

Board of Directors:

Mr. Yeshwant S. S. Kapdi (Managing Director)

Mr. Y. H. Malegam

Mr. S. Venkiteswaran

Mr. M. R. Ramesh

Mr. A. V. Rajwade

Mr. K. R. Ramamoorthy

Dr. N. L. Sarda

Dr. Ajay Shah

Mr. P. Sanyal

Ms. Shilpa Kumar

Mr. Bhavesh Zaveri

Dr. Hira Sadhak

Mr. M. S. Sundara Rajan

Mr. N. S. Venkatesh

Mr. V. H. Thatte

Company Secretary:

Mr. O. N. Ravi

Auditors:

M/s. Kalyaniwalla & Mistry

Chartered Accountants

Registered and Corporate office:

CCIL Bhavan

College Lane,

Off. S. K. Bole Road,

Dadar (West),

Mumbai-400 028

Tel: 61546200 ♦ Fax: 24326042

Website: www.ccilindia.com



THE CLEARING CORPORATION OF INDIA LIMITED

Financial Statements 2011-2012

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AUDITORS' REPORT

To the members of

THE CLEARING CORPORATION OF INDIA LIMITED

1. We have audited the attached Balance Sheet of The Clearing Corporation of India Limited as at March 31, 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of such.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.



- e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2012, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

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

Place: Mumbai
Date : May 21, 2012

ANNEXURE TO THE AUDITOR'S REPORT

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we further report that:

1. Fixed Assets:

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

2. Inventory:

The Company does not have any inventory.

3. Loans and Advances:

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

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchases of fixed assets and for services. During the course of our audit, no major weakness has been noticed in the internal control system.

5. There are no particulars of contracts or arrangements referred to in Section 301 of the Act which need to be entered in the register required to be maintained under that section.

6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder. No order has been passed by the Company Law Board, or National Company Law Tribunal, or Reserve Bank of India, or any Court, or any other Tribunal.

7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.



8. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956, for any of the activities of the Company.

9. Statutory Dues:

- a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues, including dues pertaining to Investor Education and Protection Fund, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Cess and any other statutory dues with the appropriate authorities. We have been informed that there are no undisputed dues which have remained outstanding as at the end of the financial year, for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty or Cess outstanding on account of any dispute other than the following:

Name of the Statute	Nature of Dues	Amount	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Notice of Demand u/s 156	₹ 16,924,599 (Amount Paid ₹ 3,000,000)	A.Y. 2006-07	Asst. Commissioner of Income Tax

10. The Company does not have accumulated losses as at the end of the financial year, nor has it incurred cash losses in the current financial year, or in the immediately preceding financial year.

11. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks. There are no dues to financial institutions or debentureholders.

12. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.

13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund/ societies.

14. The Company is not carrying on the business of dealing or trading in shares, securities, debentures and other investments. However, proper records have been maintained in respect of transactions and contracts entered into, wherever the Company has made investments. The securities have been held by the Company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, the Company has not obtained any term loan.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Cash Flow Statement and other records examined by us, the Company has not used funds raised on short term basis for long term investment.
18. The Company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company did not issue any debentures during the year.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the Company, has been noticed or reported during the year.

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

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

Place: Mumbai
Date : May 21, 2012



THE CLEARING CORPORATION OF INDIA LIMITED
BALANCE SHEET AS AT MARCH 31, 2012

(₹ in lakhs)

	Note No.	As at 31.03.2012	As at 31.03.2011
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	10,000	10,000
Reserves and Surplus	3	72,552	56,000
Non-current Liabilities			
Deferred Tax Liabilities (Net)	4	60	-
Long-term Provisions	5	336	397
Current Liabilities			
Trade Payables	6	302	220
Other Current Liabilities	7	409,053	377,639
Short-term Provisions	8	1,507	1,568
TOTAL		493,810	445,825
ASSETS			
Non-current Assets			
Fixed Assets	9		
-Tangible Assets		15,719	5,741
- Intangible Assets		322	326
-Capital Work-in-Progress		-	500
-Intangible Assets under Development		358	442
Non-current Investments	10	1,000	1,300
Deferred Tax Assets (Net)	4	-	63
Long-term Loans and Advances	11	95	6,854
Other Non-current Assets	12	-	6,012
Current Assets			
Current Investments	13	209,960	169,081
Trade Receivables	14	1,640	1,218
Cash and Bank Balances	15	256,095	246,213
Short-term Loans and Advances	16	75	792
Other Current Assets	17	8,546	7,283
TOTAL		493,810	445,825
Significant Accounting Policies and Notes to the Financial Statements	1-36		

As per our attached report of even date

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

Sd/-

Daraius Z. Fraser
Partner

Place : Mumbai
Date : May 21, 2012

Signatures to the Balance Sheet and Notes thereon

For and on behalf of the Board of Directors

Sd/-
Y.S.S. Kapdi
Managing Director

Sd/-
Y.H.Malegam
Director

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



THE CLEARING CORPORATION OF INDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

