

**Clearcorp Dealing Systems (India) Limited**



**Financial Statements**

**2012-2013**

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## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### ■ Board of Directors:

Mrs Shyamala Gopinath (Chairperson)

Mr. R. Sridharan (Managing Director)

Mr. K. Sivaprakasam

Mr. R. V. Joshi

Mr. M. R. Ramesh

Mr K. R. Ramamoorthy

### ■ Company Secretary:

Mrs Sandhya Sati

### ■ 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



## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### Financial Statements 2012 - 2013

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## AUDITORS' REPORT

To the members of  
CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### REPORT ON THE FINANCIAL STATEMENTS

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

#### Management’s Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (“the Act”). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor’s Responsibility

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true

and fair view in conformity with the accounting principles generally accepted in India:

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

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

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - (e) on the basis of written representations received from the Directors as on March 31, 2013 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

*For and on behalf of*  
**KALYANIWALLA & MISTRY**  
**CHARTERED ACCOUNTANTS**  
Firm Regn. No.: 104607W

Sd/-  
*Daraius Z. Fraser*  
**PARTNER**  
M. No.: 42454

Mumbai: May 13, 2013.

## ANNEXURE TO THE AUDITOR'S REPORT

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

1. Fixed Assets:

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

2. Inventory:

The Company does not have any inventory.

3. Loans and Advances:

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

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

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

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

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

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

9. Statutory Dues:

- a) According to the information and explanation given to us, the company is regular in depositing undisputed statutory dues, including dues pertaining to Investor Education and Protection Fund, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Cess and any other statutory dues with the appropriate authorities. We have been informed that there are no undisputed dues which have remained outstanding as at the end of the financial year, for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty or cess outstanding on account of any dispute.
10. The Company does not have accumulated losses as at the end of the financial year, nor has it incurred cash losses in the current financial year, or in the immediately preceding financial year.
  11. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks. There are no dues to financial institutions or debenture holders.
  12. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
  13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund/ societies.
  14. The Company does not deal or trade in shares, securities, debentures and other investments.
  15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
  16. According to the information and explanations given to us, the Company has not obtained any term loan.
  17. According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Cash Flow Statement and other records examined by us, the Company has not used funds raised on short term basis for long term investment.
  18. The Company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
  19. The Company did not issue any debentures during the year.



20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the company, has been noticed or reported during the year.

*For and on behalf of*  
**KALYANIWALLA & MISTRY**  
**CHARTERED ACCOUNTANTS**  
Firm Regn. No.: 104607W

Sd/-  
*Daraius Z. Fraser*  
**PARTNER**  
M. No.: 42454

Mumbai: May 13, 2013.



**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2013**

( ₹ in lakhs)

	Note No.	As at 31.03.2013	As at 31.03.2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	1,000	1,000
Reserves and Surplus	3	1,684	1,155
<b>Non-Current Liabilities</b>			
Long-Term Provisions	4	73	53
<b>Current Liabilities</b>			
Trade Payables	5	19	52
Other Current Liabilities	6	146	214
Short-Term Provisions	7	21	41
<b>TOTAL</b>		<b>2,943</b>	<b>2,515</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets	8		
-Tangible Assets		34	44
-Intangible Assets		46	154
-Software under Development		563	303
Deferred Tax Assets (net)	9	82	81
Long-Term Loans and Advances	10	0 *	0 *
Other Non-Current Assets	11	1,575	1,600
<b>Current Assets</b>			
Trade Receivables	12	94	136
Cash and Bank Balances	13	331	42
Short-Term Loans and Advances	14	14	10
Other Current Assets	15	204	145
<b>TOTAL</b>		<b>2,943</b>	<b>2,515</b>

\* denotes amount less than ₹ 1 lakh.

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

1-31

As per our attached report of even date

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

For and on behalf of  
**KALYANIWALLA & MISTRY**  
**CHARTERED ACCOUNTANTS**

Sd/-  
Daraius Z. Fraser  
**PARTNER**

Sd/-  
Shyamala Gopinath  
Chairperson

Sd/-  
R. Sridharan  
Managing Director

Sd/-  
K. Sivaprakasam  
Director

Sd/-  
Sandhya Sati  
Company Secretary

Place : Mumbai  
Date : May 13, 2013

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013**

		( ₹ in lakhs)	
	Note No.	For the year ended 31.03.2013	For the year ended 31.03.2012
Revenue from Operations	16	2,029	1,618
Other Income	17	196	182
<b>Total Revenue</b>		<b>2,225</b>	<b>1,800</b>
<b>Expenses:</b>			
Employee Benefits Expenses	18	409	357
Finance Costs	19	2	1
Depreciation and Amortization Expense	20	334	321
Other Expenses	21	682	584
<b>Total Expenses</b>		<b>1,427</b>	<b>1,263</b>
<b>Profit Before Tax for the Year</b>		<b>798</b>	<b>537</b>
Tax Expense			
- Current Tax		264	144
- Deferred Tax		(1)	31
- Pertaining to previous years		6	-
<b>Profit After Tax for the Year</b>		<b>529</b>	<b>362</b>
Earnings per Equity Share:			
- Basic		5.29	3.62
- Diluted		5.29	3.62

