

**Clearcorp Dealing Systems (India) Limited**



**Financial Statements  
2019-2020**

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## Board of Directors:

Mr. R. Gandhi (Chairman)  
Mr. R. Sridharan (Managing Director)  
Mr. N. S. Venkatesh  
Mr. Ananth Narayan  
Mr. Narayan Seshadri

## Chief Financial Officer

Mr. Deepak Chande

## Company Secretary & Compliance Officer

Mr. Pankaj Srivastava

## Auditors:

M/s Kalyaniwalla & Mistry LLP  
Chartered Accountants

## Registered and Corporate Office:

CCIL Bhavan,  
S. K. Bole Road,  
Dadar (West),  
Mumbai-400 028  
Tel: +91 022 61546200/24396200 • Fax: +91 022 24326042  
Website: [www.ccilindia.com](http://www.ccilindia.com)  
CIN-U74999MH2003PLC140849

## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### Financial Statements 2019 - 2020

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# INDEPENDENT AUDITOR'S REPORT

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF**

### **CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**

#### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying Financial Statements of **CLEARCORP DEALING SYSTEMS (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity, the Cash Flow Statement for the year then ended and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Profits, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report but does not include the financial statements and our auditor's report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and review the steps taken by the Management to communicate with those in receipt of the other information, if previously issued, to inform them of the revision.

### **Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the Directors of the Company as on March 31, 2020 and taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2020, from being appointed as a Director in terms of section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g) The Company has not paid / provided any managerial remuneration.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No.: 104607W / W100166

Sd/-  
*Darius Z. Fraser*  
**PARTNER**  
M. No.: 42454  
UDIN: 20042454AAAABN2849

Mumbai: May 21, 2020.



## **Annexure A to the Independent Auditor's Report**

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended March 31, 2020:

### **Statement on Matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016:**

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. In case of intangibles comprising of software, Management certifies the software in use and the same is properly dealt with in the books of account.
  - c) The Company does not have immovable property and hence the provisions of sub clause (c) of paragraph 3(i) of the Order are not applicable.
2. Inventory:

The Company does not have any inventory and hence the provisions of paragraph 3(ii) of the Order are not applicable.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of sub-clause (a), (b) and (c) of paragraph 3 (iii) of the Order are not applicable.
4. According to the information and explanations given to us, the Company has not advanced any loans or given guarantee or provided any security to parties covered under section 185 of the Companies Act, 2013. The Company has not given any loans or guarantees nor has it made any investments.
5. 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 sections 73 to 76, or any other relevant provisions of the Companies Act, 2013 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.
6. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, in respect of any of the activities of the Company.
7. Statutory Dues:
  - a) According to the information and explanations given to us and on the basis of the records examined by 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, Goods and Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities wherever applicable. We have been informed that there are no undisputed dues which have remained outstanding as at the last day of the financial year, for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues of Income-tax, Goods and Service Tax, Duty of Customs or Cess outstanding on account of any dispute, other than the following :

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax and penalty and interest thereon	549	October 2009 to June 2012	Commissioner of Service Tax Audit -I Mumbai
Income Tax Act, 1961	Income Tax	2	AY 2007-08	Deputy Commissioner of Income Tax
		1	AY 2009-10	Assistant Director of Income Tax, CPC
		4	AY 2011-12	Assistant Commissioner of Income Tax
		0*	AY 2016-17	Assistant Director of Income Tax, CPC
		2	AY 2017-18	Assistant Director of Income Tax, CPC

\* Amounts less than ₹ 1 Lakh.

8. According to the information and explanations given to us and based on the documents and records produced before us, there are no dues to banks, financial institutions or the Government. The Company has not issued any debentures.
9. According to the information and explanations given to us, the Company has neither raised money through initial public offer or further public offer nor taken any term loans, hence the provisions of paragraph 3 (ix) of the Order are not applicable.
10. During the course of our examination of the books of account and records of the Company, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud by, or on the Company by its officers or Employees has been noticed or reported during the year.
11. According to the information and explanations given to us and on the basis of the records examined by us, the provisions of section 197 of the Act are not applicable to the Company since the Company has not paid or provided any managerial remuneration.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.
13. The provisions of sections 177 of the Act are not applicable to the Company. The Company has complied with the provisions of section 188 and the details of transactions with the related parties have been disclosed in the financial statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with him.
16. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No.: 104607W / W100166

Sd/-  
*Darius Z. Fraser*  
**PARTNER**  
M. No.: 42454  
UDIN: 20042454AAAABN2849

Mumbai: May 21, 2020.

## Annexure B to the Independent Auditor's Report

### Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **CLEARCORP DEALING SYSTEMS (INDIA) LIMITED** ("the Company") as of March 31, 2020, in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act" or the "Companies Act").

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ("the ICAI") and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that:

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

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No.: 104607W / W100166

Sd/-

*Darius Z. Fraser*

**PARTNER**

M. No.: 42454

UDIN: 20042454AAAABN2849

Mumbai: May 21, 2020



**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**BALANCE SHEET AS AT 31 MARCH, 2020**

Particulars	Note	(₹ in lakhs)	
		As at 31 March 2020	As at 31 March 2019
<b>I. ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	3	91	119
Intangible Assets	4	1,197	697
Intangible Assets Under Development		253	472
<b>Non Current Financial Assets</b>			
Non Current Loans	5	0*	0*
Other Non Current Financial Assets	6	187	140
Deferred Tax Assets (Net)	7	74	74
Other Non Current Assets	8	226	226
Non Current Tax Assets (Net)	9	68	61
<b>Total Non Current Assets</b>		<b>2,096</b>	<b>1,789</b>
<b>Current Assets</b>			
<b>Current Financial Assets</b>			
Investments	10	1,103	1,153
Trade Receivables	11	441	220
Cash and Cash Equivalents	12a	33	21
Other Bank Balances	12b	7,174	6,016
Other Current Financial Assets	13	303	314
Other Current Assets	14	19	60
<b>Total Current Assets</b>		<b>9,073</b>	<b>7,784</b>
<b>TOTAL ASSETS</b>		<b>11,169</b>	<b>9,573</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	15	1,000	1,000
Other Equity	16	8,929	7,808
<b>Total Equity</b>		<b>9,929</b>	<b>8,808</b>
<b>Non Current Liabilities</b>			
Non-Current Provisions	17	395	277
<b>Total Non Current Liabilities</b>		<b>395</b>	<b>277</b>
<b>Current Liabilities</b>			
<b>Current Financial Liabilities</b>			
Trade Payables Due to :	18		
- Micro and Small Enterprises		9	-
- Other than Micro and Small Enterprises		99	57
Other Current Financial Liabilities		350	153
Other Current Liabilities	19	81	54
Current Provisions	20	298	216
Current Tax Liabilities (Net)	21	8	8
<b>Total Current Liabilities</b>	22	<b>845</b>	<b>488</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,169</b>	<b>9,573</b>
Significant Accounting Policies and Notes to the Financial Statements	1-41		

\* denotes amount less than ₹ 1 lakh.

