



Indian Clearing Corporation Limited

Annual Report 2014-2015

NOTICE

Notice is hereby given that the 8th Annual General Meeting of the members of the Indian Clearing Corporation Limited will be held on Monday, June 22, 2015 at 25th Floor, Conference Room, P.J. Towers, Dalal Street, Mumbai – 400 001 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the financial year ended 31st March, 2015 and the Balance Sheet as on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend, if any, on the Equity Shares of the Company for the financial year ended 31st March, 2015.
3. To appoint a Shareholder Director in place of Mr. Nehal Vora (DIN: 02769054) who retires by rotation, and being eligible, offers himself for re-appointment. However, his appointment shall be subject to approval of Securities and Exchange Board of India pursuant to Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012.
4. *To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution.*

“RESOLVED THAT subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s S. Panse & Co., Chartered Accountants, be and is hereby re-appointed as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company, subject to ratification of the appointment by the Members of the Company at every Annual General Meeting as per the provisions of the Companies Act, 2013, on such remuneration as may be agreed upon between the Board of Directors or any Committee thereof in addition to the reimbursement of service tax and actual out of pocket expenses incurred in relation with the audit of accounts of the Company.

5. **Increase in Remuneration of MD & CEO for September 6, 2014 to September 5, 2015:**

To consider and if thought fit to pass with or without modification(s) the following resolution as Special Resolution.

“RESOLVED THAT pursuant to the provisions of Sections 197 and other applicable provisions read with Schedule V of the Companies Act, 2013 and Rules made thereunder, Securities Contracts (Regulation) (Stock Exchanges And Clearing Corporations) Regulations, 2012 and SEBI circular dated 13th December, 2012 on ‘Procedural norms on Recognitions, Ownership and Governance for Stock Exchanges and Clearing Corporations’ as may be amended from time to time, Articles of Association and SEBI approval vide its letter dated August 30, 2013 and November 17, 2014 consent be and is hereby accorded for increasing the fixed and variable remuneration payable to Mr. K. Kumar, MD & CEO by 25% each for the period September 6, 2014 to September 5, 2015.

RESOLVED FURTHER THAT all other terms and conditions of the appointment as approved by the Shareholders in the Annual General Meeting held on May 26, 2014 shall remain unchanged.

RESOVLED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. K. Kumar as MD & CEO, the remuneration as may be decided by the Board, be paid or granted to him as minimum remuneration.

RESOVLED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and Secretary of the Company, be and is hereby severally authorized to do all such acts, deeds, matters and things as are incidental thereto or as may be deemed necessary or desirable and to settle any question or difficulty that may arise in such manner as it may deem fit”

NOTES

1. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such a representative to attend and vote on their behalf at the meeting.
2. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. The Register of Members and the Share Transfer books of the Company will remain closed on Monday, June 22, 2015 for determining the names of members eligible for dividend on equity shares, if declared at the Annual General Meeting.
4. The Board of Directors have recommended the payment of dividend on equity shares, for the financial year ended 31st March, 2015, payable to those eligible members whose names appear on the Company's Register of Members on June 22, 2015. The dividend, if declared at the Annual General Meeting shall be paid within a period of 30 days from the date of the declaration, as per the provisions of Companies Act, 2013.
5. All relevant documents referred in the Notice and the Explanatory Statements shall be open for inspection by the members at the Registered Office of the Company during the normal business hours (10.A.M to 6 P.M) on all working days (except Saturdays) up to the date of Annual General Meeting of the Company.
6. In terms of Section 139 (1) of the Companies Act, 2013, M/s S. Panse & Co., Chartered Accountants who were appointed as Statutory Auditors of the Company for the financial year i.e. 2014-15 hold the office upto the conclusion of this Annual General Meeting. Thus, the appointment of Statutory Auditors for a period has been put up for the approval of members at item no. 4 of the Notice.
7. Brief resume of all Directors including those proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges is annexed hereto. The Company is in receipt of relevant disclosures/consents from the Directors pertaining to their appointment/reappointment.
8. Register of Directors and Key Managerial Personnel and their shareholding

maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

9. Members/Proxies should fill the attendance slip for attending the meeting and bring their attendance slip along with their copy of Annual Report to the meeting.

ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

ITEM No. 5

Increase in Remuneration of MD & CEO for September 6, 2014 to September 5, 2015:

The shareholders of the Company had approved the appointment and remuneration of Mr. K. Kumar in the Annual General Meeting of the Company held on May 26, 2014 for a period of 3 years.

Pursuant to the recommendation of Nomination & Remuneration Committee at their meeting held on July 17, 2014, the Board of Directors of the Company at its meeting held on July 17, 2014 approved increasing the remuneration as stated in Item No. 5 of the Notice, subject to the approval of SEBI and the members of the Company. SEBI approval to the increase in remuneration has been received on November 17, 2014.

The Board of Directors recommends the resolution at Item No. 5 of the Notice for the approval of members of the Company by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. K. Kumar are concerned or interested, financially or otherwise, in the said Resolution.

The information as required under Schedule V of Companies Act, 2013 is given in the Annexure to the Notice.

Additional information as required under Schedule V to the Companies Act, 2013 is given below:

I. GENERAL INFORMATION:

a. Nature of Industry:

Indian Clearing Corporation Limited (ICCL) is a Qualified Central Counterparties (QCCPs) in the Indian Securities Market jurisdiction. ICCL has qualified as QCCPs in view of the fact that it is regulated by Securities and Exchange Board of India (SEBI) under SEBI Act 1992, Securities Contract (Regulation) Act, 1956 (SCRA) and Rules and Regulations made there under.

Indian Clearing Corporation Ltd. (ICCL) is a wholly owned subsidiary of BSE. Incorporated in 2007 to function as a full fledged Clearing Corporation. ICCL has been set up with an

objective of promoting financial stability, integrity and expanding its capacities. ICCL is working towards becoming a globally recognized CCP that clears and settles trades for a multitude of diverse and sophisticated products.

b. Date or expected date of commencement of commercial production:

Not applicable.

c. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable.

d. Financial performance based on given indicators – as per audited financial results of the Exchange for the year ended 31st March, 2015:

Particulars	(Rs. In Lakh)
Total Income	9,041
Total Expenditure	1,802
Profit before Tax	7,239
Less: Provision for Tax	896
Profit after Tax	6343

e. Export performance and net foreign exchange collaborations for the year ended 31st March, 2015:

Not Applicable

f. Foreign investment or collaborations, if any:

Not applicable.

II. INFORMATION ABOUT THE APPOINTEE:

a. Background details:

Mr. K Kumar is MD & CEO, Indian Clearing Corporation Ltd. (a wholly owned subsidiary of BSE Ltd). He has exhaustive knowledge of Membership, Inspection, Compliance, Regulatory, Trading, Clearing & Settlement systems and processes of Stock Exchange and Clearing Corporation. He has rich experience of 35 years. He is associated with ICCL Ltd since April 2013 onwards. He has raised the credibility bar with investors by putting stringent measures in place, for ensuring smooth completion of transactions. He has overall rich managerial and administrative capability. He is committed to fulfilling the duties and responsibilities in strict accordance with the Articles of Association and other regulations while working to increase transparency of information and long-term returns for the company.

Mr. Kumar is Master Honours (M.A.) (Economics) from Birla Institute of Technology and Science, Pilani.

Mr. Kumar has worked in Stock Exchanges like NSE, USE and in Finance Companies like Cazenove, IL&FS and Aloula Geojit (at Riyadh). He was part of the 5 Member Core Team which set up NSE. He has also worked in SBI and IDBI.

b. Past remuneration:

Not Applicable

c. Recognition or Awards:

Nil

d. Job profile and their suitability:

Same as stipulated in Para II (a) above

e. Remuneration proposed:

Increase of 25% each in fixed and variable remuneration for the period September 6, 2014 to September 5, 2015 resulting in fixed remuneration of Rs. 60 Lakhs and variable remuneration of Rs. 15 Lakhs.

f. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Taking into consideration the size of the Company, the profile of Mr. K. Kumar, MD & CEO, the responsibilities shouldered by him and industry benchmarks, the remuneration proposed to be paid, is commensurate with the remuneration packages paid to similar senior level counterparts in the companies.

g. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Besides the remuneration to be paid to him, Mr. K. Kumar does not have any other pecuniary relationship with the Company.

(III) OTHER INFORMATION:-

a. Reason for Inadequate Profits: Not Applicable

b. Steps taken/ proposed to be taken for improvement:

The Company is informed that steps have been taken and efforts been initiated to improve revenues and to increase income from all business activities. Further, efforts are being taken to reduce costs and tight budgetary measures are being put in place in this regard.

c. Expected increase in profits:

The Company is informed that barring unforeseen circumstances, the net profit of the Company for the financial year 2015-16 is expected to be higher than the previous financial year's net profit and the possibility of inadequacy of profits is not likely.

The abstract of terms of contract and memorandum of interest as required under Section 302 of the Act shall be circulated to all the members of the Company.

The Board recommends the Resolution for your approval as set out under Item No. 6.

None of the Directors except Mr. K. Kumar are deemed to be concerned or interested in the Resolution at Item No. 6 of the Notice.

By the order of the Board of Directors

Sd/-

Manisha Thakur

Chief Regulatory Officer & Company Secretary

Date: May 15, 2015

Place: Mumbai

Registered office:

25th Floor, P.J. Towers, Dalal Street, Mumbai – 400 001

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES.

Name of the Director	Mr. Nehal Vora
Director Identification Number	02769054
Date of Birth	11-8-1973
Age	42 Years
Permanent Account Number	AAEPV6843L
Date of Appointment on the Board	12-04-2010
Experience in the specific functional areas	More than 17 years of rich and varied experience in the area of Compliance and regulation
No. of equity shares held in the Company (as on March 31, 2015)	1
Qualifications	Master of Management Studies degree in Finance from the Narsee Monjee Institute of Management Studies, University of Mumbai.
List of other directorship	<ol style="list-style-type: none"> 1. Indian Clearing Corporation Limited 2. BSE Institute Limited 3. National Power Exchange Limited 4. United Stock Exchange of India Limited. 5. Institutional Investor Advisory Services India Limited. 6. Asia Index Private Limited. 7. BSE Investments Limited.
Membership/Chairman of Committees of the other Companies	NIL
Relationships, if any, between Director inter se	NIL

Notes:

- 1. ANY MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FIXED FOR THE MEETING.**
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. A copy of the Directors' Report, the audited accounts and the Auditors' Report is annexed hereto.
4. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of item no. 5 set out above, is annexed herewith.
5. The Register of Members and the Share Transfer Books of the Company will be closed on June 22, 2015.

CIN: U67120MH2007PLC170358

Registered office: 25th Floor, P.J. Towers, Dalal Street, Mumbai-400 001

Tel : +91 2272 1233 / 34 F ; +91 22 2272 1919 Website : www.icclindia.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Details of Shareholder:

No. of Share held Folio No

Client ID No DP ID No

Name(s) of the Shareholder(s) / Proxy (IN BLOCK CAPITALS)

Address:

I/We hereby record my/our presence at the Eighth Annual General Meeting of ICCL held at "Conference Room", 25th Floor, P.J. Towers, Dalal Street, Mumbai - 400 001 onday.....date....., 2015 at.....

Signature of the Shareholder(s) / Proxy

Note : No duplicate Attendance Slip will be issued at the Meeting Hall. You are requested to bring your copy of the Annual Report to the Meeting.

ICCL
 CIN: U67120MH2007PLC170358
 Registered office: 25th Floor, P.J. Towers, Dalal Street, Mumbai'-400 001
 Tel : +91 2272 1233 / 34 F ; +91 22 2272 1919 Website : www.icclindia.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) :
Registered address :
E-mail ID :
Folio No./Client ID :
DP ID :

I/We, being the member(s) of _____ shares ICCL Limited, hereby appoint:

Name: _____ Address: _____
 E-mail ID: _____ Signature: _____, or failing
 him/her Name: _____ Address: _____
 E-mail ID: _____ Signature: _____, or failing
 him/herName: _____ Address: _____
 E-mail ID: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me /us and my/our behalf at the Eighth Annual General Meeting of the ICCL , to be held onday,date.....2015 at..... at Conference room, 25th floor, P.J. Towers, Dalal Street, Mumbai-400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	
Special Business	
5	Approval for entering into Related Part Transaction by the Company
6	

Signed this _____ day of _____ 2015

Affix

Signature of the shareholder _____
 Revenue

Stamp
 Signature of the Proxy holder(s) _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Exchange not less than 48 hours before the commencement of the meeting time for holding the meeting

DIRECTORS' REPORT

The Members,

Indian Clearing Corporation Limited

Your Directors have pleasure in presenting their eighth Annual Report and Audited Accounts for the financial year ended 31st March, 2015.

1. Financial Results:

The financial results for the year ended 31st March, 2015 are as follows:

Particulars	(Rs. in Lakhs)	
	Year Ended March 31, 2015	Year Ended March 31, 2014
A. Income		
Income from Operations	1,773	813
Income from Investments & Deposits	7,249	8,296
Other Income	19	1
Total	9,041	9,110
B. Expenditure		
Employee Benefits Expenses	434	316
Other Operating Expenses	1259	1232
Depreciation and Amortisation	97	27
Finance Cost- Interest	12	16
Total	1802	1591
C. Profit before tax (PBT)	7239	7519
D. Provision for taxes	896	1470
E. Profit After Tax (PAT)	6343	6049
Earnings per Share	0.17	0.17

- i. Total Income of ICCL decreased by Rs. 69 lakhs to Rs. 9,041 lakhs for the year ended March 31, 2015, from Rs. 9,110 lakhs for the year ended March 31, 2014, on Y-o-Y basis.
- ii. The Total Expenses of ICCL increased by Rs. 211 Lakhs to Rs. 1,802 lakhs for the year ended March 31, 2015 compared to Rs. 1,591 Lakhs for the year ended March 31, 2014.
- iii. The profit before tax decreased by Rs. 280 Lakhs to Rs. 7,239 lakhs for the year ended, March 31, 2015 compared to Rs. 7,519 Lakhs for the year ended March 31, 2014.

- iv. The net profit after tax increased by Rs. 294 Lakhs to Rs. 6,343 Lakhs for the Year ended March 31, 2015 from Rs. 6,049 Lakhs for the year ended March 31, 2014.

2. Performance & Operations:

The Company has been providing Clearing & Settlement services for all the segments of BSE viz. Equity Cash, Equity Derivatives, Currency Derivatives, Interest Rate Futures, Offer for Sale, SME, Debt Segment, Securities Lending & Borrowing and Mutual Fund.

ICCL has ceased providing Clearing & Settlement services for Currency Derivatives Segment of United Stock Exchange of India Ltd (USE) as the Hon'ble High Court has approved merger of USE with BSE.

During the period under review, the Company has introduced many new features and facilities to make the clearing & settlement system more efficient and user friendly for market participants in various segments.

New Initiatives / Products Proposed:

- i. Direct Payment Facility for MF funds pay-out (direct pay-out of funds to client's account) in BSE STAR Mutual Fund Segment.
- ii. Facility of E-FDR – Electronic confirmation of Fixed Deposit Receipts by Banks towards collateral requirements.
- iii. Facility of fungible BGs and FDRs across all segments of BSE.
- iv. Early pay-in without EPN (client details) files.