(Equity Share of face value of ₹ 10 each)

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

1-31

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 13, 2013

Signatures to the Statement of Profit and Loss and  
 Notes thereon  
 For and on behalf of the Board of Directors

Sd/-  
 Shyamala Gopinath  
**Chairperson**

Sd/-  
 K. Sivaprakasam  
**Director**

Sd/-  
 Sandhya Sati  
**Company Secretary**

Sd/-  
 R. Sridharan  
**Managing Director**

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

	( ₹ in lakhs)	
	2012-13	2011-12
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
PROFIT BEFORE TAX FOR THE YEAR	798	537
Add : Adjustments for -		
Depreciation and Amortization Expense	334	321
Interest under Income Tax provisions	2	1
Less: Adjustments for -		
Interest Income	180	133
Profit on Sale of Fixed Asset	1	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>953</u>	<u>726</u>
Adjustments for :		
(Increase)/ Decrease in Non Current Assets / Current Assets	(10)	138
Increase/(Decrease) in Non Current Liabilities / Current Liabilities	(80)	86
CASH GENERATED FROM OPERATIONS	<u>863</u>	<u>950</u>
Direct Taxes paid	(294)	(140)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)	<u>569</u>	<u>810</u>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(476)	(464)
Sale of Fixed Assets	1	-
Placement of Fixed Deposit with Banks	(2,025)	(1,575)
Redemption of Fixed Deposit with Banks	1,750	1,135
Interest Received	170	92
NET FROM INVESTING ACTIVITIES (B)	<u>(580)</u>	<u>(812)</u>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	<u>(11)</u>	<u>(2)</u>
CASH AND CASH EQUIVALENTS - OPENING BALANCE	42	44
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	<u>31</u>	<u>42</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(11)</u>	<u>(2)</u>

Note:

- 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**

Sd/-  
 Daraius Z. Fraser  
**PARTNER**

Place : Mumbai  
 Date : May 13, 2013

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

Sd/-  
 Shyamala Gopinath  
 Chairperson

Sd/-  
 K. Sivaprakasam  
 Director

Sd/-  
 Sandhya Sati  
 Company Secretary

Sd/-  
 R. Sridharan  
 Managing Director

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

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

**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 is recognised on settlement of respective transactions in terms of the contract with members.
- (ii) Non-refundable one time membership fee is recognised as income in the year in which respective operations commence or in the year in which the membership of the applicant is approved, whichever is later.
- (iii) Revenue from Services is recognized as and when the Service is performed as per the relevant agreements.
- (iv) Other Revenue Income is recognised as and when there is a reasonable certainty of ultimate realisation.

**(c) Fixed Assets and Depreciation:**

- (i) Fixed assets are stated at cost which comprises of purchase price, freight, duties, taxes, cost of installation and other incidental expenses incurred towards acquisition and installation of such assets.
- (ii) 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 (Act):

Asset	Depreciation Rate	SLM Depreciation rates prescribed in the Schedule
Computer Systems - Hardware	50.00%	16.21%
Computer Software	100.00%	16.21%
Furniture and Fixtures	20.00%	6.33%
Office and Other Equipment	20.00%	4.75%

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

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

(iii) Software expenses incurred for Company's core business applications are capitalized as Computer Software.

**(d) 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 the 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 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.

**(e) 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 calculated 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.

**(f) 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.

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

**(g) 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.

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

	As at 31.03.2013		As at 31.03.2012	
	Number	₹ in lakhs	Number	₹ in lakhs
<b>NOTE 2 : SHARE CAPITAL</b>				
<b><u>Authorised</u></b>				
Equity Shares of ₹ 10 each	10,000,000	1,000	10,000,000	1,000
	<u>10,000,000</u>	<u>1,000</u>	<u>10,000,000</u>	<u>1,000</u>
<b><u>Issued, Subscribed and Paid up</u></b>				
Equity Shares of ₹ 10 each	10,000,000	1,000	10,000,000	1,000
<b>Total</b>	<u>10,000,000</u>	<u>1,000</u>	<u>10,000,000</u>	<u>1,000</u>

Notes :

(a) There has been no change in the number of Equity 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.

