

Clearcorp Dealing Systems (India) Ltd.



Financial Statements

2014-2015

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Board of Directors:

Mrs. Shyamala Gopinath (Chairperson)
Mr. R. Sridharan (Managing Director)
Mr. K. Sivaprakasam
Mr. R. V. Joshi
Mr. M. R. Ramesh
Mr. C. M. Dixit
Mr. C.E. S. Azariah

Company Secretary:

Mrs. Sandhya Sati

Auditors:

M/s. Lodha & Co.
Chartered Accountants

Registered and Corporate Office:

CCIL Bhavan,
College Lane,
Off. S. K. Bole Road,
Dadar (West),
Mumbai-400 028
Tel: 61546200 Fax: 24326042
Website: www.ccilindia.com
CIN-U74999MH2003PLC140849



CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

Financial Statements 2014 - 2015

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INDEPENDENT AUDITORS' REPORT

To

THE MEMBERS OF

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **CLEARCORP DEALING SYSTEMS (INDIA) LIMITED** (“the Company”), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have 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 LODHA & COMPANY
Chartered Accountants
Firm Registration No. 301051E

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

Place: Mumbai
Date: May 12, 2015

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) The Company has carried out physical verification of all its fixed assets during the year. In our opinion, the frequency of verification is reasonable considering the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
2. The Company does not have any inventory. Therefore, the provisions of the clause 4 (ii) of the Order are not applicable to the company.
3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased and sold are of the special nature in respect of which suitable alternative source does not exist for obtaining comparable quotations, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for purchase of inventory, fixed assets and with regard to the sale of services. During the course of our audit, no major weakness has been noticed in the internal control system.
5. In our Opinion and according to the information and explanations given to us, the Company has not accepted any public deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and rules framed there under.
6. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Act for any of the activities of the Company.
7. a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Service tax, Customs Duty, Wealth Tax, Excise Duty, Cess which have not been deposited on account of any dispute except the following :

Name of the Statute	Nature of Dues	Period to which it relates	₹ In Lakhs	Forum where dispute is pending
The Finance Act, 1994	Service Tax	October-2009 to June -2012	167	Reply to show cause cum demand notice will be filed before the Commissioner of Service Tax - Audit-II (Mumbai)

8. The Company has no accumulated losses as at the end of the year and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks .There are no dues to financial institutions or debenture holders.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions. Therefore, the provisions of the clause 4 (x) of the Order are not applicable to the Company.
11. Based on the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Therefore, the provisions of the clause 4 (xi) of the Order are not applicable to the Company.
12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

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

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

Place: Mumbai
Date: May 12, 2015



CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
BALANCE SHEET AS AT MARCH 31, 2015

(₹ in lakhs)			
	Note No.	As at 31.03.2015	As at 31.03.2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	1,000	1,000
Reserves and Surplus	3	3,095	2,198
Non-current Liabilities			
Deferred Tax Liabilities	4	53	-
Long-Term Provisions	5	134	99
Current Liabilities			
Trade Payables	6	39	19
Other Current Liabilities	7	189	128
Short-term Provisions	8	76	108
TOTAL		4,586	3,552
ASSETS			
Non-current Assets			
Fixed Assets			
-Tangible Assets	9	17	18
-Intangible Assets		1,032	164
-Intangible Assets under Development-Software		224	704
Deferred Tax Assets	10	-	92
Long-term Loans and Advances	11	36	0 *
Other Non-Current Assets	12	297	498
Current Assets			
Trade Receivables	13	199	131
Cash and Bank Balances	14	2,327	1,757
Short-term Loans and Advances	15	19	4
Other Current Assets	16	435	184
TOTAL		4,586	3,552

* denotes amount less than ₹ 1 lakh.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS 1-32

As per our attached report of even date

For and on behalf of

LODHA & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No. 301051E

Sd/-

R.P.Baradiya
PARTNER

Place : Mumbai

Date : May 12, 2015

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

Sd/-

Shyamala Gopinath
Chairperson
(DIN:02362921)

