)	(8,491)	8,491	(546)	546
	(8,491)	8,491	(546)	546

d. Foreign Exchange Risk

Risk Description

The functional currency of the Company is Indian Rupee. Though the Company is a Central counter party for Foreign Exchange Settlements, it is not exposed to any foreign currency risk on account of its collateral and settlement operations as all its settlement obligations are received and paid in respective foreign currencies. Also, collaterals for Forex Settlement Segment are received and repaid in US Dollars and Investment of such collaterals are in US Dollars. Foreign Exchange Risk for the Company primarily arises on account of foreign currency revenues and expenses, which is not significant.

Exposure to Currency Risk (Exposure in different currencies converted to functional currency i.e. INR)

The currency profile of financial assets and financial liabilities of material financial currency exposure denominates as at 31 March 2022 and 31 March 2021 are as below:

(₹ in lakhs)

Exposure in US Dollar	As at	As at
	31 March 2022	31 March 2021
Financial Assets (A)		
US Govt. Treasury Bills	5,59,454	5,17,852
Bank Balance and Bank Deposits	27,477	29,649
Trade Receivables	45	-
	5,86,976	5,47,501
Financial Liabilities (B)		
Deposits from Members	5,85,704	5,46,253
Interest payable to Members	-	241
Expenses Payable	175	167
	5,85,879	5,46,661
Net Exposure (A - B)	1,097	840

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 36

Financial Instruments - Fair Values and Risk Management (Contd...)

(₹ in lakhs)

Exposure in EUR	As at 31 March 2022	As at 31 March 2021
Financial Assets (A)		
Funds used for default	3,171	-
	3,171	-
Financial Liabilities (B)		
Line of Credit from a Bank	3,171	-
	3,171	-
Net Exposure (A - B)	-	-

Sensitivity Analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against USD/EUR at 31 March 2022 and 31 March 2021 would have affected the measurement of financial instruments denominated in foreign currencies and affected Statement of profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

(₹ in lakhs)

Effect in Functional Currency (INR) due to :	As at 31 March 2022		As at 31 March 2021	
	Gain/(Loss)		Gain/(Loss)	
	Strengthening	Weakening	Strengthening	Weakening
5% Movement in underlying foreign currencies :				
USD	55	(55)	42	(42)
EUR	-	-	-	-
10% Movement in underlying foreign currencies :				
USD	110	(110)	84	(84)
EUR	-	-	-	-

(Note: The above impact is indicated on the profit/loss before tax basis)

Note 37

Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

A. Relationships -

Category I: Subsidiaries (Parties where control exists)

Clearcorp Dealing Systems (India) Limited (Clearcorp)

Legal Entity Identifier India Limited (LEIL)

Category II:

State Bank of India - The Company is an associate of SBI.

Category III: Key Management Personnel (KMP)

Related Party	Nature of Relationship
Mr. R. Sridharan	Managing Director (upto July 31, 2020)
Mr. Hare Krishna Jena	Managing Director (from August 01, 2020)
Mr. R. Gandhi	Non Executive Chairman and Independent Director
Mr. Narayan K. Seshadri	Independent Director



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 37

Related Party Disclosures (Contd...)

Related Party	Nature of Relationship
Dr. G Sivakumar	Independent Director
Mr. B Prasanna	Nominee Director
Ms. Meena Hemchandra	Independent Director
Mr. Sankarshan Basu	Independent Director (upto August 24, 2020)
Mr. Pradeep Madhav	Nominee Director (upto August 31, 2021)
Mr. S. Vishvanathan	Independent Director
Mr. Sudhakar Shanbhag	Nominee Director (upto May 06, 2021)
Mr. Ashish Parthasarthy	Nominee Director (from May 22, 2020)
Mr. S.V. Sastry	Nominee Director (from August 01, 2020)
Mr. P.R. Ramesh	Independent Director (from August 01, 2020)
Mr. A.K. Anand	Nominee Director (from January 29, 2021)
Mr. Hemanta Kumar Pradhan	Independent Director (from August 13, 2021)
Ms. Radhavi Rishikesh Deshpande	Nominee Director (from May 07, 2021)

Other Key Management Personnel

Related Party	Nature of Relationship
Mr. O. N. Ravi	Executive Vice President
Mr. Deepak Chande	Chief Financial Officer
Mr. Pankaj Srivastava	Company Secretary

Category IV: Other Related Parties

CCIL Employees Group Gratuity Fund Trust

CCIL Employees Superannuation Trust

b) Transactions with Key Management Personnel :

Key Management Personnel Compensation

Particulars	(₹ in lakhs)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Short-Term Employee Benefits	469	464
Post-Employment Defined Benefit	30	29
Other Long Term Benefits	9	51
Total	508	544

Compensation of the Company's' key managerial personnel includes salaries, non-cash benefits and contributions to post-employment defined benefit plan (See Note 30).

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 37

Related Party Disclosures (Contd...)

c) Details of transactions with the related parties are as follows:

(₹ in lakhs)

Particulars	Subsidiary - Clearcorp	Subsidiary- LEIL	State Bank of India	Key Management Personnel
1) Income from Operations	-	-	2,503	-
	-	-	(1,273)	-
2) Business Support Charges and Other Receipts (Income)	732	324	-	-
	(732)	(240)	-	-
3) Rent Received for Residential Accommodation (Income)	-	-	-	-
	(16)	-	-	-
4) Reimbursement/Sharing of Expenses - (Receipt)	143	3	-	-
	(99)	-	-	-
5) Reimbursement/Sharing of Expenses - (Payment)	16	0	-	-
	(3)	(1)	-	-
6) LEI Renewal Charges (Expense)	-	0	-	-
	-	(0)	-	-
7) Collaterals Cash Received	-	-	1,07,267	-
	-	-	(48,776)	-
8) Collaterals Cash Repaid	-	-	1,15,202	-
	-	-	(30,373)	-
9) Collaterals Securities Received (at Face Value)	-	-	4,38,33,657	-
	-	-	(2,56,95,410)	-
10) Collaterals Securities Returned (at Face Value)	-	-	4,24,53,657	-
	-	-	(60,36,700)	-
11) Interest on Deposits from Members	-	-	464	-
	-	-	(226)	-
12) Party Payment	12	-	-	-
	-	-	-	-
13) Datafeed Charges Received	-	-	-	-
	(36)	-	-	-
14) Director Sitting Fees	-	-	-	91
	-	-	-	(76)



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 37

Related Party Disclosures (Contd...)

d) The related party balances outstanding at year end are as follows:

(₹ in lakhs)

Particulars	Subsidiary-Clearcorp	Subsidiary-LEIL	State Bank of India	Key Management Personnel
1) Receivable	97	58	255	-
	(88)	(21)	(188)	-
2) Payable	-	-	115	24
	-	-	(122)	(23)
3) Collaterals Outstanding - Cash	-	-	31,641	-
	-	-	(39,576)	-
4) Collaterals Outstanding - Securities (at Face Value)	-	-	2,14,04,676	-
	-	-	(2,00,24,676)	-

Notes:

1. "0" denotes amount less than ₹ 0.50 lakh.
2. Figures in brackets represent corresponding amounts in the previous year.
3. Transactions with Subsidiaries are in accordance with the terms of agreements / arrangements / approvals in this regard.
4. Transactions with State Bank of India in the nature of banker-customer relationship have been excluded.
5. Collaterals received in the form of Government Securities are held under Constituent Subsidiary General Ledger (CSGL) Account with Reserve Bank of India.
6. The amounts are exclusive of Goods and Service Tax (GST) wherever applicable.
7. 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 38

Additional Regulatory Information

Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	1.26	1.26
Debt-Equity Ratio (in times)	Debt consists of Line of credit utilised and Preference Share capital	Total Equity	0.02	0.01*
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Preference Share dividend + Depreciation	Debt service = Preference Share dividend	130.55	142.43
Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	9.41%	11.37%
Inventory Turnover Ratio (in times)	Cost of Goods Sold/Sales	Average Inventory	Not Applicable	Not Applicable
Trade Receivables Turnover Ratio (in times)	Revenue from operations	Average trade receivables	9.38	8.29
Trade Payables Turnover Ratio (in times)	System Maintenance + Other expenses	Average trade payables	14.09	11.85
Net Capital Turnover Ratio (in times)	Total Income	Working capital (i.e. Total current assets less Total current liabilities)	0.18	0.21
Net Profit Ratio (in %)	Profit after tax for the year	Total Income	53.15%	54.98%
Return on Capital Employed (in %)	Profit before tax and finance costs	Total Equity	13.07%	15.87%
Return on Investment (in %)	Income generated from invested funds	Average invested funds	2.62%	3.30%

Note :

* Line of credit utilised on account of member default resulted in increase in debt equity ratio.



Note 39

Utilisation of Borrowed Funds and Share Premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 40

There are no proceedings initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

Note 41

The Company is not declared as a wilful defaulter by any Bank or Financial institution or other lender.

Note 42

The Company has not traded or invested in Crypto Currency or Virtual Currency.

	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Note 43		
Commitments		
Capital Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,100	401
	1,100	401

Note 44

Contingent Liabilities

Claims against the Company not acknowledged as debt -

- Income Tax Demands for various assessment years disputed by the Company

2,903	1,870
2,903	1,870

Note 45

Auditor's Remuneration

Auditor's remuneration consists of the following :

i) Statutory Audit Fees	15	19
ii) Limited Review Fees	4	-
iii) Certification Fees	2	4
iv) Reimbursement of Expenses	-	-
	21	23



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 46

Micro and Small Enterprises

There are no micro and small enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March 2022 and 31 March 2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<u>Outstanding for less than 45 days</u>		
a. Principal and interest amount remaining unpaid	91	68
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006)	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Note 47

Employee Benefits

Amounts Recognised as Expense:

(i) Defined Contribution Plan

- (1) Employer's Contribution to Provident Fund amounting to ₹ 267 lakhs (31 March 2021 : ₹ 253 lakhs) has been included in Note 30 Contribution to Provident Fund and Other Funds.
- (2) Employer's Contribution to Superannuation Fund amounting to ₹ 68 lakhs (31 March 2021 : ₹ 68 lakhs) has been included in Note 30 Contribution to Provident Fund and Other Funds.
- (3) Employer's Contribution to NPS amounting to ₹ 50 lakhs (31 March 2021 : ₹ 45 lakhs) has been included in Note 30 Contribution to Provident Fund and Other Funds.

(ii) Defined Benefit Plan

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

In accordance with the Indian Accounting Standard on employee benefits (Ind AS 19) the following disclosures have been made which is based on Actuarial Valuation provided by an Independent Actuary.

Gratuity cost amounting to ₹ 219 lakhs (31 March 2021 : ₹ 221 lakhs) has been included in Note 30 Contribution to Provident and Other Funds.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 47

Employee Benefits (Contd...)

	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
A. Amount Recognised in the Balance Sheet		
Present Value of the Obligation as at the end of the year	2,706	2,533
Fair Value of Plan Assets as at the end of the year	2,933	2,560
Net Asset / (Liability) to be recognized in the Balance Sheet	227	27
Non-Current Portion	-	-
Current Portion	227	27
B. Change in Projected Benefit Obligation		
Projected Benefit of Obligation at the beginning of the year	2,534	2,290
Current Service Cost	221	218
Interest Cost	172	156
Benefits Paid	(154)	(159)
Actuarial (Gain) / Loss on Obligation	(125)	29
Acquisition Adjustment	58	-
Projected Benefit Obligation at the end of the year	2,706	2,534
C. Change in Plan Assets		
Fair Value of Plan Assets at the beginning of the year	2,559	2,243
Expected Return on Plan Assets	174	152
Contributions Made	294	268
Benefits Paid	(154)	(104)
Acquisition Adjustment	60	-
Fair Value of Plan Assets at the end of the year	2,933	2,559
D. Amount Recognised in the Statement of Profit and Loss		
Current Service Cost	221	218
Net Interest Cost / (Income) on the Net Defined Benefit Asset / Liability	(2)	3
Expenses Recognised in the Statement of Profit and Loss	219	221
E. Amount Recognised in Other Comprehensive Income		
Actuarial (Gains) / Loss		
- Change in Financial Assumption	(118)	-
- Experience Variation	(7)	29
	(125)	29
F. Major Categories of Plan Assets as a percentage of total plan :		
1. 100 % Insurance Funds		
G. Assumptions Used		
Discount Rate	7.25%	6.80%
Employee Attrition Rate	3.00%	3.00%
Future Salary Increase	8.00%	8.00%
Mortality Rate	100% (% of IALM 12-14)	100% (% of IALM 12-14)



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 47

Employee Benefits (Contd..)