Facilities / Products Recently Introduced:

- i. Facility for non demat transactions in BSE STAR Mutual Fund Segment.
- ii. Facility for adjustment of Liquid Mutual Fund redemption pay-out against settlement obligation of Clearing Members in Equity Cash Segment.
- iii. Deposit of Cash Equivalent Collateral in case of retail investor category for OFS (Offer for Sale) Segment.
- iv. Auto DO and DPC facility for SLB and ITP Segments.

BSE inks MoU with BNY Mellon:

BSE has signed a Memorandum of Understanding (MoU) with The Bank of New York Mellon, a New York based banking corporation. This MoU was signed in New York on 26 day of September 2014.

As per this MoU, BNY Mellon will work with ICCL to provide collateral management solutions to enable investors to provide collateral which is traded outside of India to the BSE/ICCL.

The MOU would allow for acceptance of "AAA" rated foreign sovereign bonds, as approved by the regulators RBI and SEBI, as collateral for trades done on BSE. This enablement is expected to increase the ease for foreign investors operating in Indian

market and is expected to reduce their costs of collateral and trading in Indian markets significantly over a period of time.

With the signing of this MOU, BSE/ICCL and BNY Mellon aim to enhance the trading experience for the foreign institutional and retail investors and bring Indian practices in line with the best in the world.

3. Dividend

Your Directors have recommended dividend on Equity shares at the rate of Rs. 0.13 per equity share of face value of Re. 1/- each fully paid-up for the financial year ended 31st March, 2015 aggregating to Rs. 5725 lakhs (previous year Rs. 3015 lakhs) subject to the approval of shareholders at the Eighth Annual General Meeting.

The dividend, if declared at the ensuing Annual General Meeting, will be paid to those members whose names appear in the Register of Members on June 22, 2015, being record date.

The total dividend amount is Rs. 4,757 lakhs. The total corporate tax on dividend thereon is Rs. 968 lakhs. However, the dividend will be tax free in the hands of shareholders.

4. Securities Contracts (Regulation)(Stock Exchanges And Clearing Corporations) Regulations, 2012:

Pursuant to the SECC Regulation and Circular No. CIR/MRD/DSA/33/2012 dated 13th December 2012 on Procedural norms on Recognition, Ownership and Governance for Stock Exchanges and Clearing Corporations, SEBI has vide letter dated MRD/DRMNP/28675/2014 dated September 29, 2014 granted recognition to ICCL to act as a Clearing Corporation for a period of one year subject to compliance with the following:

- a. That ICCL shall take immediate steps to rectify the deficiencies pointed out in the systems audit.
- b. That ICCL shall have Business Continuity Plan and Disaster Recovery site as prescribed by SEBI.
- c. That ICCL shall adhere to the undertakings provided in the application and through subsequent submissions, and
- d. That ICCL shall comply with the rules, regulations, guidelines instructions and conditions as may be prescribed by SEBI from time to time.

ICCL is in the process of complying with the aforesaid conditions and the status of compliance of observations is as follows:

- a. ICCL has rectified the deficiencies observed in the Systems Audit Report for the calendar year 2013. The status of implementation was submitted to SEBI on December 29, 2014.

- b. ICCL has developed a policy framework for Business Continuity in the event of emergencies. The Business Continuity Plan is operational and a recent exercise to test the preparedness was carried out successfully from the Disaster Recovery (DR) site based at Hyderabad.

5. Risk and Internal Adequacy

Your Company has an elaborate Risk Management procedure, which is based on three pillars: Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed with the Risk Management Committee.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Risk Management / Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

Your Company manages cash and cash flow processes assiduously, involving all parts of the business. The Company's low debt equity ratio provides ample scope for gearing the Balance Sheet, should the need arise.

BSE has launched Self Trade Prevention Check (STPC) in the Equity Segment:

BSE has successfully launched its new functionality Self-trade prevention check (STPC).

The Self-trade prevention check (STPC) functionality was introduced with the purpose of preventing matching between a buy and a sell order entered in the same order book by a member for the same client code originating from same or different trading terminals of the member.

This new functionality is yet another step taken by the BSE to raise itself to the International standards and bring in more transparency.

Implementation of SEBI circular no. CIR/MRD/DRMNP/25/2014, dated August 27, 2014 on Core Settlement Guarantee Fund, Default Waterfall and Stress Test

SEBI vide its circular no. CIR/MRD/DRMNP/25/2014 dated August 27, 2014 has issued norms related to Core Settlement Guarantee Fund (Core SGF), Stress Testing and Default Procedures.

Core SGF

The creation of the Core SGF is aimed at mitigating the risks faced by overall markets due to defaults by certain entities and also includes setting default waterfall marks to limit the liability of non-defaulting entities. Stress testing norms require that, on a monthly basis, the Clearing Corporation perform comprehensive analysis of stress testing scenarios to ensure necessary default protection measures in light of prevalent market conditions.

Minimum Required Corpus

Stress tests would need to be conducted to determine the Minimum Required Corpus of Core SGF, which would be needed to be set aside from the overall Settlement Guarantee Fund of the Clearing Corporation. The Core SGF, against which no exposure is given, is readily and unconditionally available to meet settlement obligations of clearing corporation in case of clearing members failing to honour settlement obligation.

Contributions to the Core SGF

Contributions to the Core SGF would come from the Clearing Corporation, Stock Exchange and the Clearing Members. Any penalties levied by the Clearing Corporation (as per Regulation 34 of SECC Regulations) shall be credited to the Core SGF Corpus. Interest on cash contribution to Core SGF shall also accrue to the Core SGF and pro-rate attributed to the contributors in proportion to their cash contribution. The Defaulter's Committee / SGF utilisation committee of the Clearing Corporation shall manage the Core SGF.

Exposure towards CCP: As per SEBI Circular dated August 27, 2014, a clearing corporation's contribution to Core SGF shall be atleast 50% of the Minimum Required Corpus ("MRC"). A stock exchange's contribution should be at least 25% of the MRC and a clearing member's contribution cannot exceed 25% of the MRC. ICCL has decided to currently keep the Clearing Members' contribution to Default Fund as "NIL"

Limited Liability: ICCL has limited the liability for non-defaulting members subject to a maximum cap of INR 1 million

Recovery & Resolution: INR 1 Billion is kept separately for covering operational cost for 1 year, legal cost, regulatory cost, and other liabilities.

ICCL has implemented the circular w.e.f. December 1, 2014. Presently contribution to the Core SGF is made by the Exchange (25%) and ICCL (75%) for Equity Cash, Equity Derivatives and Currency Derivatives Segments and 100% by ICCL for the Debt Segment.

6. Corporate Governance

Your Company is renowned for exemplary governance standards since inception and continues to lay a strong emphasis on transparency, accountability and integrity.

A separate report on Corporate Governance is provided in the Annual Report, together with a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s). A Certificate of the CEO of the Company in terms of sub-clause(v) of Clause 49 of Listing Agreement, inter alia, confirming the correctness of the financial statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

Your Company is committed to embrace the new law in letter and spirit.

During the year, Secretarial Audit was carried out. The detailed report on the same are part of this Annual Report.

M/s Mehta & Mehta undertook the Secretarial Audit of the Company and the following observations were reported:

“As per clause (ii)(b) of Part A of Schedule II of the SECCR, Public interest directors are required to meet separately, at least once in six months to exchange views on critical issues, however, there was only one such meeting held during the year as on 14th July 2014 and there was no such meeting within six months from that day”

The Management response with regard to the above observation is as follows:

“Public Interest Directors (PID) meeting is required to be convened at least once every year as per the Companies Act, 2013 and as per SECC Regulations, 2012 PID meetings are to be held at least once in 6 months. A meeting of the PIDs for the period June 2014 to December 2014 was held on July 14, 2014 the next meeting of the Committee will be convened before June 30, 2015.”

7. Board of Directors

Ms. Maya Swaminathan Sinha and Mr. G. Sethu are Public Interest Directors of ICCL. Mr. Ashishkumar Chauhan and Mr. Nehal Vora are the Shareholder Directors of ICCL, representing BSE Ltd. Mr. K. Kumar is the Managing Director & CEO of the Company.

Mr. Arun Ramanathan, Mr. G. Anantharaman and Mr. M.B.N. Rao, Directors, ceased to be the Director of the Company with effect from November 20, 2014.

The Board places on record its deep sense of appreciation for the outstanding contribution made by Mr. Arun Ramanathan, Mr. G. Anantharaman and Mr. M.B.N. Rao, Directors to the Company.

In accordance with Article 131 of the Articles of Association of the Company read with provisions of Companies Act, 1956 and applicable provisions of Companies Act, 2013, Mr. Nehal Vora retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Board recommends the appointment of Mr. Nehal Vora as Director of the Company.

8. Auditors

Subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s S. Panse & Co., Chartered Accountants, is proposed to be appointed as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting to audit the accounts of the Company for the financial year 2014-2015 at a remuneration of Rs.4 Lakhs per annum plus out of pocket expenses and taxes.

Auditors Report

The Auditors' Report on the financial statements of the company for financial year ended 31st March, 2015 does not contain any reservation, qualification or adverse remark.

9. ICCL has taken Counterparty Default Insurance for INR 370.8 Crore.

ICCL remains committed to the safety of investors and members and to further add to this security, ICCL has subscribed to a unique Insurance Policy for INR 370.8 Crore across all segments. The objective of the Policy is to protect ICCL against counterparty defaults, and add a further capital cushion to the ICCL network making the resources of the non-defaulting members even safer. The policy also adds to the ability of ICCL to absorb higher losses before any resources of the non-defaulting members are put at risk.

ICCL provides full novation and has the responsibility of guaranteeing contractual performance by playing the role of a central counterparty for all trades on BSE, thereby eliminating counterparty risk for the members. In essence, it splits the original contract between the initiating counterparties into two new contracts; one each between ICCL and the initiating counterparties. ICCL has put in place a risk management framework to mitigate the risk it undertakes in its capacity as a Clearing Corporation.

However, as a second line of defence to the margining and risk management systems, ICCL has subscribed to the Insurance policy. In the case of loss arising out of defaults, the capital of Clearing Corporation and its non-defaulting members would be at risk, in accordance with the default waterfall. The magnitude of potential loss due to default a clearing corporation can undertake without affecting the capital of non-defaulting members is contingent upon the network of the Clearing Corporation and additional capital cushions, which insulate the default loss and the non-defaulting members' resources.

ICCL, with its network of over INR 450 Crore, which is nearly 3 times its default fund requirements, is well capitalized and instills a high level of confidence in its members and investors of the ability of ICCL to handle extreme loss situations. The additional capital cushion of INR 370.8 Crore, provided by the Insurance cover, along with the network covers over 5 times the default fund requirement of ICCL and further increases the safety for domestic and international participants alike.

10. India Ratings & Research assigned rating of 'IND AAA'; Outlook Stable and CARE assigned 'CARE AAA(IS)' rating to ICCL

ICCL continues to remain the only clearing corporation in India to be granted "AAA" rating by two rating agencies, India Ratings Ltd. (Indian arm of Fitch Ratings) and Care Ratings Ltd.

11. ICCL has applied for ESMA recognition under the European Market Infrastructure Regulations

ICCL has applied to the European Securities and Market Authority (ESMA) for recognition as a TC-CCP under the European Market Infrastructure Regulations (EMIR). In October 2014, ICCL received a Notification of Completeness of Application from ESMA.

12. ICCL becomes the first entity to be assigned LEI by CCIL

On November 18, 2014 the ICCL became the first company to apply for, and receive Pre-Legal Entity Identifier ("LEI") from Clearing Corporation of India Limited ("CCIL"). Due to the vulnerabilities of the global financial system, the importance of creating a common system of identifiers was keenly felt by the Financial Stability Board ("FSB"), IOSCO, and G-20 finance ministers and leaders. The LEI helps connect to key reference

information that enables clear and unique identification of companies participating in global financial markets. The LEI is based on the international ISO 17442 standard and the current guidelines of the FSB. Every entity which registers for a LEI is subject to reliable, but flexible operational principles and standards for the origination and continued maintenance of a LEI.

On January 6, 2014, RBI identified CCIL as the Local Operating Unit (“LOU”) for issuing globally compatible LEIs in India. The LEI is a unique 20 digit, alpha-numeric reference code.

13. Deposits

During the year under review, the Company has not accepted/renewed any Deposits from the public.

14. Particulars of employees:

During the year under review, the compensation given to the employees covered under section 134 of the Companies Act, 2013 and the compensation given to the key management personnel of the Company pursuant to Regulation 27(5) of Securities Contract (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, are given in attached Annexure to the Report.

15. Conservation of energy, technology absorption and Foreign Exchange earnings and outgo

A] Conservation of Energy, Technology Absorption:

Considering the nature of operations of the Company, your Directors have nothing to report pursuant to Section 134 of the Companies Act, 2013.

B] Foreign Exchange Earning and Outgo:

The particulars of foreign exchange earnings and outgo during the year under review are furnished here under

Foreign Exchange Earning: Nil (Previous Year NIL)

Foreign Exchange Outgo: Rs. 36 lakhs (Previous Year Rs. 23 lakhs)

16. Membership

During the FY 2014 – 15, ICCL received 75 applications from Clearing Members (CMs). Of this, 46 applications were for the Equity Cash Segment, 9 for Equity Derivatives Segment, 19 for Currency Derivatives Segment and 1 application was for the New Debt Segment of BSE. As on March 31, 2015 total Clearing Members with ICCL operating in different Segments of BSE were 1575. Of this 1353 were in the Equity Cash Segment, 135 in the Equity Derivatives Segment, 55 in the Currency Derivatives Segment and 32 in the New Debt Segment of BSE. Total applications received for surrender / cancellation of Clearing Membership with ICCL across different Segments of BSE were 39. Of these 30 were for the Equity Cash Segment, 8 for the Equity Derivatives Segment and 1 for the New Debt Segment of BSE. As on March 31, 2015, 35 applications received for surrender / cancellation had been approved by SEBI / Exchange / Clearing Corporation. Three applications were under process / pending with SEBI.

17. Human Resource

ICCL has aligned the compensation packages of Management and laid down HR policies to make benefits and compensation more transparent and employee-friendly.

Also, the organizational structure of ICCL has undergone significant restructuring to enhance accountability and efficiency with a view to aligning performance management and reward strategies.

In compliance with the requirements of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended and Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2012, a statement containing details of employees is annexed.

As of March 31, 2015 ICCL had 36 employees.

18. The Companies Act

Disclosure in Directors Report as per Companies Act 2013

I. Extract Annual Return (sec 92)

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith.

II. Number of Board Meetings

During the year, five Board Meetings were convened and held on 6th May, 2014, 17th July, 2014, 10th November, 2014, 5th February, 2015 and 27th February 2015.

III. Directors' Responsibility Statement

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, it is hereby confirmed:-

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis; and
- e. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were effective.
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

IV. Declarations by Independent Directors

All Public Interest Directors / Independent Directors have given declarations that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

V. Company's policy on Directors' appointment and remuneration

Your Company has re-constituted and changed nomenclature of its existing "Compensation Committee" to "Nomination and Remuneration/Compensation Committee".

