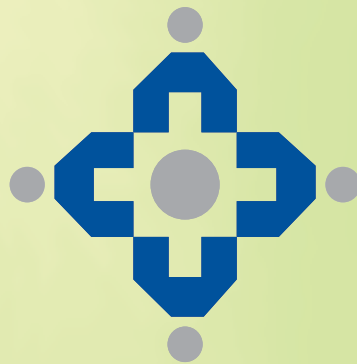
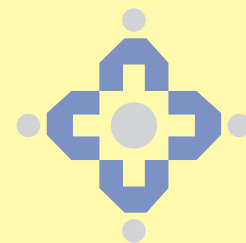




ANNUAL REPORT
2011 - 2012



Central Depository Services (India) Limited



@ CDSL... We celebrate earth day... everyday!

e-Insurance

NAD

e-Voting

**e-Annual
Reports**

**KYC
Registration**

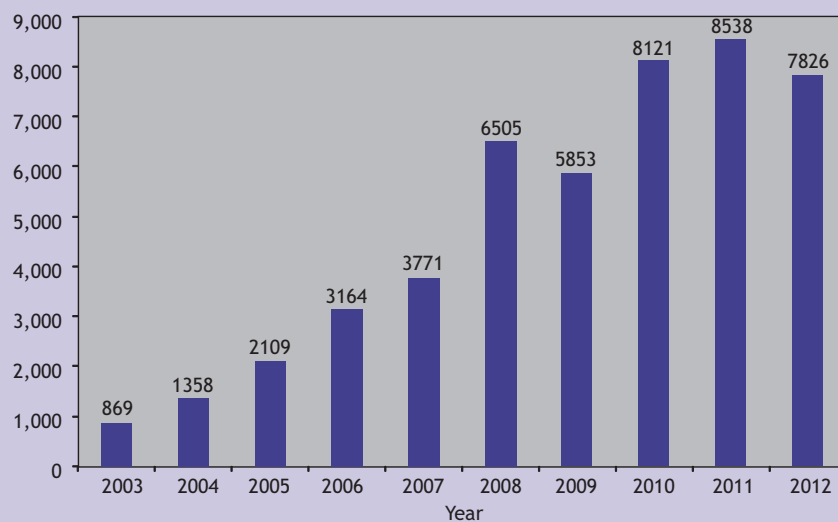
**Depository
Services**

Financial Highlights

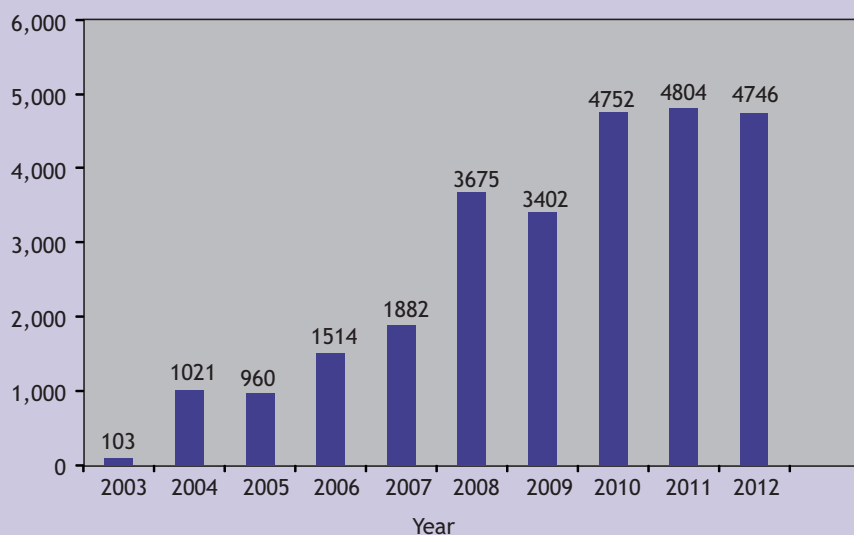
(₹ in lakhs)