Sd/-

Sandhya Sati
Company Secretary

Sd/-

R. Sridharan
Managing Director
(DIN:00868787)

Sd/-

Deepak Chande
Chief Financial Officer

Sd/-

C. M. Dixit
Director
(DIN:00524318)

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(₹ in lakhs)			
	Note No.	For the year ended 31.03.2015	For the year ended 31.03.2014
Revenue from Operations	17	2,904	2,331
Other Income	18	235	234
Total Revenue		3,139	2,565
Expenses:			
Employee Benefits Expense	19	553	532
Finance Costs	20	18	2
Depreciation and Amortization Expense	21	180	269
Other Expenses	22	1,109	995
Total Expenses		1,860	1,798
Profit Before Tax for the Year		1,279	767
Tax Expense			
- Current Tax		268	262
- Deferred Tax		145	(9)
- Tax Adjustments relating to earlier years		(31)	-
Profit After Tax for the Year		897	514
Earnings per Equity Share:			
- Basic		8.97	5.14
- Diluted		8.97	5.14
(Equity Share of face value of ₹ 10 each)			

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO

FINANCIAL STATEMENTS

1-32

As per our attached report of even date

Signatures to the Financial Statements and Notes thereon

For and on behalf of

For and on behalf of the Board of Directors

LODHA & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No. 301051E

Sd/-

Shyamala Gopinath
Chairperson
(DIN:02362921)

Sd/-

R. Sridharan
Managing Director
(DIN:00868787)

Sd/-

C. M. Dixit
Director
(DIN:00524318)

Sd/-

R.P.Baradiya
PARTNER

Sd/-

Sandhya Sati
Company Secretary

Sd/-

Deepak Chande
Chief Financial Officer

Place : Mumbai

Date : May 12, 2015



CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	(₹ in lakhs)	
	2014-15	2013-14
(A) CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX FOR THE YEAR	1,279	767
Add: Adjustments for -		
Depreciation and Amortization Expense	181	269
Interest on Taxes	18	2
Less: Adjustments for -		
Interest Income	228	206
Provision Written Back	4	0 *
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,246	832
Adjustments for :		
(Increase)/ Decrease in Non Current Assets / Current Assets	(240)	(76)
Increase/(Decrease) in Non Current Liabilities / Current Liabilities	78	102
CASH GENERATED FROM OPERATIONS	1,084	858
Direct Taxes paid	(281)	(272)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)	803	586
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(568)	(512)
Placement of Fixed Deposit with Banks	(2,775)	(2,550)
Redemption of Fixed Deposit with Banks	2,330	2,275
Interest Received	205	202
NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)	(808)	(585)
(C) CASH FLOW FROM FINANCING ACTIVITIES	-	-
NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(5)	1
CASH AND CASH EQUIVALENTS - OPENING BALANCE	32	31
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	27	32
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(5)	1

Note:

(a) The above Cash Flow Statement has been prepared using the indirect method as per Accounting Standard 3.

(b) * denotes amount less than ₹1 lakh.

As per our attached report of even date

For and on behalf of

LODHA & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No. 301051E

Sd/-

R.P.Baradiya
PARTNER

Place : Mumbai

Date : May 12, 2015

Signatures to the Financial Statements and Notes thereon

For and on behalf of the Board of Directors

Sd/-

Shyamala Gopinath
Chairperson
(DIN:02362921)

Sd/-

Sandhya Sati
Company Secretary

Sd/-

R. Sridharan
Managing Director
(DIN:00868787)

Sd/-

Deepak Chande
Chief Financial Officer

Sd/-

C. M. Dixit
Director
(DIN:00524318)

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations :

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

Significant Accounting Policies :

(a) Basis of preparation of Financial Statements :

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

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

(b) Revenue Recognition :

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

(c) Fixed Assets and Depreciation :

- (i) Fixed assets are stated at cost which comprises of purchase price, freight, duties, taxes, cost of installation and other incidental expenses incurred towards acquisition and installation of such assets.
- (ii) Expenses incurred towards acquisition or development of software by an external vendor is capitalized as Computer Software.
- (iii) Depreciation on Tangible Assets is provided on Straight Line Method (SLM) over the useful lives of

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for the assets whose cost is ₹5,000 or less are fully written off in the year of acquisition.

Amortization of Intangible Assets is based on internal technical assessment/ advice. Intangible Asset whose cost is ₹5,000 or less are fully written off in the year of acquisition.