(c) **Equity Shares in the Company held by the Holding Company:**

	As at 31.03.2013		As at 31.03.2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
The Clearing Corporation of India Limited	10,000,000	100%	10,000,000	100%



**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

- (d) 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.
- (e) There are no calls unpaid on any Equity Shares.
- (f) There are no forfeited shares.

	( ₹ in lakhs)	
	As at 31.03.2013	As at 31.03.2012
<b>NOTE 3 : RESERVES AND SURPLUS</b>		
<b>General Reserve</b>		
Opening Balance	24	24
Add: Transfer from Surplus	—	—
<b>Closing Balance</b>	<b>24</b>	<b>24</b>
<b>Surplus</b>		
Opening Balance	1,131	769
Add: Net Profit After Tax transferred from Statement of Profit and Loss	529	362
<b>Closing Balance</b>	<b>1,660</b>	<b>1,131</b>
<b>Total</b>	<b>1,684</b>	<b>1,155</b>

**NOTE 4 : LONG TERM PROVISIONS**

Provision for Employee Benefits	73	53
<b>Total</b>	<b>73</b>	<b>53</b>

**NOTE 5 : TRADE PAYABLES**

Due to Creditors other than Micro and Small Enterprises	19	52
<b>Total</b>	<b>19</b>	<b>52</b>

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

	( ₹ in lakhs)	
	As at 31.03.2013	As at 31.03.2012
<b>NOTE 6 : OTHER CURRENT LIABILITIES</b>		
Creditors for Capital Expenses	54	141
Due to The Clearing Corporation of India Ltd. - Holding Company	8	-
Others	84	73
<b>Total</b>	<b>146</b>	<b>214</b>

**NOTE 7 : SHORT TERM PROVISIONS**

Provision for Employee Benefits	11	9
Provision for Taxation (Net of tax payments and Tax deducted at source - ₹ 944 lakhs, previous year ₹ 650 lakhs)	10	32
<b>Total</b>	<b>21</b>	<b>41</b>

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**

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

**NOTE 8: FIXED ASSETS**

( ₹ in lakhs)

Particulars	Gross Block			Accumulated Depreciation			Net Block			
	As on 01.04.2012	Additions	Disposals	As on 31.03.2013	Upto 31.03.2012	Depreciation for the year	On disposals	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
<b>Tangible Assets</b>										
Computer Systems - Hardware	82	26	11	97	40	36	11	65	32	42
Furniture and Fixtures	2	-	-	2	0	0	-	0	2	2
Office and Other Equipment	0	-	-	0	0	-	-	0	-	-
<b>Total</b>	<b>84</b>	<b>26</b>	<b>11</b>	<b>99</b>	<b>40</b>	<b>36</b>	<b>11</b>	<b>65</b>	<b>34</b>	<b>44</b>
<b>Intangible Assets</b>										
Computer Software	1,862	190	-	2,052	1,708	298	-	2,006	46	154
<b>Total</b>	<b>1,862</b>	<b>190</b>	<b>-</b>	<b>2,052</b>	<b>1,708</b>	<b>298</b>	<b>-</b>	<b>2,006</b>	<b>46</b>	<b>154</b>
<b>Software under Development</b>									563	303
<b>Total</b>									<b>563</b>	<b>303</b>
<b>Grand Total</b>	<b>1,946</b>	<b>216</b>	<b>11</b>	<b>2,151</b>	<b>1,748</b>	<b>334</b>	<b>11</b>	<b>2,071</b>	<b>643</b>	
Previous Year	1,558	390	2	1,946	1,429	321	2	1,748		501

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

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

	As at 31.03.2013	As at 31.03.2012
( ₹ in lakhs)		
<b>NOTE 9 : DEFERRED TAX ASSET</b>		
<b><u>Deferred Tax Assets</u></b>		
Arising out of timing difference in		
- Depreciation	55	57
- Provision for Leave Entitlement	27	19
- Provision for Deferred Incentive	-	5
<b>Total</b>	<b>82</b>	<b>81</b>
<b>NOTE 10 : LONG TERM LOANS AND ADVANCES</b>		
<b>Capital Advances</b>		
Unsecured, Considered Good	-	-
<b>Security Deposits</b>		
Unsecured, Considered Good	0 *	0 *
<b>Total</b>	<b>0</b>	<b>0</b>
<b>NOTE 11 : OTHER NON-CURRENT ASSETS</b>		
Interest Accrued on Deposits with Banks	0 *	0 *
Bank Deposits with original maturity of more than 12 months {Refer Note (a) below}	1,575	1600
Others	0 *	0 *
<b>Total</b>	<b>1,575</b>	<b>1,600</b>

Note :

- (a) Bank Deposits with original maturity of more than 12 months comprises of deposit amounting to ₹ 25 lakhs kept with Bank of Baroda, under lien in favour of Forex Dealers Association of India (FEDAI).