H. Sensitivity Analysis

Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Increase to	Decrease to	Increase to	Decrease to
Discount Rate (1% Movement)	2,469	2,980	2,294	2,812
Salary Growth Rate (1% Movement)	2,976	2,468	2,806	2,294
Attrition Rate (1% Movement)	2,687	2,728	2,502	2,570
Mortality Rate (1% Movement)	2,706	2,707	2,533	2,534

I. Expected Future Cash Flows

(₹ in lakhs)

Particulars	1 year	2 to 5 years	6 to 10 years	More than 10 years
As at 31 March 2022				
Defined Benefit Obligations (Gratuity)	419	482	1,080	4,140
Total	419	482	1,080	4,140

(₹ in lakhs)

Particulars	1 year	2 to 5 years	6 to 10 years	More than 10 years
As at 31 March 2021				
Defined Benefit Obligations (Gratuity)	175	635	866	4,086
Total	175	635	866	4,086

Note 48

Segment Reporting

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in this standalone financial statements.

Note 49

Corporate Social Responsibility (CSR)

(₹ in lakhs)

Particulars	31 March 2022	31 March 2021
i) Amount Required to be spent by the Company during the year	1,183	1,133
ii) Amount of Expenditure Incurred	1,183	1,133
iii) Shortfall at the end of the year	-	-
iv) Total of Previous Year Shortfall	-	-
v) Reason for Shortfall	N.A.	N.A.
vi) Nature of CSR Activities	Promoting healthcare including preventive healthcare, making available safe drinking water and contribution to Prime Minister's National Relief Fund	
vii) Details of the Related Party Transactions	None	None
viii) Details of Contractual Obligations	None	None



Note 50

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 51

There are no transactions with Struck off Companies during the year.

Note 52

Additional Regulatory Information detailed in clause 6L of General Instructions given in Part I of Division II of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

Note 53

Previous year's figures have been audited by M/s Kalyaniwalla & Mistry LLP, Chartered Accountants, who have expressed an unqualified opinion vide report dated May 07, 2021.

Note 54

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



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	450
5.	Reserves & Surplus	10,790	1,191
6.	Total Assets	12,767	2,116
7.	Total Liabilities	977	475
8.	Investments	-	-
9.	Turnover	4,582	1,384
10.	Profit before taxation	1,035	558
11.	Provision for taxation	224	140
12.	Profit after taxation	811	418
13.	Proposed Dividend	-	-
14.	% of shareholding	100	100

Notes:

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

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

Sr.No.	Particulars	
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/-
Hare Krishna Jena
Managing Director
(DIN : 07624556)

Sd/-
R Gandhi
Chairman
(DIN : 03341633)

Place : Mumbai

Sd/-
Deepak Chande
Chief Financial Officer

Sd/-
Pankaj Srivastava
Company Secretary

Date : May 09, 2022



INDEPENDENT AUDITOR'S REPORT

To the Members of
The Clearing Corporation of India Limited
Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of The Clearing Corporation of India Limited (the "Parent"/ the "Holding Company") and its subsidiaries, (the Parent/ Holding Company and its subsidiaries together referred to as the "Group"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards specified under section 133 of the Act ("Ind AS"), of the state of affairs of the Group as at March 31, 2022 and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the consolidated Financial Statements and Our Report thereon

The Holding Company's Board of Directors is responsible for the other information. The Other Information comprises the information included in Director's Report but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this report. Our opinion on the Consolidated financial statements does not cover the Other Information and we do not and will not express any form of assurance conclusion thereon.

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

If, based on the work we have performed on the Other Information that we obtained prior to the date of this auditor's report, we conclude that if there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, changes in equity, cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are also responsible for overseeing the groups financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the consolidated financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant

ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The Consolidated Financial Statements of the Group for the year ended March 31, 2021 were audited by other auditors of the Group. The predecessor audit firm have expressed an unmodified opinion dated May 7, 2021 on such Consolidated Financial Statements.

Our Opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards 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 Holding Company as on 31 March 2022 taken on record by the Board of Directors of the holding Company none of the directors of the Group companies is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the Internal Financial Controls with reference to Financial Statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors’ reports of the Holding company and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Financial Statements of those companies.
 - g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor’s Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 40 to the Consolidated Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - i) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, respectively, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other



person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 46)

- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose Financial Statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 46)
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- iv. (a) The final dividend proposed for the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- (b) The total dividend declared and paid during the year (including preference share dividend) by the Company is in compliance with section 123 of the Companies Act, 2013.
- (c) As stated in note 16 to the Financial Statements, the Board of Directors of the Company have proposed final dividend on the equity shares for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed declared is in accordance with section 123 of the Act, as applicable.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by the auditors of the subsidiaries included in the Consolidated Financial Statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report.

For G. M. KAPADIA & CO.

CHARTERED ACCOUNTANTS
Firm Registration No 104767W

Sd/-

Rajen Ashar
Partner

Place: Mumbai

Dated this 9 day of May, 2022

Membership No. 048243

UDIN: 22048243AIPWBL5657

Annexure B - referred to in paragraph 3(f) under “Report on Other Legal and Regulatory Requirements” of our report of even date

Report on the Internal Financial Control with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

Opinion

We have audited the internal financial controls with reference financial statements of The Clearing Corporation of India Limited as of March 31, 2022 in conjunction with our audit of the consolidated Financial Statements of the Company for the year ended on that date.

In our opinion to the best of our information and according to the explanations given to us the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2022, based on the criteria for Internal Financial Controls with reference to Financial Statements established by the respective companies considering the essential components of internal control stated in the Guidance Note.

Management’s Responsibility for Internal Financial Controls

The respective Boards of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Financial Statements criteria established by the respective Companies 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 the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



statements of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls With reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Financial Statements

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

For G. M. KAPADIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No 104767W

Sd/-
Rajen Ashar
Partner

Membership No. 048243
UDIN: 22048243AIPWBL5657

Place: Mumbai

Dated this 9 day of May, 2022

THE CLEARING CORPORATION OF INDIA LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022



(₹ in lakhs)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
I. ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	16,598	16,809
Capital Work-in-Progress	4	88	14
Intangibles Assets	5	4,844	6,106
Intangible Assets under Development	6	1,088	1,439
Financial Assets			
Other Non Current Financial Assets	7	242	121
Deferred Tax Assets (Net)	8	102	108
Other Non Current Assets	9	290	287
Non Current Tax Assets (Net)	10	2,118	1,779
Total Non Current Assets		25,370	26,663
Current Assets			
Financial Assets			
Investments	11	13,76,734	12,19,830
Trade Receivables	12	4,563	3,831
Cash and Cash Equivalents	13a	61,103	1,22,336
Other Bank Balances	13b	5,06,706	4,26,668
Other Current Financial Assets	14	8,597	7,743
Other Current Assets	15	4,285	1,010
Total Current Assets		19,61,988	17,81,418
TOTAL ASSETS		19,87,358	18,08,081
II. EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	5,000	5,000
Other Equity	17	4,27,843	3,90,932
Total Equity		4,32,843	3,95,932
Non Current Liabilities			
Financial Liabilities			
Borrowings	18	-	5,000
Deferred Tax Liabilities (Net)	19	1,027	1,206
Non Current Provisions	20	2,047	1,977
Total Non Current Liabilities		3,074	8,183
Current Liabilities			
Financial Liabilities			
Borrowings	21	8,171	-
Trade Payables Due to :			
- Micro and Small Enterprises	22	49	20
- Other than Micro and Small Enterprises		665	682
Other Current Financial Liabilities	23	15,39,633	14,00,545
Other Current Liabilities	24	1,310	722
Current Provisions	25	1,436	1,911
Current Tax Liabilities (Net)	26	177	86
Total Current Liabilities		15,51,441	14,03,966
TOTAL EQUITY AND LIABILITIES		19,87,358	18,08,081
Significant Accounting Policies and Notes to the Financial Statements	1-53		

As per our report of even date attached

For and on behalf of
For G. M Kapadia & Co.
Chartered Accountants
Firm Registration No: 104767W

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

Sd/-
Rajen Ashar
Partner
Membership No.: 048243

Sd/-
Hare Krishna Jena
Managing Director
(DIN : 07624556)

Sd/-
R Gandhi
Chairman
(DIN : 03341633)

Place : Mumbai

Sd/-
Deepak Chande
Chief Financial Officer

Sd/-
Pankaj Srivastava
Company Secretary

Date : May 09, 2022



THE CLEARING CORPORATION OF INDIA LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

Particulars	Note	Year Ended 31 March 2022	Year Ended 31 March 2021
Income			
- Income from Operations	27	41,043	37,383
- Other Operating Revenues	28	21,002	26,660
Other Income	29	14,828	16,377
Total Income		76,873	80,420
Expenses			
Employee Benefit Expenses	30	6,422	6,583
Finance Cost	31	2,622	2,985
Depreciation and Amortization Expenses	32	5,207	4,800
Other Expenses	33	10,288	8,285
Total Expenses		24,539	22,653
Profit Before Tax		52,334	57,767
Tax Expense			
Current Tax		13,472	14,767
Deferred Tax Expense / (Income)	34	81	47
Tax Adjustments for Earlier Years		(387)	-
Total Tax Expenses		13,166	14,814
Profit After Tax		39,168	42,953
Other Comprehensive Income			
Items that will not be reclassified to Profit and Loss			
- Remeasurements of the Defined Benefit Plans		164	(34)
- Income Tax on above		(41)	8
		123	(26)
Items that will be reclassified to Profit and Loss			
- Investments measured at FVOCI		(1,175)	(2,704)
- Income Tax on above		295	681
		(880)	(2,023)
Other Comprehensive Income for the year {Net of Income Tax}		(757)	(2,049)
Total Comprehensive Income for the year		38,411	40,904
Earnings Per Equity Share (₹ Per Share)			
Basic Earnings Per Share (₹)	35	78.34	85.91
Diluted Earnings Per Share (₹)		78.34	85.91
(Equity Share of Face Value of ₹ 10 each)			
Significant Accounting Policies and Notes to the Financial Statements	1-53		
As per our report of even date attached For and on behalf of For G. M Kapadia & Co. Chartered Accountants Firm Registration No: 104767W		Signatures to the Financial Statements and Notes thereon For and on behalf of the Board of Directors	
Sd/- Rajen Ashar Partner Membership No.: 048243	Sd/- Hare Krishna Jena Managing Director (DIN : 07624556)	Sd/- R Gandhi Chairman (DIN : 03341633)	
Place : Mumbai	Sd/- Deepak Chande Chief Financial Officer	Sd/- Pankaj Srivastava Company Secretary	
Date : May 09, 2022			

THE CLEARING CORPORATION OF INDIA LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022



(₹ in lakhs)

Particulars	2021-2022	2020-2021
A Cash Flow from Operating Activities		
Net Profit Before Tax	52,334	57,767
Adjustments for :		
Depreciation and Amortisation Expense	5,207	4,800
Unrealised (Gain) / Loss on Foreign Exchange	(34)	38
Interest on taxes	7	6
Interest Income on Investments made out of Own Funds	(14,745)	(16,356)
Excess Provision Written Back	(1)	-
Profit / (Loss) on Sale of Property, Plant and Equipment (Net)	(5)	(2)
Remeasurement of Defined Benefit Obligation	164	(34)
Fair Valuation of Variable Pay	(21)	(42)
Provision for Dividend on Preference Share	425	425
Finance Cost	37	48
Operating Profit Before Working Capital Changes	43,368	46,650
Net Change in :		
(Increase) / Decrease Trade Receivables	(731)	1,014
(Increase) / Decrease Other Non Current Financial Assets	(1)	-
(Increase) / Decrease Other Non Current Assets	(4)	(8)
(Increase) / Decrease Other Current Financial Assets	(264)	(2)
(Increase) / Decrease Other Current Assets	(3,243)	10,230
(Increase) / Decrease Interest Accrued	517	(2,472)
(Increase) / Decrease in Investments & Bank Deposits made out of Operational Funds	(2,09,032)	(1,87,874)
Increase / (Decrease) Borrowings	3,171	(10,456)
Increase / (Decrease) Other Current Financial Liabilities	1,39,089	2,24,365
Increase / (Decrease) Trade Payables	9	78
Increase / (Decrease) Other Current Liabilities	587	25
Increase / (Decrease) Current Provisions	(477)	124
Increase / (Decrease) Non Current Provisions	60	43
Cash Generated from / (Used in) Operating Activities	(26,951)	81,717
Taxes Paid (Net of Refund)	(13,339)	(15,174)
Net Cash Generated from / (Used in) Operating Activities (A)	(40,290)	66,543



THE CLEARING CORPORATION OF INDIA LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

Particulars	2021-2022	2020-2021
B Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipments	(1,217)	(2,746)
Purchase of Intangible Assets	(2,246)	(4,255)
Sale of Property, Plant and Equipments	11	2
Purchase of Government of Government of India Treasury Bills out of Own Funds	(2,58,208)	(2,76,495)
Redemption of Government of India Treasury Bills made out of Own Funds	2,11,908	2,01,391
Placement of Bank Deposits made out of Own Funds	(1,60,280)	(1,49,314)
Redemption of Bank Deposits made out of Own Funds	1,79,150	1,84,453
Interest Income	11,864	26,452
Net Cash Generated from / (Used in) Investing Activities (B)	(19,018)	(20,512)
C Cash Flow from Financing Activities		
Dividend/Dividend Distribution Tax Paid	(1,925)	(1,925)
Net Cash Generated from / (Used in) Financing Activities (C)	(1,925)	(1,925)
Net Increase/(Decrease) in Cash and Cash Equivalents (A) + (B) + (C)	(61,233)	44,105
Cash and Cash Equivalents at the beginning of the year	1,22,336	78,231
Cash and Cash Equivalents at the end of the year	61,103	1,22,336
CLOSING BALANCE		
- Before Adjustment of Unrealised Foreign Exchange	61,062	1,22,529
- Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	41	(193)
Total	61,103	1,22,336

Notes: The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.