(₹ in lakhs)			
	Note No.	For the year ended 31.03.2012	For the year ended 31.03.2011
Revenue from Operations	18	15,964	13,083
Other Income	19	18,245	13,128
Total Revenue		34,209	26,211
Expenses:			
Employee Benefits Expense	20	2,439	2,056
Finance Costs	21	777	612
Depreciation and Amortization Expense	22	1,594	1,127
Other Expenses	23	2,917	2,665
Total Expenses		7,727	6,460
Profit Before Tax for the Year		26,482	19,751
Tax Expense:			
- Current Tax		8,471	6,579
- Deferred Tax		122	(22)
- Tax Adjustments relating to Earlier Year		-	(10)
Profit After Tax for the year		17,889	13,204
Earnings per Equity Share:			
-Basic		34.85	25.48
-Diluted		34.85	25.48
(Equity Share of face value of ₹ 10 each)			
Significant Accounting Policies and Notes to the Financial Statements	1-36		

As per our attached report of even date

For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants

Sd/-
Daraius Z. Fraser
Partner

Place : Mumbai
 Date : May 21, 2012

Signatures to the Statement of Profit and Loss and Notes thereon

For and on behalf of the Board of Directors

Sd/-
Y.S.S. Kapdi
Managing Director

Sd/-
Y.H.Malegam
Director

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



THE CLEARING CORPORATION OF INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

(₹ in lakhs)

	2011-12	2010-11
(A) CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	26,483	19,751
Add : Adjustments for -		
Depreciation and Amortization Expense	1,594	1,127
Wealth Tax included under Other Expenses	11	11
Interest under Income Tax Provisions	8	1
Interest paid on Deposits from Members	4,327	3,235
(Profit)/ Loss on Sale of Fixed Asset (net)	(19)	1
Less : Adjustments for -		
Interest Income	22,281	16,134
Profit on Sale/Redemption of Mutual Funds	-	39
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	10,123	7,953
Adjustments for :		
(Increase)/ Decrease in Trade and Other Receivables	7,000	(574)
Increase/(Decrease) in Trade and Other Payables	4,446	822
CASH GENERATED FROM OPERATIONS	21,568	8,201
Direct Taxes paid	(8,607)	(6,499)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)	12,961	1,702
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(10,987)	(4,390)
Sale of Fixed Assets	20	(0)
Interest/Income Received	21,084	14,830
Placement of Fixed Deposits with Banks	(314,780)	(304,045)
Redemption of Fixed Deposits with Banks	316,640	274,847
Dividend from Units of Mutual Funds	-	-
Purchase/Acquisition of Investments	(439,690)	(341,249)
Sale/Redemption of Investments	399,111	316,983
NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)	(28,602)	(43,024)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Deposits from Members	26,907	41,442
Interest paid on Deposits from Members	(4,187)	(2,878)
Dividend/Corporate Dividend Tax paid	(1,337)	(1,345)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)	21,383	37,219
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	5,742	(4,103)

THE CLEARING CORPORATION OF INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012 (contd.)

	(₹ in lakhs)	
	2011-12	2010-11
CASH AND CASH EQUIVALENTS		
OPENING BALANCE	21,373	25,476
CLOSING BALANCE		
Before adjustment of unrealised foreign exchange	26,629	21,413
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	486	(40)
	27,115	21,373
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5,742	(4,103)

Notes:

1. The above cash flow statement has been prepared using the indirect method as per Accounting Standard 3.
2. Previous year's figures have been regrouped, reclassified and rearranged to conform to current year's presentation, wherever necessary.

As per our attached report of even date
 For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants

Signatures to the Cash Flow Statement
 For and on behalf of the Board of Directors

Sd/-
Y.S.S. Kapdi
Managing Director

Sd/-
Y.H.Malegam
Director

Sd/-
Daraius Z. Fraser
Partner

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

Place : Mumbai
 Date : May 21, 2012



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations :

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

Significant Accounting Policies:

(a) Basis of preparation of Financial Statements :

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

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

(b) Revenue Recognition:

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

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(c) Fixed Assets and Depreciation:

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

Asset	Depreciation Rates Applied	SLM Depreciation Rates prescribed in the Schedule
Freehold Land	-	-
Buildings- Residential	1.63%	1.63%
Buildings - Office	1.63%	1.63%
Computer Systems - Hardware	50.00%	16.21%
Furniture and Fixtures	20.00%	6.33%
Office and Other Equipment	20.00%	4.75%
Computer Software	100.00%	16.21%

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

(d) Investments:

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

(e) Employee Benefits:

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

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

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



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(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 Statement of Profit and Loss for the respective financial year and are not deferred.