\* denotes amount less than ₹ 1 lakh.

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

	As at 31.03.2013	As at 31.03.2012
( ₹ in lakhs)		
<b>NOTE 12 : TRADE RECEIVABLES</b>		
Trade Receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, Considered Good		
Due from The Clearing Corporation of India Ltd. - Holding Company	-	35
Due from Others	94	101
<b>Total</b>	<b>94</b>	<b>136</b>
<b>NOTE 13 : CASH AND BANK BALANCES</b>		
<b>(A) Cash and Cash Equivalents:</b>		
Balance with Banks in Current Accounts	31	42
Cash on Hand	0 *	0 *
	<u>31</u>	<u>42</u>
<b>(B) Other Bank Balances:</b>		
Bank Deposits with original maturity of more than 3 months but less than or equal to 12 months	300	-
	<u>300</u>	<u>-</u>
<b>Total</b>	<b>331</b>	<b>42</b>
<b>NOTE 14 : SHORT TERM LOANS AND ADVANCES</b>		
Unsecured, Considered Good	14	10
<b>Total</b>	<b>14</b>	<b>10</b>
<b>NOTE 15 : OTHER CURRENT ASSETS</b>		
Interest Accrued on Deposits with Banks	103	92
Others	101	53
<b>Total</b>	<b>204</b>	<b>145</b>

\* denotes amount less than ₹ 1 lakh.

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

	For the year ended 31.03.2013	For the year ended 31.03.2012
( ₹ in lakhs)		
<b>NOTE 16 : REVENUE FROM OPERATIONS</b>		
Transaction Charges - Repo Trading System	808	473
Transaction Charges - CBLO Trading System	779	734
Transaction Charges - Forex Trading Systems	156	115
Membership Fees	4	6
NDS Helpdesk Support Charges	75	92
Datafeed Charges	207	198
<b>Total</b>	<b>2,029</b>	<b>1,618</b>

**NOTE 17 : OTHER INCOME**

Interest Income		
-Fixed Deposits with Banks	180	133
Other Non-operating Income	16	49
<b>Total</b>	<b>196</b>	<b>182</b>

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

	( ₹ in lakhs)	
	For the year ended 31.03.2013	For the year ended 31.03.2012
<b>NOTE 18 : EMPLOYEE BENEFIT EXPENSES</b>		
Salaries	341	304
Contributions to Provident and Other Funds	36	22
Staff Welfare Expenses	32	31
<b>Total</b>	<b>409</b>	<b>357</b>
<b>NOTE 19 : FINANCE COST</b>		
Interest under Income Tax/Service Tax Provisions	2	1
<b>NOTE 20 : DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation on Tangible Assets	36	21
Amortization of Intangible Assets	298	300
<b>Total</b>	<b>334</b>	<b>321</b>
<b>NOTE 21 : OTHER EXPENSES</b>		
Rent	-	58
Insurance	0 *	0 *
Rates and Taxes, excluding, Taxes on Income	0 *	0 *
Electricity Charges	-	6
Repairs and Maintenance Expenses - Computer Systems	199	191
Repairs and Maintenance Expenses - Others	0 *	1
Usage Charges	103	111
Communication Expenses	59	63
Business Support Service Charges	271	88
Payment to Auditors:		
- As Audit Fees	2	1
- Reimbursement of Expenses	0 *	-
Others	48	65
<b>Total</b>	<b>682</b>	<b>584</b>

\* denotes amount less than ₹ 1 lakh.

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

**NOTE 22 : COMMITMENTS**

Particulars	( ₹ in lakhs)	
	As at 31.03.2013	As at 31.03.2012
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances amounting to ₹ 75 lakhs, Previous year - ₹ 11 lakhs)	58	46
<b>Total</b>	<b>58</b>	<b>46</b>

**NOTE 23 : VALUE OF IMPORTS AND EXPENDITURE IN FOREIGN CURRENCY**

	( ₹ in lakhs)	
	For the year ended 31.03.2013	For the year ended 31.03.2012
Value of Imports on CIF basis	-	-
Expenditure in Foreign Currency :		
- Travelling Expenses	1	1
- Business Promotion Expenses	-	2
<b>Total</b>	<b>1</b>	<b>3</b>

**NOTE 24 : EARNINGS IN FOREIGN EXCHANGE**

	( ₹ in lakhs)	
	For the year ended 31.03.2013	For the year ended 31.03.2012
Datafeed Charges	54	48
	<b>54</b>	<b>48</b>

**NOTE 25 : 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 LIC of India in the form of qualifying insurance policy. The disclosure is based on Actuarial Valuation details provided by LIC of India.