The constitution of the committee is disclosed in the Corporate Governance Report which forms a part of the Annual Report.

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

VI. Comment on Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs Mehta & Mehta, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith. As per the provisions of Section 134(3)(f)(ii) of the Companies Act, 2013 the Secretarial Audit Report for the financial Year ended 31st March, 2015 does not have any qualification, reservation or adverse remark or disclaimer.

VII. Particulars of Loans, Guarantees or Investments by the Company Under Section 186 of the Companies Act, 2013

A detailed disclosure of the particulars relating to Loans and investments by the company as per Section 186 of the Companies Act, 2013 read with The Companies (Meetings of the Board and its Powers) Rules, 2014 is given in the notes to the Financial Statements.

VIII. Particulars of Contracts or Arrangements with Related Parties referred to in sub-section (1) of Section 188

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. A detailed disclosure of these transactions with the Related Parties is annexed with Annual Report.

IX. Material Changes And Commitments Affecting The Financial Position of the Company

There have been no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

X. Trading Technology upgrade

New DR & Consolidation of Data Centers

To be in line with best practices with regards to risk mitigation, ICCL has setup the new DR (Disaster Recovery) site to a different seismic zone at Hyderabad.

BSE/ICCL conducted live trading for two consecutive days successfully from new DR center.

XI. Annual Evaluation of The Performance of The Board

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has an evaluation Policy of its own performance and that of the Board and its Committees thereof.

XII. Change In The Nature Of Business

Your Company has not undergone any changes in the nature of the business during the Financial Year.

XIII. Details of Directors or Key Managerial Personnel who were appointed or have resigned during the year pursuant to Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014:

Cessation

Mr. Arun Ramanathan, Mr. G.Anantharaman & Mr. M.B.N. Rao, Directors had stepped down from the Board with effect from 20/11/2014. Board records its deep appreciation of the valuable services rendered by them during their long association with the Company.

Retirement by Rotation

In accordance with the provisions of Companies Act, 2013 and the Company's Articles of Association Mr. Nehal Vora shall retire by rotation in this Annual General Meeting and being eligible for re-appointment, offers himself for re-appointment.

Appointment

Ms. Maya Swaminathan Sinha was appointed as a Director with effect from 16/01/2015.

Key Managerial Personnel

Mr. K. Kumar, Managing Director & CEO, Mr. Tushar Ambani, Chief Operating Officer, Mr. Piyush Chaurasia, Chief Risk Officer and Ms. Manisha Thakur, Chief Regulatory

Officer are the Key Managerial Personnel of the Company pursuant to the Companies Act, 2013 and the Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2012.

XIV. Companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year: Nil

XV. Deposits

The Company has not accepted any public deposits during the financial year ended on 31st March, 2015 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

XVI. Details of Deposits not in compliance with the requirements of the Act

Since the Company has not accepted any deposits during the financial year ended on 31st March, 2015, there has been no non-compliance with the requirements of the Act.

XVII. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations In future

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going Concern status and your company's Operations in Future.

XVIII. Changes in Share Capital

During the year there has been no change in the Company's shareholding.

XIX. Audit Committee

The Board has a well-defined Audit Committee the details of which have been given in the Corporate Governance Report.

XX. Report on performance of subsidiaries, associates companies and joint ventures: Not applicable

XXI. Vigil Mechanism

The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any.

XXII. Disclosures if MD/WTD is receiving remuneration or commission from a MD/WTD or subsidiary company: Nil

XXIII. DISCLOSURE ABOUT ESOP AND SWEAT EQUITY SHARE: Nil

XXIV. ORDER OF COURT: Nil

XXV. DETAILS OF EMPLOYEES DRAWING SALARY ABOVE PRESCRIBED LIMITS

In compliance with the requirements of Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2012, a statement containing details of employees is annexed.

XXVI. Particulars relating to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in ICCL's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has adopted a policy on Prevention of Sexual Harassment at Workplace which aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour. An Internal Complaints Committee (ICC) was set up from the senior management with women employees constituting majority.

The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

During the year ended 31 March, 2015, no complaints have been received pertaining to sexual harassment.

19. ICCL Board Structure and Governance

Managing Director

Mr. K.Kumar, is the Managing Director and Chief Executive Officer of the Clearing Corporation.

Public Interest Directors

Ms. Maya Swaminathan Sinha has been appointed as Public Interest Directors with effect from 16th January, 2015. Mr. G.Sethu continues to remain the Public Interest Director of ICCL.

Shareholder Directors

Mr. Ashishkumar Chauhan and Mr. Nehal Vora are Shareholders Directors. Mr. Nehal Vora, Shareholders Director is liable to retire by rotation at the ensuing Annual general Meeting and being eligible offers himself for re-appointment.

20. Corporate Social Responsibility

As mentioned in Section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

The Companies (Corporate Social Responsibility Policy) Rules, 2014 further elaborates in detail the formulation of the policy, the roles and responsibilities of the same and such other relevant matters including CSR Expenditures and CSR Reporting. ICCL has complied with the requirements of the said section.

The Composition of the CSR Policy has been disclosed in the Corporate Governance Report which forms a part of the Annual Report.

Details of CSR expenditure spent during the financial year:

(a) Total amount to be spent during the financial year: INR 1.02 Crore

(b) Amount unspent, if any: INR 0.60 Crore

(c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or others (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Directly or through implementing agency
1	Donation to Swachh Bharat Kosh	Health	All India	₹ 30.00 lakhs	(1) ₹ 30.00 lakhs (2) ₹ Nil	₹ 30.00 lakhs	Spent through donation to Government
2	Donation to Shrimati Pushpawati Loomba Trust	Health	All India	₹ 10.00 lakhs	(1) ₹ 10.00 lakhs (2) ₹ Nil	₹10.00 lakhs	Spent through donation to Shrimati Pushpawati Loomba Trust
	Total			₹ 40.00 lakhs	(1) ₹40.00 lakhs	₹ 40.00 lakhs	

The Company has not spent an amount of Rs.60.02 lakhs during FY 2014-2015. The non-utilization of the CSR Limit was on account of this being the first year of applicability of the provisions of CSR, the CSR Committee was formed and the policy was approved. The unspent amount in FY 2014-15 would be spent alongwith the amount required to be spent in FY 2015-16.

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

21. Acknowledgements:

The Board thanks the Government of India, Securities and Exchange Board of India, Reserve Bank of India, the Government of Maharashtra and other State Governments and various government agencies for their continued support, cooperation and advice.

The Board is grateful to the members of various committees constituted during the year. The Board also acknowledges the support extended by clearing members, custodians, issuers, investors in the capital market, and other market intermediaries and associates. The Board expresses sincere thanks to all its business associates, consultants, bankers, auditors, solicitors and lawyers for their continued partnership and confidence in the Clearing Corporation.

The Board wishes to thank all the employees for the dedication and excellence displayed in discharge of their duties for the Clearing Corporation.

Finally, the Board expresses its gratitude to you as shareholders for the confidence reposed in the management of the Exchange.

For and on behalf of the Board

**Sd/-
K. Kumar
Managing Director & CEO**

**Sd/-
Nehal Vora
Shareholder Director**

Place: Mumbai

Date: July 10, 2015

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 2014-15

(as required under Clause 49 of the Listing Agreements)

1. The Company's Corporate Governance Philosophy

Indian Clearing Corporation Limited (ICCL) is a Qualified Central Counterparty (QCCP) in the Indian securities markets. ICCL has qualified as QCCPs in view of the fact that it is regulated by Securities and Exchange Board of India (SEBI) under SEBI Act 1992, Securities Contract (Regulation) Act, 1956 (SCRA) and Rules and Regulations made there under.

Indian Clearing Corporation Ltd. (ICCL) is a wholly owned subsidiary of BSE Ltd and was incorporated in 2007 to function as a full fledged Clearing Corporation. ICCL has been set up with an objective of promoting financial stability, integrity and expanding its capacities to support an efficient securities markets. ICCL is working towards becoming a globally recognized CCP that clears and settles trades for a multitude of diverse and sophisticated products.

ICCL operates under the regulation of the Securities and Exchange Board of India (SEBI). Ms. Maya Swaminathan Sinha, and Mr. G. Sethu are Independent Directors, and Mr. K. Kumar is the MD & CEO of ICCL. The total number of employees as on March 31, 2015 stood at 36 (Thirty Six). The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting the 'BEST PRACTICES' that are followed in the area of Corporate Governance across various geographies. The Company emphasises the need for full transparency and accountability in all its transactions, and the Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. As a clearing corporation is a systemically important institution in the financial sector, the Board has the additional responsibility towards all the stakeholders in the securities markets.

ICCL has taken Counterparty Default Insurance for INR 370.8 Crore

ICCL provides full novation and has the responsibility of guaranteeing contractual performance by playing the role of a central counterparty for all trades on BSE, thereby eliminating counterparty risk for the members. In essence, it splits the original contract between the initiating counterparties into two new contracts; one each between ICCL and the initiating counterparties. ICCL has put in place a risk management framework to mitigate the risk it undertakes in its capacity as a Clearing Corporation.

However, as a second line of defence to the margining and risk management systems, ICCL has subscribed to a unique insurance coverage for INR 370.8 Crore. The objective of the insurance policy is to protect ICCL against counterparty defaults, and add a further layer of risk capital to the ICCL net worth making the resources of the non-defaulting members even safer. The policy also adds to the ability of ICCL to absorb higher losses before any resources of the non-defaulting members are put at risk. ICCL, with its networth of over INR 450 Crore, instills a high level of confidence in its members and investors of the ability of ICCL to handle extreme loss situations. The additional risk capital cushion of INR 370.8 Crore, provided by the Insurance cover further increases the safety for domestic and international participants alike.

The Company enjoys a Long-Term Issuer Rating of 'IND AAA' with Stable Outlook from India Ratings & Research (Ind-Ra) and a AAA (IS)' rating from CARE.

2. Board of Directors

Profile –

Ms. Maya Swaminathan Sinha age 54 years is Masters from Delhi School of Economics, Delhi University where she has specialized in Econometrics, Monetary finance, Public Economics from 1978-1980 and further from 1975-1978, she has done BA (Honours) in Economics and Mathematics from Lady Shri Ram College, Delhi University. From 1981-2003, she was a member of Indian Revenue Services (IRS-Income Tax) has worked in various capacities such as Assistant Commissioner, deputy Commissioner, Joint Commissioner, Additional Commissioner and Commissioner in metro cities of New Delhi, Mumbai and Chennai as well as non-metros like Nagpur. She had opportunity to function in New Delhi as well as Mumbai in prestigious investigation Directorate of Income Tax Department, involving conducting searches and in depth investigation in large tax evasion. From 2003-2006, she was a Financial Advisor and Commissioner of Khadi and Village Industries Commission (KVIC). From 2006-2010, she was Deputy Chairman of Jawaharlal Nehru Port Trust (JNPT), the largest container Port of India.

Details of directorship in other companies:

- i. Clear Maze Consulting Private Limited
- ii. Shreyas Shipping and Logistic Limited
- iii. Shriram Equipment Finance Company Limited

Prof. G. Sethu is Director, Indian Clearing Corporation Ltd. He holds a B.Tech in Mechanical Engineering from Indian Institute of Technology (IIT), Kharagpur, M.Tech in Mechanical Engineering from IIT, Chennai and a Doctorate in Management from Indian Institute of Management (IIM), Ahmedabad.

He has over 35 years of experience in administration, research, consultancy and teaching. He is a professor of finance at the Indian Institute of Management, Tiruchirappalli. He has served as a member of Indian Administrative Service. He has been a faculty member in finance at XLRI, Jamshedpur, Indian Institute of Capital Markets and was also with the National Institute of Securities Markets.

He has been a visiting faculty member at IIM, Ahmedabad, IIM, Indore, IIM, Kozhikode and IIT, Mumbai. He has been a guest faculty member in the executive education programmes at IIM, Bangalore, National Police Academy, National Insurance Academy, State Bank of India, Lal Bahadur Shastri National Academy of Administration, National Academy of Audit and Accounts, Jawaharlal Nehru Institute for Development Banking, and several other institutions.

He has been a member of a number of committees in the financial markets. He has been a member on the board of directors of OTCEI Securities Limited, UTI Funds Management Limited, ABN AMRO Trustee Limited, and UTI Technology Services. He has served on the board of SBI Funds Management Limited and UTI's Asset Management Committee. He was a member of University of Mumbai's Ad-hoc Board of Studies in Banking and Finance and was an external examiner for University of Wales validated schemes of study.

Details of directorship in other companies:

i. Mahindra Asset Management Company Limited

Mr. Ashishkumar Chauhan is the MD & CEO of the BSE Ltd., Asia's first stock exchange and Shareholder Director, Indian Clearing Corporation Ltd. (a wholly owned subsidiary of BSE Ltd). He serves on the Board of ICCL, CDSL, BSE Training Institute, BFSI Sector Skill Council and Marketplace Technologies Limited. He is also a member of the Board of Governors of IIT D&M, Jabalpur and a few SEBI committees. He currently is the Chairman of the Advisory Committee on Technology of FMC, member of several SEBI committees and has served on various other government and regulatory committees; CBDT and FMC, among others in the past. He is also a member of the Advisory Board of Lend a Hand India – a NGO working in implementing vocational skill development programs for rural and urban youth by providing them practical training at high school level. He is a member of the Capital Markets Committee of FICCI, National Council on Corporate Governance & Regulatory Affairs of CII and Financial Sector Development Council of CII.

Mr. Chauhan has over 22 years of experience in Financial Markets and technology. He set up NSE's equities and derivatives segments and created the NSE Fifty (Nifty) index. He was the President and CIO of the Reliance group and was ranked amongst the top 50 CIOs in the world by several magazines and institutions. He also headed the Corporate Communications for Reliance group in between and was the CEO of Mumbai Indians.

Mr. Chauhan holds a B.Tech in Mechanical Engineering from IIT Bombay and PGDM from IIM Calcutta.

Best known as the Father of Modern Financial Derivatives in India, he was part of a core team of 5 people from IDBI selected to set up National Stock Exchange. At BSE, he has been responsible for bringing the fastest trading system in India and revamping BSE.

He currently serves on the Board of various group companies and is a member of the Board of Governors of IIT Jabalpur. He serves as Chairman of the Technology Committee of FMC and is a member of several SEBI and other government and industry body committees.

He has recently been a recipient of the Zee Business award for business transformation.

He is considered as one of the foremost experts in policies, market microstructure, Information technology, organized retail, telecommunications, social issues, cricket etc. He has been widely awarded; recently he was felicitated with the Distinguished Alumni Award by IIT Bombay.

Mr. Nehal Vora is Shareholder Director, Indian Clearing Corporation Ltd. (a wholly owned subsidiary of BSE Ltd) and is Chief Regulatory Officer, BSE Limited (BSE).

He has more than 17 years of rich and varied experience in the area of Compliance and regulation.

Mr. Vora is the Chief Regulatory Office of BSE Limited and heads all the regulatory functions at BSE. He is also Head – Planning and Policy at BSE.

As a board member of Indian Clearing Corporation Limited he oversees the activities of the clearing corporation in a supervisory capacity especially in the areas of regulation. Other Board

Memberships include that of National Power Exchange Ltd, Asian Indices Pvt Ltd, The BSE Institute Ltd, Institutional Investor Advisory Services India Limited (IIAS) and United Stock Exchange (USE).