The estimated useful life of assets considered for providing depreciation/ amortization is as under:

Asset	Useful Life (In Years)
Computer Systems - Hardware	3-6
Furniture and fittings	10
Office Equipment	5
Computer Software	3

(d) Employee Benefits :

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

(i) Defined Contribution plans :

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

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

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

(ii) Defined Benefits plans :

Gratuity: Gratuity for employees is covered by Gratuity Scheme with Life Insurance Corporation of India and the contribution thereof is paid/provided for. Provision for Gratuity is made as per actuarial valuation as at the end of the year.

Actuarial gains/losses at the end of the year accrued to the defined benefit plans are taken to Statement of Profit and Loss for the respective financial year and are not deferred.

(iii) Other Long Term Benefits :

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

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

(e) Income Tax :

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

(f) Foreign Currency Transactions :

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

(g) Provisions and Contingent Liabilities :

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

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

Contingent Liability is disclosed in the case of -

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

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

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

NOTE 2 : SHARE CAPITAL	As at 31.03.2015		As at 31.03.2014	
	Number	₹ in lakhs	Number	₹ in lakhs
Authorised				
Equity Shares of ₹ 10 each	10,000,000	1,000	10,000,000	1,000
	10,000,000	1,000	10,000,000	1,000
Issued, Subscribed and Paid up				
Equity Shares of ₹ 10 each	10,000,000	1,000	10,000,000	1,000
Total	10,000,000	1,000	10,000,000	1,000

Notes :

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

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

Voting Rights :

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

Dividend :

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

Winding up:

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

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

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
The Clearing Corporation of India Limited	10,000,000	100%	10,000,000	100%

(d) For the period of five years immediately preceding the date of the Balance Sheet, the Company has not

- i) Allotted any shares as fully paid up pursuant to contracts without payment being received in cash ; or
- ii) Allotted any shares as fully paid up bonus shares; or
- iii) Bought back any of its Equity Shares.

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in lakhs)

	As at 31.03.2015	As at 31.03.2014
<u>NOTE 3 : RESERVES AND SURPLUS</u>		
General Reserve		
Balance as per last balance sheet	24	24
Surplus		
Opening Balance	2,174	1,660
Add: Net Profit After Tax transferred from Statement of Profit & Loss	897	514
Closing Balance	3,071	2,174
TOTAL	3,095	2,198
 <u>NOTE 4 : DEFERRED TAX LIABILITIES</u>		
<u>Deferred Tax Liabilities</u>		
Arising out of timing difference in depreciation	107	-
<u>Less : Deferred Tax Assets</u>		
Arising out of timing difference in respect of expenses allowable on payment basis	54	-
TOTAL	53	-
 <u>NOTE 5 : LONG TERM PROVISIONS</u>		
Provision for Employee Benefits	134	99
TOTAL	134	99
 <u>NOTE 6 : TRADE PAYABLES</u>		
Due to Creditors other than Micro and Small Enterprises	39	19
TOTAL	39	19



CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in lakhs)

	As at 31.03.2015	As at 31.03.2014
<u>NOTE 7 : OTHER CURRENT LIABILITIES</u>		
Creditors for Capital Expenses	104	43
Statutory Dues payable	47	33
Other payables	38	52
TOTAL	189	128

NOTE 8 : SHORT TERM PROVISIONS

Provision for Employee Benefits	76	105
Provision for Taxation (Net of Advance Tax)	-	3
TOTAL	76	108

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

NOTE 9 : FIXED ASSETS (₹ in lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Depreciation for the year	On disposals	Closing Balance	As on 31.03.2015 (31.03.2014)	
Tangible Assets										
Computer Systems - Hardware	108 (97)	7 (11)	- (0)	115 (108)	91 (65)	8 (26)	- (0)	99 (91)	16 (17)	
Furniture and fittings	2 (2)	- (-)	- (-)	2 (2)	1 (0)	0 (0)	- (-)	1 (1)	1 (1)	
Office Equipment	0 (0)	- (0)	- (0)	0 (0)	0 (0)	- (0)	- (0)	0 (0)	- (-)	
Total	110 (99)	7 (11)	- (0)	117 (110)	92 (65)	8 (26)	- (0)	100 (92)	17 (18)	
Intangible Assets										
Computer Software	2,413 (2,052)	1,040 (361)	- (-)	3,453 (2,413)	2,249 (2,006)	172 (243)	- (-)	2,421 (2,249)	1,032 (164)	
Total	2,413 (2,052)	1,040 (361)	- (-)	3,453 (2,413)	2,249 (2,006)	172 (243)	- (-)	2,421 (2,249)	1,032 (164)	
Grand Total	2,523 (2,151)	1,047 (372)	- (0)	3,570 (2,523)	2,341 (2,071)	180 (269)	- (0)	2,521 (2,341)	1,049 (182)	

Notes:

1. "0" denotes amount less than ₹ 1 lakh.
2. Figures in brackets represent corresponding amounts in the previous year.