Particulars	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Income from Operations	868.68	1357.57	2109.03	3163.18	3770.53	6505.27	5852.51	8121.17	8538.48	7825.91
Other Income	781.51	1525.95	780.45	774.86	1066.29	1338.73	1691.35	2017.36	1670.62	2398.38
Total Income	1650.19	2883.52	2889.48	3938.04	4836.82	7844.00	7543.86	10138.53	10209.10	10224.29
Total Expenditure	1466.48	1506.06	1504.42	1708.38	2205.01	2659.46	2886.60	3396.59	3354.73	3318.83
Profit Before Tax	183.71	1377.46	1385.06	2229.66	2631.81	5184.54	4657.26	6741.94	6854.37	6638.70
Provision for Taxation	80.97	356.61	425.54	715.46	749.61	1509.11	1255.19	1990.04	2050.54	1892.98
Profit After Tax	102.74	1020.85	959.52	1514.20	1882.20	3675.43	3402.07	4751.90	4803.83	4745.72
Equity	10450.00	10450.00	10450.00	10450.00	10450.00	10450.00	10450.00	10450.00	10450.00	10450.00
Reserves & Surplus	165.74	1186.59	2146.11	3660.31	4812.01	7170.84	9350.31	12638.76	15985.15	18909.09
Net worth	10615.74	11636.59	12596.11	14110.31	15262.01	17620.84	19800.31	23088.76	26435.15	29359.09
Earning Per Share (Rs)	0.10	0.98	0.92	1.45	1.80	3.52	3.26	4.55	4.60	4.54
Book Value Per Share (Rs)	10.16	11.14	12.05	13.50	14.60	16.86	18.95	22.09	25.30	28.09
Return on Net Worth (%)	0.97%	8.77%	7.62%	10.73%	12.33%	20.86%	17.18%	20.58%	18.17%	16.16%