Earlier, as Director, Compliance at Merrill Lynch, India he headed the compliance for the broking, investment banking and fixed income businesses. In recognition of his commitment and dedication to the Compliance Function at Merrill Lynch, he was awarded OGC Living the Mission Award in 2008.

Prior to that he has worked with the Securities and Exchange Board of India (SEBI) for more than 10 years in varied areas of derivatives, venture capital and surveillance. He holds a Commerce degree from Mumbai University, a Master of Management Studies degree in Finance from the Narsee Monjee Institute of Management Studies, University of Mumbai

Mr. K Kumar is MD & CEO, Indian Clearing Corporation Ltd. (a wholly owned subsidiary of BSE Ltd). He has exhaustive knowledge of Membership, Inspection, Compliance, Regulatory, Trading, Clearing & Settlement systems and processes of Stock Exchange and Clearing Corporation. He has rich experience of 35 years. He is associated with ICCL Ltd since April 2013 onwards. He has raised the credibility bar with investors by putting stringent measures in place, for ensuring smooth completion of transactions. He has overall rich managerial and administrative capability. He is committed to fulfilling the duties and responsibilities in strict accordance with the Articles of Association and other regulations while working to increase transparency of information and long-term returns for the company.

Mr. Kumar is Master Honours (M.A.) (Economics) from Birla Institute of Technology and Science, Pilani.

Mr. Kumar has worked in Stock Exchanges like NSE, USE and in Finance Companies like Cazenove, IL&S and Aloula Geojit (at Riyadh). He was part of the 5 Member Core Team which set up NSE. He has also worked in SBI and IDBI.

CORPORATE GOVERNANCE

Transparency and accountability are the two basic tenets of Corporate Governance.

The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

As on 31st March, 2015, the Company has five Directors on its Board, of which two are independent.

Appointment and Tenure

As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and SECC Regulation 2012.
- The Independent Directors will serve a maximum of two terms of 3 years each.

Independent Directors' Meetings

The Independent Directors meet at least twice in a year.

Board Induction and Training

Upon appointment, Company provides new Directors, both Executive and Non-Executive, with a briefing on their legal and regulatory responsibilities as Directors and Company's current structure and performance of business.

Board Evaluation

The Board of Directors has adopted a policy on Board Evaluation. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. As per the Policy, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships held by them in other Companies are given below:

Name of the members of Governing Board	Director Identification Number (DIN)	Type of Director i.e.PID/SHD/MD	Meetings held during the tenure of the member	Meetings attended by the member
Mr. Arun Ramanathan*	00308848	PID	3	3
Mr. G. Anantharaman*	02229822	PID	3	3
Mr. M.B.N.Rao*	00287260	PID	3	3
Ms. Maya Swaminathan Sinha	03056226	PID	2	2
Mr. G.Sethu	00034908	PID	5	5
Mr. Ashishkumar Chauhan	00898469	SHD	5	4
Mr. Nehal Vora	02769054	SHD	5	3
Mr. K Kumar	06632984	MD	5	5

***Ceased to be director with effect from November 20, 2014.**

During the Financial Year 204-15 Board Meetings were held on the following dated:

- i. May 6, 2014
- ii. July 17, 2014
- iii. November 10, 2014
- iv. February 5, 2015
- v. February 27, 2015

Shareholder Information

General Body Meetings.

Details of last three Annual General Meeting and Extra ordinary General Meeting and the summary of Special Resolution passed therein are as under:

Annual General Meeting			
Financial year ended	Date & Time	Venue	Special Resolution/Business Passed
March 31, 2012	April 17, 2012, 12:30 P.M.	The Board Room, BSE Limited, 26 th Floor, P.J Towers, Dalal Street, Mumbai- 400 001	Power to make Inter Corporate Loans, Investments, Give Guarantees, Provide Securities etc, under section 372A of the Companies Act 1956.
March 31, 2013	April 23, 2013, 5:15 P.M.	The Board Room, BSE Limited, 26 th Floor, P.J Towers, Dalal Street, Mumbai- 400 001	Adoption of new set of Articles of Association of the Company
March 31, 2014	May 26, 2014, 3:00 P.M.	15 th Floor, Conference Room, P.J Towers, Dalal Street, Mumbai- 400 001	<ul style="list-style-type: none"> • Appointment of Mr. K. Kumar as Managing Director & Chief Executive Officer • Power to make Inter Corporate Loans, Investments, Give Guarantees, provide Securities etc, under section 186 of the Companies Act 1956. • Consider and recommend increase in borrowing limits up to Rs. 1000 Crores. • Power to create charge and/or mortgage on the properties of the Company under section 180(1)(a) of the Companies Act, 2013

Extra Ordinary General Meeting			
Financial year ended	Date & Time	Venue	Special Resolution/Business Passed
March 31, 2012	February 29, 2012 12:30 P.M	The Board Room, BSE Limited, 26 th Floor, P.J Towers, Dalal Street, Mumbai- 400 001	<ul style="list-style-type: none"> • Increase in authorised share capital of the Company and consequent alteration of Clause V(A) of the Memorandum of Association of the Company. • Issue of 304,00,00,000 (Three Hundred and Four Crore only) Equity Shares of Re 1/- each for cash at par to BSE Limited on preferential basis. • Increase in borrowing limit from Rs. 100 Crores to Rs. 500 Crores
March 31, 2015	September 05, 2014, 5:00 P.M	15 th Floor, Conference Room. P.J Towers, Dalal Street, Mumbai- 400 001	Alteration of Memorandum of Association- Object Clause.

Top 10 shareholdings as on March 31, 2015 (Other than promoters)

NIL

The details of Meetings attended by the Directors are given below:

1) Audit Committee					
Date of Meeting	Date of issue of notice convening the meeting	No of attendees- Independent Director	No of attendees- Shareholder Director	No of attendees- MD & CEO	Date of approval of minutes of the meetings
06.05.2014	28-04-2014	3	1	NIL	17.07.2014
17.07.2014	08-07-2014	3	1	NIL	10.11.2014
10.11.2014	30-10-2014	3	2	NIL	05.02.2015
05.02.2015	22-01-2014	2	1	NIL	To be approved at the next meeting

2) Membership Selection Committee					
Date of Meeting	Date of issue of notice convening the meeting	No of attendees- Independent Director	No of attendees- Shareholder Director	No of attendees- MD & CEO	Date of approval of minutes of the meetings
06.05.2014	28-04-2014	2	NIL	1	17.07.2014
17.07.2014	08-07-2014	2	NIL	1	10.11.2014
10.11.2014	30-10-2014	2	NIL	1	26.03.2015

26.03.2015	16-03-2015	2	NIL	1	To be approved at the next meeting
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3) Disciplinary Action Committee

Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-MD & CEO	Date of approval of minutes of the meetings
26.03.2015	16-03-2015	2	NIL	1	To be approved at the next meeting

4) Defaulters Committee/SGF Utilisation Committee

Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-MD & CEO	Date of approval of minutes of the meetings
05.05.2014	25-04-2014	3	NIL	NIL	25.06.2014
06-05-2014	25-04-2014	3	NIL	NIL	06-05-2014
25.06.2014	13-06-2014	3	NIL	NIL	14.07.2014
04-07-2014	23-06-2014	3	NIL	NIL	04-07-2014
14.07.2014	04-07-2014	3	NIL	NIL	17.07.2014
17.07.2014	08-07-2014	3	NIL	NIL	22.08.2014
22.08.2014	12-08-2014	3	NIL	NIL	02.09.2014
02.09.2014	22-08-2014	3	NIL	NIL	13.09.2014
11.09.2014	03-09-2014	3	NIL	NIL	11.09.2014
13.09.2014	03-09-2014	3	NIL	NIL	05.02.2015
20-09-2014	10-09-2014	3	NIL	1	20-09-2014
21-10-2014	10-10-2014	3	NIL	1	21-10-2014
04-11-2014	22-10-2014	3	NIL	NIL	04-11-2014
05.02.2015	22-01-2014	2	NIL	NIL	18.02.2015
18.02.2015	06-02-2015	2	NIL	NIL	To be approved at the next meeting
21-03-2015	11-03-2015	2	NIL	1	21-03-2015
27-03-2015	17-03-2015	2	NIL	1	27-03-2015

5) Nomination and remuneration committee

Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-MD & CEO	Date of approval of minutes of the meetings
06.05.2014	28-04-2014	2	1	NIL	17.07.2014
17.07.2014	08-07-2014	2	1	NIL	To be approved at the next meeting

6) Standing Committee on Technology					
Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-Outside Expert	Date of approval of minutes of the meetings
05.05.2014	25-04-2014	1	1	1	30.12.2014
30.12.2014	19-12-2014	1	1	2	To be approved at the next meeting

7) Sub-Committee for monitoring compliance of suggestions given in SEBI inspection report					
Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-MD & CEO	Date of approval of minutes of the meetings
05.05.2014	25-04-2014	2	NIL	1	18.07.2014
18.07.2014		2	NIL	1	10.11.2014
10.11.2014	30-10-2014	2	1	1	05.02.2015
05.02.2015	22-01-2014	2	1	NIL	To be approved at the next meeting

8) Investor Services Committee					
Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-MD & CEO	Date of approval of minutes of the meetings
05.05.2014	25-04-2014	2	NIL	1	26.03.2015
26.03.2015	16-03-2015	2	NIL	1	To be approved at the next meeting

9) Public Interest Directors Committee					
Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-MD & CEO	Date of approval of minutes of the meetings
14.07.2014	04-07-2014	4	NIL	NIL	To be approved at the next meeting

10) Ethics Committee					
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Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-Compliance Officer	Date of approval of minutes of the meetings
26.03.2015	16-03-2015	2	NIL	1	To be approved at the next meeting

11) Independent oversight Committee of the governing board for member regulation

Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-Outside Expert	Date of approval of minutes of the meetings
05.05.2014	25-04-2014	3	NIL	1	26.03.2015
26.03.2015	16-03-2015	2	NIL	1	To be approved at the next meeting

12) Risk Management Committee

Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-Outside Expert	Date of approval of minutes of the meetings
17.07.2014	08-07-2014	2	NIL	2	26.03.2015
26.03.2015	16-03-2015	2	NIL	1	To be approved at the next meeting

13) Advisory Committee

Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-Outside Expert	Date of approval of minutes of the meetings
15.06.2014	05-06-2014	1	NIL	6	30.09.2014
30.09.2014	20-09-2014	1	NIL	9	30.12.2014
30.12.2014	19-12-2014	1	NIL	9	30.03.2015
30.03.2015	20-03-2015	NIL	NIL	12	To be approved at the next meeting

14) Corporate Social Responsibility Committee

Date of Meeting	Date of issue of notice convening the meeting	No of attendees-Independent Director	No of attendees-Shareholder Director	No of attendees-MD & CEO	Date of approval of minutes of the meetings
10.11.2014	30-10-2014	2	2	NIL	26.03.2015

26.03.2015	16-03-2015	2	NIL	NIL	To be approved at the next meeting
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The Details of the Directorship of the Directors in other Companies is as given below:

Sr No.	Name of the Director	Directorship in other Companies
1.	Ms. Maya Swaminathan Sinha	1. Clear Maze Consulting Pvt Ltd 2. Shreyas Shipping & Logistics Ltd 3. Shriram Equipment Finance Company Limited
2.	Mr. G. Sethu	1. Mahindra Asset Management Company Pvt Ltd
3.	Mr. Ashishkumar Chauhan	1. Market Place Technologies Pvt Ltd 2. Central Depository Services (India) Limited 3. BSE Institute Limited 4. BSE Limited 5. BSE Investments Limited
4.	Mr. Nehal Vora	1. BSE Institute Limited 2. National Power Exchange Limited 3. United Stock Exchange of India Limited 4. Institutional Investor Advisor Services India Limited 5. Asia Index Private Limited 6. BSE Investments Limited.
5.	Mr. K. Kumar	NIL

None of the Directors is a member of the Board of more than fifteen Companies or a Member of more than ten Board-level Committees or a Chairman of more than five such Committees.

3. MANDATORY COMMITTEES FOR CLEARING CORPORATION

1) **Membership Selection Committee:** The functions handled are Selection/admission of members to the various segments of the clearing corporation.

2) **Disciplinary Action Committee :**

- a) The Committee shall formulate the policy for regulatory actions including warning, monetary fine, suspension, deactivation of terminal, expulsion, to be taken for various violations by the members of the clearing corporation.
- b) Based on the laid down policy, the Committee shall consider the cases of violations observed during inspection, etc and impose appropriate regulatory measure on the members of the clearing corporation.
- c) While imposing the regulatory measure, the Committee shall adopt a laid down process, based on the "Principles of natural justice".

3) **Grievance Redressal Committee :**

To deal with the complaints referred to it by the Clearing Corporation, hear the parties and resolve their complaints/disputes.

4) Defaulters' Committee/SGF Utilisation Committee:

- a) To realize all the assets/deposits of the defaulter/expelled member and appropriate the same amongst various dues and claims against the defaulter/expelled member in accordance with the Rules, Byelaws and Regulations of the Clearing corporation.
- b) Admission or rejection of claims of clients/trading members/clearing members over the assets of the defaulter/expelled member.
- c) The defaulter's committee or any other committee set up by the Governing Board of the clearing corporation with similar composition shall manage the settlement guarantee fund/trade guarantee fund of the clearing corporation.

5) Nomination & Remuneration Committee:

- a) The committee shall lay down the policy for compensation of key management personnel in terms of the compensation norms prescribed by the SEBI.
- b) The committee shall determine the tenure of the key management personnel to be posted to a regulatory department.

6) Standing Committee on technology

- a) To monitor whether the technology used by the clearing corporation remains up to date and meets the growing demands of the markets.
- b) To monitor the adequacy of systems capacity and efficiency.
- c) To look into the changes being suggested by the clearing corporation to the existing software/hardware.
- d) To investigate into problems of computerised Risk Management/Clearing and Settlement system, such as hanging/slowdown/breakdown.
- e) To ensure that transparency is maintained in disseminating information regarding slowdown/breakdown in Risk Management/Clearing and Settlement system.
- f) The Committee shall submit a report to the Governing Board of the clearing corporation. The Board will deliberate on the report and suitable action/remedial measure will be taken.
- g) Any stoppage beyond five minutes to be explained and reported to the Board. The Clearing Corporation shall issue a press release specifying the reasons for the breakdown.

7) Sub-Committee for Monitoring Compliance of suggestions given in SEBI inspection report

- a) To review the actions taken to implement the suggestions of SEBI's Inspection Reports.
- b) To place the same before the Governing Board of the clearing Corporation.
- c) To follow up and ensure compliance/implementation of the inspection Observations.