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in lakhs)

	As at 31.03.2015	As at 31.03.2014
<u>NOTE 10 : DEFERRED TAX ASSET</u>		
<u>Deferred Tax Assets</u>		
Arising out of timing difference in depreciation and in respect of expenses allowable on payment basis	-	92
TOTAL	-	92
<u>NOTE 11 : LONG TERM LOANS AND ADVANCES</u>		
(Unsecured, Considered Good)		
Security Deposits	0*	0*
Advance Tax (Net of Provisions)	36	-
TOTAL	36	0*
<u>NOTE 12 : OTHER NON-CURRENT ASSETS</u>		
Bank Deposits with original maturity of more than 12 months {Refer Note below}	295	425
Interest Accrued on Deposits with Banks	2	2
Service Tax Input Credit	-	71
Prepaid Expenses	-	0 *
TOTAL	297	498

Note :

Bank Deposits with original maturity of more than 12 months comprises of deposits amounting to ₹50 lakhs (Previous Year ₹50 lakhs) kept with Bank of Baroda, under lien in favour of Forex Dealers Association of India (FEDAI).

* denotes amount less than ₹ 1 lakh.

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in lakhs)

	As at 31.03.2015	As at 31.03.2014
<u>NOTE 13 : TRADE RECEIVABLES</u>		
(Unsecured, Considered Good)		
Trade Receivables outstanding for a period less than six months from the date they are due for payment	199	131
TOTAL	199	131
 <u>NOTE 14 : CASH AND BANK BALANCES</u>		
(A) Cash and Cash Equivalents:		
Balance with Banks in Current Accounts	27	32
Cash on Hand	0 *	0 *
	27	32
(B) Other Bank Balances:		
Bank Deposits with original maturity of more than 3 months but upto 12 months	2,300	1,725
	2,300	1,725
TOTAL	2,327	1,757
 <u>NOTE 15 : SHORT TERM LOANS AND ADVANCES</u>		
(Unsecured, Considered Good)		
Advances to suppliers and Others	19	4
TOTAL	19	4

* denotes amount less than ₹ 1 lakh.



CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

	(₹ in lakhs)	
	As at 31.03.2015	As at 31.03.2014
<u>NOTE 16 : OTHER CURRENT ASSETS</u>		
Interest Accrued on Deposits with Banks	128	104
Due from The Clearing Corporation of India Ltd. - Holding Company	180	9
Service Tax Input Credit	102	53
Prepaid Expenses	25	18
Others	-	0 *
TOTAL	435	184
	(₹ in lakhs)	
	For the year ended 31.03.2015	For the year ended 31.03.2014
<u>NOTE 17 : REVENUE FROM OPERATIONS</u>		
Transaction Charges - Repo Trading System	1,129	912
Transaction Charges - CBLO Trading System	1,101	941
Transaction Charges - Forex Trading Systems	309	202
Membership Fees	5	5
NDS Helpdesk Support Charges	50	50
Datafeed Charges	291	221
Annual Maintenance Fees	19	-
TOTAL	2,904	2,331
<u>NOTE 18 : OTHER INCOME</u>		
Interest on Fixed Deposits with Banks	229	206
Other Non-operating Income	6	28
TOTAL	235	234
<u>NOTE 19 : EMPLOYEE BENEFITS EXPENSE</u>		
Salaries	463	413
Contributions to Provident and Other Funds	54	87
Staff Welfare Expenses	36	32
TOTAL	553	532

* denotes amount less than ₹ 1 lakh.

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

	(₹ in lakhs)	
	For the year ended 31.03.2015	For the year ended 31.03.2014
<u>NOTE 20 : FINANCE COSTS</u>		
Interest on Taxes	18	2
TOTAL	18	2

NOTE 21 : DEPRECIATION AND AMORTIZATION EXPENSE

Depreciation on Tangible Assets	8	26
Amortization of Intangible Assets	172	243
TOTAL	180	269

Note:

Pursuant to the Companies Act, 2013 ("the Act") coming into effect from 1st April, 2014, the Company has realigned the remaining useful life of its fixed assets in accordance with the provisions prescribed under Schedule II to the Act. Accordingly, assets which have written down value as at 01.04.2014 is being depreciated over the revised remaining useful lives. Consequently, the depreciation and amortization expense for the year is lower by ₹76 lakhs (net of deferred tax ₹36 lakhs).