(iii) Other Long Term Benefits :

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

(f) Income Tax:

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

(g) Foreign Currency Transactions:

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

(h) Provisions and Contingent Liabilities:

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

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

Contingent Liability is disclosed in the case of -

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

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

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

	As at 31.03.2012		As at 31.03.2011	
	Number	₹ in lakhs	Number	₹ in lakhs
NOTE 2 : SHARE CAPITAL				
Authorised				
8% Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each	50,000,000	5,000	50,000,000	5,000
Equity Shares of ₹ 10 each	50,000,000	5,000	50,000,000	5,000
	100,000,000	10,000	100,000,000	10,000
Issued, Subscribed and Paid up				
8% Redeemable, Non Convertible, Cumulative Preference Shares of ₹ 10 each	50,000,000	5,000	50,000,000	5,000
Equity Shares of ₹ 10 each	50,000,000	5,000	50,000,000	5,000
Total	100,000,000	10,000	100,000,000	10,000

Notes:

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

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

Voting Rights :

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

Dividend :

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

Winding up:

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



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

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

Voting Rights :

The Company has only one class of Preference Shares being 8% Redeemable, Cumulative, Non-convertible and Non-participating Preference Shares. The shareholders have right to vote only on resolutions which directly affects their interest.

Dividend :

The Preference Shareholders are entitled to Dividend @8% p.a.

Redemption :

Out of total 5,00,00,000 Preference Shares, 3,10,00,000 shares are redeemable on 26.03.2013 and balance 1,90,00,000 shares are redeemable on 29.03.2013.

Winding up :

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

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

Name of Shareholder	As at 31.03.2012		As at 31.03.2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:				
State Bank of India	13,000,000	26.00	13,000,000	26.00
Life Insurance Corporation of India	5,000,000	10.00	5,000,000	10.00
STCI Finance Limited	5,000,000	10.00	5,000,000	10.00
IDBI Bank Limited	3,250,000	6.50	3,250,000	6.50
ICICI Bank Limited	2,750,000	5.50	2,750,000	5.50
Preference Shares :				
Kalapur Commercial Co-operative Bank Limited	19,000,000	38.00	19,000,000	38.00
Saraswat Co-operative Bank Limited	10,000,000	20.00	10,000,000	20.00
South India Bank Limited	5,000,000	10.00	5,000,000	10.00
Reliance Capital Asset Management Limited	5,000,000	10.00	5,000,000	10.00
ICICI Securities Primary Dealership Limited	5,000,000	10.00	5,000,000	10.00

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

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

	(₹ in lakhs)	
	As at 31.03.2012	As at 31.03.2011

NOTE 3 : RESERVES AND SURPLUS

General Reserve

Opening Balance	20,232	19,232
Add: Transfer from Surplus	4,000	1,000
Closing Balance	24,232	20,232

Settlement Reserve Fund {Refer Note (a) & (b) below}

Opening Balance	34,000	21,000
Add: Transfer from Surplus	13,000	13,000
Closing Balance	47,000	34,000

Surplus

Opening Balance	1,768	3,901
Add: Net Profit After Tax transferred from Statement of Profit & Loss	17,889	13,204
Amounts available for Appropriation	19,657	17,105
Appropriations :		
- Proposed Dividends {Refer Note (c) below}	1,150	1,150
- Corporate Dividend Tax	187	187
- Transfer to General Reserve	4,000	1,000
- Transfer to Settlement Reserve Fund	13,000	13,000
Closing Balance	1,320	1,768
Total	72,552	56,001

Notes:

- (a) Settlement Reserve Fund represents amounts set aside from the Profits of the Company from time to time as may be considered appropriate by the Board of Directors, to ensure that there are sufficient assigned financial resources



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

which may be utilized for meeting claims in relation to any settlement default, consequences of operational failures and any loss on account of settlement bank failure. Bank deposits amounting to ₹ 34,000 lakhs (Previous year - ₹ 21,000 lakhs) are earmarked for this purpose.

- (b) The transfer from Surplus to the Settlement Reserve Fund includes the income accrued (net of income tax) to the Fund during the year amounting ₹ 2,215 lakhs (Previous year - ₹ 836 lakhs).
- (c) Proposed Dividend consist of dividend of ₹ 1.50 per Equity Share aggregating to ₹ 750 lakhs (Previous year - ₹ 1.50 per Equity Share aggregating to ₹ 750 lakhs) and ₹ 0.80 per Preference Share aggregating to ₹ 400 lakhs(Previous year - ₹ 0.80 per Preference Share aggregating to ₹ 400 lakhs).

	As at 31.03.2012	As at 31.03.2011
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NOTE 4 : DEFERRED TAX (LIABILITY) / ASSET

Deferred Tax Assets

Arising out of timing difference in-

- Provision for Leave Entitlement	135	105
- Provision for Deferred Incentive	32	66
- Provision for Gratuity	-	0 *

Deferred Tax Liabilities

Arising out of timing difference in-

- Depreciation	(227)	(108)
Total	(60)	63

NOTE 5 : LONG TERM PROVISIONS

Provision for Employee Benefits	336	397
Total	336	397

NOTE 6 : TRADE PAYABLES

Due to Creditors other than Micro and Small Enterprises	302	219
Due to Micro and Small Enterprises	0 *	1
Total	302	220

* denotes amount less than ₹ 1 lakh.