As per our report of even date attached

For and on behalf of
For G. M Kapadia & Co.
Chartered Accountants
Firm Registration No: 104767W

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

Sd/-
Rajen Ashar
Partner
Membership No.: 048243

Sd/-
Hare Krishna Jena
Managing Director
(DIN : 07624556)

Sd/-
R Gandhi
Chairman
(DIN : 03341633)

Place : Mumbai

Sd/-
Deepak Chande
Chief Financial Officer

Sd/-
Pankaj Srivastava
Company Secretary

Date : May 09, 2022

THE CLEARING CORPORATION OF INDIA LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED 31 MARCH 2022



(a) Equity Share Capital	Note	₹ (in lakhs)
Balance as at 1 April 2020	16	5,000
Changes in Equity Share Capital due to prior period errors		-
Restated Balance as at 1 April 2020		5,000
Changes in Equity Share Capital during the year		-
Balance as at 31 March 2021	16	5,000
Changes in Equity Share Capital due to prior period errors		-
Restated Balance as at 1 April 2021		5,000
Changes in Equity Share Capital during the year		-
Balance as at 31 March 2022	16	5,000

(b) Other Equity	Reserves and Surplus				Other Comprehensive Income		Total
	Settlement Reserve Fund	General Reserve	contingency Reserve Fund	Retained Earnings	Fair Valuation of Debt Instruments Measured at FVOCI	Remeasurement of Defined Benefit Plan	
Balance at 1 April 2021	1,75,000	1,23,256	77,900	15,180	(62)	(342)	3,90,932
Profit for the year	-	-	-	39,168	-	-	39,168
Fair Value Changes in Investments Measured at OCI	-	-	-	-	(880)	-	(880)
Gain/(Loss) on Remeasurement of Defined Benefit Plans	-	-	-	-	-	123	123
Total Comprehensive Income	-	-	-	39,168	(880)	123	38,411
Dividend Paid on Equity Shares	-	-	-	(1,500)	-	-	(1,500)
Transferred from Retained Earnings	25,000	3,500	8,100	(36,600)	-	-	-
Balance at 31 March 2022	2,00,000	1,26,756	86,000	16,248	(942)	(219)	4,27,843
Balance at 1 April 2020	1,50,000	1,13,256	70,275	16,358	1,961	(316)	3,51,528
Profit for the year	-	-	-	42,953	-	-	42,953
Fair Value Changes in Investments Measured at OCI	-	-	-	-	(2,023)	-	(2,023)
Gain/(Loss) on Remeasurement of Defined Benefit Plans	-	-	-	-	-	(26)	(26)
Total Comprehensive Income	-	-	-	42,953	(2,023)	(26)	40,904
Dividend Paid on Equity Shares	-	-	-	(1,500)	-	-	(1,500)
Transferred from Retained Earnings	25,000	10,000	7,625	(42,625)	-	-	-
Balance at 31 March 2021	1,75,000	1,23,256	77,900	15,180	(62)	(342)	3,90,932

As per our report of even date attached

For and on behalf of
For G. M Kapadia & Co.

Chartered Accountants

Firm Registration No: 104767W

Sd/-

Rajen Ashar
Partner

Membership No.: 048243

Place : Mumbai

Date : May 09, 2022

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

Sd/-

Hare Krishna Jena
Managing Director
(DIN : 07624556)

Sd/-

Deepak Chande
Chief Financial Officer

Sd/-

R Gandhi
Chairman
(DIN : 03341633)

Sd/-

Pankaj Srivastava
Company Secretary



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. Background of the Group and Nature of Operations

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 ('the Company') is the Local Operating Unit (LOU) for the issuance, maintenance and provision of Legal Entity Identifier (LEI) services in India. The LEI is a global reference number that uniquely identifies every legal entity or structure that is party to a financial transaction, in any jurisdiction. The Company has been recognized by the Reserve Bank of India as an "Issuer" of Legal Entity Identifiers under the Payment and Settlement Systems Act, 2007, and accredited by the Global Legal Entity Identifier Foundation (GLEIF) as a LOU for issuance and management of LEI's.

2 Basis of Preparation, Measurement and Significant Accounting Policies

2.1 Basis of Preparation and Measurement

(a) Basis of Preparation

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The consolidated financial statement have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statement.

The consolidated Ind AS financial statements were authorized for issue by the Company's Board of Directors on May 9, 2022.

Current vs Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the schedule III to the Companies Act 2013. Based on the nature of services and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the Group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans are measured at fair value of plan assets less present value of defined benefit obligations.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



(c) Basis of Consolidation

The consolidated financial statements of the Parent Company and the Subsidiaries have been prepared in accordance with the consolidation procedures prescribed under Ind AS 110 'Consolidated Financial Statements'.

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

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the Group.

(ii) Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Particulars of the Subsidiaries

Name of the Company	Country of Incorporation	Subsidiary w.e.f	Percentage of holding	
			As at 31 March 2022	As at 31 March 2021
Clearcorp Dealing Systems (India) Limited	India	11.06.2003	100%	100%
Legal Entity Identifier India Limited	India	05.10.2015	100%	100%

2.2 Key Estimates and Assumptions

In preparing these consolidated financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The areas involving critical estimates or judgements are :

- i. Determination of the estimated useful lives of property plant and equipments and the assessment as to which components of the cost may be capitalized; (Note 2.4(a))
- ii. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life; (Note 2.4(b))
- iii. Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used; (Note 2.4(j))
- iv. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 2.4(g))
- v. Fair value of financial instruments (Note 2.4(e))
- vi. Recognition and measurement of defined benefit obligations, key actuarial assumptions; (Note 2.4(i))



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2.3 Measurement of Fair Values

The Group's accounting policies and disclosures require financial instruments to be measured at fair values.

The Group has an established control framework with respect to the measurement of fair values. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.4 Significant Accounting Policies

a) Property Plant and Equipments

Recognition and Measurement

Property, plant and equipment are stated at cost which comprises of purchase price, freight, duties, taxes except recoverable taxes, cost of installation and other incidental expenses incurred towards acquisition and installation of such assets.

Any profit or loss on derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognized.

Subsequent Expenditure

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Depreciation

Depreciation on property, plant and equipment, is provided on Straight Line Method (SLM) prescribed under Schedule II of the Act, except for the following:

- a) Furniture and fittings (Chairs), which are depreciated over 5 Years, and;
- b) Non Carpeted Road, which is depreciated over 5 Years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

THE CLEARING CORPORATION OF INDIA LIMITED



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

The Estimated useful life of property, plant and equipment considered for providing depreciation are as under:

Asset	Estimated Useful Life (in Years)	Estimated Scrap Value (% of Cost)
Buildings - Residential	60	5
Buildings - Office	60	5
Non - Carpeted Road	5	-
Computer Systems - Hardware	3 to 6	-
Electrical Installations and Equipments	10	-
Furniture and Fittings	5 to 10	-
Office Equipments	5	-

b) Intangible Assets

Expenses incurred towards acquisition or development of software by an external vendor is capitalized as Computer Software.

Following initial recognition, intangible assets are carried at cost less any accumulated impairment losses.

Intangible assets are amortised on a straight line basis over the estimated useful life.

Amortization

Amortization of Intangible Assets is based on Internal technical assessment/advice. Residual value, is estimated to be immaterial by the Management. The estimated useful life of intangible assets comprising of computer software considered for providing depreciation is 3 years.

c) Impairment of Non-Financial Assets

The carrying amount of assets is reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an individual asset exceeds its recoverable amount.

The recoverable amount is the greater of the asset's net selling price and value in use. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

d) Borrowing Costs:

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

e) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as forward contracts, futures and currency options.

1. Financial Assets

(i) Recognition and Initial Measurement

Trade receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset, except for an item measured at fair value through profit and loss (FVTPL), is initially measured at fair value plus transaction costs that are directly attributable to its acquisition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(ii) Classification and Subsequent Measurement of Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI - debt investment;
- FVOCI - equity investment; or
- FVTPL

The classification of debt investment as amortised cost or FVOCI is based on the business model and cash flow characteristics of such instrument.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Financial Assets Measured at Amortised Cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain and loss on derecognition is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Debt Investments Measured at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets unless designated as effective hedge instruments.

The Group measures its investment in Treasury Bills at FVOCI since it satisfies both the business model test and the SPPI specified in Ind AS 109.

In case of investment in discounted securities/instruments, the discount is accrued over the period to maturity and included in Income from Investments.

Equity Investments:

For other equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit or loss on disposal of the investments. These investments in equity are not held for trading. Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in the Statement of Profit or Loss.

Dividend Income on equity investments is recognized when the right to receive is established.

Debt Instruments at Amortized Cost

A debt instrument' is measured at the amortized cost if both the following conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's balance sheet) when:

- (i) The contractual rights to receive cash flows from the financial asset have expired, or
- (ii) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - (a) the Group has transferred substantially all the risks and rewards of the asset, or
 - (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(iv) Impairment of Financial Assets

The Group recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised costs are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

2. Financial Liabilities

(i) Recognition and Initial Measurement

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

(ii) Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of profit or loss. Any gain or loss on derecognition is also recognised in Statement of profit or loss.

(iii) Loans and Borrowing :

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iv) Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

3. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

f) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet includes cash at bank and on hand, deposits held at call with financial institutions, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents cash and short term deposits as defined above, as they are considered an integral part of the Group's cash management.

g) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each reporting date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognized as finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognized till the realization of the income is virtually certain.

h) Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115.

- (i) Revenue from services is recognized as and when the service is performed as per the relevant agreements.
- (ii) Other revenue income is recognised as and when services are rendered and there is a reasonable certainty of ultimate realisation.
- (iii) Interest income on financial assets is recognized on an accrual basis using effective interest method.

Revenue is reported excluding applicable taxes.

For income from investments refer point 2.4 (e) on financial instruments.

i) 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.
- (c) **National Pension Scheme:** The National Pension Scheme is operated by Pension Fund Regulatory and Development Authority (PFRDA) and the contribution thereof in respect of eligible employees is paid/provided for.

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

(ii) Defined Benefits Plans:

Gratuity: Gratuity for employees is covered by Gratuity Scheme with Life Insurance Corporation of India and the contribution thereof is paid/provided for. Provision for Gratuity is made as per actuarial valuation as at the end of the year. Actuarial gains/losses at the end of the year accrued to the defined benefit plans are taken to the Other Comprehensive income (OCI) for the respective financial year and are not deferred.

(iii) Other Long Term benefits:

Long Term compensated absences and medical leave : Provision for leave encashment and medical leave is made on the basis of actuarial valuation as at the end of the financial year.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

j) Income Tax

Income tax expense /income comprises current tax expense/income and deferred tax expense/income. It is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income. In which case, the tax is recognized directly in equity or other comprehensive income, respectively.

Current Tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations and establishes provisions where appropriate.

- Current tax assets and liabilities are offset only if, the Group has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax

Deferred Income tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- i) the group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable group.

k) Foreign Currency Transactions

Functional and Presentation Currency

The Groups's financial statements are prepared in Indian Rupees (INR), which is also Group's functional currency.