**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

(₹ in lakhs)

Description	Gratuity	
	2012-13	2011-12
A. Amount recognised in the Statement of Profit and Loss for the year		
- Current Service Cost	8	8
- Interest Cost on Obligation	3	4
- Expected Return on Plan Assets	(5)	(5)
- Net Actuarial (Gain) / Loss recognised during the year	5	(10)
Total Expense recognised in Statement of Profit and Loss	11	(3)
Less : Already excess recognised in the previous year	-	3
Net Cost included in Employee Benefits Expenses	11	-
B. Actual Return on Plan Assets	5	5
C. Amount recognised in the Balance Sheet		
- Present Value of Obligation at the end of the year	60	44
- Fair Value of Plan Assets at the end of the year	62	51
- Funded Status {surplus / (deficit)}	2	7
- Net Asset recognized in the Balance Sheet	2	7
D. Change in Present Value of Obligation		
- Present Value of Obligation at the beginning of the year	44	49
- Current Service Cost	8	8
- Interest Cost	3	4
- Benefits Paid	-	(7)
- Actuarial (Gain) / Loss on Obligation	5	(10)
- Present Value of Obligation at the end of the year	60	44
E. Change in Plan Assets		
- Fair Value of Plan Assets at the beginning of the year	51	51
- Expected Return on Plan Assets	5	5
- Contributions Made	6	2
- Benefits Paid	-	(7)
- Fair Value of Plan Assets at the end of the year	62	51
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 Plan Assets	9.15%	9.15%
- Employee Attrition Rate	1%-3%	1%-3%
- Mortality Rate	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.

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

(b) Estimated amount of contribution to be made in the next financial year - ₹ 10 lakhs (Previous year - ₹ 3 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 Contribution to Provident Fund amounting to ₹ 17 lakhs (Previous year - ₹ 16 lakhs) has been included in Note 18 under Contribution to Provident Fund and Other Funds.

2 Employer's Contribution to Superannuation Fund amounting to ₹ 5 lakhs (Previous year - ₹ 4 lakhs) has been included in Note 18 under Contributions to Provident and Other Funds.

(ii) **Defined Benefit Plan**

1 Gratuity cost amounting to ₹ 11 lakhs (Previous year - Nil) has been included in Note 18 under Contribution to Provident and Other Funds.

**NOTE 26 : EARNINGS PER SHARE**

Basic and Diluted Earnings Per Share is calculated as under:

Particulars		2012-13	2011-12
(i)	Net Profit After Tax attributable to Equity Shareholders (₹ in lakhs)	529	362
(ii)	Number of Equity Shares outstanding at the beginning of the year	10,000,000	10,000,000
(iii)	Number of Equity Shares outstanding at the end of the year	10,000,000	10,000,000
(iv)	Weighted Average Number of Equity Shares outstanding during the year	10,000,000	10,000,000
(v)	Nominal value of Equity shares (Amt. in ₹)	10.00	10.00
(vi)	Basic and Diluted Earnings Per share (Amt. in ₹)	5.29	3.62

**NOTE 27 : RELATED PARTIES DISCLOSURES**

(a) **List of Related Parties and their Relationship**

Parties where control exists

The Clearing Corporation of India Limited - Holding Company

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2013**

**(b) Transactions with Related Party :**

(₹ in lakhs)

Particulars	
Share of Operational Income Received	967 (591)
Usage Charges Paid	103 (111)
Business Support Services Paid	271 (88)
Reimbursement/Sharing of expenses (payment)	61 (77)
<b>Outstanding Balance as at the year end</b>	
Amounts Receivable	--- (35)
Amounts payable	8 ---

Notes:

- (a) Figures in bracket represent corresponding amounts in the previous year.
- (b) Transactions with Holding Company 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 party has been provided for as doubtful debts or written off/back during the year.
- (d) All the above transactions are in the ordinary course of the business of the Company.
- (e) The amounts are inclusive of Service Tax wherever applicable.

**NOTE 28 : DETAILS OF AMOUNTS DUE TO MICRO AND SMALL ENTERPRISES**

As at the year end, no (Previous year - none) supplier has intimated the Company about it's registration as micro/small enterprise with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act").

**NOTE 29 :**

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

**NOTE 30 :**

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

**NOTE 31 :**

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

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