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

	(₹ in lakhs)	
	As at 31.03.2012	As at 31.03.2011
NOTE 7 : OTHER CURRENT LIABILITIES		
Due to Clearcorp Dealing Systems (India) Ltd. -Subsidiary Company	35	17
Creditors for Capital Expenses	902	563
Settlement Dues Payables {Refer Note (a) below}	4,176	-
Interest Accrued but not Due	1,139	1,000
Deposits from Members {Refer Note (b) below}	402,276	375,370
Others	525	689
Total	409,053	377,639

Notes:

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

Particulars	(₹ in lakhs)		
	Cash	Govt. Securities #	Guarantees
Securities Settlement	154,320 (149,287)	1,494,768 (987,477)	--
Forex Settlement	213,435 * (187,389) *	--	61,388 ** (53,580) **
CBLO Settlement	34,521 (38,694)	15,074,791 (14,389,487)	265,000 @ (165,000)
Default Fund - Forex Forwards	--	73,634 (44,161)	--
Total	402,276 (375,370)	16,643,193 (15,421,125)	326,388 (218,580)

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



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

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

	<u>As on 31.03.2012</u>	<u>(₹ in lakhs)</u> <u>As on 31.03.2011</u>
USD Investments (under Current Investments)	209,660	169,081
Balance in Bank Accounts		
- In Current Accounts	4,532	5,139
- In Deposit Accounts	188,084	201,150
Total	<u>402,276</u>	<u>375,370</u>

Collaterals received in the form of Government securities are held by the Company under its Constituent Subsidiary General Ledger (CSGL) Account with Reserve Bank of India except for Securities having face value amounting to ₹ 4,200 lakhs which has been utilised on 30.03.2012 towards meeting securities default as per terms of Byelaws, Rules & Regulations of Securities Settlement Operations. The same were replenished on 03.04.2012.

* Equivalent to US Dollars 4,172 lakhs (Previous year - US Dollars 4,197 lakhs).

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

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

	<u>As at 31.03.2012</u>	<u>(₹ in lakhs)</u> <u>As at 31.03.2011</u>
--	-------------------------	--

NOTE 8 : SHORT TERM PROVISIONS

Provision for Employee Benefits	101	45
Provision for Taxation (Net of tax payments and tax deducted at source - ₹ 20,119 lakhs, Previous year - ₹ 14,069 lakhs)	69	186
Proposed Dividends	1,150	1,150
Provision for Corporate Dividend Tax	187	187
Total	<u>1,507</u>	<u>1,568</u>

THE CLEARING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

NOTE 9 : FIXED ASSETS

(₹ in lakhs)

Sr. No.	Particulars	Gross Block			Accumulated Depreciation			Net Block			
		As on 01.04.2011	Additions	Disposal	As on 31.03.2012	Upto 31.03.2011	Depreciation for the year	On disposals	Upto 31.03.2012	As on 31.03.2012	As on 31.03.2011
a	Tangible Assets										
	Freehold Land	-	1,320	-	1,320	-	-	-	-	1,320	-
	Buildings - Residential	1,139	-	-	1,139	111	19	-	130	1,009	1,027
	Buildings - Office	3,042	7,896	-	10,938	31	98	-	129	10,809	3,010
	Leasehold Improvements	77	-	69	8	77	-	69	8	0	-
	Computer Systems-Hardware	2,498	127	315	2,310	1,790	528	315	2,003	307	710
	Furniture and Fixtures	320	199	7	512	63	76	6	133	379	257
	Office and Other Equipment	919	1,412	13	2,318	182	254	13	423	1,895	737
Total	7,995	10,954	404	18,545	2,254	975	403	2,826	15,719	5,741	
b	Intangible Assets										
	Computer Software	5,364	617	-	5,981	5,039	620	-	5,659	322	326
Total	5,364	617	-	5,981	5,039	620	-	5,659	322	326	
c	Capital Work In Progress										500
d	Intangible Assets under Development										
	Grand Total	13,359	11,571	404	24,526	7,293	1,595	403	8,485	16,399	7,009
	Previous Year	9,046	4,314	1	13,359	6,166	1,127	1	7,292	7,009	-

Notes:

1. Cost of building under "Building - Residential" includes ₹ 14,000 paid towards 14 shares of ₹ 1,000 each of an Apartment Condominium.
2. 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.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

	As at 31.03.2012	As at 31.03.2011
(₹ in lakhs)		
NOTE 10 : NON CURRENT INVESTMENTS		
Investment in Equity instruments	1,000	1,000
Investment in Debentures or Bonds {Refer Note (a) below}	-	300
Total	1,000	1,300

Notes :

- (a) This investment has been classified under Current Investments as at 31.03.2012 as the residual maturity of these bonds is less than one year.
- (b) Particulars of Quoted/Unquoted Investments