As per our report of even date attached  
For and on behalf of  
**For KALYANIWALLA & MISTRY LLP**  
Chartered Accountants  
Firm Registration No: 104607W / W100166

Sd/-  
**Darius Z. Fraser**  
Partner  
M. No.: 42454  
Place : Mumbai  
Date : May 21, 2020

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

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

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

Sd/-  
**Narayan K Seshadri**  
Director  
(DIN:00053563)

Sd/-  
**Pankaj Srivastava**  
Company Secretary

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2020**

(₹ in lakhs)

Particulars	Notes	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>Revenue</b>			
Revenue from Operations	23	3,946	4,211
Other Income	24	599	487
<b>Total Revenue</b>		<b>4,545</b>	<b>4,698</b>
<b>Expenses</b>			
Employee Benefits Expense	25	1,023	795
Finance Cost	26	6	5
Depreciation and Amortization Expenses	27	593	463
Other Expenses	28	1,334	1,323
<b>Total Expenses</b>		<b>2,956</b>	<b>2,586</b>
<b>Profit Before Tax</b>		<b>1,589</b>	<b>2,112</b>
<b>Tax Expense:</b>			
1. Current Tax	29	407	629
2. Deferred Tax Expense /(Income)	29	15	(13)
3. Tax Adjustments for earlier years	29	-	7
<b>Total Tax Expenses</b>		<b>422</b>	<b>623</b>
<b>Profit After Tax</b>		<b>1,167</b>	<b>1,489</b>
<b>Other Comprehensive Income</b>			
<u>Items that will not be reclassified to Profit and Loss</u>			
- Remeasurements of defined benefit plans		(60)	(27)
- Income Tax on above		15	8
		<b>(45)</b>	<b>(19)</b>
<u>Items that will be reclassified to Profit and Loss</u>			
- Investments measured at FVOCI		(1)	4
- Income Tax relating to items that will be reclassified to Profit or Loss		0*	(1)
		<b>(1)</b>	<b>3</b>
<b>Other Comprehensive Income for the year, Net of Income Tax</b>		<b>(46)</b>	<b>(16)</b>
<b>Total Comprehensive Income for the year</b>		<b>1,121</b>	<b>1,473</b>
<b>Earnings per Equity Share (₹ Per Share)</b>	30		
Basic Earnings per Share		11.67	14.89
Diluted Earnings per Share		11.67	14.89
(Equity Share of face value of ₹ 10 each)			
<b>Significant Accounting Policies and Notes to the Financial Statements</b>	1-41		

As per our report of even date attached  
For and on behalf of  
**For KALYANIWALLA & MISTRY LLP**  
Chartered Accountants  
Firm Registration No: 104607W / W100166

Sd/-  
**Daraius Z. Fraser**  
Partner  
M. No.: 42454  
Place : Mumbai  
Date : May 21, 2020

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

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

Sd/-  
**Narayan K Seshadri**  
Director  
(DIN:00053563)

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

Sd/-  
**Pankaj Srivastava**  
Company Secretary

**CLEARCROP DEALING SYSTEMS (INDIA) LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31, MARCH 2020**

	(₹ in lakhs)	
Particulars	2019-20	2018-19
<b>(A) CASH FLOWS FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX	1,589	2,112
Adjustments for		
Depreciation and Amortisation Expense	593	463
Interest on Taxes	-	-
Interest Income	(572)	(486)
Provision Written Back	-	(1)
Profit/(Loss) on Sale of Property, Plant and Equipment	(26)	-
Remeasurement of Defined Benefit Obligation	(60)	(27)
Fair Valuation of Variable Pay	(8)	(7)
Finance Cost	6	5
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,522</b>	<b>2,059</b>
Adjustments:		
Decrease/(Increase) in Trade Receivables	(221)	(25)
Decrease/(Increase) in Other Non Current Assets	(0)*	0*
Decrease/(Increase) in Other Non Current Financial Assets	36	58
Decrease/(Increase) in Other Current Assets	41	(22)
Increase/(Decrease) in Trade Payables	51	(19)
Increase/(Decrease) in Other Current Liabilities	27	4
Increase/(Decrease) in Other Current Financial Liabilities	195	38
Increase/(Decrease) in Other Current Provisions	85	28
Increase/(Decrease) in Other Non Current Provisions	119	30
<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>1,855</b>	<b>2,151</b>
Taxes Paid (Net of Refund)	(414)	(637)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (A)</b>	<b>1,441</b>	<b>1,514</b>
<b>(B) CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	-	(124)
Addition to Intangible Assets	(846)	(570)
Sale of Intangible Asset	26	-
Purchase of Government of India Treasury Bills	(1,075)	(1,117)
Placement of Deposits with Banks	(7,359)	(6,181)
Maturity of Government of India Treasury Bills	1,117	-
Redemption of Deposits with Banks	6,156	6,008
Interest Income	552	456
<b>NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES (B)</b>	<b>(1,429)</b>	<b>(1,528)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>	-	-
<b>NET CASH USED BY FINANCING ACTIVITIES (C)</b>	-	-
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>12</b>	<b>(14)</b>
Cash and Cash Equivalents at the beginning of the year	21	35
Cash and Cash Equivalents at the end of the year	<b>33</b>	<b>21</b>

\* denotes amount less than ₹ 1 Lakh

As per our report of even date attached  
For and on behalf of  
**For KALYANIWALLA & MISTRY LLP**  
Chartered Accountants  
Firm Registration No: 104607W / W100166

Sd/-  
**Daraius Z. Fraser**  
Partner  
M. No.: 42454  
Place : Mumbai  
Date : May 21, 2020

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

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

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

Sd/-  
**Narayan K Seshadri**  
Director  
(DIN:00053563)

Sd/-  
**Pankaj Srivastava**  
Company Secretary



## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### Statement of Changes in Equity (SOCIE) for the year ended 31 March, 2020

#### STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED 31 MARCH, 2020

A Equity Share Capital	Note	(₹ in lakhs)				(₹ in lakhs)
Balance as at 1 April 2018	15	1,000				
Changes in Equity Share Capital during the year		-				
Balance as at 31 March 2019	15	1,000				
Changes in Equity Share Capital during the year		-				
Balance as at 31 March 2020	15	1,000				
<b>B Other Equity</b>						
		<b>Reserves and Surplus</b>		<b>Other Comprehensive Income</b>		
	<b>General reserve</b>	<b>Retained Earnings</b>	<b>Fair Valuation of Debt Instruments Measured at FVOCI</b>	<b>Remeasurement of Defined Benefit Plan</b>	<b>Total</b>	
<b>Balance as at 31 March 2018</b>	<b>24</b>	<b>6,319</b>	<b>-</b>	<b>(8)</b>	<b>6,335</b>	
Profit for the year	-	1,489	-	-	1,489	
Fair valuation of Debt Instruments measured at FVOCI	-	-	3	-	3	
Gain/Loss on Re-measurement of Defined Benefit Plans	-	-	-	(19)	(19)	
<b>Total Comprehensive Income</b>	<b>-</b>	<b>1,489</b>	<b>3</b>	<b>(19)</b>	<b>1,473</b>	
<b>Balance as at 31 March 2019</b>	<b>24</b>	<b>7,808</b>	<b>3</b>	<b>(27)</b>	<b>7,808</b>	
Profit for the year	-	1,167	-	-	1,167	
Fair valuation of Debt instruments measured at FVOCI	-	-	(1)	-	(1)	
Gain/Loss on Re-measurement of Defined Benefit Plans	-	-	-	(45)	(45)	
<b>Total Comprehensive Income</b>	<b>-</b>	<b>1,167</b>	<b>(1)</b>	<b>(45)</b>	<b>1,121</b>	
<b>Balance as at 31 March 2020</b>	<b>24</b>	<b>8,975</b>	<b>2</b>	<b>(72)</b>	<b>8,929</b>	