Transactions and Balances

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

THE CLEARING CORPORATION OF INDIA LIMITED



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in profit or loss in the year in which they arise.

l) Dividend:

Final dividend on shares is recorded as a liability on the date of approval by the equity shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

m) Earnings Per Share:

Basic Earnings per share is calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

n) Operating Segments

As per Ind AS-108 'Operating Segments', if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS -108 'Operating segments' as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS-108 'Operating segments' has been given in the Consolidated Financial Statements. (Note 38)

Note 3
Property, Plant and Equipment
Changes in the carrying value of property, plant and equipment for the year ended 31 March 2022:

DESCRIPTION	Freehold Land	Buildings - Residential	Buildings - Office	Furniture and Fixtures	Electrical Installations and Equipment	Office Equipment	Computer Systems - Hardware	Non Carpeted Road	Total
Cost as at 1 April 2021	1,320	921	10,395	138	369	139	5,969	24	19,274
Additions	-	-	-	8	3	10	1,122	-	1,142
Disposals/Adjustment *	-	-	-	0	(110)	1	251	-	142
Cost as at 31 March 2022 (A)	1,320	921	10,395	146	262	150	7,342	24	20,558
Accumulated Depreciation as at 1 April 2021	-	70	705	113	304	74	1,178	22	2,465
Depreciation charged for the year	-	18	181	14	54	21	1,056	2	1,346
Disposals/Adjustment *	-	-	-	0	(110)	2	256	-	149
Accumulated Depreciation up to 31 March 2022 (B)	-	88	886	127	248	97	2,490	24	3,960
Net Carrying Amount as at 31 March 2022 (A) - (B)	1,320	833	9,509	19	14	52	4,851	-	16,598

Changes in the carrying value of property, plant and equipment for the year ended 31 March 2021:

DESCRIPTION	Freehold Land	Buildings - Residential	Buildings - Office	Furniture and Fixtures	Electrical Installations and Equipment	Office Equipment	Computer Systems - Hardware	Non Carpeted Road	Total
Cost as at 1 April 2020	1,320	959	10,357	137	367	135	3,425	24	16,723
Additions	-	-	-	1	2	4	2,725	-	2,732
Disposals/Adjustment	-	(38)	38	-	-	(0)	(181)	-	(181)
Cost as at 31 March 2021 (A)	1,320	921	10,395	138	369	139	5,969	24	19,274
Accumulated Depreciation as at 1 April 2020	-	52	524	88	214	50	628	16	1,571
Depreciation charged during the year	-	18	181	25	90	24	731	6	1,075
Disposals/Adjustment	-	-	-	-	-	(0)	(181)	-	(181)
Accumulated Depreciation up to 31 March 2021 (B)	-	70	705	113	304	74	1,178	22	2,465
Net Carrying Amount as at 31 March 2021 (A) - (B)	1,320	851	9,690	25	65	65	4,791	2	16,809

Note :

* includes Gross Block and Accumulated Depreciation deduction for previous years.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 4
Capital Work-in-Progress

(₹ in lakhs)

Particulars	As At	As At
	31 March 2022	31 March 2021
Capital Work-in-Progress (CWIP)	88	14
	88	14

Note :

a) **Capital Work-in-Progress Ageing**

Capital Work-in-Progress ageing as on 31 March 2022:

(₹ in lakhs)

Capital Work-in-Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
CWIP-Electrical Installation	74	14	-	-	88
TOTAL	74	14	-	-	88

Capital Work-in-Progress ageing as on 31 March 2021:

(₹ in lakhs)

Capital Work-in-Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
CWIP-Electrical Installation	-	14	-	-	14
TOTAL	-	14	-	-	14

- b) There are no instances of CWIP whose completion is overdue or exceeded its cost compared to its original plan.
- c) There are no projects whose activity has been suspended.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 5

Intangible Assets

Changes in the carrying value of Intangibles Assets for the year ended 31 March 2022 :

(₹ in lakhs)

DESCRIPTION	Computer Software
Cost as at 1 April 2021	17,643
Additions	2,599
Disposals/Adjustment *	(94)
Cost as at 31 March 2022 (A)	20,148
Accumulated Amortisation as at 1 April 2021	11,537
Amortisation recognised for the year	3,861
Disposals/Adjustment *	(94)
Accumulated Amortisation up to 31 March 2022 (B)	15,304
Net Carrying Amount as at 31 March 2022 (A) - (B)	4,844

Changes in the carrying value of intangibles for the year ended 31 March 2021:

(₹ in lakhs)

DESCRIPTION	Computer Software
Cost as at 1 April 2020	13,877
Additions	3,766
Disposals/Adjustment	-
Cost as at 31 March 2021 (A)	17,643
Accumulated Amortisation as at 1 April 2020	7,812
Amortisation recognised for the year	3,725
Disposals/Adjustment	-
Accumulated Amortisation up to 31 March 2021 (B)	11,537
Net Carrying Amount as at 31 March 2021 (A) - (B)	6,106

Note :

* includes Gross Block and Accumulated Depreciation deduction for previous years.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 6 Intangible Assets under Development

(₹ in lakhs)

Particulars	As At	As At
	31 March 2022	31 March 2021
Intangible Assets under Development	1,088	1,439
	<u>1,088</u>	<u>1,439</u>

Note :

a) Intangible Assets under Development Ageing

Intangible Assets under Development ageing as on 31 March 2022:

(₹ in lakhs)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in Progress (Software Versions)					
CORE	23	-	40	-	63
CROMS	-	144	27	-	172
CSS	18	-	-	49	67
Derivatives	98	-	-	-	98
FSS	1	-	-	-	1
FX Clear	8	-	80	-	88
FX SWAP	-	55	-	-	55
IRMS/IRIS	65	27	-	-	91
IRS Devpt	79	-	-	-	79
NDS OM	58	29	26	-	113
RMS	18	-	-	-	18
Trade Repository	4	46	-	-	50
TREPS	29	53	-	-	82
Other License Softwares	111	-	-	-	111
TOTAL	512	354	173	49	1,088

Intangible Assets under Development ageing as on 31 March 2021:

(₹ in lakhs)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in Progress (Software Versions)					
CORE	39	35	-	-	74
CROMS	172	27	-	-	199
CSS	132	-	4	-	136
FSS	52	-	-	-	52



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 6

Intangible Assets under Development (Contd..)

(₹ in lakhs)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
FX Clear	10	135	-	-	145
FX SWAP	9	-	-	-	9
IRMS/IRIS	41	-	-	-	41
IRS Devpt	54	-	-	8	62
NDS OM	93	30	-	-	123
RMS	63	-	-	-	63
Trade Repository	31	-	-	-	31
TREPS	53	77	-	-	130
Other License Softwares	294	80	-	-	374
TOTAL	1,043	384	4	8	1,439

- b) Intangible Assets Under Development whose completion is overdue or exceeded its cost compared to its original plan.

Intangible Assets Under Development whose completion is overdue or exceeded its cost compared to its original plan during the year ended March 31, 2022 are as follows :

(₹ in lakhs)

Intangible Assets Under Development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
<u>Projects in Progress</u> <u>(Software Versions)</u>					
1) Cost and Time Overrun Projects					
CSS	49	-	-	-	49
CROMS	144	-	-	-	144
FX SWAP	51	-	-	-	51
NDS-OM	55	-	-	-	55
Trade Repository	46	-	-	-	46
TOTAL	345	-	-	-	345
2) Time Overrun Projects					
CROMS	27	-	-	-	27
TREPS	53	-	-	-	53
IRMS	27	-	-	-	27
TOTAL	107	-	-	-	107

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 6

Intangible Assets under Development (Contd..)

Intangible Assets Under Development whose completion is overdue or exceeded its cost compared to its original plan during the year ended March 31, 2021 are as follows :

(₹ in lakhs)

Intangible Assets Under Development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in Progress					
(Software Versions)					
1) Cost and Time Overrun Projects					
FX CLEAR	76	42	-	-	118
TREPS	77	-	-	-	77
TOTAL	153	42	-	-	195
2) Time Overrun Projects					
NDS-OM	4	26	-	-	30
Derivatives Web Reporting Platform	-	35	-	-	35
CROMS	-	27	-	-	27
IRS	8	-	-	-	8
FX CLEAR	-	17	-	-	17
TOTAL	12	105	-	-	117

c) There are no projects whose activity has been suspended.

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
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Note 7

Other Non Current Financial Assets

(Unsecured, Considered Good)

Bank Deposits with Residual Maturity of More than 12 Months	200	75
Interest Accrued on Bank Deposits	0 *	5
Security Deposits	42	41
	242	121

Note 8

Deferred Tax Assets (Net)

Deferred Tax Assets

Tax Disallowances	120	130
Difference between Book Base and Tax Base of Property, Plant and Equipment and Intangible Assets	2	0 *
	104	130

Deferred Tax Liabilities

Difference between Book Base and Tax Base of Property, Plant and Equipment and Intangible Assets		19
Fair Valuation of Investments Carried at FVOCI	-	0 *
Fair Valuation of Variable Compensation	2	3
	2	22
	102	108

* denotes amount less than ₹ 0.50 Lakhs



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Note 9		
Other Non-Current Assets		
<i>(Unsecured, Considered Good)</i>		
Service Tax Demand (Paid under Protest)	226	226
Prepaid Expenses	64	61
	<u>290</u>	<u>287</u>
Note 10		
Non Current Tax Assets (Net)		
Advance Taxes (Net of Provision for Taxes)	2,118	1,779
	<u>2,118</u>	<u>1,779</u>
Note 11		
Current Investments		
- Investment in US Government Treasury Bills	5,59,454	5,17,852
- Investment in Government of India Treasury Bills	8,17,280	7,01,978
	<u>13,76,734</u>	<u>12,19,830</u>
Aggregate Book Value of Quoted Investments	13,65,851	9,12,730
Aggregate Market Value of Quoted Investments	13,76,733	12,19,830
Aggregate Book Value of Unquoted Investments	-	-
Aggregate Amount of Impairment in Value of Investments	-	-

Note :

- (a) Investment in Government of India Treasury Bills includes Treasury Bills amounting to ₹ 1,26,276 lakhs (31 March 2021 : ₹ 91,728 lakhs) earmarked for Settlement Reserve Fund.
- (b) Investment in Government of India Treasury Bills includes Treasury Bills amounting to ₹ 50,824 lakhs (31 March 2021 : ₹ 42,613 lakhs) earmarked for Contingency Reserve Fund.
- (c) Investment in US Government Treasury Bills above represents Treasury bills amounting to ₹ 5,59,453 lakhs (31 March 2021 ₹ 5,17,852 lakhs) which are held in custody with Settlement Banks, who have extended committed lines of credit amounting to ₹ 3,78,750 lakhs (31 March 2021 ₹ 3,65,738 lakhs)to enable the Company to meet settlement shortages, if any.
- (d) The subject collateralization of US treasury T- bills invested out of cash collaterals received from members is for the purpose of raising liquidity to complete the settlement. According to the provisions of CCIL Bye-Laws, Rules, and relevant Regulations (BRR) read with the Payment and Settlement Systems Act 2007, which is a special legislation for the purpose of settlement of transactions, cash collaterals received from the members, investment made out of the cash collaterals received and collateralisation of the investments made out of same for the purpose of raising liquidity to complete the settlement are special arrangements and can not be treated at par with arrangements relating to Group's proprietary funds. Therefore there is no applicability of creation of Charge under section 77 of the Companies Act, 2013.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 12		
Trade Receivables		
Billed Revenue		
Secured, Considered Good	3,302	2,913
Unsecured, Considered Good	1,033	774
Unbilled Revenue		
Secured, Considered Good	-	-
Unsecured, Considered Good	228	144
	4,563	3,831

Trade Receivable Ageing as on 31 March 2022 :

(₹ in lakhs)

Particulars	Trade Receivable Not Due	Less than 6 Months	6 months - 1 Year	1-2 years	2-3 years	more than 3 years	Total
Billed Debtors							
1) Undisputed Trade Receivables - Considered Good	4,152	167	16	0	-	-	4,335
2) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
3) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
4) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
5) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
6) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	4,152	167	16	0	-	-	4,335
Unbilled Debtors							228
Total							4,563

0 denotes amount less than ₹ 0.50 Lakhs



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 12

Trade Receivables (Contd...)