NOTE 22 : OTHER EXPENSES

Rent	9	9
Insurance	0 *	0 *
Rates and Taxes #	14	0 *
Repairs and Maintenance Expenses - Computer Systems	226	225
Communication Expenses	122	81
Business Support Charges to Holding Company	620	617
CSR Expense - Contribution to Prime Minister's National Relief Fund	14	-
Professional Fees	21	14
Payment to Auditors:		
- Audit Fees	2	2
- Tax Audit Fees	1	0 *
- Certification Fees	1	0 *
- Reimbursement of Expenses	0 *	0 *
Others	79	47
TOTAL	1,109	995

* denotes amount less than ₹1 lakh.

'Rates and Taxes' includes Service Tax of ₹14 lakhs relating to earlier years.

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

NOTE 23 : CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakhs)		
Particulars	As at 31.03.2015	As at 31.03.2014
(i) <u>Contingent Liabilities</u>		
(a) Cases where litigations are pending before the various Courts of Law	-	-
(b) Other disputed matters(other than in Courts of Law) :		
Service Tax (net of input credit of ₹ 116 lakhs and including interest of ₹ 78 lakhs upto the end of the year)	167	-
(ii) <u>Commitments</u>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	228	18
TOTAL	395	18

NOTE 24 : VALUE OF IMPORTS AND EXPENDITURE IN FOREIGN CURRENCY

(₹ in lakhs)		
Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Value of Imports on CIF basis	2	-
Expenditure in Foreign Currency :		
- Travelling Expenses	1	1
- Training and Conference Fees	0 *	-
TOTAL	3	1

NOTE 25 : EARNINGS IN FOREIGN EXCHANGE

Datafeed Charges	63	61
	63	61

* denotes amount less than ₹ 1 lakh.

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

NOTE 26 : EMPLOYEE BENEFITS - GRATUITY

In terms of the Company's gratuity plan, on leaving of service every employee who has completed atleast five years of service gets a gratuity computed at the rate of 30 days of last drawn salary for each completed year service. The Gratuity Scheme of the Company is funded with Life Insurance Corporation of India (LIC) in the form of qualifying insurance policy. In accordance with the Accounting Standard on employee benefits (AS 15) revised 2005 notified by the Companies (Accounting Standards) Rules 2006, following disclosures have been made which is based on Actuarial Valuation provided by Independent Actuary/LIC.

(₹ in lakhs)

Description	Gratuity	
	2014-15	2013-14
A. Amount recognised in the Statement of Profit and Loss for the year		
- Current Service Cost	11	9
- Interest Cost	11	5
- Expected Return on Plan Assets	(7)	(6)
- Net actuarial (Gain) / Loss recognized during the year	6	51
- Total Expenses recognized in the Statement of Profit and Loss	21	59
B. Actual Return on Plan Assets		
- Actual Return of Plan Assets	9	6
C. Amount recognised in the Balance Sheet		
- Present Value of Obligation	141	120
- Fair Value of Plan Assets	154	81
- Funded status {surplus / (deficit)}	13	(39)
- Net Asset/(Liability) recognized in the Balance Sheet	13	(39)
D. Change in Present Value of Obligation		
- Present Value of Obligation at the beginning of the year	120	60
- Current Service Cost	11	9
- Interest Cost	11	5
- Benefits paid	(9)	(5)
- Actuarial (Gain) / Loss on Obligation	8	51
- Present Value of Obligation at the end of the year	141	120
E. Change in Plan Assets		
- Fair Value of Plan Assets at the beginning of the year	81	62
- Expected Return on Plan Assets	7	6
- Contributions Made	73	18
- Benefits Paid	(9)	(5)
- Actuarial Gains / (Loss) on Plan Assets	2	-
- Fair Value of Plan Assets at the end of the year	154	81

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in lakhs)