As per our report of even date attached

For and on behalf of

For KALYANIWALLA & MISTRY LLP

Chartered Accountants

Firm Registration No: 104607W / W100166

Sd/-

Daraius Z. Fraser  
Partner

M. No.: 42454

Place : Mumbai

Date : May 21, 2020

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

Sd/-

R. Sridharan  
Managing Director  
(DIN:00868787)

Sd/-

Narayan K Seshadri  
Director  
(DIN:00053563)

Sd/-

Deepak Chande  
Chief Financial Officer

Sd/-

Pankaj Srivastava  
Company Secretary

## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

The accompanying notes form an integral part of these Financial Statements

#### 1 Background of the Company and Nature of Operations

Clearcorp Dealing Systems (India) Limited ('the Company') was incorporated on June 11, 2003 having CIN U74999MH2003PLC140849, provides dealing systems / platforms, facilitates trading in the money market instruments, foreign exchange and other financial market instruments and carries out related activities.

Clearcorp Dealing Systems (India) Limited is a wholly owned subsidiary company of The Clearing Corporation of India Limited and incorporated and domiciled in India. The registered office of the Company is CCIL Bhavan, S .K.Bole Road,Dadar (West), Mumbai 400028, Maharashtra.

#### 2 Basis of Preparation, Measurement and Significant Accounting Policies

##### 2.1 Basis of preparation and measurement

###### (a) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

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

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

The standalone Ind AS financial statements were authorized for issue by the Company's Board of Directors on 21st May 2020.

###### (b) Basis of Measurement

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

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

##### 2.2 Key estimates and assumptions

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

## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

The areas involving critical estimates or judgements are :

- i. Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized; (Note 2.4(a))
- ii. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life; (Note 2.4(b))
- iii. Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used; (Note 2.4(j))
- iv. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 2.4(g))
- v. Fair value of financial instruments (Note 31)
- vi. Recognition and measurement of defined benefit obligations, key actuarial assumptions; (Note 2.4(i))

### 2.3 Measurement of Fair Values

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

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

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

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

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

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

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

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

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

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**2.4 Significant Accounting Policies**

**a) Property Plant and Equipments:**

**Recognition and Measurement**

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

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

**Subsequent Expenditure**

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

**Depreciation**

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

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

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

Asset	Estimated useful life (in years)	Estimated scrap value (% of cost)
Computer Systems - hardware	3-6	-
Furniture and fittings	10	-
Office Equipment	5	-

**b) Intangible Assets**

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

Following initial recognition, intangible assets are carried at cost less any accumulated impairment losses. Intangible Assets are amortised on a straight line basis over the estimated useful life.

**Amortization**

Amortization of Intangible Assets is based on Internal technical assessment/advice.

Residual value, is estimated to be immaterial by Management. The estimated useful life of intangible assets comprising of Computer Software considered for providing depreciation is 3 years.

**c) Impairment of Non Financial Assets**

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

## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

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

#### **d) Borrowing Costs:**

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

#### **e) Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments also include derivative contracts such as forward contracts, futures and currency options.

### **1. Financial Assets**

#### **(i) Recognition and Initial Measurement**

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

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

#### **(ii) Classification and subsequent measurement of financial assets**

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

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

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

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

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

## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

#### **Financial Assets Measured at Amortised Cost**

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

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

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

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

#### **Debt Investments measured at FVOCI**

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

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

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

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

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

#### **Equity Investments:**

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

## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

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

#### **(iii) Derecognition**

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

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

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

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

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

#### **(iv) Impairment of Financial Assets**

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

## **2. Financial Liabilities**

#### **(i) Recognition and Initial Measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. Such liabilities shall be subsequently measured at fair value.



## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

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

The Company's financial liabilities include trade and other payables, deposits from members, loans and borrowings.

#### **(ii) Subsequent Measurement**

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

#### **(iii) Derecognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit or Loss.

#### **3. Offsetting of Financial Instruments:**

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

#### **f) Cash and Cash Equivalents**

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

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

#### **g) Provisions, Contingent Liabilities and Contingent Assets**

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

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



## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

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

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognized till the realization of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is probable.

#### **h) Revenue Recognition**

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

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

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

Revenue is reported excluding applicable taxes.

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

#### **i) Employee Benefits**

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

##### **(I) Defined Contribution Plans:**

(a) Provident Fund: The provident fund plan is operated by Regional Provident Fund Commissioner (RPFC) and the contribution thereof is paid/provided for.

(b) Superannuation Fund: Superannuation benefit for the eligible employees is covered by Superannuation Scheme with Life Insurance Corporation of India and the contribution thereof is paid/provided for.

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

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

## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

#### (ii) Defined Benefits Plans:

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

#### (iii) Other Long Term Benefits:

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

#### j) Income Taxes

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

##### **Current Tax:**

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

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

##### **Deferred Tax:**

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

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

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

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

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

## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

Deferred Tax Assets and Liabilities are offset only if:

- i) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.
- iii) Deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognized. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognized.

#### **MAT**

MAT Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period.

#### **k) Foreign Currency Transactions**

##### **Functional and Presentation Currency**

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

##### **Transactions and Balances**

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

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

Exchange differences arising on the settlement or translation of monetary items are recognized in the Statement of Profit or Loss in the year in which they arise.