- 8) **Investor Services Committee:** Supervising the functioning of Investors' Services cell of the Clearing corporation which includes review of complaints remaining unresolved over long period of time, estimate the adequacy of resources dedicated to investor services, etc.
- 9) **Public Interest Directors Committee :** During their meetings, the Public Interest Directors shall review the following:
- a) Status of compliance with SEBI letters/circulars.
 - b) Review the functioning of regulatory departments including the adequacy of resources dedicated to regulatory functions.
 - c) The public Interest Directors shall prepare a report on the working of the other committees on which they are present in. The report shall be circulated to the other public interest directors.
 - d) A consolidated report shall then be submitted to the Governing Board of the clearing corporation.
 - e) The public interest directors shall identify important issues which may involve conflict of interest for the clearing corporation or may have significant impact on the market and report the same to SEBI.
- 10) **Ethics Committee :** The Committee shall oversee the implementation of the code of ethics
- 11) **Independent oversight committee of the governing board for member regulation :**
- a) The committee shall oversee matters related to member regulation such as admission of members, inspection, disciplinary action, etc.
 - b) The head(s) of department(s) handling the above matters shall report directly to the committee and also to the managing director.
 - c) Any action of a recognised clearing corporation against the aforesaid head(s) shall be subject to an appeal to the committee, within such period as may be determined by the governing board.
 - d) The committee shall oversee SEBI inspection observations on membership related issues.
 - e) To estimate the adequacy of resources dedicated to member regulation
 - f) Monitor the disclosures made by the clearing corporation in accordance with regulation 35 of SECC Regulations.
- 12) Risk Management Committee**
- a) Formulate a detailed risk management policy which shall be approved by the governing board.
 - b) The head of the risk management department shall report to the risk management committee and to the managing director of the recognised clearing corporation.
 - c) The Risk Management committee shall monitor implementation of the risk management policy and keep the Board and the governing board informed about its implementation and deviation, if any.
- 13) **Advisory Committee:** To advise the governing board on non-regulatory and operational matters including product design, technology, charges and levies.

14) **Audit Committee:** The terms of reference of the Audit Committee are broadly as follows:

- a) To review compliance with internal control systems;
- b) To review the findings of the Internal Auditor relating to various functions of the company;
- c) To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditors/Internal Auditors;
- d) To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board;
- e) To make recommendations to the Board on any matter relating to the financial management of the Company, including statutory & Internal Audit Reports;
- f) Recommending the appointment of statutory auditors and internal auditors and fixation of their remuneration.
- g) Reviewing the Company's financial and risk management policies.

Disclosures

- a) Disclosures have been received from key managerial personnel relating to Code of Ethics and Securities transactions where they and/or their relatives have personal interest. There are no related party transactions which have potential conflict with the interest of the Company at large.
- b) The Company has complied with the requirements of the SEBI and other statutory authorities on all matters relating to capital markets. No penalties or strictures have been imposed on the Company by SEBI or other statutory authorities relating to the above.
- c) The Company has adopted a Procedure & Policy for employees to report concerns about unethical behaviour.

Internal Controls and Risk Management

The Company has robust systems for internal audit and risk assessment and mitigation.

Risk Assessment procedures have been set in place for self-assessment of business risks, operating controls and compliance with Corporate Policies. There is an ongoing process to track the evolution of risks and delivery of mitigating action plans.

Board Membership Criteria

The Board of Directors is collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows a defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company and its business.
- diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non Executive Directors consistent with the requirements of law;

- professional qualifications, expertise and experience in specific area of business;
- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

Preventing Conflict of Interest

The Board of Directors is responsible for ensuring that rules are in place to avoid conflict of interest by the Board members. The Company has adopted the Code of Conduct for the members of the Board and Senior Management Team. The Code provides that the Directors are required to avoid any interest in contracts entered into by the Company.

The members of the Board and the Management Committee annually confirm the compliance of the Code of Conduct to the Board.

Whistle Blower Policy

The Company has adopted a Whistle Blower Policy to provide appropriate avenues to the employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company.

Affirmation and Disclosure

All the members of the Board and the Management Committee have affirmed their compliance with the Code of Conduct as on 31st March, 2015.

There were no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors for the financial year ended 31st March, 2015 that may have a potential conflict with the interests of the Company at large.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in this Annual Report and they are not in conflict with the interest of the Company at large.

Disclosure of pending cases / Instances of Non-Compliance

There were no instances of penalties and strictures imposed on the Company by SEBI or any other statutory authority on any matter.

Compliance with the Governance Framework

The Company is in compliance with all mandatory requirements of Clause 49 of the Listing Agreement. In addition, the Company has also adopted the non-mandatory requirements of constitution of the Remuneration Committee and establishing of Whistle Blower mechanism.

Secretarial Standards and Secretarial Audit Report.

The Company has undertaken Secretarial Standards Audit for the year 2014-15 for audit of secretarial records and procedures followed by the Company in compliance with relevant Secretarial Standards issued by the Institute of Company Secretaries of India. The Secretarial Standards Audit Report is attached.

Dividend

The Board of Directors at their meeting held on May 15, 2015 recommended a Final Dividend of Rs. 0.13 per equity share of face value of Re. 1/- each, for the financial year ended 31st March, 2015.

Remuneration Policy:

The remuneration policy has been briefed in the Director's Report.

Details of remuneration to all the directors:

As provided in Form MGT 9

Communication to the Shareholders

The Quarterly Results, Shareholding Pattern and all other corporate communication are disseminated on the website of ICCL.

Address for Correspondence

All shareholders correspondence should be forwarded to M/s Karvy Computershare Private Limited, the Registrar and Transfer Agent of the Company.

Annual General Meeting 2015

Date	June 2, 2015
Venue	25th Floor P.J Towers Dalal Street Fort, Mumbai- 01
Time	1:15 p.m
Book Closure for Final Dividend	June 22, 2015
Last date of receipt of Proxy Forms	June 17, 2015



N L BHATIA & ASSOCIATES
PRACTISING COMPANY SECRETARIES.

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Website : www.nlba.in

We have examined the compliance of conditions of corporate governance by INDIAN CLEARING CORPORATION LIMITED ("the Corporation") for the year ended 31st March, 2015, as stipulated in clause 49 of the Listing Agreement pursuant to Regulation 35 of SECC Regulation, 2012 read with paragraph 14.4 of SEBI Circular dated 13th December, 2012.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Corporation for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Corporation.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Corporation has complied with the conditions of corporate governance as stipulated in clause 49 of the Listing Agreement pursuant to Regulation 35 of SECC Regulation, 2012 read with paragraph 14.4 of SEBI Circular dated 13th December, 2012.



for N. L. Bhatia & Associates

Navnit Lal Bhatia

N.L Bhatia
FCS-1176
CP NO. 422

Mumbai
6th May, 2015

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of
the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- **U67120MH2007PLC170358**
- ii) Registration Date: **April 26, 2007**
- iii) Name of the Company: **Indian Clearing Corporation Limited**
- iv) Category / Sub-Category of the Company: **Company limited by shares**
- v) Address of the Registered office and contact details: **25th Floor, P.J Towers, Dalal Street
Mumbai-400 001**
- vi) Whether listed company Yes / No: **NO**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: **Karvy
Computershare Limited, Hyderabad.**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and description of main products/ services	NIC Code of the Product /Service	% to total turnover of the company
1	Income from Operations	NIL	64.77%
2	Income from Invest/Deposits	NIL	35.23%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No	Name and address of the Company	CIN/GLN	Holding/Su bsidiary/As sociate	% of Share s held	Applicable section
1	BSE Limited	U67120MH2005PLC155188	Holding	100%	

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares	%change during the Year
					As a percentage of (A+B)	
(I)	(II)	(III)	(IV)	(V)	(VI)	
(A)	Shareholding of Promoter and Promoter Group					
1	Indian					
(a)	Individuals/ Hindu Undivided Family	---	---	---	---	
(b)	Central Government/ State Government(s)	---	---	---	---	
(c)	Bodies Corporate	1	3,54,00,00,000	3,53,99,99,994	100.00	
(d)	Financial Institutions/ Banks	---	---	---	---	
(e)	Any Others(Specify)	---	---	---	---	
	Sub Total(A)(1)	1	3,54,00,00,000	3,53,99,99,994	100.00	
2	Foreign					
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	---	---	---	---	
b	Bodies Corporate	---	---	---	---	
c	Institutions	---	---	---	---	
d	Qualified Foreign Investor	---	---	---	---	
e	Any Others(Specify)	---	---	---	---	
	Sub Total(A)(2)	---	---	---	---	
	Total Shareholding of Promoter and	1	3,54,00,00,000	3,53,99,99,994	100.00	

	Promoter Group (A)= (A)(1)+(A)(2)					
(B)	Public shareholding					
1	Institutions					
(a)	Mutual Funds/ UTI	---	---	---	---	
(b)	Financial Institutions / Banks	---	---	---	---	
(c)	Central Government/ State Government(s)	---	---	---	---	
(d)	Venture Capital Funds	---	---	---	---	
(e)	Insurance Companies	---	---	---	---	
(f)	Foreign Institutional Investors	---	---	---	---	
(g)	Foreign Venture Capital Investors	---	---	---	---	
(h)	Qualified Foreign Investor	---	---	---	---	
(i)	Any Other (specify)	---	---	---	---	
	Sub-Total (B)(1)	---	---	---	---	
B 2	Non-institutions					
(a)	Bodies Corporate	---	---	---	---	
(b)	Individuals	---	---	---	---	
I	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	---	---	---	---	
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	---	---	---	---	
(c)	Qualified Foreign Investor	---	---	---	---	
(d)	Any Other (specify)	---	---	---	---	
	Sub-Total (B)(2)	---	---	---	---	
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	---	---	---	---	

	TOTAL (A)+(B)	1	3,54,00,00,000	3,53,99,99,994	100.00	
(C)	Shares held by Custodians and against which Depository Receipts have been issued	---	---	---	---	
1	Promoter and Promoter Group	---	---	---	---	
2	Public	---	---	---	---	
	Sub-Total (C)	---	---	---	---	
	GRAND TOTAL (A)+(B)+(C)	1	3,54,00,00,000	3,53,99,99,994		

(ii) Shareholding of Promoters

Sr. No.	Name of the shareholder	Shareholding at the Beginning of the Year		Shareholding at the end of the year				
		Number of shares held	% of total shares of the Company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the Company	% of Shares pledged/encumbered to total shares	% change in shareholding during the year
1	BSE Limited	3,54,00,00,000	100.00	---	3,54,00,00,000	100.00	---	NIL
TOTAL		3,54,00,00,000	100.00	---	3,54,00,00,000	100.00	---	NIL

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the Beginning of the Year		Cumulative Shareholding during the Year	
		Number of shares held	% of total shares of the Company	No. of Shares	% of total shares of the company
	At the beginning of the Year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (eg. Allotment/transfer/bonus/sweat equity etc.	NIL	NIL	NIL	NIL
	At the end of the Year	NIL	NIL	NIL	NIL

(iv) Shareholding Pattern of Top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.		Shareholding at the Beginning of the Year		Cumulative Shareholding during the Year	
		Number of shares	% of total shares of the Company	No. of Shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the Year	3,54,00,00,000	100.00	3,54,00,00,000	100.00
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (eg. Allotment/transfer/bonus/sweat equity etc.	NIL	NIL	NIL	NIL
	At the end of the Year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the Beginning of the Year		Cumulative Shareholding during the Year	
		Number of shares	% of total shares of the Company	No. of Shares	% of total shares of the company
	For Each of the Directors and KMP				
	At the beginning of the Year 1. Mr. Nehal Vora (Shares held as nominees of BSE Ltd)	1	0.00	1	0.00
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (eg. Allotment/transfer/bonus/sweat equity etc.	NIL	NIL	NIL	NIL
	At the end of the Year 1. Mr. Nehal Vora (Shares held as nominees of BSE Ltd)	1	0.00	1	0.00

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for the payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	
i. Principal Amount				
ii. Interest due but not paid				
iii. Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year	NIL	NIL	NIL	
• Addition				
• Reduction				
Indebtedness at the end of the financial year	NIL	NIL	NIL	
i. Principal Amount				
ii. Interest due but not paid				
iii. Interest accrued but not due				
Total (i+ii+iii)				

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl No.	Particulars of Remuneration	Name of MD/WTD/Manager					Total Amount
		Mr. K. Kumar					
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	(as mentioned in the attached financial statement)					
2.	Stock Options	NIL					
3.	Sweat Equity	NIL					
4.	Commission - As % of profit - Others, specify	NIL					
5.	Others, please specify	NIL					
	Total (A)						
	Ceiling as per the Act						

B. Remuneration to other directors:

Sl No.	Particulars of Remuneration	Name of MD/WTD/Manager					Total Amount
1.	Independent Directors • Fees for attending Board, Committee Meetings • Commission • Others, please specify						
	Total (1)						
	Other Non- Executive Directors • Fees for attending Board, Committee Meetings • Commission • Others, please specify	NIL	NIL				
	Total (2)						
	Total (B)=(1+2)						
	Total Managerial Remuneration						
	Overall Ceiling as per the Act						

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

Sl No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	(as mentioned in the attached financial statement)			
2.	Stock Options	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - As % of profit - Others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify				
	Total				

VII. Penalties/Punishment/ Compounding of Offence

Type	Section of the Companies Act	Brief Description	Details of Penalties/Punishment /Compounding fees imposed	Authorised (RD/NCLT/ Court)	Appeal made, if any(give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers in default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and the rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Indian Clearing Corporation Limited
25th Floor, P. J. Towers
Dalal Street Mumbai 400001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Indian Clearing Corporation Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officer, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

-
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (during the year under review not applicable to the Company as the Company does not have any foreign direct investment, overseas direct investment and external commercial borrowings);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (during the year under review not applicable to the Company as the Company is an unlisted company);
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (during the year under review not applicable to the Company as the Company is an unlisted company and not proposing to get its securities listed);
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (during the year under review not applicable to the Company as the Company is an unlisted company);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (during the year under review not applicable to the Company as the Company is an unlisted company and not proposing to get debt securities listed);

-
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the year under review not applicable to the Company as the Company has done delisting of shares); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (during the year under review not applicable to the Company as the Company is an unlisted company);
- (vi) The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 (“the SECCR”);

We have not examined compliance with the applicable clauses of the following since it is not applicable to the Company during the period under review:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), however, it is stated that in terms of regulation 35 of the SECCR, clause 49 of the Listing Agreement is applicable to the Company;

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc. mentioned above subject to following observations: -

1. *As per clause (ii)(b) of Part A of Schedule II of the SECCR, Public interest directors is required to meet separately, at least once in six months to exchange views on critical issues, however, there was only one such meeting held during the year as on 14th July 2014 and there was no such meeting within six months from that day.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, with consent of the board and a system exists for seeking and obtaining further for meaningful participation at the meeting.

Majority decision of the Board is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there was no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Sd/-

Dipti Mehta
Partner
FCS No : 3667
CP No. : 3202

Place :
Date :

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

To,
The Members,
Indian Clearing Corporation Limited
25th Floor, P. J. Towers
Dalal Street Mumbai 400001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mehta & Mehta,
Company Secretaries,
(ICSI Unique Code P1996MH007500)

Sd/-
Dipti Mehta

Partner

FCS No : 3667

CP No. : 3202

Place :

Date :

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIAN CLEARING CORPORATION LIMITED On the Financial Statements

We have audited the accompanying financial statements of **INDIAN CLEARING CORPORATION 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 forming part of the Financial Statements.

Management's Responsibility 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 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 of 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 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 there under.

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. 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 financial statements.