Trade Receivable Ageing as on 31 March 2021 :

(₹ in lakhs)

Particulars	Trade Receivable Not Due	Less than 6 Months	6 months - 1 Year	1-2 years	2-3 years	more than 3 years	Total
Billed Debtors							
1) Undisputed Trade Receivables - Considered Good	3,614	61	11	0	-	0	3,687
2) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
3) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
4) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
5) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
6) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	3,614	61	11	0	-	0	3,687
Unbilled Debtors							144
Total							3,831

"0" denotes amount less than ₹ 0.50 lakh

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 13a		
Cash and Cash Equivalents		
Cash on Hand	1	0 *
Cheque on Hand	-	9
Balances with Banks		
- in Current Accounts	24,619	25,001
- in Deposit Accounts (Original Maturity of upto 3 Months)	36,483	97,326
Less: Loss allowance	-	-
	61,103	1,22,336

* denotes amount less than ₹ 0.50 Lakh

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 13b		
Other Bank Balances		
Bank Deposits with Original Maturity of more than 3 Months but Residual Maturity	5,06,706	4,26,668
	<u>5,06,706</u>	<u>4,26,668</u>

Note:

- a) Bank Deposits includes ₹ 48,724 lakhs (31 March 2021: ₹ 59,394 lakhs) earmarked for Settlement Reserve Fund.
- b) Bank Deposits includes ₹ 27,075 lakhs (31 March 2021: ₹ 28,176 lakhs) earmarked for Contingency Reserve Fund.
- c) Bank Deposits includes ₹ 1,15,490 lakhs (31 March 2021: ₹ 65,832 lakhs) are held in custody by various banks against overdraft limits sanctioned by them. The total overdraft limits of ₹ 1,03,941 lakhs (as on 31 March 2021 : ₹ 57,804 lakhs) sanctioned by these banks against Bank Deposits submitted as on 31 March 2022.
- d) The subject collateralization of Bank Deposits invested out of cash collaterals received from members is for the purpose of raising liquidity to complete the settlement. According to the provisions of CCIL Bye-Laws, Rules, and relevant Regulations (BRR) read with the Payment and Settlement Systems Act 2007, which is a special legislation for the purpose of settlement of transactions, cash collaterals received from the members, investment made out of the cash collaterals received and collateralisation of the investments made out of same for the purpose of raising liquidity to complete the settlement are special arrangements and can not be treated at par with arrangements relating to Group's proprietary funds. Therefore there is no applicability of creation of Charge under section 77 of the Companies Act, 2013.

Note 14

Other Current Financial Assets

(Unsecured, Considered Good)

Interest Accrued on Bank Deposits	8,281	7,692
Others	316	51
	<u>8,597</u>	<u>7,743</u>

Note 15

Other Current Assets

(Unsecured, Considered Good)

Prepaid Expenses	1,021	619
Balances with Government Authorities	-	300
Advance to Suppliers & Others	49	28
Funds Used for Default	3,171	-
Others	44	63
	<u>4,285</u>	<u>1,010</u>



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 16

Equity Share Capital

a. Details of Authorised, Issued and Subscribed Share Capital

(₹ in lakhs)

	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of ₹10/- each	5,00,00,000	5,000	5,00,00,000	5,000
Redeemable, Non Convertible, Cumulative Preference Shares of ₹10/- each*	5,00,00,000	5,000	5,00,00,000	5,000
Issued, Subscribed and Fully Paid up				
Equity Shares of ₹10/- each Fully Paid	5,00,00,000	5,000	5,00,00,000	5,000
	<u>5,00,00,000</u>	<u>5,000</u>	<u>5,00,00,000</u>	<u>5,000</u>

* 5,00,00,000 Nos 8.50% Redeemable, Cumulative, Non Convertible Preference Shares of ₹10 each (Total Face Value of ₹5,000) are classified as Financial Liability (See Note 18 & 21)

b. Reconciliation of Number of Shares at the beginning and at the end of the year

	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	5,00,00,000	5,000	5,00,00,000	5,000
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<u>5,00,00,000</u>	<u>5,000</u>	<u>5,00,00,000</u>	<u>5,000</u>

c. Particulars of shareholders holding more than 5% of shares held

Name of shareholder	31 March 2022		31 March 2021	
	No of equity shares held	Percentage	No of equity shares held	Percentage
State Bank of India	84,00,000	16.80%	84,00,000	16.80%
Life Insurance Corporation of India	50,00,000	10.00%	50,00,000	10.00%
STCI Finance Limited	50,00,000	10.00%	50,00,000	10.00%
ICICI Bank Limited	49,50,000	9.90%	49,50,000	9.90%
HDFC Bank Limited	45,00,000	9.00%	45,00,000	9.00%

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 16

Equity Share Capital (Contd...)

d. Disclosure of Shareholding of Promoters

Shares held by Promoters as at 31 March 2022 as follows :

Promoter Name	31 March 2022		31 March 2021		% Change during the Period
	Number of Shares	% of Total Shares	Number of Shares	% of Total Shares	
i) State Bank of India	84,00,000	16.80%	84,00,000	16.80%	Nil
ii) Bank of Baroda	5,00,000	1.00%	5,00,000	1.00%	Nil
iii) HDFC Bank Limited	45,00,000	9.00%	45,00,000	9.00%	Nil
iv) ICICI Bank Limited	49,50,000	9.90%	49,50,000	9.90%	Nil
v) Life Insurance Corporation of India	50,00,000	10.00%	50,00,000	10.00%	Nil

Shares held by Promoters as at 31 March 2021 as follows :

Promoter Name	31 March 2021		31 March 2020		% Change during the Period
	Number of Shares	% of Total Shares	Number of Shares	% of Total Shares	
i) State Bank of India	84,00,000	16.80%	84,00,000	16.80%	Nil
ii) Bank of Baroda	5,00,000	1.00%	5,00,000	1.00%	Nil
iii) HDFC Bank Limited	45,00,000	9.00%	45,00,000	9.00%	Nil
iv) ICICI Bank Limited	49,50,000	9.90%	49,50,000	9.90%	Nil
v) Life Insurance Corporation of India	50,00,000	10.00%	50,00,000	10.00%	Nil

e. Terms/rights attached to equity shares

Voting rights : The Group 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. The Board of Directors have recommended dividend of ₹ 2.50 per fully paid up equity share of ₹ 10/- each, aggregating ₹ 1,250 Lakhs for the financial year 2021-22, which is based on relevant share capital as on 31st March, 2022.

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.

- f. There are no shares reserved for issue under options and contracts or commitments for sale of shares.
- g. For the period of five years immediately preceding the date of the Balance Sheet, the Group 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.
- h. There are no securities convertible into equity / preference shares.
- i. There are no calls unpaid.
- j. No shares have been forfeited.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 17		
Other Equity		
<i>(Refer Statement of Changes in Equality)</i>		
Settlement Reserve Fund	2,00,000	1,75,000
Contingency Reserve Fund	86,000	77,900
General Reserve	1,26,756	1,23,256
Other Comprehensive Income	(1,161)	(404)
Retained Earnings	16,248	15,180
	4,27,843	3,90,932

17.1 Nature and Purpose of Reserves

Settlement Reserve Fund

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 utilised for meeting claims in relation to any participants' default. Bank Balances / Bank Deposits / Current Investments amounting to ₹ 1,75,000 lakhs (31 March 2021: ₹ 1,50,000 lakhs) are earmarked for this purpose.

Contingency Reserve Fund

Contingency 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 utilised for meeting Non-default losses. Bank Balances / Bank Deposits / Current Investments amounting to ₹ 77,900 lakhs (31 March 2021: ₹ 70,275 lakhs) are earmarked for this purpose.

General Reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Other Comprehensive Income

Other comprehensive income represents the actuarial loss on fair valuation of defined benefit obligation and fair valuation gain or loss on investments classified as FVOCI.

Retained Earnings

Retained Earnings represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 18		
Borrowings		
Redeemable Preference Shares (Unsecured)		
- 8.5% Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each (RNCPS II)	-	5,000
	-	5,000

Terms of Preference Shares:

- 1) The Company has only one class of Preference Shares being Redeemable, Cumulative, Non-convertible and Non-participating Preference Shares.
- 2) 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 22, 2023.
- 3) 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.

Note 19

Deferred Tax Liabilities (Net)

Deferred Tax Liabilities

Difference between Book Base and Tax Base of Property, Plant and Equipment and Intangible Assets	1,699	1,613
Fair Valuation of Investments carried at FVOCI	-	5
Fair Valuation of Variable Compensation	8	11
	1,707	1,629

Deferred Tax Assets

Tax Disallowances	389	423
Fair valuation of investments carried at FVOCI	291	-
	680	423
	1,027	1,206

Note 20

Non Current Provisions

Provision for Employee Benefits	2,047	1,977
	2,047	1,977



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 21		
Current Borrowings		
Redeemable Preference Shares (Unsecured)		
- 8.5% Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each (RNCPS II)	5,000	-
Line of Credit from a Bank	3,371	-
	8,171	-

Terms of Preference Shares:

- 1) The Company has only one class of Preference Shares being Redeemable, Cumulative, Non-convertible and Non-participating Preference Shares.
- 2) 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 22, 2023.
- 3) 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.

Note 22

Trade Payables Due to :

Micro and Small Enterprises		
Billed Creditors	-	19
Unbilled Creditors	49	1
Other than Micro and Small Enterprises		
Billed Creditors	23	268
Unbilled Creditors	642	414
	714	702

Trade Payable Ageing Schedule as on 31 March 2022 :

(₹ in lakhs)

Particulars	Outstanding for the following periods from the due date of payment/date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Billed Creditors					
1) MSME	-	-	-	-	-
2) Others	23	-	-	-	23
3) Disputed dues - MSME	-	-	-	-	-
4) Disputed dues - Others	-	-	-	-	-
	23	-	-	-	23
Undisputed Unbilled Creditors					691
TOTAL					714

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 22

Trade Payables Due to (Contd...)

Trade Payable Ageing Schedule as on 31 March 2021 :

(₹ in lakhs)

Particulars	Outstanding for the following periods from the due date of payment/date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Billed Creditors					
1) MSME	19	-	-	-	19
2) Others	268	-	-	-	268
3) Disputed dues - MSME	-	-	-	-	-
4) Disputed dues - Others	-	-	-	-	-
	287	-	-	-	287
Undisputed Unbilled Creditors					415
TOTAL					702

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
-------------	------------------------	------------------------

Note 23

Other Current Financial Liabilities

Interest Accrued but not Due	3,746	2,812
Deposits from Members ##	15,34,465	13,95,337
Creditors for Capital Expenses	480	1,380
Dividend Payable on Redeemable Preference Shares	425	425
Other Payables ^	517	591
	15,39,633	14,00,545

^ Other Payable includes ₹ 51 lakhs (31 March 2021 : ₹ 57 lakhs) due to Micro and Small Enterprises.

##. '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 :

(₹ in lakhs)

Particulars	Cash Collaterals	Govt. Securities #	Guarantees**
As at 31 March 2022			
Securities Settlement	6,65,360	1,13,96,651	-
Forex Settlement @	5,85,704	-	-
TREPS Settlement	1,30,815	8,01,26,404	2,15,000
Default Funds	1,52,586	9,27,030	-
Total	15,34,465	9,24,50,085	2,15,000
As at 31 March 2021			
Securities Settlement	5,98,424	81,54,986	-
Forex Settlement @	5,46,253	-	-
TREPS Settlement	1,04,970	6,59,03,486	2,15,000
Default Funds	1,45,690	8,01,760	-
Total	13,95,337	7,48,60,232	2,15,000



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 23

Other Current Financial Liabilities (Contd...)

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
The Collaterals received in the form of cash have been invested as under and are included in respective accounts:		
US Government Treasury Bills (under Current Investments)	5,59,563	5,17,682
Government of India Treasury Bills (under Current Investments)	5,63,028	4,94,910
Balance in Bank Accounts (under Cash and Cash Equivalents)		
- In Current Accounts	14,164	21,397
- In Deposit Accounts	3,97,710	3,61,348
	15,34,465	13,95,337

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

@ Equivalent to US Dollars 773,206 thousands (31 March 2021 - US Dollars 746,783 thousands).