#### **l) Dividend**

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

#### **m) Earnings Per Share:**

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

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

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

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 3**

**Property, Plant and Equipment**

**Changes in the Carrying Value of Property, Plant and Equipment for the year ended 31 March 2020:**

	(₹ in lakhs)			
DESCRIPTION	Computer Systems	Furniture & Fixtures	Office Equipment	Total
Cost as at 1 April 2019	127	1	6	134
Additions	-	-	-	-
Disposals	(24)	-	-	(24)
<b>Cost as at 31 March 2020 (A)</b>	<b>103</b>	<b>1</b>	<b>6</b>	<b>110</b>
Accumulated Depreciation as at 1 April 2019	13	0	2	15
Depreciation charged during the year	27	0	1	28
Disposals	(24)	-	-	(24)
<b>Accumulated Depreciation as at 31 March 2020 (B)</b>	<b>16</b>	<b>0</b>	<b>3</b>	<b>19</b>
<b>Net Carrying Amount as at 31 March 2020 (A) - (B)</b>	<b>87</b>	<b>1</b>	<b>3</b>	<b>91</b>

**Changes in the Carrying Value of Property, Plant and Equipment for the year ended 31 March 2019:**

	(₹ in lakhs)			
DESCRIPTION	Computer Systems	Furniture & Fixtures	Office Equipment	Total
Cost as at 1 April 2018	3	1	6	10
Additions	124	-	-	124
Disposals	-	-	-	-
<b>Cost as at 31 March 2019 (A)</b>	<b>127</b>	<b>1</b>	<b>6</b>	<b>134</b>
Accumulated Depreciation as at 1 April 2018	2	0	1	3
Depreciation charged during the year	11	0	1	12
Disposals	-	-	-	-
<b>Accumulated Depreciation as at 31 March 2019 (B)</b>	<b>13</b>	<b>0</b>	<b>2</b>	<b>15</b>
<b>Net Carrying Amount as at 31 March 2019 (A) - (B)</b>	<b>114</b>	<b>1</b>	<b>4</b>	<b>119</b>

Note :

"0" denotes amount less than ₹ 1 lakh.

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 4**

**Intangible Assets**

**Changes in the Carrying Value of Intangible Assets for the year ended 31 March 2020:**

( ₹ in lakhs)

DESCRIPTION	Computer Software
Cost as at 1 April 2019	1,792
Additions	1,065
Disposals	(25)
<b>Cost as at 31 March 2020 (A)</b>	<b>2,832</b>
Accumulated Amortisation as at 1 April 2019	1,095
Amortisation Recognised for the year	565
Disposals	(25)
<b>Accumulated Amortisation as at 31 March 2020 (B)</b>	<b>1,635</b>
<b>Net Carrying Amount as at 31 March 2020 (A) - (B)</b>	<b>1,197</b>

**Changes in the Carrying Value of Intangible Assets for the year ended 31 March 2019:**

( ₹ in lakhs)

DESCRIPTION	Computer Software
Cost as at 1 April 2018	1,311
Additions	481
Disposals	-
<b>Cost as at 31 March 2019 (A)</b>	<b>1,792</b>
Accumulated Amortisation as at 1 April 2018	644
Amortisation Recognised for the year	451
Disposals	-
<b>Accumulated Amortisation as at 31 March 2019 (B)</b>	<b>1,095</b>
<b>Net Carrying Amount as at 31 March 2019 (A) - (B)</b>	<b>697</b>

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

	(₹ in lakhs)	
Particulars	As at 31 March 2020	As at 31 March 2019
<b>Note 5</b>		
<b>Non Current Loans</b>		
(Unsecured, Considered Good)		
Security Deposits	0*	0*
	<b>0</b>	<b>0</b>
<b>Note 6</b>		
<b>Other Non Current Financial Assets</b>		
(Unsecured, Considered Good)		
Deposits with Banks <sup>^</sup>	185	140
Interest Accrued on Deposits with Banks	2	0*
	<b>187</b>	<b>140</b>
<sup>^</sup> Bank Deposits with maturity of more than 12 months includes deposit amounting to ₹ Nil (Previous Year ₹ 25 lakhs) kept with a bank under lien in favour of Forex Dealers Association of India (FEDAI).		
<b>Note 7</b>		
<b>Deferred Tax Assets (Net)</b>		
<b>Deferred Tax Liabilities</b>		
Difference between Book Base and Tax Base of Property, Plant and Equipment and Intangible Assets	27	7
Fair Valuation of Investments Carried at FVOCI	1	1
Provision for Variable Pay	3	2
	<b>31</b>	<b>10</b>
<b>Deferred Tax Assets</b>		
Tax Disallowances	105	84
	<b>105</b>	<b>84</b>
Deferred Tax Assets (Net)/ (Deferred Tax Liabilities (Net))	<b>74</b>	<b>74</b>
<b>Note 8</b>		
<b>Other Non Current Assets</b>		
(Unsecured, Considered Good)		
Service Tax Demand (Paid Under Protest)	226	226
Prepaid Expenses	0*	-
	<b>226</b>	<b>226</b>

\* denotes amount less than ₹ 1 lakh

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

Particulars	(₹ in lakhs)	
	As at 31 March 2020	As at 31 March 2019
<b>Note 9</b>		
<b>Non Current Tax Assets (Net)</b>		
Advance Taxes (Net of Provision for Taxes)	68	61
	<u>68</u>	<u>61</u>
<b>Note 10</b>		
<b>Investments</b>		
<b>Quoted Debt Securities</b>		
Investments in Government Securities at Fair Value through Other Comprehensive Income (FVOCI)		
- Investment in Government of India Treasury Bills	1,103	1,153
	<u>1,103</u>	<u>1,153</u>
Aggregate Book Value of Quoted Investments	1,075	1,117
Aggregate Market Value of Quoted Investments	1,103	1,153
<b>Note 11</b>		
<b>Trade Receivables</b>		
(Unsecured, Considered Good)		
Trade Receivables outstanding for a period less than six months from the date they are due for payment	436	220
Others Receivables	5	0*
	<u>441</u>	<u>220</u>
<b>Note 12a</b>		
<b>Cash and Cash Equivalents</b>		
Cash on Hand	0*	0*
Balances with Banks		
- in Current Accounts	33	21
	<u>33</u>	<u>21</u>
<b>Note 12b</b>		
<b>Other Bank Balances</b>		
Deposits with Original Maturity of more than 3 Months but less than 12 Months of Reporting Date * *	7,174	6,016
	<u>7,174</u>	<u>6,016</u>

\*\* Bank Deposits with residual maturity upto 12 months includes deposits amounting to ₹ Nil (Previous Year ₹ 75 lakhs) kept with a bank 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 31 MARCH, 2020**

Particulars	(₹ in lakhs)	
	As at 31 March 2020	As at 31 March 2019
<b>Note 13</b>		
<b>Other Current Financial Assets</b> (Unsecured, Considered Good)		
Due from The Clearing Corporation of India Limited (Holding Co.)	-	82
Interest Accrued on Deposits with Banks	257	232
Others	46	-
	<b>303</b>	<b>314</b>
<b>Note 14</b>		
<b>Other Current Assets</b> (Unsecured, Considered Good)		
Prepaid Expenses	16	24
Advance to Suppliers	3	36
Others	0*	0*
	<b>19</b>	<b>60</b>

\* denotes amount less than ₹ 1 Lakh

**Note 15**

**Equity Share Capital**

**a. Details of Authorised, Issued and Subscribed Share Capital**

	As at 31 March 2020		As at 31 March 2019	
	Number	₹ in lakhs	Number	₹ in lakhs
<b>Authorised Capital</b>				
Equity Shares of ₹ 10/- Each	1,00,00,000	1,000	1,00,00,000	1,000
<b>Issued, Subscribed and Fully Paid Up</b>				
Equity shares of ₹ 10/- each fully paid	1,00,00,000	1,000	1,00,00,000	1,000
	<b>1,00,00,000</b>	<b>1,000</b>	<b>1,00,00,000</b>	<b>1,000</b>

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

	As at 31 March 2020		As at 31 March 2019	
	Number	₹ in lakhs	Number	₹ in lakhs
Shares outstanding at the beginning of the year	1,00,00,000	1,000	1,00,00,000	1,000
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>1,00,00,000</b>	<b>1,000</b>	<b>1,00,00,000</b>	<b>1,000</b>



**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

c. Particulars of Shareholders holding more than 5% of Shares held

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	No of Equity Shares held	Percentage	No of Equity Shares held	Percentage
The Clearing Corporation of India Limited	1,00,00,000	100%	1,00,00,000	100%

d. Terms/Rights attached to Equity Shares

**Voting rights:** The Company has only one class of equity shares having a par value of ₹ 10 per share. Each equity shareholder is entitled to one vote per share.