	As at 31.03.2012	As at 31.03.2011
	₹ in lakhs	₹ in lakhs
Aggregate amount of unquoted investments	1,000	1,300

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Sr. No.	Name of the Body Corporate	No. of Shares / Units As at		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%) As at		Amount (₹ in lakhs) As at		Whether stated at Cost
		31.03.2012	31.03.2011			31.03.2012	31.03.2011	31.03.2012	31.03.2011	
(i) Investment in Equity Instruments of Subsidiary										
	Clearcorp Dealing Systems (India) Limited	10,000,000	10,000,000	Unquoted	Fully paid	100%	100%	1,000	1,000	Yes
	(Face Value per Unit ₹ 10)									
(ii) Investments in Debentures or Bonds										
	5.30% Nuclear Power Corporation of India Limited	-	300	Unquoted	Fully paid	-	-	-	300	Yes
	(Face Value per Unit ₹ 100,000)									
	(Maturity Date - 31.12.2012)									
	Total	10,000,000	10,000,300					1,000	1,300	



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

	(₹ in lakhs)	
	As at 31.03.2012	As at 31.03.2011
NOTE 11: LONG TERM LOANS AND ADVANCES		
Capital Advances		
Unsecured, Considered Good	31	6,849
Security Deposits {Refer Note (a) below}		
Unsecured, Considered Good	64	5
Total	95	6,854

Note:

- (a) Security Deposits include a deposit of ₹ 37 lakhs (Previous year - Nil) paid by the Developers of Office Premises at Dadar to Municipal Corporation of Greater Mumbai for basement area, yet to be transferred in the name of the Company.

NOTE 12: OTHER NON CURRENT ASSETS

Bank Deposits with maturity of more than 12 months (maturing after 12 months from the reporting date)	-	6,000
Interest Accrued on Deposits with Banks	-	12
Total	-	6,012

NOTE 13 : CURRENT INVESTMENTS

Investment in Government or Trust Securities	209,660	169,081
Investment in Debentures or Bonds {Refer Note (a) below}	300	-
Total	209,960	169,081

Note:

- (a) This investment has been classified under Current Investments as the residual maturity of these bonds as on 31.03.2012 is less than one year. These bonds were classified under Non Current Investments in the previous year.

- (b) Particulars of Quoted/Unquoted Investments

Aggregate amount of quoted investments (Market Value - ₹ 2,09,728 lakhs, Previous Year - ₹ 1,69,150 lakhs)	209,660	169,081
Aggregate amount of unquoted investments	300	-
Total	209,960	169,081

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(c) Details of Current Investments :

Sr. No.	Name of the Body Corporate	No. of Shares / Units As at		Quoted / Unquoted	Partly Paid / Fully paid	Amount (₹ in lakhs) As at		Basis of Valuation
		31.03.2012	31.03.2011			31.03.2012	31.03.2011	
(a) Investments in Government or Trust securities								
	US Government Treasury Bills	-	-	Quoted	Fully Paid	209,660	169,081	Cost
(b) Investments in Debentures or Bonds								
	5.30% Nuclear Power Corporation of India Limited (Face Value per Unit ₹ 100,000) (Maturity Date 31.12.2012)	300	-	Unquoted	Fully paid	300	-	Cost
	Total	300	-			209,960	169,081	

(₹ in lakhs)

As at 31.03.2012

As at 31.03.2011

NOTE 14 : TRADE RECEIVABLES

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

Unsecured, Considered Good	1,640	1,218
Total	1,640	1,218



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

	(₹ in lakhs)	
	As at 31.03.2012	As at 31.03.2011
NOTE 15 : CASH AND BANK BALANCE		
(A) Cash and Cash Equivalents		
Balances with Banks		
in Current Accounts	10,114	6,638
in Deposit Accounts	17,000	14,735
	<u>27,114</u>	<u>21,373</u>
Cash on Hand	1	0 *
	<u>27,115</u>	<u>21,373</u>
(B) Other Bank Balances {Refer Note (b) below}		
Bank Deposits with maturity of more than 3 months but less than 12 months	80,015	20,415
Bank Deposits with maturity of more than 12 months (maturing within 12 months from the reporting date)	148,965	204,425
	<u>228,980</u>	<u>224,840</u>
Total	<u>256,095</u>	<u>246,213</u>

* denotes amount less than ₹ 1 lakh.

Note:

- (a) 'Other Bank Balances' include bank deposit amounting to ₹ 34,000 lakhs (Previous year - ₹ 21,000 lakhs) earmarked for Settlement Reserve Fund.