Opinion

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 Act 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 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the 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 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 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 S Panse & Co
Chartered Accountants
FRN: 113470W

Supriya Panse
Partner
Membership No.: 46607
Mumbai
May 15, 2015

Annexure to the Auditor's Report

A statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2015 ("the Order")

The Annexure referred to in paragraph 1 of our Report to the members of INDIAN CLEARING CORPORATION LIMITED ("the Company") for the year ended 31st March, 2015.

We report that:

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (ii) The Company is a service company, primarily in the business of carrying out the functions of clearing, settlement, collateral management and risk management for various segments of different stock exchanges. It does not hold any stock, hence paragraph 3 (ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account and other records, 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 Companies Act, 2013. Accordingly, paragraphs 3 (iii) (a) and 3(iii) (b) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase fixed assets and for sale of services. During the course of our audit, we have not observed any instance of continuing failure to correct any major weakness in the internal control system.

- (v) The Company has not accepted any deposits from the public.

- (vi) According to the information and explanations given to us the Central Government of India has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services rendered by the company.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities during the period.

(b) According to the information and explanations given to us and on the basis of our examination of the books of account and other records, there are no dues of income tax, sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of dispute.

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- (viii) The Company does not have accumulated losses as at March 31,. 2015. It has not incurred cash losses in FY 2013-14 and FY 2014-15.

- (ix) The Company has neither taken any loan from bank or financial institution nor issued any debenture hence provisions of paragraph 3 (viii) of the Order are not applicable.

- (x) According to the information and explanations given to us and on the basis of our examination of the books of account and other records, the Company has not given any guarantee for loans taken by others from banks and financial institutions

- (xi) The company has not taken any term loans hence provisions of paragraph 3 (xi) of the Order is not applicable.

(xii) According to the information and explanations given to us, no fraud on or by the Company has not been noticed or reported during the year during course of our audit

For S Panse & Co
Chartered Accountants
FRN: 113470W

Supriya Panse
Partner
Membership No.: 46607
Mumbai
May 15, 2015

INDIAN CLEARING CORPORATION LIMITED
 BALANCE SHEET AS AT MARCH 31, 2015

₹ In Lakh

Particulars		Note No	As at March 31, 2015	As at March 31, 2014
I.	EQUITY AND LIABILITIES			
1	Shareholder's Funds			
	(a) Share Capital	2	35,400	35,400
	(b) Reserves And Surplus	3	11,419	10,772
			46,819	46,172
2	Non-Current Liabilities			
	(a) Deferred Tax Liability (net)	4	13	12
	(b) Other Long-term Liabilities	5	2,609	18
			2,622	30
3	Current Liabilities			
	(a) Trade Payables	6	2,382	266
	(b) Other Current Liabilities	7	68,557	92,400
	(c) Short-term Provisions	8	5,757	3,015
			76,696	95,681
	Total		1,26,137	1,41,883
II.	ASSETS			
1	Non-current Assets			
	(a) Fixed Assets	9		
	(i) Tangible Assets		21	26
	(ii) Intangible Assets		182	167
	(iii) Intangible Assets Under Development		6	5
	(b) Non-current Investments	10	31,172	27,050
	(c) Long-term Loans And Advances	11	858	226
	(d) Other non-current Assets	12	-	3
			32,239	27,477
2	Current Assets			
	(a) Current Investments	13	24,116	43,287
	(b) Trade Receivables	14	30	88
	(c) Cash And Bank Balances	15	67,094	69,908
	(d) Short-term Loans And Advances	16	197	282
	(e) Other Current Assets	17	2,461	841
			93,898	1,14,406
	Total		1,26,137	1,41,883

See accompanying notes forming part of financial statements

1-32

In terms of our report attached

For and on behalf of the Board of Directors

For **S. Panse & Co.**
 Chartered Accountants
 Firm Reg. No.: 113470W

K. Kumar
 Managing Director & CEO

G. Sethu
 Director

Supriya Panse
 Partner
 Membership No.: 46607

Manisha Thakur
 Company Secretary

Place: Mumbai
 Date: May 15, 2015

Particulars		Note No	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
I	REVENUES			
	(a) Revenue From Operations	18	1,773	813
	(b) Revenue From Investments And Deposits	19	7,249	8,296
	(c) Other Income	20	19	1
	Total Revenue		9,041	9,110
II	EXPENSES			
	(a) Employee Benefits Expenses	21	434	316
	(b) Other Operating Expenses	22	1,259	1,232
	(c) Depreciation And Amortisation	9	97	27
	(d) Finance Cost - Interest		12	16
	Total Expenses		1,802	1,591
III	Profit Before Exceptional, Extraordinary Items And Tax	I - II	7,239	7,519
IV	Exceptional Items		-	-
V	Profit Before Extraordinary Items And Tax	III - IV	7,239	7,519
VI	Extraordinary Items		-	-
VII	Profit Before Tax	V - VI	7,239	7,519
VIII	Tax Expense:			
	Current Tax		895	1,450
	Deferred Tax		1	12
	Current Tax For Earlier Years		-	8
IX	Profit From Continuing Operations	VII - VIII	6,343	6,049
X	Profit From Discontinuing Operations		-	-
XI	Profit For The Year	IX + X	6,343	6,049
XII	Earning Per Equity Share:			
	Basic And Diluted		0.17	0.17
	Par Value Of Share (Re.)		1	1
	Weighted Average Number Of Shares (Nos.)		3,54,00,00,000	3,54,00,00,000

See accompanying notes forming part of financial statements

1-32

In terms of our report attached

For and on behalf of the Board of Directors

For **S. Panse & Co.**

Chartered Accountants
 Firm Reg. No.: 113470W

K. Kumar
 Managing Director & CEO

G. Sethu
 Director

Supriya
 Partner
 Membership No.: 46607

Manisha Thakur
 Company Secretary

Place: Mumbai
 Date: May 15, 2015

INDIAN CLEARING CORPORATION LIMITED
 CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

₹ In Lakh

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	7,239	7,519
<u>Adjustments For:</u>		
Amortisation Of Share Issue Expenses	-	9
Amortisation Of Bonds Premium / Discount On Bonds	(71)	(210)
Finance Cost	12	16
Depreciation On Fixed Assets	97	27
Penalties/Contribution received towards Settlement Guarantee Fund	66	50
Proceeds from Defaulter assets realisation	-	45
Provision for Compensated absence	25	3
Profit on Sale / Redemption of Bonds	-	(109)
(Profit) / Loss On Sale / Redemption Of Mutual Funds	(1)	12
Provision in Diminution of Current Investment	(53)	47
Interest Income	(5,531)	(6,257)
Dividend Income	(1,490)	(1,720)
	(6,946)	(8,087)
Operating Profit Before Working Capital Changes	293	(568)
<u>Adjustments For (Increase)/Decrease In :</u>		
Trade Receivables	58	88
Short-term Loans And Advances	85	(282)
Long-term Loans And Advances	(2)	5
Other Current Assets	(1,414)	9
<u>Adjustments For Increase/(Decrease) In Operating Liability :</u>		
Trade Payable	2,116	76
Other Current Liabilities	(21,898)	16,956
Short Term Provisions	(3)	
Other Long term Current Liabilities	2,554	18
	(18,501)	16,870
Taxes Paid	(1,529)	(1,460)
Net Cash From / (Used In) Operating Activities	(19,737)	14,842
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(108)	(220)
Purchase of Long Term Investments	(4,032)	(25,918)
Proceeds from Long Term Investments	-	22,000
Net (Increase) / Decrease In Current Investments	18,582	(21,200)
Net (Increase) / Decrease In Fixed Deposits With Banks	18,573	(6,513)
Interest Income	5,325	8,497
Dividend From Mutual Funds	1,490	1,720
Net Cash From / (Used In) Investment Activities	39,830	(21,634)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(2,564)	(1,721)
Tax On Dividend Paid	(436)	(279)
Finance Cost	(12)	(16)
Net Cash From / (Used In) Financing Activities	(3,012)	(2,016)

D. Net (Decrease) / Increase In Cash And Cash Equivalents	17,081	(8,808)
Cash And Cash Equivalents At The End Of The Year		
In Current Account	6,222	11,061
In Deposit Account	26,990	5,070
	33,212	16,131
Cash And Cash Equivalents At The Beginning Of The Year	16,131	24,939
Changes In Cash & Cash Equivalents	17,081	(8,808)
Cash And Cash Equivalents At The End Of The Year	33,212	16,131
Add: Earmarked Bank balance	95	231
Add: Fixed Deposits original maturity more than 3 Months	31,233	49,808
Add: Earmarked Fixed Deposits	2,554	3,738
Cash And Bank Balance as per note no. "15"	67,094	69,908

Note 1: Cash and Cash Equivalents comprise balances in current account with banks (owned funds and SGF).

Note 2: Cash flow does not include Cash and Cash Equivalents held by the Company on behalf of United Stock Exchange for use in its operation as manager of the clearing and settlement system. These Cash and Cash Equivalents of earmarked funds are held in segregated accounts.

See accompanying notes forming part of financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For S. Panse & Co.
Chartered Accountants
Firm Reg. No.: 113470W

K. Kumar
Managing Director & CEO

G. Sethu
Director

Supriya Panse
Partner
Membership No.: 46607
Place: Mumbai
Date: May 15, 2015

Manisha Thakur
Company Secretary

Significant Accounting Policies and Notes to Accounts

Notes annexed to and forming part of Financial Statements for the Year ended March 31, 2015.

Company Overview

Indian Clearing Corporation Limited (“ICCL” or “company”) was incorporated in 2007 as a wholly owned subsidiary of BSE Ltd. ICCL carries out the functions of clearing, settlement, collateral management and risk management for various segments of different stock exchanges.

1. Significant Accounting Policies

1.1 Basis of preparation of financial statements:

The financial statements are prepared on the historical cost convention, on the accrual basis of accounting and conform to accounting principles generally accepted in India and the Accounting Standards as notified under the Companies (Accounting Standards) Rules, 2006, in terms of the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).

1.2 Use of Estimates:

The preparation of financial statements, in conformity with Indian GAAP, requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the year. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.3 Revenue Recognition:

- 1.3.1 Revenue from Services is recognized as and when the service is performed as per the relevant agreements and when there is a reasonable certainty of ultimate realization.
- 1.3.2 Dividend Income is recognized when the unconditional right to receive dividend is established.
- 1.3.3 Interest income is recognized on a time proportion method, based on rates implicit in the transaction. Premium paid/discount received at the time of acquisition of government / Debt securities is amortised over the residual period of its maturity.

1.4 Fixed Assets:

1.4.1 Tangible Assets:

Tangible Assets are stated at cost net of recoverable taxes, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises purchase price and any cost directly attributable to bringing the assets to its working condition for its intended use.

1.4.2 Intangible Assets:

- (i) Cost of development and production of internally developed or purchased software, used for the purpose of operations, is capitalised.
- (ii) Any expense on software for support, maintenance, upgrades etc., payable periodically is charged to the Statement of Profit and Loss.

1.4.3 Intangible assets under development:

Intangible assets under development include cost of fixed assets that are not ready for their intended use at the reporting date.

1.5 Depreciation:

1.5.1 Tangible Assets:

Depreciation on tangible assets is provided on the 'Written Down Value' basis, except depreciation on Motor Vehicle, as per useful life of the assets as prescribed under Schedule II of the Companies Act, 2013 for the number of days the assets have been ready to put to use for their intended purposes.

Depreciation on Motor Vehicle assets is depreciated over a useful life of 3 years which represent the lease period of the asset purchased on finance lease.

1.5.2 Intangible Assets:

Intangible assets consisting of computer software are being depreciated at 40% on the 'Written Down Value' basis for the number of days the assets have been ready to put to use for their intended purposes

1.6 Impairment of Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is an indication of impairment based on the internal and external factors.

An asset is treated as impaired when its carrying cost exceeds the recoverable amount. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which the asset is identified as impaired. Reversal of impairment loss recognised in prior years is recorded when there is an indication that impairment losses recognised for the assets no longer exist or have decreased.

1.7 Investments:

Investments are either classified as current or non-current based on the Management's intention.

Current investments are carried at the lower of cost and fair value of each investment individually.

Non-Current investments are stated at cost. Provision for diminution is made to recognize a decline other than temporary, in the value of such investments. The cost of investment includes acquisition charges such as brokerage, etc. Front-end discount/incentive earned in respect of direct subscription is adjusted towards the cost of investment. Income on investments is accounted for on accrual basis.

1.8 Employee Benefits:

Employee benefits are accrued in accordance with Accounting Standard-15 (Revised) "Employee Benefits"

1.8.1 Provident Fund – Defined Contribution Plan

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contribution along with interest thereon is paid on cessation of services. Both the employee and the company make monthly contributions to the "BSE Employees' Provident Fund", a trust set up and administered by the BSE Ltd. The company is liable for any shortfall in the fund assets based on the minimum rate of return specified by the Government, which is debited to the Statement of Profit and Loss as and when services are rendered by the employees.

1.8.2 Gratuity – Defined Benefit Plan

The Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The gratuity obligation is wholly funded. The net present value of the company's obligation towards the same is actuarially based on the projected unit credit method as at the Balance Sheet date.

1.8.3 Compensated Absences

The Company accrues the liability for compensated absences based on the actuarial valuation as at the balance sheet date conducted by an independent actuary. The net present value of the Company's obligation is determined based on the projected unit credit method as at the Balance Sheet date.

1.9 Leases

Assets taken on lease by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

1.10 Tax Expense:

Tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax-law) and deferred tax charge or credit (reflecting the tax effects of timing deference between accounting income and taxable income for the year).

Current tax is measured at the amount expected to be paid to the taxation authorities, using applicable tax rates and tax laws.

Deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognized using the tax rate and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in the future; however where there is unabsorbed depreciation or carried forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.11 Provisions, Contingent Liabilities, Contingent Assets and Events Occurring after the Balance Sheet Date:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in Notes to Accounts, while Contingent assets are neither recognised nor disclosed in the financial statements. Adjustments to assets and liabilities is made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date. Adjustments to assets and liabilities are not made for events occurring after the balance sheet date, if such events do not relate to conditions existing at the balance sheet date.

1.12 Foreign Currency Transaction:

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. All foreign currency current assets/liabilities are translated at the rates prevailing on the date of the Balance Sheet. Foreign Exchange rate differences arising on settlement(s) / conversion(s) are recognised in the Statement of Profit and Loss.

1.13 Earnings per Share:

Basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

1.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and item of income and expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.15 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.16 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.17 Miscellaneous Expenditure:

Pre incorporation expense, expenditure incurred on issue of shares etc is amortized over period of 5 years.

1.18 Earmarked Funds:

During the year company provides clearing and settlement services for BSE Ltd (All Segment) and United Stock Exchange (I) Ltd (USE) (Currency Derivative Segment). Current Liabilities – Earmarked Funds represents deposits, margin, etc, and also settlement guarantee fund on behalf of BSE (held on behalf of USE prior merger). These amounts are invested and same shall be earmarked in Balance Sheet. Income earned on investment from those earmarked funds is shown as liabilities and not routed through Statement of Profit and Loss.