**Dividend:** The dividend recommended by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting and would be paid in proportion to the number of shares held by the Shareholders.

**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. There are no shares reserved for issue under options and contracts or commitments for sale of shares.

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 securities convertible into equity / preference shares.

g. There are no calls unpaid.

h. No shares have been forfeited.

( ₹ in lakhs)

Particulars	As at	
	31 March 2020	31 March 2019
<b>Note 16</b>		
<b>Other Equity</b>		
<i>(Refer Statement of Changes in Equity)</i>		
General Reserve	24	24
Retained Earnings	8,975	7,809
Other Comprehensive Income	(70)	(24)
	<b>8,929</b>	<b>7,808</b>

**16.1 Nature and Purpose of Reserves**

**Retained Earnings**

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

**General Reserve**

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

**Other Comprehensive Income**

Other comprehensive income represents the actuarial loss on fair valuation of defined benefit obligation.

**Note 17**

**Non Current Provisions**

Provision for Employee Benefits :	284	215
- Leave Encashment	111	62
- Others	<b>395</b>	<b>277</b>

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

Particulars	( ₹ in lakhs)	
	As at 31 March 2020	As at 31 March 2019
<b>Note 18</b>		
<b>Trade Payables Due to :</b>		
- Micro and Small Enterprises	9	-
- Other than Micro and Small Enterprises	99	57
	<b>108</b>	<b>57</b>
<b>Note 19</b>		
<b>Other Current Financial Liabilities</b>		
Creditors for Capital Expenses ^	223	109
Due to The Clearing Corporation of India Limited (Holding Co.)	88	-
Other Payables ^	39	44
	<b>350</b>	<b>153</b>
^ Creditors for capital expenses includes ₹ 46 lakhs ( Previous year - ₹ Nil ) due to Micro and Small Enterprises and Other payables includes ₹ 3 lakhs ( Previous year - ₹ 2 lakhs ) due to Micro and Small Enterprises		
<b>Note 20</b>		
<b>Other Current Liabilities</b>		
Statutory Dues	81	54
Revenue Received in Advance	0*	-
	<b>81</b>	<b>54</b>
<b>Note 21</b>		
<b>Current Provisions</b>		
Provision for Employee Benefits:		
- Leave Encashment	24	20
- Others	274	196
	<b>298</b>	<b>216</b>
<b>Note 22</b>		
<b>Current Tax Liabilities (Net)</b>		
Provision for Taxation (Net of Advance Tax)	8	8
	<b>8</b>	<b>8</b>

Particulars	( ₹ in lakhs)	
	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>Note 23</b>		
Revenue from Operations		
Transaction Charges - Repo Trading System	1,424	1,911
Transaction Charges - CBLO Trading System	-	798
Transaction Charges - TREPS Trading System	1,354	554
Transaction Charges - Forex Trading System	223	529
Transaction Charges - NDS OM	483	-
Transaction Charges - NDS Call	54	-
Datafeed Charges	370	357
Other Fees and Charges	38	62
	<b>3,946</b>	<b>4,211</b>

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

( ₹ in lakhs)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>Note 24</b>		
<b>Other Income</b>		
<b>Interest/Income on Investments</b>		
Interest on Fixed Deposits with Banks	501	454
Income on Current Investments	71	32
Profit on Sale of Intangible Assets	26	-
Net Loss on Foreign Currency Transactions and Translation	1	-
Miscellaneous Income	0*	1
	<b>599</b>	<b>487</b>
<b>Note 25</b>		
<b>Employee Benefits Expense</b>		
Salaries, Wages and Bonus	893	682
Contribution to Provident and Other Funds (Refer Note 36)	105	82
Staff Welfare Expenses	25	31
	<b>1,023</b>	<b>795</b>
<b>Note 26</b>		
<b>Finance Cost</b>		
Interest on Taxes	-	0*
Interest on Others	6	5
	<b>6</b>	<b>5</b>
<b>Note 27</b>		
<b>Depreciation</b>		
Depreciation of Property, Plant and Equipment (Refer Note 4)	28	12
Amortisation of Intangible Assets (Refer Note 5)	565	451
	<b>593</b>	<b>463</b>
<b>Note 28</b>		
<b>Other Expenses</b>		
Rent	16	15
Repairs and Maintenance - Computer Systems and Equipment	399	415
Rates and Taxes	0*	0*
Communication Expenses	101	120
Business Support Services Expenses	658	626
Expenditure Towards Corporate Social Responsibility	38	32
Professional Fees	29	31
Directors' Sitting Fees	11	5
Payment to Auditors :		
- Audit Fees	7	3
- Reimbursement of Expenses	0*	-
Others	75	75
	<b>1,334</b>	<b>1,323</b>

\* denotes amount less than ₹ 1 Lakh

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

Note 29	(₹ in lakhs)	
Income Taxes	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>Tax Expense</b>		
<b>(a) Amounts Recognised in Statement of Profit and Loss</b>		
<b>Current Tax Expense</b>		
Current year	407	629
Changes in Estimates Related to Prior Period	-	7
	407	636
<b>Deferred Tax Expense</b>		
Origination and Reversal of Temporary Differences	15	(13)
	15	(13)
<b>Tax Expense for the year</b>	<b>422</b>	<b>623</b>
<b>(b) Amounts Recognised in Other Comprehensive Income</b>		
	(₹ in lakhs)	
	Year Ended 31 March 2020	
	Before Tax	Year Ended 31 March 2019
	Tax (Expense) Benefit	Tax (Expense) Benefit
	Net of Tax	Net of Tax
<b>Items that will Not Be Reclassified to Profit or Loss</b>		
Remeasurements of the Defined Benefit Plans	(60)	8
	15	(27)
<b>Items that will be Reclassified to Profit or Loss</b>		
Investments Measured at FVOCI	(1)	3
	0	(1)
	(61)	7
	15	(46)
	(23)	(16)