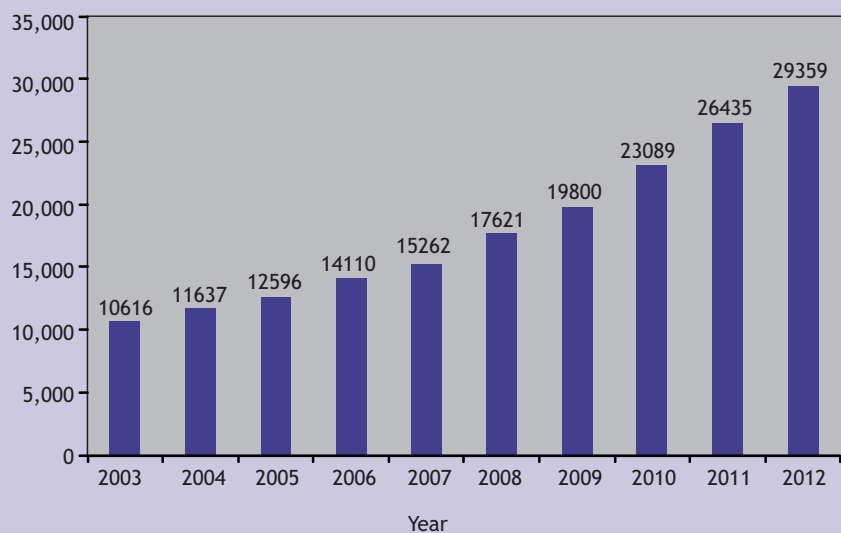
Operational Income



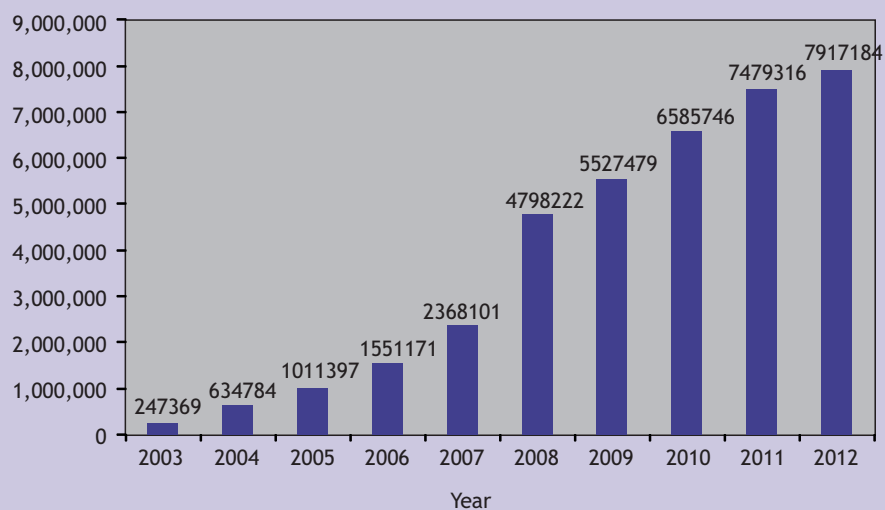
Profit After Tax



Net Worth



BO Accounts



Central Depository Services (India) Limited

Board of Directors

Shri N. Rangachary	<i>Chairman</i>
Shri T. S. Narayanasami	<i>Director</i>
Shri Madhu Kannan	<i>Director</i>
Shri Ashishkumar Chauhan	<i>Director</i>
Shri S. Raman	<i>Director</i> <i>[Appointed on 2nd June, 2011]</i>
Shri Alok Kumar Misra	<i>Director</i> <i>[Appointed on 22nd July, 2011]</i>
Shri Neeraj Swaroop	<i>Director</i> <i>[Appointed on 5th September, 2011]</i>
Shri P. S. Reddy	<i>Managing Director & CEO</i>

Management Team

Shri P.S. Reddy	<i>Managing Director & CEO</i>
Shri Cyrus Khambata	<i>Executive Vice President - Business Development</i> <i>[Currently on deputation to CDSL Ventures Limited]</i>
Shri Uppili Krishnan	<i>Chief Technology Officer</i>
Smt. Nayana Ovalekar	<i>Senior Vice President & Operations</i>
Shri Bharat Sheth	<i>Senior Vice President & Chief Financial Officer</i>
Shri Sunil Alvares	<i>Senior Vice President & Business Development</i>
Shri Ramkumar K.	<i>Senior Vice President & New Projects</i>
Shri Satish L. Budhakar	<i>Senior Vice President &</i> <i>Group Company Secretary</i>

Bankers

Bank of India

Auditors

M. P. Chitale & Co.
1/11, 1st Floor,
Prabhadevi Industrial Estate,
Veer Savarkar Marg, Prabhadevi,
Mumbai - 400 051.

Registered Office

17th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Contents

Directors' Report	6
Auditors' Report	31
Annual Accounts	36
Notes to the Accounts	39
Consolidated Financial Statements	65

Directors' Report

Your Directors are pleased to present the Fourteenth Annual Report, along with Audited Statement of Accounts of your company for the year ended 31st March, 2012. A reasonable performance of the company during the year 2011 - 12 despite not so favourable capital market conditions is reflected in the key financial indicators mentioned below:

Financial Highlights

Particulars	Year ended 31st March, 2012 (₹ million)	Year ended 31st March, 2011 (₹ million)
Income	1022.42	1020.91
Expenditure	296.48	281.27
Profit before Depreciation and Taxation	725.94	739.64
Depreciation	35.40	54.20
Profit before exceptional items and tax	690.54	685.44
Exceptional items - Municipal tax	26.68	NIL
Profit before Tax	663.87	685.44
Provision for Taxation	193.00	204.80
Provision for Deferred Tax for the year	(3.70)	0.25
Profit after Tax	474.57	480.39
Balance brought forward	1574.63	1251.99
Profit available for appropriation	2049.20	1732.38
Proposed dividend	156.75	125.40
Tax (including surcharge and education cess on dividend)	25.43	20.34
Transfer to General Reserve	23.73	12.01
Surplus carried to Balance Sheet	1843.29	1574.63

Your company registered a gross income of ₹ 1,022.42 million, an increase of 0.14 % over the previous year. The income from operations comprising of transaction charges, annual issuers fees, account maintenance charges, settlement charges, corporate action charges, etc. during the year under review decreased from ₹ 853.84 million to ₹ 782.59 million, recording a decline of 8.34 % over the year 2010-11. Profit Before Tax (PBT) for the financial

year 2011-12 at ₹ 663.87 million is slightly lower than the previous year's level of ₹ 685.44 million. Profit After Tax (PAT) amounted to ₹ 474.57 million as against the net profit of ₹ 480.39 million in the previous year, reflecting a marginal decline in the bottom line by 1.21 %.

Dividend

In view of the fact that net profit of the company has decreased only marginally, your Directors, in order to have a stable dividend policy recommend a dividend of ₹ 1.5 per share (15%) for the year ended 31st March, 2012. The dividend will be subject to dividend distribution tax to be paid by the company.