NOTE 16 : SHORT TERM LOANS AND ADVANCES

Unsecured, Considered Good	75	792
Total	<u>75</u>	<u>792</u>

NOTE 17 : OTHER CURRENT ASSETS

Interest Accrued on Deposits with Banks	7,794	6,546
Interest Accrued on Investments	43	83
Others	709	654
Total	<u>8,546</u>	<u>7,283</u>

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

	(₹ in lakhs)	
	For the year ended 31.03.2012	For the year ended 31.03.2011
NOTE 18 : REVENUE FROM OPERATIONS		
<i>(Refer Note 28)</i>		
Transaction Charges -Securities Settlement	10,028	8,291
Transaction Charges -CBLO Settlement	1,468	1,484
Transaction Charges -Forex Settlement	2,935	2,599
Transaction Charges -CLS Settlement	501	395
Portfolio Compression Charges	490	-
Forex Forward Charges	412	205
Membership Fees	20	12
Other	110	97
Total	15,964	13,083
NOTE 19 : OTHER INCOME		
Interest Income		
-Long Term Investments	16	16
-Current Investments	209	350
-Fixed Deposits with Banks	22,056	15,768
	<u>22,281</u>	<u>16,134</u>
Less : Interest Paid on Deposits from Members	4,327	3,235
	<u>17,954</u>	<u>12,899</u>
Profit on Sale/Redemption of Mutual Funds <i>{Refer Note (a) below}</i>	-	39
Other Non-operating Income (net)		
Profit on Sale of Fixed Assets (net)	19	-
Net Profit on Foreign Currency Transaction and Translation	5	-
Others	267	190
	<u>291</u>	<u>190</u>
Total	18,245	13,128

Note:

- (a) Profit on Sale/Redemption of mutual funds in the financial year 2010-11 represents amount received in that year on account of distribution of valuation surplus by two Fixed Maturity Plans (FMPs) already redeemed in the financial year 2009-10.



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(₹ in lakhs)

	As at 31.03.2012	As at 31.03.2011
NOTE 20: EMPLOYEE BENEFITS EXPENSE		
<i>(Refer Note 28)</i>		
Salaries	2,036	1,721
Contributions to Provident and Other Funds	239	206
Staff Welfare Expenses	164	129
Total	2,439	2,056
NOTE 21: FINANCE COST		
Interest under Income Tax/ Service Tax Provisions	8	16
Line of Credit Commitment Charges	769	596
Total	777	612
NOTE 22: DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on Tangible Assets	974	726
Amortisation of Intangible Assets	620	401
Total	1,594	1,127
NOTE 23: OTHER EXPENSES		
<i>(Refer Note 28)</i>		
Power and Fuel	281	176
Rent	596	863
Repairs and Maintenance -Buildings	64	36
Repairs and Maintenance -Computer Systems and Equipment	818	643
Repairs and Maintenance -Others	13	27
Insurance	14	10
Rates and Taxes	23	13
Communication Expenses	156	131
CLS Settlement Charges	346	267
Net Loss on Foreign Currency Transaction and Translation	-	5
Professional Fees Expenses	138	101
Payment to Auditors:		
- Auditor	5	5
- For Other Services	0 *	0 *
- For Reimbursement of Expenses	0 *	0 *
Others {Refer Note (a) below}	462	388
Total	2,917	2,665

Note:

(a) Others include Prior Period Items amounting to Nil (Previous year - ₹ 11 lakhs).

* denotes amount less than ₹ 1 lakh.

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

NOTE 24 : CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	(₹ in lakhs)	
	As at 31.03.2012	As at 31.03.2011
(i) Contingent Liabilities		
(a) Claims against the Company not acknowledged as debt {Refer Note (a) below}	169	-
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances amounting to ₹ 85 lakhs, Previous year - ₹ 70 lakhs)	164	3,389
Total	333	3,389

Note :

- (a) Claims against the Company not acknowledged as debt comprise of a demand from the Income tax Authorities for additional Tax amounting to ₹ 169 lakhs (including interest of ₹ 45 lakhs) in respect of Assessment Year 2006-07. The Company has preferred an appeal against the demand and pending settlement of the dispute, the Company has paid an amount of ₹ 30 lakhs under protest.

NOTE 25 : EARNINGS IN FOREIGN EXCHANGE

	(₹ in lakhs)	
	For the year ended 31.03.2012	For the year ended 31.03.2011
Interest on Deposits with Banks	0 *	14
Income on US Government Treasury Bills	186	311
Pre-funding Handling Charges	0 *	0 *
Datafeed Charges	16	15
Miscellaneous Receipts	7	-
Total	209	340

NOTE 26 - VALUE OF IMPORTS AND EXPENDITURE IN FOREIGN CURRENCY

	(₹ in lakhs)	
	For the year ended 31.03.2012	For the year ended 31.03.2011
Value of Imports on CIF basis	0 *	9
Expenditure in Foreign Currency :		
- Interest paid to Members	191	322
- Other Expenditure	393	313
Total	584	635

* denotes amount less than ₹1 lakh



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

NOTE 27 :

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

	(₹ in lakhs)	
	For the year ended 31.03.2012	For the year ended 31.03.2011
<u>Revenue from Operations</u>		
Transaction Charges -Securities Settlement	473	431
Transaction Charges -Forex Settlement	115	101
Membership Fees	3	2
Total	591	534
<u>Expenses</u>		
Employee Benefit Expense		
Salaries	0 *	-
Staff Welfare Expenses	4	4
Total	5	4
Other Expenses		
Power and Fuel	6	19
Repairs and Maintenance -Computer Systems and Equipment	54	54
Repairs and Maintenance -Others	0 *	0 *
Communication Expenses	64	65
Professional Fees Expenses	0 *	3
Others	3	16
Total	128	158

* denotes amount less than ₹ 1 lakh.