** The Group has accepted Bank Guarantees as additional collaterals.

Note 24

Other Current Liabilities

Revenue Received in Advance	31	17
Statutory Dues	1,258	682
Other Payables	21	23
	1,310	722

Note 25

Current Provisions

Provision for Employee Benefits { Refre Note 42 }	1,436	1,911
Statutory Dues	1,436	1,911

Note 26

Current Tax Liabilities (Net)

Provision for Taxation (Net of Advance Tax)	177	86
	177	86

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



(₹ in lakhs)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Note 27		
Income from Operations		
Transaction Charges - Securities Settlement - Outright Trades	12,761	14,016
Transaction Charges - Securities Settlement - Repo Trades	5,231	5,022
Transaction Charges - TREPS Settlement	4,334	3,386
Transaction Charges - Forex Settlement	4,175	3,453
Transaction Charges - CLS Settlement	1,712	1,445
Trade Processing Charges - Trade Repository	862	660
Transaction Charges - Repo Trading Systems	1,047	1,005
Transaction Charges - TREPS Trading Systems	2,167	1,693
Transaction Charges - Forex Trading Systems	88	70
Transaction Charges - NDS OM	694	759
Transaction Charges - NDS Call	64	85
Transaction Charges-IRS Trading System	72	25
Datafeed Charges	673	628
LEI Registration Charges	519	316
Annual LEI Renewal Fees	865	717
Portfolio Compression Charges	542	435
Forex Forward Charges	2,692	2,008
Derivatives Charges	2,069	1,440
Other Fees and Charges	476	220
	41,043	37,383

Note 28

Other Operating Revenues

Interest / Income on Onvestments made out of Operational Funds		
- Income on Current Investments	18,973	21,363
- Interest on Bank Deposits	14,559	15,204
	33,532	36,567
Less : Interest Paid on Deposits from Members	12,530	9,907
	21,002	26,660

(₹ in lakhs)



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Note 29		
Other Income		
Interest / Income on Investments Made out of Own Funds		
- on Current Investments	8,354	6,900
- on Bank Deposits	6,391	9,456
	<u>14,745</u>	<u>16,356</u>
Profit on Sale of Property, Plant and Equipments (Net)	5	2
Gain on Foreign Currency Transactions and Translation (Net)	25	-
Others	53	19
	<u>14,828</u>	<u>16,377</u>
Note 30		
Employee Benefits Expenses		
Salaries	5,400	5,646
Contribution to Provident and Other Funds { Refre Note 42}	790	759
Staff Welfare Expenses	232	178
	<u>6,422</u>	<u>6,583</u>
Note 31		
Finance Cost		
Line of Credit Commitment and Other Charges	2,153	2,506
Dividend on Preference Shares	425	425
Interest on Taxes	7	6
Interest on Others	37	48
	<u>2,622</u>	<u>2,985</u>
Note 32		
Depreciation and Amortization Expenses		
Depreciation of Property, Plant and Equipment {Refer Note No 3}	1,346	1,075
Amortisation of Intangible Assets {Refer Note No 5}	3,861	3,725
	<u>5,207</u>	<u>4,800</u>

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Note 33		
Other Expenses		
Power and Fuel	381	376
Repairs and Maintenance -Buildings	109	79
Repairs and Maintenance -Computer Systems and Equipment	4,898	2,945
Repairs and Maintenance -Others	147	133
Insurance	154	145
Rates and Taxes	136	135
Communication Expenses	454	431
CLS Settlement Charges	1,122	954
Loss on Foreign Currency Transactions and Translation (Net)	-	34
Expenditure towards Corporate Social Responsibility	1,217	1,171
Professional Fees	341	336
Directors' Sitting Fees	103	89
Payment to Auditors {Refer Note 44}	28	30
Others	1,198	1,427
	10,288	8,285

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 34		
Income Taxes		
Tax Expense		
(a) Amounts Recognised in Statement of Profit and Loss		
Current Tax Expense		
Current Year	13,472	14,767
Tax Adjustments Relating to Earlier Years	(387)	-
	13,085	14,767
Deferred Tax Expense		
Origination and Reversal of Temporary Differences	81	47
	81	47
Tax Expense for the Year	13,166	14,814



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 34

Income Taxes (Contd...)

(b) Amounts Recognised in Other Comprehensive Income

(₹ in lakhs)

	Year Ended 31 March 2022			Year Ended 31 March 2021		
	Before tax	Tax (Expense) /Benefit	Net of tax	Before tax	Tax (Expense) /Benefit	Net of tax
Items that will not be reclassified to Profit or Loss						
Remeasurements of the Defined Benefit Liability / (Asset)	164	(41)	123	(34)	8	(26)
Items that will be reclassified to Profit or Loss						
Investments Measured at FVOCI	(1,175)	295	(880)	(2,704)	681	(2,023)
	(1,011)	254	(757)	(2,738)	689	(2,049)

(c) Reconciliation of Effective Tax Rate

(₹ in lakhs)

	Year Ended 31 March 2022	Year Ended 31 March 2021
Statutory Income Tax Rates		
The Clearing Corporation of India Limited	25.17%	25.17%
Clearcorp Dealing Systems (India) Limited	25.17%	25.17%
Legal Entity Identifier India Limited	25.17%	25.17%
Profit Before Tax	52,334	57,767
Statutory Income Tax Rate	25.17%	25.17%
Expected income tax expense at respective statutory tax rates of Group Companies	13,171	14,539
Tax Effect of :		
<u>Expenses not allowed under Income Tax</u>		
- Municipal Tax Considered under Income from House Property	-	0
- Expenditure towards Corporate Social Responsibilities and Other Donations	306	295
- Interest u/s 234 of Income Tax Act	1	2
- Others	(12)	9
<u>Income credited to Statement of Profit & Loss to be considered separately</u>		
- Rent on Residential Flat Let Out	-	(4)
- Profit on Sale of Property, Plant and Equipment	(1)	(1)
Income from House Property	-	3
Others	88	(29)
Tax Adjustments Relating to Earlier Years	(387)	-
Total Tax Expense	13,166	14,814
Current Tax	13,472	14,767
Deferred Tax	81	47
Tax Adjustments Relating to Earlier Years	(387)	-
Tax Expense as per Profit or Loss	13,166	14,814
"0" denotes amount less than ₹ 0.50 Lakh		

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 34

Income Taxes (Contd....)

(d) Movement in Deferred Tax Balances :

Movement in Deferred Tax Balances (F.Y. 2021-22)

(₹ in lakhs)

	Net Balance 1 April 2021	Recognised during the year		As at 31 March 2022		
		Recognised in Profit or Loss	Recognised in OCI	Net Deferred Tax Asset/ Liability	Deferred Tax Asset	Deferred Tax Liability
Deferred Tax Liability						
Difference between book base and tax base of property, plant and equipment and intangible assets	(1,632)	(65)	-	(1,697)	2	(1,699)
Fair valuation of variable compensation	(14)	4	-	(10)	(2)	(8)
Deferred Tax Asset						
Tax disallowances	553	(62)	-	491	102	389
Remeasurement of defined benefit obligation	-	41	(41)	-	-	-
Investments measured using EIR	-	-	-	-	-	-
Fair valuation of investments carried at FVOCI	(5)	-	295	291	-	291
Deferred Tax Assets / (Liabilities)	(1,098)	(81)	254	(925)	102	(1,027)
Set Off Tax	-	-	-	-	-	-
Net Deferred Tax Assets / (Liabilities)	(1,098)	(81)	254	(925)	102	(1,027)



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 34
Income Taxes write word (Contd....)

Movement in Deferred Tax Balances (F.Y. 2020-21)

	Net Balance 1 April 2020	Recognised during the year		As at 31 March 2021		
		Recognised in Profit or Loss	Recognised in OCI	Net Deferred Tax Asset/ Liability	Deferred Tax Asset	Deferred Tax Liability
Deferred Tax Liability						
Difference between book base and tax base of property, plant and equipment and intangible assets	(1,554)	(78)	-	(1,632)	(19)	(1,613)
Fair valuation of investments carried at FVOCI	(686)	-	681	(5)	-	(5)
Fair valuation of variable compensation	(16)	2	-	(14)	(3)	(11)
Deferred Tax Asset						
Tax disallowances	514	38	-	553	130	423
Remeasurement of defined benefit obligation	-	(8)	8	-	-	-
Deferred Tax Assets / (Liabilities)	(1,742)	(47)	689	(1,098)	108	(1,206)
Set Off Tax	-	-	-	-	-	-
Net Deferred Tax Assets / (Liabilities)	(1,742)	(47)	689	(1,098)	108	(1,206)

Note :

- 1) The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- 2) Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 35

Earnings Per Share (EPS)

Basic EPS calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of equity shares outstanding during the year and the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(₹ in lakhs)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
i. Profit Attributable to Equity Holders (₹ in lakhs)		
Profit attributable to equity holders for basic and diluted EPS	39,168	42,953
	39,168	42,953
ii. Weighted Average Number of Ordinary Shares		
Number of Shares Outstanding at the beginning of the year	5,00,00,000	5,00,00,000
Add/(Less): Effect of Shares Issued/ (Bought Back)	-	-
Weighted Average Number of Shares for Calculating Basic EPS	5,00,00,000	5,00,00,000
Effect of Dilution		
Share Options	-	-
Weighted Average Number of Shares for Calculating Diluted EPS	5,00,00,000	5,00,00,000
iii. Basic Earnings Per Share (₹)	78.34	85.91
iv. Diluted Earnings Per Share (₹)	78.34	85.91



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 36

Financial Instruments - Fair Value

A. Accounting Classification and Fair Value

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	As at 31 March 2022											
	Carrying Amount			Fair Value				Total	Level 1 - Quoted Price in Active Markets	Level 2 - Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total
	Fair Value through Profit and Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Fair Value	Level 1 - Quoted Price in Active Markets	Level 2 - Significant Observable Inputs	Level 3 - Significant Unobservable Inputs					
Financial Assets												
Other Non Current Financial Assets	-	-	242	-	-	-	242	-	-	-	-	-
<u>Current Investments</u>	-	5,59,454	-	5,59,454	-	-	5,59,454	-	5,59,454	-	-	5,59,454
- Investment in US Government Treasury Bills	-	8,17,280	-	8,17,280	-	-	8,17,280	2,40,157	5,77,123	-	-	8,17,280
- Investment in Government of India Treasury Bills	-	-	4,563	-	-	-	4,563	-	-	-	-	-
Trade Receivables	-	-	61,103	-	-	-	61,103	-	-	-	-	-
Cash and Cash Equivalents	-	-	5,06,706	-	-	-	5,06,706	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents	-	-	8,597	-	-	-	8,597	-	-	-	-	-
Other Current Financial Assets	-	13,76,734	5,81,211	19,57,945	2,40,157	11,36,577	13,76,734	2,40,157	11,36,577	-	-	13,76,734
Financial Liabilities												
<u>Borrowings</u>	-	-	5,000	-	-	-	5,000	-	-	-	-	-
- Preference Shares	-	-	3,171	-	-	-	3,171	-	-	-	-	-
- Line of Credit from a Bank	-	-	714	-	-	-	714	-	-	-	-	-
Trade Payables	-	-	15,39,633	-	-	-	15,39,633	-	-	-	-	-
Other Current Financial Liabilities	-	-	15,48,518	-	-	-	15,48,518	-	-	-	-	-

Note : There are no other categories of financial instruments other than those mentioned above

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 36

Financial Instruments - Fair Value (Contd....)

A. Accounting Classification and Fair Value

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		As at 31 March 2021					(₹ in lakhs)
		Carrying Amount			Fair Value		
Fair Value through Profit and Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total	Level 1 - Quoted Price in Active Markets	Level 2 - Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total
Financial Assets							
Other Non Current Financial Assets							
<u>Current Investments</u>							
-	-	121	121	-	-	-	-
-	5,17,852	-	5,17,852	-	5,17,852	-	5,17,852
-	7,01,978	-	7,01,978	2,20,669	4,81,309	-	7,01,978
-	-	3,831	3,831	-	-	-	-
-	-	1,22,336	1,22,336	-	-	-	-
-	-	4,26,668	4,26,668	-	-	-	-
-	-	7,743	7,743	-	-	-	-
-	12,19,830	5,60,699	17,80,529	2,20,669	9,99,161	-	12,19,830
Financial Liabilities							
<u>Borrowings</u>							
-	-	5,000	5,000	-	-	-	-
-	-	-	-	-	-	-	-
-	-	702	702	-	-	-	-
-	-	14,00,545	14,00,545	-	-	-	-
-	-	14,06,247	14,06,247	-	-	-	-



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 36

Financial Instruments - Fair Value (Contd...)

Note : There are no other categories of financial instruments other than those mentioned above

The Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses, if any, of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

B. Fair Value Hierarchy

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level. This is the case for unlisted equity securities included in level 3.

Financial Instruments Measured at Fair Value

The following table shows the valuation techniques used in measuring Level 2 fair values for financial instruments measured at fair value in the balance sheet as well as the significant unobservable inputs used.

Type	Valuation Technique	Significant Unobservable Inputs	Inter-Relationship between Significant Unobservable Inputs and Fair Value Measurement
Investment in Government Securities	The fair value of treasury bills is calculated on the basis of the market price of these instruments as at the balance sheet date. Market price is calculated on the basis of the price published by Financial Benchmarks India Private Limited (FBIL).	N.A.	N.A.
Investment in U.S. Government Securities	The fair value of treasury bills is calculated on the basis of the market price of these instruments as at the balance sheet date. Market price is calculated on the basis of the price published by Federal Reserve.	N.A.	N.A.

Transfers between Levels

There have been no transfers between levels during the reporting periods



Note 36

Financial Instruments - Risk Management (Contd...)

Risk Management

Introduction

The Group's activities expose it to a number of financial risks, principally liquidity risk, credit risk and market risk (Interest rate risk and foreign exchange risk). In addition to the financial risks, the Group is also exposed to other risks such as operational, legal, compliance and reputational risk. The Group has put in place an Integrated Enterprise Risk Management Framework in order to identify, measure, monitor and effectively manage various risks it is exposed to. The framework prescribes the governance structures and responsibilities and includes written risk policies at all levels, which defines Group's risk appetite, highlights the key risks, and describe the manner in which those risks are properly managed.