The Capital Market Environment

During the financial year 2011-12, the capital market remained rangebound and volatile for most part of the year on concerns of high interest rates, rising inflation, rising crude prices, depreciation of the rupee, a series of scams and uncertainty in global financial markets. The BSE-30 SENSEX which opened at 19,463 on 1st April, 2011, touched a high of 19,811 in April 2011 only to close at 17,404 on 31st March, 2012. The BSE Sensex, which registered a gain of 10.76% during the financial year 2010-11, thus dipped by 10.58% during the year 2011-12.

The performance of the primary market during 2011-12 also remained subdued due to muted retail participation and witnessed some traction only during January-February, 2012. With the demand for IPOs waning during Financial Year 2012, only 30 IPOs/FPOs opened for subscription during April-January 2012, as compared to 52 IPOs during the corresponding period in the previous year. The fact that many IPOs are now quoting at a fraction of their issue price has severely dented investor's confidence in the primary market.

Operational Highlights

In spite of volatile market conditions and lack of enthusiasm on the part of investors towards new capital issues, your company could register a very good growth in its depository operations during the year 2011-12. This is reflected in the increase in the number of demat accounts opened, securities admitted and increase in the number of depository participants, as shown below. In order to sustain the growth in its depository business, your company continues to focus on enhancement of operational efficiency, upgradation of technology, user friendly approach and investor education through seminars.

Securities admitted

Securities like equity shares, preference shares, mutual fund units, debt instruments, government securities, certificates of deposit, commercial papers and a host of other instruments are available for dematerialization by the investors. The number of such securities increased from 29,291 on 31st March, 2011 to 32,685 on 31st March, 2012.

Details of the securities /commodity warehouse receipts admitted with CDSL are given below:

Securities	Year ended 31st March, 2012	Year ended 31st March, 2011	Increase over the previous year (%)
Equity Shares	6,970	6,341	9.92%
Debt Instruments	5,962	5,210	14.43%
Other Securities	19,753	14,740	34.01%
Total	32,685	26,291	24.32%

Position of Securities held in the System

The value and volume of the securities held with CDSL in the year under review as compared to the previous year are indicated below:

Holding of Securities	Year ended 31st March, 2012	Year ended 31st March, 2011	Increase over the previous year (%)
Value (in million ₹)	10,205,690	10,814,170	-5.63%
Volume (in million)	133,570	105,310	26.84%

Depository Participants, their Branches and Service Centres

As on 31st March, 2012, 567 depository participants held valid registration certificates of Securities and Exchange Board of India (SEBI) as compared to 544 valid SEBI registrations as on 31st March 2011. Consequently, investors spread across 28 States and 7 Union Territories can avail of CDSL's depository services. Further, investors have access to 13,516 DP service centers spread across more than 2000 cities / towns as on 31st March 2012 as against 10,052 DP service centers as on 31st March 2011.

Beneficial Owner Accounts

During the year under review, 7.69 lakh Beneficial Owner (BO) accounts were added, taking the total number of such accounts to 102.14 lakhs and the net BO accounts to 79.17 lakhs as on 31st March, 2012. The comparative figures of gross and net BO accounts as on 31st March, 2011 and 31st March, 2012 are given in the following table:

Year ended 31st March, 2012	Year ended 31st March, 2011	Increase over the previous year's cumulative figure	
		Number	Percentage
(Gross) 10,214,904	(Gross) 9,444,953	769,951	8.15%
(Net) 7,917,184	(Net) 7,479,316	437,868	5.85%

Investor Awareness / Education Seminars

Increasing Investor Awareness is an integral part of CDSL's business strategy, as an informed investor is better poised to derive maximum benefit from the investment options available in the Indian financial market and take precautions to mitigate any risk. To this end, CDSL continued to ramp up the scale and pace of these Investor Education Programs and CDSL in association with BSE Limited, leading dailies, depository participants conducted 218 investor awareness programs across the country during the year 2011-12. These programs were conducted not only in metros and Tier-1 cities, but, a large number of programs were conducted in Tier-2 and Tier 3 cities, where investors may not have been able to participate in the entire exercise of wealth creation because of lack of information preventing them from taking the first step.

During these IAPs, investors were educated on the procedures and precautions to be followed regarding their demat accounts, on-line trading, ASBA, demat of open ended mutual funds etc. Many of these IAPs were conducted with the print and electronic media, which ensured a good turnout of investors and also excellent pre-event and post-event publicity of the IAPs. During the Seminars information pamphlets in English, Hindi and other regional languages were distributed for the benefit of investors. CDSL has also held various IAPs across the country in association with SEBI and BSE Limited.