NOTE 28 - EMPLOYEE BENEFITS - GRATUITY

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

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(₹ in lakhs)

Description	Gratuity	
	2011-12	2010-11
A. Amount recognised in the Statement of Profit and Loss for the year		
- Current Service Cost	44	24
- Interest Cost	24	17
- Expected Return on Plan Assets	(38)	(24)
- Net actuarial (Gain) / Loss recognized during the year	29	37
- Total Expenses recognized in the Statement of Profit and Loss	59	54
B. Actual Return on Plan Assets	38	24
C. Amount recognised in the Balance Sheet		
- Present Value of Obligation	388	298
- Fair Value of Plan Assets	450	317
- Funded status {surplus / (deficit)}	62	19
- Net Asset recognized in the Balance Sheet	62	19
D. Change in Present Value of Obligation		
- Present Value of Obligation at the beginning of the year	298	220
- Current Service Cost	44	24
- Interest Cost	24	17
- Benefits paid	(7)	-
- Actuarial (Gain) / Loss on Obligation	29	37
- Present Value of Obligation at the end of the year	388	298
E. Change in Plan Assets		
- Fair Value of Plan Assets at the beginning of the year	317	210
- Expected Return on Plan Assets	38	24
- Contributions Made	102	83
- Benefits Paid	(7)	-
- Actuarial Gains / (Loss) on Plan Assets	-	-
- Fair Value of Plan Assets at the end of the year	450	317
F. Major categories of Plan Assets as a percentage of total plan	100% Insurance Policy	
G. Actuarial Assumptions		
- Discount Rate	8.00%	8.00%
- Expected Rate of Return on assets	9.30%	9.25%
- Employee Attrition Rate	1%-3%	1%-3%
- Mortality Rate/Table	LIC(1994-96) Ultimate	
- Future salary increase	5.00%	5.00%

Notes:

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



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(b) Estimated amount of contribution to be made in the next financial year - ₹ 10 lakhs (Previous year - ₹ 102 lakhs).

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

The expected return on plan assets has been considered at 9.15% based on the current return being received on investment.

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

(i) **Defined Contribution Plan**

1. Employer's Contributions to Provident and other Funds amounting to ₹ 107 lakhs (Previous year - ₹ 92 lakhs) has been included in Note 20 under Contributions to Provident and Other Funds.
2. Employer's Contribution to Superannuation Fund amounting to ₹ 59 lakhs (Previous year - ₹ 49 lakhs) has been included in Note 20 under Contributions to Provident and Other Funds.

(ii) **Defined Benefit Plan**

1. Gratuity cost amounting to ₹ 59 lakhs (Previous year - ₹ 54 lakhs) has been included in Note 20 under Contributions to Provident and Other Funds.

NOTE 29 - LEASE DISCLOSURES

Period	2011-12	2010-11
Not later than 1 year	2	563

(₹ in lakhs)

The amounts represent minimum lease payment outstanding under non -cancellable operating lease in respect of the office premises/residential accommodations.

NOTE 30 - BASIC AND DILUTED EARNINGS PER SHARE

Basic and Diluted Earning Per Share is calculated as under:

Particulars	2011-12	2010-11
(i) Net Profit attributable to Equity Shareholders (₹ in lakhs) {Refer Note (a) below}	17,423	12,740
(ii) Number of Equity Shares outstanding at the beginning of the year	50,000,000	50,000,000
(iii) Number of Equity Shares outstanding at the end of the year	50,000,000	50,000,000
(iv) Weighted Average Number of Equity Shares outstanding during the year	50,000,000	50,000,000
(v) Nominal value of Equity shares (Amt. in ₹)	10.00	10.00
(vi) Basic and Diluted Earnings Per share (Amt. in ₹)	34.85	25.48

Note:

- (a) Net Profit attributable to Equity Shareholders have been arrived at after deducting Preference Dividends and Dividend Distribution Tax thereon from the Net Profit after Tax as per the Statement of Profit and Loss.