Overall responsibility for risk management rests with the Board. The Board has constituted a Committee of Directors for Risk Management (CODRM) which is responsible for developing and monitoring Risk Policies and deciding all issues relating to risk management of the Group. The Group's Senior Management is responsible for day to day overseeing of the Compliance of the Risk policies. The Group also has a dedicated Risk Management Department which is responsible for day to day administration of Risk Management Activity specially managing risks faced by the Group as a Central Counter Party (CCP). The Group has an elaborate Operation Audit, Internal Audit, Concurrent Audit, Systems Audit and other Control Mechanisms entrusted to independent external professionals.

a. Credit Risk

Risk Description

The Credit risk, for the Group, could arise on account of failure of a member to honor its settlement obligation or upon default by a settlement Bank. Credit risk could also arises on account of investment activity of the Group.

Risk Management Approach

The Group counters Credit Risk exposure to members by reducing the exposures through multi-lateral netting and settling transactions on Delivery Versus Payment (DVP) or Payment Versus Payment (PVP) basis and therefore does not run any Principal Credit Risk. Moreover, the Group has set criteria for membership for each type of settlement.

Most of the settlements happen in the Books of Reserve Bank of India and therefore there is no Settlement Bank Risk in respect of the same. Wherever settlements are settled through Commercial Banks, Settlement Bank Risk is mitigated by the Group by prescribing stringent minimum eligibility criteria for selection of the Settlement Banks and setting of appropriate exposure control limits.

The Group regularly invests its internally generated funds and funds received from its members towards Margin and Default funds. The Group has a detailed Investment Policy, approved by the CODRM and the Board, which prescribes eligible instruments, exposure limits, Guidelines on Risk management and other aspects relating to the investment activity. The CODRM and the Board review the Investment Policy annually. In accordance with the Investment policy, the Group invests only into highly secure and liquid avenues such as Deposit with high net-worth Commercial Banks and short term Government Securities such as Government treasury Bills. The total credit risk of the Group is represented by the total financial assets of the Group. There is no credit risk in case of investment into Government securities. Credit risk in case of Bank Deposits, is mitigated by prescribing stringent eligibility criteria for the investee banks and setting of exposure and concentration limits on the amounts to be invested.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 36

Financial Instruments - Risk Management (Contd...)

Bank Balances and Bank Deposits

The Group held bank balances and bank deposits of ₹ 5,68,008 lakhs at 31 March 2022 (31 March 2021: ₹ 5,49,079 lakhs). The bank balances and bank deposits are held with bank and financial institution counterparties with good credit ratings.

Offsetting of Financial Assets and Liabilities

The disclosures set out in the following tables include recognised financial assets and financial liabilities that:

- are offset in the Group's statement of financial position; or
- are subject to an enforceable netting arrangement and other provisions under Bye laws, Rules and regulation of the Group, irrespective of whether they are offset in the statement of financial position.

The Group receives collateral in the form of cash (including US Dollars towards forex settlement) and Government securities in respect of settlement transactions pertaining to the following segments:

- security settlement;
- forex settlement; and
- derivative settlement.

Financial Assets and Financial Liabilities are subject to offsetting, enforceable netting arrangements and other provisions under Bye Laws, Rules and Regulations (BRR) of the Group :

(₹ in lakhs)

As at 31 March 2022	Gross Amounts of Financial Assets	Gross Amounts of Financial Liabilities	Net Amounts Presented in Statement of Financial Position after setoff of Financial Assets & Financial Liabilities	Related Amount not offset in Statement of Financial Position		Net Amount
				Financial Instruments (including Non-Cash Collateral)	Cash Collateral Received	
Types of Financial Assets						
Forex Settlement (Including Forwards)	3,21,445	3,21,445	-	-	-	-
Derivative Settlement (IRS)	99,781	99,781	-	-	-	-
Securities Settlement (including TREPS)	7,27,655	7,27,655	-	-	-	-
Total	11,48,881	11,48,881	-	-	-	-

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 36

Financial Instruments - Risk Management (Contd...)

(₹ in lakhs)

As at 31 March 2021	Gross Amounts of Financial Assets	Gross Amounts of Financial Liabilities	Net Amounts Presented in Statement of Financial Position after setoff of Financial Assets & Financial Liabilities	Related Amount not offset in Statement of Financial Position		Net Amount
				Financial Instruments (including Non-Cash Collateral)	Cash Collateral Received	
Types of Financial Assets						
Forex Settlement (Including Forwards)	6,86,120	6,86,120	-	-	-	-
Derivative Settlement (IRS)	1,51,292	1,51,292	-	-	-	-
Securities Settlement (including TREPS)	7,39,304	7,39,304	-	-	-	-
Total	15,76,716	15,76,716	-	-	-	-

b. Liquidity Risk

Risk Description

Liquidity risk is the risk that the Group is unable to meet its payment obligations when they fall due. The Company, being a Central Counter party (CCP), is required to have adequate liquid resources in order to meet liquidity requirement in case if any member fails to honour its settlement obligations. Liquidity risk also exists as a result of day to day operational flows such as repayment of cash collaterals to members, Trade payables etc.

Risk Management Approach

Liquidity risk is managed by ensuring that the Group has sufficient Lines of credit from the participant banks, overdraft facility against the time deposits placed with Commercial banks and easily marketable securities collected as collaterals. etc. The Group also maintains adequate balances with Banks and keeps its investments in highly liquid avenues to enable it to meet cash collateral withdrawals by members, trade payables, etc.

Maturities of Financial Liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 36

Financial Instruments - Risk Management (Contd...)

(₹ in lakhs)

As at 31 March 2022	Contractual Cash Flows				
	Carrying Amount	Total	Upto 1 Year	1 to 5 Years	More than 5 Years
Non-Derivative Financial Liabilities					
Borrowings					
- Preference Shares	5,000	5,000	5,000	-	-
- Line of Credit from a Bank	3,171	3,171	3,171	-	-
Trade Payables	714	714	714	-	-
Other Current Financial Liabilities	15,39,633	15,39,633	15,39,633	-	-
Total	15,48,518	15,48,518	15,48,518	-	-

(₹ in lakhs)

As at 31 March 2021	Contractual Cash Flows				
	Carrying Amount	Total	Upto 1 Year	1 to 5 Years	More than 5 Years
Non-Derivative Financial Liabilities					
Borrowings					
- Preference Shares	5,000	5,000	-	5,000	-
Trade Payables	702	702	702	-	-
Other Current Financial Liabilities	14,00,545	14,00,545	14,00,545	-	-
Total	14,06,247	14,06,247	14,01,247	5,000	-

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows.

c. Market Risk (Price Risk and Interest Rate Risk)

Risk Description

The Company provides Central Counterparty (CCP) clearing services for both cash market and derivative products. The Company settles cash transactions cleared by it on a Delivery versus Payment (or Payment versus Payment in case of currencies). The failure of a member therefore exposes it to market risk arising out of adverse movement in prices of securities cleared or adverse movements in interest rates and exchange rates. In case of derivative products like rupee derivatives and forward USD INR transactions, the company is also exposed to pre-settlement risk which is manifested in the form of market risk.

The Group's investments are primarily in fixed rate interest bearing investments. Hence, the Groups not significantly exposed to interest rate risk. However, Group is exposed to the price risk in case of its investment in Government treasury Bills.

The Group is exposed to the interest rate risk due to interest paid to members, at variable rate, on the deposits received from them towards margins and default fund contributions.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 36

Financial Instruments - Risk Management (Contd...)

Risk Management Approach

The Group seeks to cover its market risk exposure through collection of various margins. The potential future exposure is covered by collecting Initial Margin and Volatility Margin. The current exposure is covered by collecting mark to market margins. The efficiency of the margining models is monitored closely through a rigorous daily back-testing process.

The interest rate profile of the Group's interest-bearing financial instruments is as follows :

	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Fixed Rate Instruments		
Financial Assets - INR Investments	13,39,687	12,02,722
Financial Assets - US Dollar Investments	5,80,438	5,41,178
Financial Liabilities	(5,000)	(5,000)
	19,15,124	17,38,900
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities - INR (Deposits from Members)	(9,48,761)	(8,49,083)
Financial Liabilities - US Dollar (Deposits from Members)	(5,85,704)	(5,46,253)
Financial Liabilities - EURO Line of Credit from Bank	(3,171)	-
	(15,37,636)	(13,95,337)
Total	3,77,488	3,43,563

Interest Rate Sensitivity Analysis

The Group aims to minimise its exposure to interest rate fluctuations. Any exposure is predominantly due to the mismatch between the Group's interest bearing assets and interest bearing liabilities (including deposits from members). Since the return paid on member liabilities is generally reset to prevailing market interest rates and after retaining a spread the Group's exposure is limited. Further, the maximum fixed exposure on any asset in the investment portfolio (including Bank Deposits) is 12 months.

The following table shows the estimated impact of the exposure described in the paragraph above on the profit before tax and on retained earnings within shareholders' equity:

Interest Rate Sensitivity - Variable Rate Instruments

A change of 100 basis points (bps) (31 March 2021 : 100 basis points) for INR investments / liabilities and 10 basis points (bps) (31 March 2021 : 10 basis points) for US Dollar investments / liabilities in interest rates at the reporting date would have increased / decreased profit or loss by amounts shown below. This analysis assumes that all other variables remains constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the financial assets / financial liabilities outstanding during the year.



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 36

Financial Instruments - Risk Management (Contd...)

(₹ in lakhs)

	INR INVESTMENTS / LIABILITIES		FOREIGN CURRENCY INVESTMENTS / LIABILITIES	
	Gain / (Loss)		Gain / (Loss)	
	100 bp Increase	100 bp Decrease	10 bp Increase	10 bp Decrease
As at 31 March 2022				
Variable-rate Instruments	(9,488)	9,488	(589)	589
Cash Flow Sensitivity (Net)	(9,488)	9,488	(589)	589
	INR INVESTMENTS / LIABILITIES		FOREIGN CURRENCY INVESTMENTS / LIABILITIES	
	Gain / (Loss)		Gain / (Loss)	
	100 bp Increase	100 bp Decrease	10 bp Increase	10 bp Decrease
As at 31 March 2021				
Variable-rate Instruments	(8,491)	8,491	(546)	546
Cash Flow Sensitivity (Net)	(8,491)	8,491	(546)	546

(Note: The impact is indicated on the profit/loss before tax basis)

d. Foreign Exchange Risk

Risk Description

The functional currency of the Group is Indian Rupee. Though the Company is a Central counter party for Foreign Exchange Settlements, it is not exposed to any foreign currency risk on account of its collateral and settlement operations as all its settlement obligations are received and paid in respective foreign currencies. Also, collaterals for Forex Settlement Segment are received and repaid in US Dollars and Investment of such collaterals are in US Dollars. Foreign Exchange Risk for the Group primarily arises on account of foreign currency revenues and expenses, which is not significant.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 36

Financial Instruments - Risk Management (Contd...)

Exposure to Currency Risk (Exposure in different currencies converted to functional currency i.e. INR)

The currency profile of financial assets and financial liabilities of material financial currency exposure denominates as at 31 March 2022 and 31 March 2021 are as below:

(₹ in lakhs)

Exposure in US Dollar	As at 31 March 2022	As at 31 March 2021
Financial Assets (A)		
US Govt. Treasury Bills	5,59,454	5,17,852
Bank Balance in Current Accounts	27,477	29,649
Trade Receivables	45	2
	5,86,976	5,47,503
Financial Liabilities (B)		
Deposits from Members	5,85,704	5,46,253
Interest Payable to Members	-	241
License Fees Payable	228	168
Expesne Payable	175	167
	5,86,107	5,46,829
Net Exposure (A - B)	869	674

Exposure in EUR	As at 31 March 2022	As at 31 March 2021
Financial Assets (A)		
Funds Used for Default	3,171	-
	3,171	-
Financial Liabilities (B)		
Line of Credit from a Bank	3,171	-
	3,171	-
Net Exposure (A - B)	-	-



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 36

Financial Instruments - Risk Management (Contd...)

Sensitivity Analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against USD at 31 March 2022 and 31 March 2021 would have affected the measurement of financial instruments denominated in foreign currencies and affected Statement of profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

(₹ in lakhs)

Effect in functional currency (INR) due to :	As at 31 March 2022		As at 31 March 2021	
	Gain/(Loss)		Gain/(Loss)	
	Strengthening	Weakening	Strengthening	Weakening
5% Movement in underlying foreign currencies :				
USD	43.46	(43.46)	33.70	(33.70)
EUR	-	-	-	-
10% Movement in underlying foreign currencies :				
USD	86.91	(86.91)	67.39	(67.39)
EUR	-	-	-	-

(Note: The impact is indicated on the profit/loss before tax basis)

Note 37

Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

A. Relationships -

Category I :

State Bank of India - The Company is an associate of SBI.