New Initiatives

◆ Single Report for transactions

Single Download Report for account opening and maintenance activities.

Your Company has introduced Single Download Report - DPB9 for account opening and maintenance activities. Further, in order to provide the DPs with a detailed Client Master Report, CDSL has also introduced two new reports- DPS8 report to provide account details for a particular Beneficial Owner (BO) or accounts set up over a selected date range and DPS9 report to provide details of accounts opened and modified during the past 2 days.

DPs are required to import a single report instead of multiple reports. This single report for client master will replace existing four reports.

Single transaction download Report

Your Company has also provided facility of online single download report for multiple transactions. This gives the DP an idea of all the transactions that have been entered by the DP or its clients either through the CDAS system or through our website (easiest). This report alone can be used to view all the transactions thereby obviating the need to have several reports each based on different type of transaction type. This single download will replace existing 26 reports generated for different transactions.

Your company has provided facility of common upload whereby DPs can upload all types of transactions in a single file. This will reduce the number of reports to be imported by DP.

BS 27001 Recertification

Your Company has undergone recertification audit for ISO 27001 conducted by DNV and the Certificate of continuation has been issued for another 3 years.

BS 25999 Certificate

Additionally, your company is also in the process of adopting BS 25999 standard in order to ensure preparedness of the company for Business Continuity Management system.

The main objective of Business Continuity Management System of CDSL is to ensure continuity of critical operations and provide services and support to all its customers and stakeholders within a reasonable timeframe, to be able to continue the business operations at pre-defined levels, to be able to comply with any legal, regulatory, contractual and business requirements.

Auto DO Facility For NSE:

CDSL has introduced Auto DO facility for NSE Clearing Members (CMs). NSCCL will upload the Auto Delivery Obligations of those NSE CMs who have requested NSCCL for the generation

of their Auto DO through their CDSL Clearing Member account (CM Pool Account). This facility has been made effective from 10th October, 2011.

Settlement of MF Units Under Lock - In:

CDSL has introduced settlements of various "Equity Linked Saving Schemes" [ELSS] offered by various AMCs (Asset Management Companies). As such schemes are under lock-in, Clearing Members (CMs) should ensure that credit of the ELSS Mutual Fund (MF) units is made to the appropriate investor as the units cannot be transferred from the credited account till the lock-in expiry date.

Introduction of new market type:

Offer For Sale :

In order to facilitate promoters to dilute/offload their holding in listed companies in a transparent manner with wider participation, it has been permitted by SEBI to allow the offer for sale of shares by promoters of such companies through a separate window provided by the stock exchange(s). Such transactions are settled through settlement mode instead of FPO/ IPO mode.

Preferred Depository

Both the Stock exchanges viz. NSE and BSE have introduced the concept of preferred depository. This entails the Clearing Member to quote the pool account with a Depository of his choice, wherein all the securities resulting from payout would be delivered in.

Corporate Social Responsibility (CSR)

Companies have increasingly started to consider the impact of their activities on society and the environment. As the concerns of various stakeholders towards social and environmental issues are growing, increasing the positive impact of their activities has become critical for the long term survival of companies worldwide. As a consequence, many companies have officially implemented corporate social responsibility (CSR) programs. As a part of its CSR, your company had decided to empower 'Physically Challenged' and 'Under Privileged' individuals by providing them training in capital market and depository operations and thereafter arrange for their suitable employment, to the extent possible.

After the success of the "CDSL's Outreach Program For Empowerment" (COPE - I), your company has launched its second CSR program called COPE - II on 14th February, 2011. The selected candidates were imparted training on primary and secondary market operations, clearing and settlements, basics of mutual fund investments, compliance aspects, etc. and a 5-day full-time training program on depository operations. The successful candidates were, thereafter, placed as 'Interns' with some of the DPs of CDSL for a period of 3 months. In order to ensure that the DPs partnering CDSL in this initiative were not inconvenienced, a monthly stipend was paid to the candidates by CDSL.

After successful completion of the internship, all 16 candidates were successfully placed with various CDSL DPs.