1.19 Core Settlement Guarantee Fund (Core SGF) :

As per SEBI vide circular no. CIR/MRD/DRMNP/25/2014 dated August 27, 2014 every recognised clearing corporation shall establish and maintain a Fund for each segment, to guarantee the settlement of trades executed in respective segment of a recognised stock exchange. Clearing Corporation (CC) shall have a fund called Core SGF for each segment of each Recognised Stock Exchange (SE) to guarantee the settlement of trades executed in respective segment of the SE. In the event of a clearing member (member) failing to honour settlement commitments, the Core SGF shall be used to fulfill the obligations of that member and complete the settlement without affecting the normal settlement process. Core SGF shall be contributed by Clearing Corporation (ICCL) and Stock exchange (BSE) as prescribed by SEBI. This fund is represented by earmarked SGF investments. The income earned on such investments (ICCL) is credited to the Statement of Profit and Loss and then appropriated to the Fund (net of taxes). Penalties and fines levied by the Company are directly transferred to Core SGF.

2. SHARE CAPITAL

₹ In lakh

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Authorised		
5,00,00,00,000 Equity Shares of ₹ 1/- each with voting rights (As at March 31, 2014: 5,00,00,00,000 Equity Shares of ₹ 1/- each)	50,000	50,000
Issued, Subscribed and Fully Paid - up		
3,54,00,00,000 Equity Shares of ₹ 1/- each with voting rights (As at March 31, 2014: 3,54,00,00,000 Equity Shares of ₹ 1/- each)	35,400	35,400
Total	35,400	35,400

2(a). Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	₹ In lakh	No. of Shares	₹ In lakh
Equity shares at the beginning of the year	3,54,00,00,000	35,400	3,54,00,00,000	35,400
Additions during the year	-	-	-	-
Equity shares at the end of the year	3,54,00,00,000	35,400	3,54,00,00,000	35,400

2(b). Investment by BSE Limited (Holding Company) and its Nominees

Particulars of issue	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	₹ In lakh	No. of Shares	₹ In lakh
Opening Balance	3,54,00,00,000	35,400	3,54,00,00,000	35,400
a) Right Issue	-	-	-	-
b) Bonus	-	-	-	-
c) Preferential Allotment	-	-	-	-
d) Others	-	-	-	-
Closing Balance	3,54,00,00,000	35,400	3,54,00,00,000	35,400

2(c). List of shareholders holding more than 5% shares

Name of Shareholders	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	% of total shares	No. of Shares	% of total shares
BSE Limited and its nominees	3,54,00,00,000	100	3,54,00,00,000	100

2(d) I. The holders of equity shares are entitled to dividends, if any, proposed by the board of directors and approved by the shareholder at the Annual General Meeting.

2(d) II. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of preferential amount. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

3. RESERVES AND SURPLUS

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Core Settlement Guarantee Fund (Refer to Note 1.19 & 28)		
Opening Balance	563	81
Add : Corpus transferred from Statement of Profit & Loss	7,314	350
Add : Income transferred from Statement of Profit & Loss	263	37
Add : Proceeds from Defaulter assets realisation	-	45
Add : Penalties/contribution received from members	66	50
Less : Transferred to Exchange Contribution	31	-
Sub-Total	8,175	563
Statement of Profit and Loss		
Opening Balance	10,209	7,547
Add : Profit for the year	6,343	6,049
<i>Less : Appropriations</i>		
Corpus transferred to Core Settlement Guarantee Fund (Refer to Note 1.19 & 29)	7,314	350
Income transferred to Core Settlement Guarantee Funds (Refer to Note 1.19 & 29)	263	37
Exchange Contribution towards Core Settlement Guarantee Fund (Refer to Note 1.19 & 29)	6	-
Proposed Dividend	4,757	2,564
Tax on Proposed Dividend	968	436
Sub-Total	3,244	10,209
Total	11,419	10,772

4. DEFERRED TAX LIABILITY (NET)

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Deferred Tax Liabilities:		
Depreciation	24	15
Less : Deferred Tax Asset		
Provision for Leave Encashment	11	3
Net Deferred Tax Liability	13	12

5. OTHER LONG - TERM LIABILITIES

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Payable to Service Providers	5	8
Accrued Employee Benefits Expense	25	10
Exchange Contribution towards Core Settlement Guarantee Fund (Refer to Note 1.19 & 29)	2,579	-
Total	2,609	18

6. TRADE PAYABLES

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Payable to Service Providers	182	184
Payable to Holding Company	2,108	-
Accrued Employee Benefits Expense	92	82
Total	2,382	266

7. OTHER CURRENT LIABILITIES

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Own		
Statutory Remittances	20	14
Others	-	-
	20	14
Earmarked		
BSE (Refer to Note No. 25)		
Deposit from Clearing Banks of BSE	1,000	-
Deposit from Members of BSE	1,158	-
Deposit from BSE	250	-
Others Liabilities of BSE	323	-
	2,731	-
USE		
Deposit from Clearing Banks of USE	-	2,500
Deposit from Members of USE	-	1,885
Deposit from USE	-	250
Others Liabilities of USE	-	261
	-	4,896
Defaulters		
Defaulters Liabilities	343	123
Clearing and Settlement		
Deposit from Clearing Banks	13,801	13,801
Deposit and Margins from Members	21,156	36,900
Settlement Obligation Payable	30,362	36,458
Others	144	208
	65,463	87,367
Total	68,557	92,400

8. SHORT TERM PROVISIONS

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for Employee Benefits		
Provision for Compensated Absences	32	10
Other Provision		
Provision for Income Tax (net of advance as at March 31, 2014 ₹ 1,445 lakhs)	-	5
Proposed Dividend	4,757	2,564
Tax on Proposed Dividend	968	436
Total	5,757	3,015

9. FIXED ASSETS

₹ in Lakh

Particulars	Gross Block			Accumulated depreciation and amortisation			Net Carrying Value	
	As at Apr 01, 2014	Additions	As at Mar 31, 2015	As at Apr 01, 2014	Depreciation/ Amortisation for the year	As at Mar 31, 2015	As at Mar 31, 2015	As at Mar 31, 2014
Tangible Assets :								
Computer Equipment * (Previous Year)	14 -	11 (14)	25 (14)	- -	9 -	9 -	16 (14)	14 -
Motor Vehicles (Previous Year)	12 -	- (12)	12 (12)	- -	7 -	7 -	5 (12)	12 -
Office Equipment * (Previous Year)	-	-	-	-	-	-	-	-
Intangible Assets :								
Software (Previous Year)	196 (7)	96 (189)	292 (196)	29 (2)	81 (27)	110 (29)	182 (167)	167 (5)
Total	222	107	329	29	97	126	203	193
Previous financial year	(7)	(215)	(222)	(2)	(27)	(29)	(193)	(5)

* Notes: Opening Balance and depreciation includes amounts less than Rs. 50,000/-.

10. NON-CURRENT INVESTMENTS

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Investment in Bonds (At cost) :		
Own		
Quoted (Non - trade)	25,228	21,093
Earmarked		
Core Settlement Guarantee Fund		
Quoted (Non - trade)	1,385	-
Clearing and Settlement		
Quoted (Non - trade)	4,559	5,957
Total	31,172	27,050
Book Value of Quoted Investment	31,172	27,050
Market Value of Quoted Investment	33,033	27,150

Script-wise Details of Non - Current Investments

₹ In lakh

Particulars	No. of Units	As at March 31, 2015	No. of Units	As at March 31, 2014
Investment in Bonds				
Own				
Power Finance Corporation 8.20% 01 February 2022	1,19,000	1,240	16,000	158
Indian Railway Financial Corporation 8.23 % 18 February 2024	10,00,000	10,000	10,00,000	10,000
Power Finance Corporation Ltd. 8.35 % 15 May 2016	500	4,931	-	-
Indian Railway Finance Corporation Ltd. 8.00% 23 February 2022	61,000	599	61,000	598
National Highway Authority of India 8.27% 05 February 2024	8,12,098	8,121	10,00,000	10,000
National Highway Authority of India 8.20% 25 January 2022	34,000	337	34,000	337
		25,228		21,093
Earmarked				
Core Settlement Guarantee Fund				
National Highway Authority of India 8.27% 05 February 2024	1,38,502	1,385	-	-
		1,385		-
Clearing and Settlement				
National Highway Authority of India 8.27% 05 February 2024	49,400	494	-	-
Indian Railway Financial Corporation 8.23 % 18 February 2024	2,50,000	2,519	-	-
Rural Electrification Corporation 7.93 % 27 March 2022	1,50,000	1,546	-	-
Power Finance Corporation Ltd. 8.35 % 15 May 2016	-	-	500	4,868
Power Finance Corporation 8.20% 01 February 2022	-	-	1,03,000	1,089
		4,559		5,957
Total		31,172		27,050

11. LONG TERM LOANS AND ADVANCES

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured - (considered good)		
Deposit with Public Bodies and Others	5	-
Income Tax Paid In Advance (net of provisions ₹ 2,345 lakh, (As at March 31, 2014 ₹ 1,368 lakh))	841	211
Advance to Staff	10	11
Prepaid Expenses	2	4
Total	858	226

12. OTHER NON CURRENT ASSETS

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Others		
Gratuity Asset (net)	-	3
Total	-	3

13. CURRENT INVESTMENTS

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
CURRENT INVESTMENTS (At lower of cost or fair value)		
Investment in Certificates of Deposit		
Own		
Investment in Certificates of Deposit (Quoted)	12,983	14,995
Earmarked		
Clearing and Settlement:		
Investment in Certificates of Deposit (Quoted)	4,993	-
Subtotal (A)	17,976	14,995
Investment in Units of Mutual Funds		
Own		
Units of Dividend Oriented Liquid Schemes of Mutual Funds (Quoted)	-	3,651
Subtotal (B)	-	3,651
Earmarked		
Clearing and Settlement:		
Units of Dividend Oriented Liquid Schemes of Mutual Funds (Quoted)	-	23,400
BSE (Refer to Note No. 25)		
Units of Dividend Oriented Liquid Schemes of Mutual Funds (Quoted)	1	-
Units of Growth Oriented Liquid Schemes of Mutual Funds (Quoted)	425	-
USE		
Units of Dividend Oriented Liquid Schemes of Mutual Funds (Quoted)	-	600
Units of Growth Oriented Liquid Schemes of Mutual Funds (Quoted)	-	450
Core Settlement Guarantee Fund:		
Units of Dividend Oriented Liquid Schemes of Mutual Funds (Quoted)	5,714	191
Subtotal (C)	6,140	24,641
Total (A+B+C)	24,116	43,287
Aggregate Cost of Mutual Funds	6,140	28,292
NAV of Mutual Funds	6,204	28,317
Aggregate Cost of Certificates of Deposit	17,976	14,995
Market Value of Certificates of Deposit	17,978	14,996

Script-wise Details of Current Investments

₹ In lakh

Particulars	No. of Units	As at March 31, 2015	No. of Units	As at March 31, 2014
Certificates of Deposit (At cost) :				
Own				
Bank of India-06 Apr 2015	5,000	4,994	-	-
Indusind Bank-06 Apr 2015	8,000	7,989	-	-
Canara Bank CD 02-April-2014	-	-	5,000	4,998
Punjab National Bank CD 02-April-2014	-	-	10,000	9,997
Earmarked				
Clearing and Settlement:				
South Indian Bank 06 Apr 2015	3,000	2,996	-	-
ICICI Bank Limited CD 06-Apr-2015	600	598	-	-
Axis Bank 06 Apr 2015	1,400	1,399	-	-
Subtotal (A)		17,976		14,995
Mutual Funds				
Own				
Axis Liquid Fund - Direct DDR	-	-	47,984	480
Religare Invesco Liquid Fund - Dir - Dly Div	-	-	3,16,860	3,171
Subtotal (B)		-		3,651
Earmarked				
Clearing and Settlement:				
Axis Liquid Fund - Direct DDR	-	-	3,52,290	3,523
Birla Sun Life Dynamic Bond Fund - Ret Qtly	-	-	99,26,997	1,126
Religare Invesco Liquid Fund - Dir - Dly Div	-	-	2,78,477	2,787
Reliance Liquid Fund - TP - Dir - Dly Div	-	-	5,23,845	8,008
Kotak Liquid Scheme - Plan A - Dir - Dly Div	-	-	3,27,468	4,005
ICICI Prudential Money Market Fund Dir Dly Div	-	-	40,02,097	4,004
BSE:				
ICICI Prudential Liquid - Dir Dly Div	825	1	-	-
HDFC Liquid Fund - Dir - Growth	17,71,700	425	-	-
USE:				
Templeton India TMA - Dir - Dly Div	-	-	59,969	600
Baroda Pioneer Growth Fund	-	-	2,50,000	25
HDFC Liquid Fund - Dir - Growth	-	-	17,71,700	425
Core Settlement Guarantee Fund:				
ICICI Prudential Liquid - Dir Dly Div	57,11,006	5,714	1,90,990	191
		6,140		24,694
Less: Provision for Diminution of Investments		-		53
Subtotal (C)		6,140		24,641
Grand Total (A+B+C)		24,116		43,287

14. TRADE RECEIVABLES

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Outstanding for a period exceeding six months (from the date they became due for payment)		
Secured and Considered Good	1	1
Unsecured, Considered Good	-	-
Other Receivable		
Secured and Considered Good	-	3
Unsecured, considered good	29	22
Holding Company	-	62
Total	30	88

15. CASH AND BANK BALANCES

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Cash on hand	-	-
Balances with banks		
In Current accounts		
Own	84	16
Earmarked		
Clearing and Settlement	5,526	11,045
BSE (Refer to Note No. 25)	93	-
USE	-	231
SGF	612	-
Defaulters	2	-
In Deposit accounts		
Own	3,122	7,540
Earmarked		
Clearing and Settlement	52,168	46,970
BSE (Refer to Note No. 25)	2,213	-
USE	-	3,615
Defaulters	341	123
SGF	2,933	368
Total	67,094	69,908

Notes:

- Balances in Deposits with Banks includes ₹ 155 Lakh (As at March 31, 2014 ₹ 2,207 Lakh), which have an remaining maturity of more than 12 months (Including Earmarked).
- Balances in Deposits with Banks of ₹ 17,999 Lakh (As at March 31, 2014 ₹ 16,999 Lakh), are pledged against bank over draft.