Category II : Key Management Personnel (KMP)

Related Party	Nature of Relationship
Mr. R. Sridharan	Managing Director (upto July 31, 2020)
Mr. Hare Krishna Jena	Managing Director (from August 01, 2020)
Mr. R. Gandhi	Non Executive Chairman and Independent Director
Mr. Narayan K. Seshadri	Independent Director
Dr. G Sivakumar	Independent Director
Mr. B Prasanna	Nominee Director
Ms. Meena Hemchandra	Independent Director
Mr. Sankarshan Basu	Independent Director (upto August 24, 2020)
Mr. Pradeep Madhav	Nominee Director (upto August 31, 2021)
Mr. S. Vishvanathan	Independent Director
Mr. Sudhakar Shanbhag	Nominee Director (upto May 06, 2021)

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 37

Related Party Disclosures (Contd...)

Related Party	Nature of Relationship
Mr. Ashish Parthasarthy	Nominee Director (from May 22, 2020)
Mr. S.V. Sastry	Nominee Director (from August 01, 2020)
Mr. P.R. Ramesh	Independent Director (from August 01, 2020)
Mr. A.K. Anand	Nominee Director (from January 29, 2021)
Mr. Hemanta Kumar Pradhan	Independent Director (from August 13, 2021)
Ms. Radhavi Rishikesh Deshpande	Nominee Director (from May 07, 2021)

Other Key Management Personnel

Related Party	Nature of Relationship
Mr. O. N. Ravi	Executive Vice President
Mr. Deepak Chande	Chief Financial Officer
Mr. Pankaj Srivastava	Company Secretary

Category III: Other Related Parties

CCIL Employees Group Gratuity Fund Trust

CCIL Employees Superannuation Trust

Clearcorp Employees Group Gratuity Fund Trust

Clearcorp Employees Superannuation Trust

LEIL Employees Group Gratuity Fund Trust

b) Transactions with Key Management Personnel : Key Management Personnel Compensation

(₹ in lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Short Term Employee Benefits	469	464
Post Employment Defined Benefit	30	29
Other Long Term Benefits	9	51
Total	508	544

Compensation of the Company's key managerial personnel includes salaries, non-cash benefits and contributions to post-employment defined benefit plan (Note 30).



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 37

Related Party Disclosures (Contd...)

c) Transactions other than those with Key Management Personnel :

(₹ in lakhs)

Particulars	State Bank of India	Key Management Personnel
1) Income from Operations	2,503 (1,273)	- -
2) Collaterals Cash Received	1,07,267 (48,776)	- -
3) Collaterals Cash Repaid	1,15,202 (30,373)	- -
4) Collaterals Securities Received (at Face Value)	4,38,33,657 (2,56,95,410)	- -
5) Collaterals Securities Returned (at Face Value)	4,24,53,657 (60,36,700)	- -
6) Interest on Deposits from Members	464 (226)	- -
7) Director Sitting Fees	- -	91 (76)

d) The related party balances outstanding at year end are as follows:

(₹ in lakhs)

Particulars	State Bank of India	Key Management Personnel
1) Receivable	255 (188)	- -
2) Payable	115 (122)	24 (23)
3) Collaterals outstanding - Cash	31,641 (39,576)	- -
4) Collaterals outstanding - Securities (at face value)	2,14,04,676 (2,00,24,676)	- -



Note 37

Related Party Disclosures (Contd...)

Notes:

1. Transactions with State Bank of India in the nature of banker-customer relationship have been excluded.
2. Collaterals received in the form of Government Securities are held under Constituent Subsidiary General Ledger (CSGL) Account with Reserve Bank of India.
3. The amounts are exclusive of Goods and Service Tax wherever applicable.
4. 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 38

Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available.

All operating segments' results are regularly reviewed by the Board of Directors, which have been identified as the Chief Operating Decision Maker ('CODM') of the Group inter-company revenues and expenses, for which discrete financial information is available. The Board of Directors, which have been identified as the CODM, regularly review the performance reports and make decisions about allocation of resources.

The Group has two reportable segments, as described below, which are the Group's strategic business units. For each business units the Board of Directors regularly reviews the performance reports.

Reportable Segments

- i. Clearing and Settlement Services
- ii. Trading Services



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 38

Segment Reporting (Contd...)

Information about Reportable Segments

The Board of Directors reviews profit before tax as the measure of a segment performance. The segment results are thus profit before tax attributable to the respective segments.

(₹ in lakhs)

Particulars	2021-22			2020-21		
	Clearing & Settlement Services	Trading Services	Total	Clearing & Settlement Services	Trading Services	Total
REVENUE						
Revenue from Operations (External)	57,463	4,582	62,045	59,984	4,059	64,043
Total Revenue from Operations	57,463	4,582	62,045	59,984	4,059	64,043
RESULT						
Segment Result	36,219	1,287	37,506	39,758	1,632	41,390
Add: Other Income			14,828			16,377
Profit Before Tax			52,334			57,767
Tax Expense						
- Current Tax			13,472			14,767
- Deferred Tax			81			47
- Tax Adjustments relating to earlier years			(387)			-
Profit After Tax			39,168			42,953
OTHER INFORMATION						
Assets						
Segment Assets	19,74,591	12,767	19,87,358	17,95,862	12,219	18,08,081
Total Assets	19,74,591	12,767	19,87,358	17,95,862	12,219	18,08,081
Liabilities						
Segment Liabilities	15,53,636	879	15,54,515	14,10,936	1,212	14,12,148
Total Liabilities	15,53,636	879	15,54,515	14,10,936	1,212	14,12,148
Capital Expenditure						
Segment Capital Expenditure	2,909	554	3,463	5,744	1,258	7,002
Total Capital Expenditure	2,909	554	3,463	5,744	1,258	7,002
Depreciation/Amortisation						
Segment Depreciation/Amortisation	4,309	898	5,207	4,128	672	4,800
Total Depreciation/Amortisation	4,309	898	5,207	4,128	672	4,800

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 39		
Commitments		
Capital Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,394	785
	1,394	785
Note 40		
Contingent Liabilities		
Claims against the Group not acknowledged as debt -		
- Income Tax Demands for various assessment years disputed by the Group	2,974	1,927
<u>Service Tax Demands including penalty and interest thereon</u>		
- Pending settlement of the dispute, an amount of ₹ 226 lakhs, being the principal amount claimed by the authorities has been paid under protest and disclosed under Other Non Current Assets.	775	775
Total	3,749	2,702



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 41

Micro and Small Enterprises

There are no micro and small enterprises, to whom the Group owes dues, which are outstanding for more than 45 days as at 31 March 2022 and 31 March 2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Group.

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Outstanding for less than 45 days		
a. Principal and interest amount remaining unpaid	100	86
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006)	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Note 42

Employee Benefits

Amounts Recognised as Expense:

(i) Defined Contribution Plan

- (1) Employer's Contribution to Provident Fund amounting to ₹ 332 lakhs (31 March 2021 : ₹ 314 lakhs) has been included in Note 30 Contribution to Provident Fund and Other Funds.
- (2) Employer's Contribution to Superannuation Fund amounting to ₹ 86 lakhs (31 March 2021 : ₹ 82 lakhs) has been included in Note 30 Contribution to Provident Fund and Other Funds.
- (3) Employer's Contribution to NPS amounting to ₹ 62 lakhs (31 March 2021 : ₹ 56 lakhs) has been included in Note 30 Contribution to Provident Fund and Other Funds.

(ii) Defined Benefit Plan

In terms of the Group'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 Group is funded with Life Insurance Corporation of India (LIC) in the form of qualifying insurance policy.

In accordance with the Indian Accounting Standard on employee benefits (Ind AS 19) the following disclosures have been made which is based on Actuarial Valuation provided by Independent Actuary.

Gratuity cost amounting to ₹ 280 lakhs (31 March 2021 : ₹ 280 lakhs) has been included in Note 30 Contribution to Provident Fund and Other Funds.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Note 42		
Employee Benefits (Contd...)		
A. Amount Recognised in the Balance Sheet		
Present value of the obligation as at the end of the year	3,362	3,201
Fair value of plan assets as at the end of the year	3,637	3,202
Net Asset / (Liability) to be recognized in the Balance Sheet	276	1
Non Current Portion	(37)	(26)
Current Portion	238	27
B. Change in Projected Benefit Obligation		
Projected Benefit of Obligation at the beginning of the year	3,202	2,861
Current Service Cost	281	274
Interest Cost	218	194
Benefits Paid	(174)	(161)
Actuarial (Gain) / Loss on Obligation	(164)	34
Projected Benefit Obligation at the end of the year	3,362	3,202
C. Change in Plan Assets		
Fair value of plan assets at the beginning of the year	3,201	2,773
Expected return on plan assets	217	187
Contributions made	392	345
Benefits paid	(174)	(106)
Acquisition Adjustment	2	-
Fair Value of Plan Assets at the end of the year	3,638	3,201
D. Amount Recognised in the Statement of Profit and Loss		
Current service cost	280	274
Net Interest cost / (income) on the net defined benefit asset / liability	0*	6
Expenses recognised in the statement of profit and loss	280	280
E. Amount Recognised in Other Comprehensive Income		
Actuarial (gains) / loss		
- change in demographic assumption	1	-
- change in financial assumption	(150)	-
- experience variation	(15)	34
	(164)	34

* denotes amount less than ₹. 0.50 Lakhs



THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 42

Employee Benefits (Contd...)

F. Major categories of plan assets as a percentage of total plan :

- 100 % Insurance funds

(₹ in lakhs)

G. Assumptions Used	As at	As at
	31 March 2022	31 March 2021
Discount Rate	7.25%	6.80%
Employee Attrition Rate	8.00%	3.00%
Future Salary Increase	3.00%	8.00%
Mortality Rate	100%	100%
	(% of IALM 12-14)	(of IALM 12-14)

H. Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	3,062	2,378	2,899	2,176
Salary growth rate (1% movement)	3,704	1,970	3,548	1,678
Attrition rate (1% movement)	3,338	2,177	3,163	1,987
Mortality rate (1% movement)	3,362	2,159	3,202	1,957

I. Expected Future Cash Flows

(₹ in lakhs)

Particulars	1 year	2 to 5 years	6 to 10 years	More than 10 years
As at 31 March 2022				
Defined benefit obligations (Gratuity)	440	635	1,442	5,205
Total	440	635	1,442	5,205

Particulars	1 year	2 to 5 years	6 to 10 years	More than 10 years
As at 31 March 2021				
Defined Benefit Obligations (Gratuity)	245	723	1,241	5,108
Total	245	723	1,241	5,108

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 43

Corporate Social Responsibility (CSR)

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
i) Amount Required to be spent by the Company during the year	1,217	1,171
ii) Amount of Expenditure Incurred	1,217	1,171
iii) Shortfall at the end of the year	-	-
iv) Total of Previous Year Shortfall	-	-
v) Reason for Shortfall	N.A.	N.A.
vi) Nature of CSR Activities	Promoting healthcare including preventive healthcare, making available safe drinking water, promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects, Eradicating hunger, poverty and malnutrition & contribution to Prime Minister's National Relief Fund and contribution to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund	
vii) Details of the Related Party Transactions	None	None
viii) Details of Contractual Obligations	None	None

Note 44

Auditor's Remuneration

Auditor's remuneration consists of the following :

(₹ in lakhs)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
i) Statutory Audit Fees	20	25
ii) Limited Review Fees	6	-
iii) Certification Fees	2	5
iv) Reimbursement of Expenses	-	-
	28	30



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 45

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 46

Utilisation of Borrowed Funds and Share Premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.”

Note 47

There are no proceedings initiated or pending against the Group for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

Note 48

The Group is not declared as a wilful defaulter by any Bank or Financial institution or other lender.

Note 49

The Group has not traded or invested in Crypto Currency or Virtual Currency.

Note 50

There are no transactions with Struck off Companies during the year, except following :

(₹ in lakhs)

Name of the Struck off Company	Nature of Transactions	Group Entity	Balance Outstanding	Relationship
Redmoon Creative Private Limited	Advance Received (Payable)	Legal Entity Identifier India Limited	0	LEI Applicant

"0" denotes amount less than ₹ 0.50 lakh

Note 51

Additional Regulatory Information detailed in clause 6L of General Instructions given in Part I of Division II of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Group.

Note 52

Previous year's figures have been audited by M/s Kalyaniwalla & Mistry LLP, Chartered Accountants, who have expressed an unqualified opinion vide report dated May 07, 2021.

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



Note 53

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

Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Act

Name of the entity in the Group	Net Assets, i.e. Total Assets minus Total Liabilities		Share of Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent								
The Clearing Corporation Of India Limited	96.87	4,19,311	94.20	36,895	103.61	(784)	94.01	36,111
Subsidiaries - Indian								
Clearcorp Dealing Systems (India) Limited	2.75	11,888	3.94	1,543	(3.25)	25	4.08	1,567
Legal Entity Identifier India Limited	0.38	1,645	1.86	730	(0.36)	3	1.91	732
Total	100.00	4,32,843	100.00	39,167	100.00	(757)	100.00	38,410



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