◆ **E-certificates- National Academic Depository**

In the year under review, your company has bid for the prestigious project of National Academic Depository. You will be pleased to know that your company was selected by Central Board for Secondary Education (CBSE) to deploy the pilot project. The application development for the project has been done jointly with Infosys Technologies Ltd. The pilot project is being run currently.

Prevention of Money Laundering Act

The Prevention of Money Laundering Act, 2002 (PMLA) has been brought into force with effect from 1st July, 2005. CDSL and its depository participants fall under the category of 'intermediaries' under section 12 of the SEBI Act and hence, PMLA and the policy guidelines issued by the regulators to combat money laundering are applicable to their depository operations. As required under the guidelines, CDSL has designated Principal Officer and an alternate officer to ensure compliance with these guidelines. CDSL conducts training programs and updates depository participants on compliance of the aforesaid guidelines. CDSL has prepared policy guidelines for implementation of PMLA and the same is reviewed periodically.

Qualified Depository Participant (QDP) and Qualified Foreign Investor (QFI)

SEBI has recently issued circular about a new category of investor viz. QFI. This category of investor can invest in equity directly or in equity based mutual fund units. The investors can maintain demat accounts only with a special category of DPs viz. QDP. We have till date 8 DPs registered with SEBI to conduct operations through CDSL and 5 QDP applications are pending at various stages.

Subsidiary of CDSL

◆ **CDSL Ventures Ltd**

Your company had floated a wholly owned subsidiary in the year 2006 viz:- CDSL Ventures Ltd. (CVL) to undertake the common KYC for investors in Mutual Fund industry. CVL is the pioneer in the common KYC system. Under this system an investor does KYC only once with CVL. The investor's details are made available to all Mutual Funds after verification by CVL. Further in case of any change in details like address the investor updates it with CVL and the same is downloaded to all the Mutual Funds where the investor has invested. Meanwhile, SEBI issued on 2nd December, 2011 SEBI {KYC (Know Your Client) REGISTRATION AGENCY} Regulations, 2011 which mandate the intermediaries to upload the client details to the KRA. As CVL has already established the requisite infrastructure and gained reasonable experience, CVL applied for

registration as KRA under the said Regulations. CVL was the first KRA to be appointed by SEBI. CVL today holds about 45 lakh records of MF investors and 5.50 lakh records under the KRA.

◆ **Central Insurance Repository Limited**

Your Company has under the "Guidelines on Insurance repositories and electronic issuance of insurance policies" issued by IRDA, floated during the year, a separate subsidiary viz:- Central Insurance Repository Ltd (CIRL), to provide policyholders a facility to keep insurance policies in electronic form and to undertake changes, modifications and revisions in the insurance policy with speed and accuracy in order to bring about efficiency, transparency and cost reduction in the issuance and maintenance of insurance policies. Eminent public sector and private sector insurance companies have contributed to the equity capital of CIRL. The software required for the project has been developed and same is being tested. It is hoped that IRDA will soon launch opening of Insurance Repositories.

◆ **e-Voting**

CDSL has been running the e-Voting system successfully since the last couple of years. We have as on 31st, March 2012, signed agreements with 21 companies to handle the e-Voting services. 7 companies out of these 21 companies have executed 8 instances of e-Voting in the system. We have great pleasure in informing that we have been granted the STQC certification by STQC, Department of Government of India.

Further the e-Voting system received a major fillip due to the announcement in the Budget for the year 2012-13 about the proposal of making it mandatory for the top 200 listed companies to use the e-Voting system. This announcement is likely to bring about a larger number of companies to use the e-Voting system.

Ministry of Corporate Affairs has granted a general exemption to companies from complying with the provision of section 212(8) of the Companies Act 1956 pertaining to filing of separate financial statements for each subsidiary, subject to fulfillment of certain conditions. Accordingly your company has presented the annual report with stand alone financial results of your company and the consolidated financial statements duly audited by the statutory auditors. The consolidated financial statements are prepared in strict compliance with applicable Accounting Standards. The annual accounts of the subsidiary company and the related detailed information is available to shareholders of the holding company i.e. CDSL and subsidiary company at any point of time. The annual accounts of the subsidiary company are also kept for inspection by any shareholder at the Registered office of the holding company and of the subsidiary company.