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 29 (Contd.)**

(C) Reconciliation of Effective Tax Rate	Year Ended 31 March 2020	Year Ended 31 March 2019
	1,589	2,112
Profit Before Tax	25.17%	29.12%
Statutory Income Tax Rate	400	615
Expected Income Tax Expense		
<b>Tax Effect of:</b>		
Expenses Not Allowed Under Income Tax	-	0*
Interest U/s 234 of Income Tax Act	-	0*
Interest on TDS Late Payment	(6)	-
Profit on Sale of Intangible Asset	5	-
Donation Disallowed u/s 80G	23	1
Others	-	7
Changes in Estimates Related to Prior Period		
<b>Total Tax Expense</b>	<b>422</b>	<b>623</b>
<b>Tax Expense as per Profit or Loss</b>	<b>422</b>	<b>623</b>

	(₹ in lakhs)			
	Net Balance 1 April 2019	Recognised in Profit or Loss	Recognised in OCI	As at 31 March 2020 Net Deferred Tax Asset/Liability
<b>Deferred Tax Liability</b>				
Difference between Book Base and Tax Base of Tangible and Intangible Assets	(7)	(20)	-	(27)
Fair Valuation of Variable Pay	(2)	(1)	-	(3)
Fair Valuation of Investments Carried at FVOCI	(1)	-	0	(1)
<b>Deferred Tax Asset</b>				
Tax Disallowances	84	21	-	105
Remeasurement of Defined Benefit Obligation	-	(15)	15	-
<b>Tax Assets (Liabilities)</b>	<b>74</b>	<b>(15)</b>	<b>15</b>	<b>105</b>
Set Off Tax	-	-	-	-
<b>Net Tax Assets</b>	<b>74</b>	<b>(15)</b>	<b>15</b>	<b>105</b>
				<b>(31)</b>

\* denotes amount less than ₹ 1 lakh.

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 29 (Contd.)**  
**(e) Movement in Deferred Tax Balances (F.Y.2018-19)**

	Net Balance 1 April 2018	Recognised in Profit or Loss	Recognised in OCI	As at 31 March 2019	
				Net Deferred Tax Asset/Liability	Deferred Tax Liability
<b>Deferred Tax Liability</b>					
Difference between Book Base and Tax Base of Tangible and Intangible Assets	(22)	15	-	(7)	(7)
Fair Valuation of Variable Pay	(2)	(1)	-	(2)	(2)
Fair Valuation of Investments Carried at FVOCI	-	-	(1)	(1)	(1)
<b>Deferred Tax Asset</b>					
Tax Disallowances	78	7	-	84	-
Remeasurement of Defined Benefit Obligation		(8)	8	-	-
<b>Tax Assets (Liabilities)</b>	<b>54</b>	<b>13</b>	<b>7</b>	<b>74</b>	<b>(10)</b>
Set Off Tax	-	-	-	-	-
<b>Net Tax Assets</b>	<b>54</b>	<b>13</b>	<b>7</b>	<b>74</b>	<b>(10)</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

**Note 30**

**Earnings Per Share (EPS)**

Particulars	Year Ended	
	31 March 2020	31 March 2019
<b>i. Profit Attributable to Equity Holders (₹ in lakhs)</b>		
Profit Attributable to Equity Holders for Basic and Diluted EPS	1,167	1,489
	<u>1,167</u>	<u>1,489</u>
<b>ii. Weighted Average Number of Ordinary Shares</b>		
Issued Ordinary Shares at April 1	1,00,00,000	1,00,00,000
Add/(Less): Effect of Shares Issued/ (Bought Back)		
<b>Weighted Average Number of Shares for Calculating Basic and Diluted EPS</b>	<u>1,00,00,000</u>	<u>1,00,00,000</u>
<b>iii. Basic and Diluted Earnings per Share (₹)</b>	11.67	14.89

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 31**

**Financial Instruments - Fair Values**

**A. Accounting Classification and Fair Values**

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

	As at 31 March 2020							Total
	Carrying Amount			Fair Value				
	Fair Value Through Profit and Loss	Fair Value Through Other Comprehensive Income	Amortised Cost	Level 1 - Quoted Price in Active Markets	Level 2 - Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total	
<b>Financial Assets</b>								
Non Current Loans	-	-	0*	-	-	-	-	-
Other Non Current Financial Assets	-	-	187	-	-	-	187	-
<b>Investments</b>								
- Investment in Government of India Treasury Bills	-	1,103	-	-	1,103	-	1,103	1,103
Trade Receivables	-	-	441	-	-	-	441	-
Cash and Cash Equivalents	-	-	33	-	-	-	33	-
Bank Balances other than Cash and Cash Equivalents	-	-	7,174	-	-	-	7,174	-
Other Current Financial Assets	-	-	303	-	-	-	303	-
	-	1,103	9,241	-	1,103	-	9,241	1,103
<b>Financial Liabilities</b>								
Trade Payables	-	-	108	-	-	-	108	-
Other Current Financial Liabilities	-	-	350	-	-	-	350	-
	-	-	458	-	-	-	458	-

\* denotes amount less than ₹ 1 lakh

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

( ₹ in lakhs)

	As at 31 March 2019						
	Carrying Amount			Fair Value			
	Fair Value Through Profit and Loss	Fair Value Through Other Comprehensive Income	Amortised Cost	Total	Level 1 - Quoted Price in Active Markets	Level 2 - Significant Observable Inputs	Level 3 - Significant Unobservable Inputs
<b>Financial Assets</b>							
Non Current Loans	-	-	0*	0*	-	-	-
Other Non Current Financial Assets	-	-	140	140	-	-	-
<b>Investments</b>							
- Investment in Government of India Treasury Bills	-	1,153	-	1,153	-	1,153	-
Trade Receivables	-	-	220	220	-	-	-
Cash and Cash Equivalents	-	-	21	21	-	-	-
Bank Balances other than Cash and Cash Equivalents	-	-	6,016	6,016	-	-	-
Other Current Financial Assets	-	-	314	314	-	-	-
	-	<b>1,153</b>	<b>6,711</b>	<b>7,864</b>	-	<b>1,153</b>	<b>1,153</b>
<b>Financial Liabilities</b>							
Trade Payables	-	-	57	57	-	-	-
Other Current Financial Liabilities	-	-	153	153	-	-	-
	-	-	<b>210</b>	<b>210</b>	-	-	-

The fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments. Financial instruments with fixed interest rates are evaluated by the Company based on parameters such as interest rates and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses, if any, of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

\* denotes amount less than ₹ 1 lakh



**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 31 (Contd.)**

**Financial Instruments - Fair Values**

**B. Fair Value Hierarchy**

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

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

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

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

**Financial Instruments Measured at Fair Value**

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

Type	Valuation Technique	Significant Unobservable Inputs	Inter-Relationship between Significant Unobservable Inputs and Fair Value Measurement
Investment in Government Securities	The fair value of treasury bills is calculated basis the market price of these instruments as at the balance sheet date. Market price is calculated on the basis of the price published by FIBIL.	N.A.	N.A.

## CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

#### Note 31

#### Financial Instruments - Fair Values and Risk Management (Continued)

#### Risk Management

##### Introduction

The Company's activities expose it to a number of financial risks, principally market risk (Price Risk and interest rate risk), foreign exchange risk, credit risk and liquidity risk. These risks arise mainly on account of Investment Activity of the Company. In addition to the financial risks, the Company is also exposed to other risks such as operational, legal, compliance and reputational risk. The Company manages these risks through various control mechanisms.

Overall responsibility for risk management rests with the Board. Day to day responsibility is delegated to the Senior Management of the Company. The Company has an elaborate Operations Audit, Internal Audit, Systems Audit and other Control Mechanisms entrusted to independent external professionals.

For each of the principal risk types, a description and outline of the risk management approach is provided below.

##### a. Credit Risk

###### Risk Description

**The Credit risk, for the Company, could arise on account of investment activity of the Company.**

###### Risk Management Approach

The Company regularly invests its internally generated funds, in accordance with its Investment Policy approved by the Board. The Board reviews the Investment Policy annually. The Company invests only into highly secure and liquid avenues such as Government Securities and Deposits with high net-worth Commercial Banks. There is no credit risk in case of investment into Government Securities. Credit risk in case of deposits with banks, is mitigated by prescribing stringent eligibility criteria for the investee banks and setting of exposure limits on the amounts to be invested.

###### **Cash and Cash Equivalents and Other Bank Balances (Including bank deposits having maturity more than 12 months)**

The Company held cash and cash equivalents and other bank balances of ₹ 7,392 lakhs at 31 March 2020 (31 March 2019 : ₹ 6,177 lakhs). The cash and cash equivalents and other bank balances are held with bank and financial institution counterparties with good credit ratings.

###### **Loans and advances to related parties**

The amount is due from the Holding Company and hence the Company does not expect any losses from non-performance by this counter-party.

##### b. Liquidity risk

###### *Risk description*

Liquidity risk is the risk that the Company is unable to meet its payment obligations when they fall due.

Liquidity risk is managed by ensuring that the Company maintains adequate balances with banks and keeps its investment in highly liquid avenues to enable it to meet payment obligations, which is generally trade payables.

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 31**

**Financial Instruments - Fair Values and Risk Management (Continued)**

**Maturities of Financial Liabilities**

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

( ₹ in lakhs)

As at 31 March 2020	Carrying Amount	Total	Contractual Cash Flows		
			Upto 1 year	1 to 5 years	More than 5 years
<b>Non Derivative Financial Liabilities</b>					
Trade Payables	108	108	108	-	-
Other Current Financial Liabilities	350	350	350	-	-
<b>Total</b>	<b>458</b>	<b>458</b>	<b>458</b>	<b>-</b>	<b>-</b>

( ₹ in lakhs)

As at 31 March 2019	Carrying Amount	Total	Contractual Cash Flows		
			Upto 1 year	1 to 5 years	More than 5 years
<b>Non Derivative Financial Liabilities</b>					
Trade Payables	57	57	57	-	-
Other Current Financial Liabilities	153	153	153	-	-
<b>Total</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>-</b>	<b>-</b>

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

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

**Risk Description**

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

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

( ₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
<b>Fixed Rate Instruments</b>		
Financial Assets	8,462	7,309
Financial Liabilities	-	-
<b>Total</b>	<b>8,462</b>	<b>7,309</b>

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 31**

**d. Foreign Exchange Risk**

**Risk Description**

The functional currency of the Company is Indian Rupee. Foreign Exchange Risk for the Company primarily arises on account of foreign currency revenues and expenses, which is not significant.

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

The currency profile of financial assets and financial liabilities as at 31 March 2020 and 31 March 2019 are as below:

	( ₹ in lakhs)			
	As at 31 March 2020		As at 31 March 2019	
	USD	GBP	USD	GBP
<b>Financial Assets (A)</b>				
Trade and Other Receivables	10	0 *	0*	0*
<b>Financial Liabilities (B)</b>				
Trade and Other Payables	-	-	-	-
<b>Net Exposure (A - B)</b>	<b>10</b>	<b>0*</b>	<b>0*</b>	<b>0*</b>

**Sensitivity Analysis**

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currencies at 31 March 2020 and 31 March 2019 would have affected the measurement of financial instruments denominated in foreign currencies and affected Statement of Profit or Loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR	( ₹ in lakhs)			
	As at 31 March 2020		As at 31 March 2019	
	Gain/(Loss)		Gain/(Loss)	
	Strengthening	Weakening	Strengthening	Weakening
<b>5% Movement</b>				
USD	(0.49)	0.49	(0.00)*	0.00*
GBP	(0.01)	0.01	(0.01)	0.01
<b>10% Movement</b>				
USD	(0.98)	0.98	(0.00)*	0.00*
GBP	(0.03)	0.03	(0.03)	0.03
<b>15% Movement</b>				
USD	(1.47)	1.47	(0.00)*	0.00*
GBP	(0.04)	0.04	(0.04)	0.04

\* denotes amount less than ₹ 1 lakh

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 32**

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

**A. Relationships -**

**Category I: Holding Company (Parties where Control Exists):**

The Clearing Corporation of India Limited

**Category II: Fellow Subsidiary:**

Legal Entity Identifier India Limited

**Category III: Key Management Personnel (KMP)**

Mr. R. Sridharan -Managing Director

**Non Executive Directors**

Mr. R. Gandhi - Chairman (from 20.11.2019)

Mrs.Usha Thorat (Chairperson upto 25.10.2018 )

Mr. N.S.Venkatesh

Mr. Ananth Narayan

Mr. Narayan Seshadri

**Other Key Management Personnel**

Mr. Deepak Chande - Chief Financial Officer

Mr. Pankaj Srivastava - Company Secretary

**Category IV: Other Related Parties**

Clearcorp Employees Group Gratuity Fund Trust

Clearcorp Employees Superannuation Fund Trust

**b) Transactions with Key Management Personnel : Nil**

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 32**

**Related Party Disclosures (Continued):**

**c) Transactions other than those with Key Management Personnel :**

( ₹ in lakhs)

Particulars	Holding Company	Other Related Parties	Fellow Subsidiary Company	KMP
1) Share of Operational Income Received	1,155 (2,884)	- -	- -	- -
2) LEI Renewal Charges	- -	- -	0 (0)	- -
3) Rent Paid for Residential Accommodation	16 (15)	- -	- -	- -
4) Business Support Charge	658 (626)	- -	- -	- -
5) Reimbursement/Sharing of Expenses (Payment)	92 (117)	- -	(2) -	- -
6) Contribution to Employee Benefit Trust	- -	42 (81)	- -	- -
7) Director Sitting Fees	- -	- -	- -	11 (5)
8) Sale of Intangible Asset	25 -	- -	- -	- -

**d) The Related Party balances outstanding at year end are as follows:**

( ₹ in lakhs)

Particulars	Holding Company	Other related parties	Fellow Subsidiary Company	Key Management Personnel
1) Receivable	- (82)	- -	- -	- -
2) Payable	88 -	- -	- -	- -

**Notes:**

- (a) Figures in brackets represent corresponding amounts in the previous year.
- (b) "0" denotes amount less than ₹ 1 lakh.
- (c) Transactions with Holding Company are in accordance with the terms of agreement entered into in this regard.
- (d) No amount in respect of the related party has been provided for as doubtful debts or written off/back during the year.
- (e) The amounts are exclusive of Goods and Service Tax (GST) wherever applicable.
- (f) The above related party information has been disclosed to the extent such parties have been identified by the Management. This has been relied upon by the Auditors.