16. SHORT-TERM LOANS AND ADVANCES

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured - (considered good)		
Balances with government authorities:		
Cenvat Credit Receivable	-	56
Prepaid Expenses	195	224
Advance to Staff	2	2
Total	197	282

17. OTHER CURRENT ASSETS

₹ In lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Accrued interest :		
Fixed deposits		
Own	1	256
Earmarked		
Clearing and Settlement	111	-
SGF	-	3
Investments - Bonds		
Own	938	582
Earmarked		
Clearing and Settlement	518	-
SGF	108	-
Others Recoverable from Members	785	-
Total	2,461	841

18. REVENUE FROM OPERATIONS

₹ In lakh

Particulars	For the Year Ended Mar 31, 2015	For the Year Ended Mar 31, 2014
<u>Sale of services</u>		
<u>A. Own Fund</u>		
Clearing and Settlement Services	1,613	708
Auction Fees	100	60
Other Operating Revenue	51	32
<u>B. Earmarked Fund - SGF</u>		
Other Operating Revenue	9	13
Total	1,773	813

19. REVENUE FROM INVESTMENTS AND DEPOSITS

₹ In lakh

Particulars	For the Year Ended Mar 31, 2015	For the Year Ended Mar 31, 2014
<u>A. Own Fund</u>		
Income From Bonds (Long term investments)	2,219	2,220
Income From Certificates of Deposit (Current investments)	15	163
Profit on Sale / Redemption of Mutual Funds (Current investments)	1	-
Profit on Sale / Redemption of Bonds (Current investments)	-	109
Dividend From Mutual Funds (Current investments)	1,456	1,711
Others Interest income	-	131
Interest income from deposits	3,270	3,931
Sub-Total	6,961	8,265
<u>B. Clearing and Settlement Fund</u>		
Income From Bonds (Long term investments)	165	-
Income From Certificates of Deposit (Current investments)	1	-
Profit on Sale / Redemption of Mutual Funds (Current investments)	5	-
Dividend From Mutual Funds (Current investments)	1,069	-
Interest income from deposits	1,299	-
Less : payable to BSE (Refer note 30)	(2,539)	-
Sub-Total	-	-
<u>C. Earmarked Fund - SGF</u>		
Income From Bonds (Long term investments)	156	-
Dividend From Mutual Funds (Current investments)	34	9
Interest income from deposits	98	22
Sub-Total	288	31
Total	7,249	8,296

20. OTHER INCOME

₹ In lakh

Particulars	For the Year Ended Mar 31, 2015	For the Year Ended Mar 31, 2014
Interest Income on IT Refund	18	-
Miscellaneous Income	1	1
Total	19	1

21. EMPLOYEE BENEFITS EXPENSES

₹ In lakh

Particulars	For the Year Ended Mar 31, 2015	For the Year Ended Mar 31, 2014
Salaries, Allowances and Bonus	391	305
Contribution to Provident and Other Funds	18	8
Provision for Compensated Absence	25	3
Total	434	316

22. OTHER OPERATING EXPENSES

₹ In lakh

Particulars	For the Year Ended Mar 31, 2015	For the Year Ended Mar 31, 2014
Amortisation of Preliminary Expenses	-	9
Auditors' Remuneration	4	8
Clearing House Charges	47	120
Computer Technology Related Expenses	600	674
Contribution to Corporate Social Responsibility	40	-
Directors' Sitting Fees	6	3
Electricity Charges	7	5
Insurance	218	16
Legal Fees	62	41
Loss on Sale / Redemption of Mutual Funds (current investments)	-	12
Personnel Deputation Cost	50	100
Professional Fees	83	35
Property Tax Expenses	3	7
Provision in Diminution of Current Investment	(53)	47
Rent	38	38
Service Tax Expense	6	58
Stamp Duty, Registration Charges & Regulatory Fees	6	5
Travelling Expenses	55	18
Committee Meeting Sitting Fees	59	20
Miscellaneous Expenses	28	16
Total	1,259	1,232

Notes:		₹ In lakh
Particulars	For the Year Ended Mar 31, 2015	For the Year Ended Mar 31, 2014
Auditors' Remuneration Includes:		
Audit Fees	3	7
Tax Audit Fees	1	1
Total	4	8

23. There are no contingent liabilities as at March 31, 2015 (As at March 31, 2014 – Nil). Estimated amount of contract remaining to be executed on capital account and not provided for ₹ 25 lakh as at March 31, 2015 (As at March 31, 2014 – Nil)

24. As per the definitions of ‘business segment’ and ‘geographical segment’, contained in Accounting Standard – 17 (AS-17) “Segment Reporting”, the Management is of the opinion that as the Company’s operations comprise only facilitating clearing and settlement activities and the activities incidental thereto, there is neither more than one business segment nor more than one reportable geographical segment and therefore following disclosure is made.

(₹ in Lakh)

Particulars		For the year ended March 31, 2015	For the year ended March 31, 2014
Segment Revenue			
Clearing and Settlement Activity			
(a)	Operations	4,564	5,205
(b)	Related Activities (Treasury)	4,458	3,892
Total		9,022	9,097
Less : Inter Segment Revenue		-	-
Total Segment Revenue		9,022	9,097
Segment Results			
Clearing and Settlement Activity			
(a)	Operations	2,958	3,792
(b)	Related Activities (Treasury)	4,432	3,875
Total Segment Results		7,390	7,667
Add : Unallocated Income		19	1
Less : Unallocated Expenses		170	149
Less : Extraordinary Item		-	-
Profit before taxation		7,239	7,519
Less : Provision for taxation		896	1,470
Profit for the year		6,343	6,049

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Segment Assets			
Clearing and Settlement Activity			
(a)	Segment Activity – Operation	81,610	93,555
(b)	Segment Activity - Related Activity (Treasury)	43,686	48,117
Total Segment Assets		125,296	141,672
Unallocated Assets		841	211
Total Assets		126,137	141,883

Particulars	As at March 31, 2015	As at March 31, 2014
Segment Liabilities		
Clearing and Settlement Activity		
(a) Segment Activity – Operation	73,580	92,694
Total Segment Liabilities	73,580	92,694
Unallocated Liabilities	5,738	3,017
Total Liabilities	79,318	95,711

25. In terms of the Scheme of Amalgamation (“the Scheme”), United Stock Exchange of India Limited (USE) has been merged with BSE Ltd (BSE). The said scheme of amalgamation filed by BSE has been approved by Hon’ble High Court of Bombay vide their order dated May 14, 2015, with the appointed date of April 01, 2014. Accordingly all assets and liabilities as at March 31, 2015 held by the Company on behalf of USE are shown as held on behalf of BSE and corresponding all transaction entered by the Company during the financial year 2014-15 with USE are disclosed as related party transactions with BSE.

26. As per the Accounting Standard-18 “Related Party Disclosures” the related parties of the entity are as follows:

(a) BSE Ltd (Holding Company):

₹ in Lakh

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
INCOME		
Clearing and Settlement Charges	1,613	588
Income on Clearing and Settlement Fund payable to BSE	-2,539	-
EXPENDITURE		
Personnel Deputation Cost	50	100
Rent	38	38
Computer Technology Related Expenses	166	554
Electricity Charges	7	5
Property Tax	3	7
Others Expenses	4	4

Particulars	As at March 31, 2015	As at March 31, 2014
ASSETS		
FIXED ASSETS / CWIP		
Software	-	147
Capital Work in Progress	-	2
OTHER ASSETS		
Prepaid Expenses	2	4
Assets held on behalf of BSE (refer note 25)	2,732	-

Particulars	As at March 31, 2015	As at March 31, 2014
LIABILITY		
Liability held on behalf of BSE (refer note 25)	2,731	-
Receivable (net)	-	62
Payable (net)	2,108	-

(b) Marketplace Technologies Private Limited (Fellow Subsidiary):

₹ in Lakh

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
EXPENDITURE		
Computer Technology Expenses	386	62

Particulars	As at March 31, 2015	As at March 31, 2014
ASSETS		
FIXED ASSETS / CWIP		
Software	91	42
Capital Work in Progress	2	2
Payable	77	66

(c) Central Depository Services (India) Limited (Fellow Subsidiary):

₹ in Lakh

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
EXPENDITURE		
Administrative & Other Expenses	2	1

Particulars	As at March 31, 2015	As at March 31, 2014
ASSETS		
Deposits (Asset)	5	-
Prepaid Expenses	2	-

(d) BOI Shareholding Limited (Fellow Joint Venture):

₹ in Lakh

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
EXPENDITURE		
Clearing House Service Charges	47	120
Registration Charges	-	2
Administrative & Other Expenses	1	1

Particulars	As at March 31, 2015	As at March 31, 2014
LIABILITY		
Payable	3	10

(e) Key Management Personnel (KMP) :

Name	Relation
Shri K. Kumar	Managing Director & CEO (From September 2013)
Shri Tushar Ambani	Whole time Director (From November 2012 up to October 2013) and Chief Operating Officer
Smt. Manisha Thakur	Company Secretary

Transactions with Key Management Personnel

₹ in Lakh

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
EXPENDITURE		
Salaries, Allowances and Bonus		
Shri K. Kumar	60	28
Shri Tushar Ambani	-	24
Smt. Manisha Thakur	18	5

27. Earnings per Share:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Profit after tax (₹ in lakh)	6,343	6,049
Less: Appropriations (net of tax) (₹ in lakh)	263	37
Profit attributable to Equity Shareholders (₹ in lakh)	6,080	6,012
Weighted average number of Equity shares used in computing Basic and Diluted earnings per share (Nos.)	3,54,00,00,000	3,54,00,00,000
Face value of equity shares (₹)	1	1
Basic and Diluted earnings per share (₹)	0.17	0.17

28. Expenditure in Foreign Currency:

₹ in Lakh

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Software Expenses	23	22
Travel Expenses	13	1

29. The Securities Contracts (Regulation) (SECC) Regulations, 2012 dated June 20, 2012 requires every recognised stock exchange to credit twenty five percent of its annual profits every year to a fund to guarantee settlement of trades of the recognised clearing corporation(s) which clears and settles trades executed on that stock exchange. BSE Ltd has sought certain clarifications/guiding principles from SEBI regarding the norms for sourcing including transfer of profits by stock exchanges to the above mentioned fund and the methodology to be adopted. Pending receipt of clarifications/guiding principles from SEBI in the matter, no transfer of profits has been recorded in the books of account as at March 31, 2015.

Further as mentioned in note no. 1.19, CC shall have a fund called Core SGF for each segment of each Recognised SE to guarantee the settlement of trades executed in respective segment of the SE. Accordingly, an amount contributed by recognised SE (BSE) and Clearing Corporation (ICCL) during the year as follows:

₹ in Lakh				
Sr. No.	Particulars	Recognised SE (BSE)	Clearing Corporation (CC)	Total
1.	Opening Balance	-	563	563
2.	Add : Contribution/transferred during the year	2,565	7,283	9,848
3.	Add : Income on Investment	14	-	14
4.	Add : Penalties received from members	-	66	66
5.	Add : Amount Appropriated from Statement of Profit & Loss			
	Contribution by Members	-	9	9
	Income from Investments	-	281	281
	Less : Taxes	-	-27	-27
	Sub-Total	-	263	263
	Total Core SGF	2,579	8,175	10,754

30. As per the earlier terms of cost & revenue sharing agreement with BSE, the clearing and settlement income has been recognised by company as 20% on transaction charges earned by BSE. The said agreement was expired on Sep 30, 2014 and further renewed for the period upto Mar 31, 2017. As per the renewed agreement the clearing and settlement income to be recognised as cost plus mark-up method i.e. cost plus 20% mark-up (Cost included all operational cost). Considering the same and the fact that the business activities undertaken by ICCL primarily derived out of transactions executed on the trading platform of BSE and in the light of renewed agreement between ICCL and BSE, ICCL have agreed to pay a sum of amount which will be equal to the income generated on investment of margins, collateral and deposits placed by the members and clearing banks. In pursuant to the same amount payable of ₹ 2,539 lakh has been paid by Company to BSE Limited for the year ended Mar 31, 2015 (Previous year ended Mar 31, 2014 ₹ Nil).

31. Disclosure as required under Accounting Standard – 15 on “Employee Benefits” is as under:

Defined Benefit Plan – Gratuity:

	Period of accounting	As at March 31, 2015	As at March 31, 2014
I	Summary of Membership Data		
	Number of Employees (Nos.)	33	23
	Total Monthly Salary (₹ in Lakhs)	8	7
	Average Age (Nos.)	37	39
	Average Past Service (Nos.)	7	9

₹ in Lakh

II	Assumptions as at	As at March 31, 2015	As at March 31, 2014
	Mortality	Published rates under the Indian Assured Lives Mortality (2006-08) Ult table	
	Discount Rate	7.95%	9.20%
	Rate of increase in compensation	7.00%	7.00%
	Rate of return (expected) on plan assets	8.50%	8.50%
	Withdrawal rate		
	-21 to 44 years	2.50%	2.50%
	-45 to 59 years	1.00%	1.00%

Amount to be recognised in the Balance Sheet and Movement in net (liability)/assets:

₹ in Lakh

III	Particulars	As at March 31, 2015	As at March 31, 2014
	Present Value of Funded Obligations	72	60
	Fair Value of Plan Assets	72	63
	Net Assets/(Liability)	-	3

Expenses Recognized in Statement of Profit and Loss

₹ in Lakh

IV	Particulars	For the year Ended March 31, 2015	For the year Ended March 31, 2014
	Current Service Cost	3	3
	Interest on Defined Benefit Obligations	6	5
	Expected Return on Plan Assets	(5)	(5)
	Net Actuarial Losses / (Gains) Recognised during the year	4	(3)
	Total Included in “Employee Benefit Expense”	8	-
	Actual Return on Plan Assets	5	4

Reconciliation of Benefit Obligation

₹ in Lakh

V	Particulars	As at March 31, 2015	As at March 31, 2014
	Opening Defined Benefit Obligation	59	55
	Current Service Cost	3	3
	Interest Cost	6	5
	Actuarial Loss / (Gain)	4	(4)
	Benefits Paid	-	-
	Closing Defined Benefit Obligation	72	59

Reconciliation of Fair Value of Plan Assets

₹ in Lakh

VI	Particulars	As at March 31, 2015	As at March 31, 2014
	Opening Fair Value of Plan Assets	63	59
	Expected Return on Plan Assets	5	5
	Actuarial Gain / (Loss)	-	(1)
	Contributions by Employer	4	-
	Benefits Paid	-	-
	Closing Fair Value of Plan Assets	72	63

Composition of Plan Assets

VII	Particulars	As at March 31, 2015	As at March 31, 2014
	Government of India Securities	0%	0%
	Corporate Bonds	0%	0%
	Special Deposit Schemes	0%	0%
	Equity Shares of Listed Companies	0%	0%
	Property	0%	0%
	Insurer Merger Funds	92%	98%
	Others	8%	2%

Experience Adjustment

₹ in Lakh

VIII	Particulars	As at Mar 31, 2015	As at Mar 31, 2014	As at Mar 31, 2013	As at Mar 31, 2012	As at Feb 24, 2012
	Defined Benefit Obligations	72	60	56	52	54
	Plan Assets	72	63	59	-	-
	Surplus / (Deficit)	-	3	3	(52)	(54)

VIII	Particulars	As at Mar 31, 2015	As at Mar 31, 2014	As at Mar 31, 2013	As at Mar 31, 2012	As at Feb 24, 2012
	Experience Adjustments on Plan Liabilities	(4)	3	(4)	-	-
	Experience Adjustments on Plan Assets	-	(1)	3	-	-

Other Details:

The estimates of future salary increase considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The above information is certified by the actuary and relied upon by the Auditors.

Defined Contribution Plan:

Amount recognised as an expense and included under the head “Contribution to Provident and Other Funds” of Statement of Profit and Loss ₹ 10 Lakh (For the year ended March 31, 2014 ₹ 8 Lakh).

32. Previous year’s figures have been regrouped / reclassified wherever necessary to correspond with the current year’s classification / disclosure.

For and on behalf of the Board of Directors

K. Kumar
Managing Director & CEO

G. Sethu
Director

Manisha Thakur
Company Secretary

Mumbai, May 15, 2015