Ownership Pattern

As at the end of the year under review, the shareholding pattern of your company is as under:

Category of shareholders	Equity Share Capital (₹ in '000)	Percentage of shareholding
Banks	468,646	44.84
Stock Exchanges	576,346	55.16
Others	8	Negligible
Total	1,045,000	100.00

Details of the equity shares held by the shareholders of the company are given in **Annex A** to the Directors' Report.

Fixed Deposits

Your company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made thereunder.

Directors

During the year under review, Shri. James Shapiro sponsor director of BSE Ltd. resigned with effect from 10th August, 2011 and Shri A. D. M. Chavali sponsor director of Bank of Baroda resigned with effect from 7th January, 2012. Shri Anjan Barua sponsor director of State Bank of India resigned with effect from 31st March, 2012.

Shri S. Raman, Shri Alok Kumar Misra and Shri Neeraj Swaroop were appointed as additional directors and will hold office till commencement of the Fourteenth Annual General Meeting.

Shri P. S. Reddy was, on 19th March, 2012, reappointed as Wholetime Director for a period of 3 years with effect from 1st April, 2012. He was appointed as Managing Director & CEO on 16th April, 2012 to hold office until 31st March, 2015.

Shri Ashishkumar Chauhan retires by rotation at the Fourteenth Annual General Meeting and is eligible for re-appointment. The Board recommends appointment of Shri S. Raman, Shri Alok Kumar Misra, Shri Neeraj Swaroop, Shri Ashishkumar Chauhan and Shri P.S.Reddy.

The Board has placed on record its appreciation of the valuable services rendered by Shri. James Shapiro, Shri A. D. M. Chavali and Shri Anjan Barua during their tenure as directors of the company.

Auditors

M/s. M. P. Chitale & Co., Statutory Auditors of your company, retire at the Fourteenth Annual General Meeting. As a good corporate governance practice statutory auditors rotated once in three years as a matter of policy. Accordingly, your Directors recommend the appointment of Deloitte Haskins & Sells, Chartered Accountants in place of M/s. M. P. Chitale & Co. The new Auditors have furnished a certificate to the effect that their appointment, if made, would be in accordance with the limit specified under Section 224(1B) of the Companies Act, 1956. Their appointment as Statutory Auditors of the company is required to be made by a Special Resolution pursuant to Section 224A of the said Act.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Considering the nature of operations of your company, the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to information to be furnished on conservation of energy and technology absorption are not applicable. The company has, however, used information technology extensively in its operations.

Details of foreign exchange earnings and outgo during the year under review are as under:

Particulars	Year ended 31st March, 2012 (₹ in million)	Year ended 31st March, 2011 (₹ in million)
Earnings	Nil	Nil
Outgo		
Travel expenses	1.83	1.47
Others	0.67	0.27
Total	2.50	1.74

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors reports that:

- i) in preparation of the annual accounts, the applicable accounting standards have been followed and proper explanations relating to material departure, if any, have been provided;
- ii) accounting policies have been selected and applied consistently and the judgements and estimates made 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 or loss of the company for that period;

- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; and
- iv) the annual accounts have been prepared on a going-concern basis.

Implementation of Code of Corporate Governance

Your company is not listed on any stock exchange and therefore Code of Corporate Governance prescribed in the listing agreement of Stock Exchange is not applicable to your company. However, it has voluntarily adopted most of good corporate governance policies. The status of implementation of the Code of Corporate Governance is given in Annex A. Your company has also constituted Nomination Committee as per the recommendation made in the 'Corporate Governance-Voluntary Guidelines 2009', issued by the Ministry of Corporate Affairs.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year ended 31st March, 2012 is attached as **Annex B**.

Appointment of Directors

A brief resume of each director who is retiring and is eligible for re-appointment at the ensuing Annual General Meeting is given in Annex C.

Particulars of Employees

Information as required under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time, is enclosed to this report.

Human Resource Development

Human assets are a critical resource essential for the growth of the company. The company has always accorded high importance to human resource development and consciously endeavors to enhance the quality and competence of its employees across cadres. It conducts induction programmes for new entrants. Nominating employees for training at reputed institutions and for attending seminars in India and abroad in capital market related areas, particularly relating to depositories, has always been a part of human resource development programme of the company. During the year under review the company organized programmes on effective communication skills, IT products and nominated employees for training programmes conducted by DTCC, USA and Asia Pacific CSD groups. Industrial relations during the year continued to be cordial.