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

NOTE 31 - RELATED PARTIES DISCLOSURES:

(A) List of Related Parties and their relationship

- (i) Parties where control exists - Subsidiaries

Clearcorp Dealing Systems (India) Limited

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

Parties having substantial interest

State Bank of India

Key Management Personnel

Mr.Y.S.S. Kapdi	-Managing Director	-w.e.f. 31.05.2010
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Mr. Syed Shahabuddin	-Managing Director	-upto 31.05.2010
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THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

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

(₹ in lakhs)

Nature of Relationship	Subsidiary	Party having substantial interest	Key Management Personnel
Particulars			
Income from Operations	-----	398 (403)	-----
Usage Charges recovered	111 (99)	-----	-----
Rent received for residential accommodation	(-) (4)	-----	-----
Business Support Services received	88 (-)	-----	-----
Reimbursement/Sharing of expenses - (Receipt)	77 (102)	-----	-----
Interest on deposits from members	-----	26 (53)	-----
Operational Income shared	652 (589)	-----	-----
Remuneration :			
- Mr. Y. S. S. Kapdi	-----	-----	37 (29)
- Mr. Syed Shahabuddin	-----	-----	(-) (8)
Outstanding Balance as at the year end			
Amounts receivable	(-) (-)	33 (37)	-----
Amounts Payable	35 (17)	13 (19)	-----
Collaterals outstanding - Cash	-----	11,179 (10,747)	-----
Collaterals outstanding - Securities (at face value) {Refer Note (e) below}	-----	546,421 (865,621)	-----
Collaterals outstanding - Guarantees {Refer Note (f) below}	-----	61,388 (53,580)	-----
Investment in equity shares	1,000 (1,000)	-----	-----
Remuneration :			
- Mr. Y. S. S. Kapdi	-----	-----	6 (2)

THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Notes:

- (a) Figures in bracket represent corresponding amounts in the previous year.
- (b) Transactions with Subsidiary are in respect of common operations and in accordance with the terms of agreement entered into in this regard.
- (c) No amount in respect of the related parties has been provided for as doubtful debts or written off/back during the year.
- (d) Transactions with State Bank of India in the nature of banker-customer relationship have been excluded.
- (e) Collaterals received in the form of Government securities are held by the Company under its Constituent Account with Reserve Bank of India.
- (f) Collaterals outstanding - Guarantees represent USD 1,200 lakhs (Previous year - USD 1,200 lakhs).
- (g) All the above transactions are in the ordinary course of the business of the Company.
- (h) The amounts are inclusive of Service Tax wherever applicable.

NOTE 32: DISCLOSURE IN RESPECT OF DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN EXPOSURE

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

(₹ in lakhs)

PARTICULARS	As at 31.03.2012		As at 31.03.2011	
	Amount in US Dollars	Amount in INR	Amount in US Dollars	Amount in INR
ASSETS				
US Govt. Treasury Bills	4,098	209,660	3,787	169,081
Deposits with Banks	-	-	330	14,735
Bank Balance in Current Accounts	75	3,818	82	3,662
Others	1	61	2	88
Total	4,174	213,539	4,201	187,566
LIABILITIES				
Deposits from Members	4,172	213,435	4,197	187,388
Interest payable to Members	1	65	3	152
Bank Transaction Charges Payable	1	38	1	25
Total	4,174	213,538	4,201	187,565
Net Assets / (Liabilities)	-	1	-	1



THE CLEARING CORPORATION OF INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

NOTE 33:

The Company's operations fall into a single business segment comprising of facilitating 'Clearing and Settlement' of securities/ foreign exchange/money market instruments and activities incidental thereto, and all its operations are carried out in India. Therefore, the disclosures as required under Accounting Standard 17 - "Segment Reporting" are not applicable.

NOTE 34:

As at 31.03.2012, six suppliers have intimated that they are registered as micro/small enterprises with appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). The details of dues to those suppliers as on 31.03.2012 are as follows:

(₹ in lakhs)

	As at 31.03.2012		As at 31.03.2011	
	Included in Trade Payables	Included in Creditors for Capital Expenses	Included in Trade Payables	Included in Creditors for Capital Expenses
Principal amount remaining unpaid at the end of Accounting year (not more than 45 days)	0	90	1	5

NOTE 35 :

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

NOTE 36:

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



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

1	Name of the subsidiary	:	Clearcorp Dealing Systems (India) Limited
2	Financial Year of the subsidiary Company ended on	:	31st March, 2012
3	Holding Company's interest as on above date		
	Number of shares	:	1,00,00,000 equity shares of ₹ 10 each, fully paid
	Extent of Holding	:	100%
4	The Net Aggregate amount of the subsidiary's Profits/(Losses) so far as it concerns members of the holding Company and is not dealt with in Holding Company's accounts		
	(i) for the financial year of the Company	:	₹ 362 lakhs
	(ii) for the previous financial year of the subsidiary since it became the holding Company's subsidiary	:	₹ 793 lakhs
5	Net aggregate amounts of the Profit/(Losses) of the subsidiary dealt with in the Company's account		
	(i) for the financial year of the Company	:	NIL
	(ii) for the previous financial year of the subsidiary since it became the holding Company's subsidiary	:	NIL

As per our attached report of even date

For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants

Sd/-
Daraius Z. Fraser
Partner

Place : Mumbai
Date : May 21, 2012

For and on behalf of the Board of Directors

Sd/-	Sd/-
Y.S.S. Kapdi	Y.H.Malegam
<i>Managing Director</i>	<i>Director</i>

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



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