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

	( ₹ in lakhs)	
	As at 31 March 2020	As at 31 March 2019
<b>Note 33</b>		
<b>Commitments</b>		
<b>Capital Commitments:</b>		
Estimated amount of contracts remaining to be executed on capital account not provided for	309	277
	As at 31 March 2020	As at 31 March 2019
<b>Note 34</b>		
<b>Contingent Liabilities</b>		
Claims against the Company not acknowledged as debt :		
(a) Service Tax Demands including penalty and interest - Pending settlement of the dispute, an amount of ₹ 226 lakhs, being the principal amount claimed by the authorities has been paid under protest and disclosed under other non-current assets.	775	775
(b) Income Tax Demands for various assessment years disputed by	12	57
<b>Total</b>	<b>787</b>	<b>832</b>

**Note 35**

**Micro and Small Enterprises**

There are no micro and small enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31 March 2020	As at 31 March 2019
a. Principal and interest amount remaining unpaid	58	2
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006)	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 36**

**Employee Benefits**

**Amounts Recognised as Expense:**

**(i) Defined Contribution Plan**

(1) Employer's Contribution to Provident Fund amounting to ₹ 44 lakhs (31 March 2019 - ₹ 36 lakhs) has been included in Note 25 under Contribution to Provident Fund and Other Funds.

(2) Employer's Contribution to Superannuation Fund amounting to ₹ 11 lakhs (31 March 2019 - ₹ 9 lakhs) has been included in Note 25 under Contribution to Provident Fund and Other Funds.

(3) Employer's Contribution to NPS amounting to ₹ 10 lakhs (31 March 2019 - ₹ 6 lakhs) has been included in Note 25 under Contribution to Provident Fund and Other Funds.

**(ii) Defined Benefit Plan**

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

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

Gratuity cost amounting to ₹ 38 lakhs(31 March 2019: ₹ 28 lakhs) has been included in Note 25 under contribution to provident and other funds.

	( ₹ in lakhs)	
	As at 31 March 2020	As at 31 March 2019
<b>A. Amount Recognised in the Balance Sheet</b>		
Present Value of the Obligation as at the end of the year	536	323
Fair Value of Plan Assets as at the end of the year	509	354
<b>Surplus/(Deficit)</b>	<b>(27)</b>	<b>31</b>
<b>B. Change in Projected Benefit Obligation</b>		
Projected Benefit Obligation at the beginning of the year	323	257
Current Service Cost	40	29
Interest cost	25	20
Re-Measurement (or Actuarial) (Gain) /Loss	60	27
Acquisition Adjustment	88	-
Benefits Paid	-	(10)
<b>Projected Benefit Obligation at the end of the year</b>	<b>536</b>	<b>323</b>
<b>C. Change in Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the year	354	273
Investment Income	27	21
Employer's Contributions	40	70
Benefits Paid	-	(10)
Acquisition Adjustment	88	-
Return on Plan Assets, excluding amount Recognised in Net Interest Expense	-	0*
<b>Fair Value of Plan Assets at the end of the year</b>	<b>509</b>	<b>354</b>

\* denotes amount less than ₹ 1 lakh



**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**Note 36**

**Related party disclosures (Continued)**

( ₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
<b>D. Amount Recognised in the Statement of Profit and Loss</b>		
Current Service Cost	40	29
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	(2)	(1)
<b>Expenses Recognised in the Statement of Profit and Loss</b>	<b>38</b>	<b>28</b>
<b>E. Amount Recognised in Other Comprehensive Income</b>		
Actuarial (Gains) / Losses		
- Change in Demographic Assumptions	0*	-
- Change in Financial Assumptions	47	3
- Experience Variance (i.e. Actual Experience vs Assumptions)	12	24
Return on Plan Assets, excluding amount Recognised in Net Interest Expense	-	(1)
	<b>60</b>	<b>27</b>

**F. Plan Assets include the following:**

1. 100% Insurance Funds

**G. Assumptions Used**

( ₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
Discount Rate	6.80%	7.70%
Salary Growth Rate	8.00%	8.00%
Attrition Rate	3.00%	3.00%
Mortality Rate	100% (of IALM 12-14)	100% (of IALM 06-08)

**H. Sensitivity Analysis**

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

( ₹ in lakhs)

	As at 31 March 2020		As at 31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount Rate (1% movement)	483	(597)	291	(360)
Salary Growth Rate (1% movement)	595	(483)	360	(291)
Attrition Rate (1% movement)	529	(543)	321	(324)
Mortality Rate (1% movement)	535	(536)	323	(323)

**CLEARCORP DEALING SYSTEMS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020**

**I. Expected Future Cash Flows**

Particulars	( ₹ in lakhs)			
	1 year	2 to 5 years	6 to 10 years	More than 10 years
31 March 2020				
Defined Benefit Obligations (Gratuity)	17	119	227	880
<b>Total</b>	<b>17</b>	<b>119</b>	<b>227</b>	<b>880</b>

Particulars	( ₹ in lakhs)			
	1 year	2 to 5 years	6 to 10 years	More than 10 years
31 March 2019				
Defined Benefit Obligations (Gratuity)	11	90	177	599
<b>Total</b>	<b>11</b>	<b>90</b>	<b>177</b>	<b>599</b>

**Note 37**

**Segment Reporting**

The Company has only one business segment in which it operates viz - providing dealing systems / platforms and facilitating trading in financial market instruments.

**Note 38**

**Corporate Social Responsibility (CSR)**

Particulars	( ₹ in lakhs)	
	Year Ended 31 March 2020	Year Ended 31 March 2019
Gross amount required to be spent by the Company during the year	38	32
Amount spent and debited to Statement of Profit and Loss during the year	38	32

Amount debited to Statement of Profit and Loss was paid in cash during the respective year and was incurred for the purpose other than construction / acquisition of any asset.

**Note 39**

**Leases**

IND AS 116 has become applicable to the Company for financial reporting periods beginning on April 01, 2019 . The Company has analysed the new IND AS 116 - Leases and has availed the recognition exemption available for "Short Term Leases" as on the date of the initial application of the Standard i.e. April 1, 2019. The recognition exemption availed is for the Leave & Licence agreement between the Company and its Parent Company (CCIL) in respect the residential accommodation for its officers having a Non-cancellable lease term of one month and a monthly rental of Rs 1,29,545.

**Note 40**

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

**Note 41**

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