Description	Gratuity	
	2014-15	2013-14
F. Major categories of Plan Assets as a percentage of total plan	100% Insurance Policy	
G. Actuarial Assumptions		
- Discount Rate	8.00%	8.00%
- Expected Rate of Return on Plan assets	8.00%	8.75%
- Employee Attrition Rate	3%	1%-3%
- Mortality Rate/Table	Indian Assured Lives Mortality (2006-08)	LIC(1994-96) Ultimate
- Future salary increase	8.00%	8.00%

Notes:

- (a) Disclosure with respect to experience adjustments to Plan Assets and Liabilities has not been furnished as the relevant data is not readily available.
- (b) Actuarial Valuation has been done using Projected Unit Credit Method
- (c) Estimated amount of contribution to be made in the next financial year ₹1 lakh (Previous year - ₹39 lakhs).
- (d) **Amounts Recognised as Expense:**
- (i) **Defined Contribution Plan**
- (1) Employer's Contribution to Provident Fund amounting to ₹24 lakhs (Previous year - ₹20 lakhs) has been included in Note 19 under Contribution to Provident Fund and Other Funds.
- (2) Employer's Contribution to Superannuation Fund amounting to ₹6 lakhs (Previous year - ₹5 lakhs) has been included in Note 19 under Contribution to Provident Fund and Other Funds.
- (ii) **Defined Benefit Plan**
- Gratuity cost amounting to ₹21 lakhs (Previous year - ₹59 lakhs) has been included in Note 19 under Contribution to Provident and Other Funds.

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

NOTE 27 : EARNINGS PER SHARE

Basic and Diluted Earnings Per Share is calculated as under:

Particulars		2014-15	2013-14
(i)	Net Profit After Tax attributable to Equity Shareholders (₹ in lakhs)	897	514
(ii)	Number of Equity Shares outstanding at the beginning of the year	10,000,000	10,000,000
(iii)	Number of Equity Shares outstanding at the end of the year	10,000,000	10,000,000
(iv)	Weighted Average Number of Equity Shares outstanding during the year	10,000,000	10,000,000
(v)	Nominal value of Equity shares (Amt. in ₹)	10	10
(vi)	Basic and Diluted Earnings Per share (Amt. in ₹)	8.97	5.14

NOTE 28 : RELATED PARTY DISCLOSURES

(A) List of Related Parties and their relationship

(i) Party where control exists

The Clearing Corporation of India Limited - Holding Company

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

Party having substantial interest in Holding Company

State Bank of India

Key Management Personnel

Mr. R. Sridharan -Managing Director

Mr. Deepak Chande - Chief Financial Officer (w.e.f 05.11.2014)

Ms. Sandhya Sati - Company Secretary

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

(B) Transactions with Related Party :

(₹ in lakhs)

Nature of Relationship	Holding Company	Party having substantial interest in Holding Company	Key Management Personnel
Share of Operational Income Received	1,617 (1,117)	-----	-----
Income from Operations	-----	28 (32)	-----
Rent Paid for Residential Accommodation	9 (9)	-----	-----
Business Support Charge to Holding Company	697 (617)	-----	-----
Reimbursement/Sharing of expenses (payment)	150 (83)	-----	-----
Remuneration : - Ms. Sandhya Sati	-----	-----	21 (16)
Outstanding Balance as at the year end :			
Receivable	180 (9)	2 (6)	-----
Payable - Ms. Sandhya Sati	-----	-----	2 (1)

Notes:

- (a) Figures in brackets represent corresponding amounts in the previous year.
- (b) Transactions with Holding Company are in respect of common operations and in accordance with the terms of agreement entered into in this regard.
- (c) No amount in respect of the related party has been provided for as doubtful debts or written off/back during the year.
- (d) The amounts are inclusive of Service Tax wherever applicable.
- (e) 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 ON MARCH 31, 2015

NOTE 29 : DETAILS OF AMOUNTS DUE TO MICRO AND SMALL ENTERPRISES

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

NOTE 30 :

The Company's operations fall into a single business segment comprising of facilitating 'Trading of securities/ foreign exchange/money market instruments' and activities incidental thereto, and all it's operations are carried out in India.

NOTE 31 :

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

NOTE 32 :

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

For and on behalf of the Board of Directors

Sd/-
Shyamala Gopinath
Chairperson
(DIN:02362921)

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

Sd/-
C. M. Dixit
Director
(DIN:00524318)

Place : Mumbai
Date : May 12, 2015

Sd/-
Sandhya Sati
Company Secretary

Sd/-
Deepak Chande
Chief Financial Officer