Acknowledgement

Your Directors place on record their sincere gratitude for the support, guidance and cooperation the company has received from Ministry of Finance, SEBI and other regulatory agencies. The Directors also acknowledge with thanks the continued support of the Beneficial Owners, Depository Participants, Stock Exchanges, Clearing Houses, Issuers, and Registrar and Transfer Agents. The Directors also express their appreciation for the unflinching dedication of the employees whose performance, professionalism and commitment for rendering high quality services to the clientele of the company has been commendable.

For and on behalf of the Board

Sd/-

Place : Mumbai

Date : 16th April, 2012

N. Rangachary

Chairman

Corporate Governance

Company's Philosophy on Code of Corporate Governance

The company is committed to good corporate governance practices based on fairness, equity, accountability, transparency and commitment to ethical values. Its policies and business strategies aim at providing secure and efficient depository services to investors within the prescribed legal framework. Enhancing shareholder value and protecting the interests of all stakeholders by following high standards of corporate governance has always been the policy statement of the company.

Board of Directors

a) Composition

As on 31st March 2012, the Board consisted of eight directors including the Executive Director. Amongst seven non-executive directors, five are sponsor/nominee directors and two are independent directors. Shri N. Rangachary, who is an independent director, is also the non-Executive Chairman of the company. Details of directorship and Board Committee membership of CDSL's Directors in other public limited companies as on 31st March, 2012 are as under:

Name of the Director	Category	No. of directorships in other companies	No. of Board Committee memberships in other companies	No. of Chairmanships in Board Committees of other companies
Shri N. Rangachary, Chairman	Non-Executive - Independent	13	3	4
Shri T. S. Narayanasami	Non-Executive - Independent	12	-	-
Shri Madhu Kannan	Non-Executive	6	2	-
Shri Ashishkumar Chauhan	Non-Executive	5	1	-
Shri S. Raman	Non-Executive	7	-	9
Shri Alok Kumar Misra	Non-Executive	4	8	4
Shri Neeraj Swaroop	Non-Executive	1	-	-
Shri P. S. Reddy	Executive Director	1	1	-

b) Sitting fees / remuneration paid to Directors

Non - Executive Directors are paid sitting fee of ₹15,000/- for attending each Board meeting and ₹10,000/- for attending each meeting of the Board Committee. The Chairman is paid sitting fee of ₹20,000/- for attending each Board meeting and Board Committee meeting chaired by him. Details of the sitting fees paid to the Non-Executive Directors during the year under review are as under:

Name of the Non-Executive Director	Amount in ₹
Shri N. Rangachary	360,000
Shri T. S. Narayanasami	160,000
Shri James Shapiro*	15,000
Shri Madhu Kannan *	155,000
Shri Ashishkumar Chauhan *	80,000
Shri Anjan Barua *	105,000
Shri A.D.M. Chavali *	55,000
Shri S. Raman*	30,000
Shri Alok Kumar Misra*	-
Shri Neeraj Swaroop	15,000

(* Sitting Fees are paid to the Nominating Institutions)

Shri P. S. Reddy, was the whole-time director (designated as Executive Director) of the company during the year 2011-12. The amount of remuneration paid to him during the year appears under the head "Related Party Disclosure".

c) Meetings and Attendance

During the year, the Board met six times i.e. on 1st April, 2011, 26th April, 2011, 2nd June, 2011, 22nd July, 2011, 22nd October, 2011 and 21st January, 2012. Details of attendance of the Directors at the Board meetings and the last Annual General Meeting are given hereunder:

Name of the Director	No. of Board meetings held during the tenure	No. of Board meetings attended	Attendance at the last AGM
Shri N. Rangachary	6	6	Yes
Shri Anjan Barua	6	3	No
Shri Madhu Kannan	6	5	No
Shri Ashishkumar Chauhan	6	4	Yes
Shri James Shapiro	3	1	No
Shri T. S. Narayanasami	6	4	No
Shri A.D.M. Chavali	5	3	Yes
Shri P. S. Reddy	6	6	Yes
Shri S. Raman	4	2	Not applicable
Shri Alok Kumar Misra	3	-	Not applicable
Shri Neeraj Swaroop	2	1	Not applicable

To ensure smooth functioning of the company, the Board has constituted various Board committees, including Audit Committee, Remuneration Committee and Nomination Committee.

Audit Committee

a) Composition of the Committee

The Audit Committee consists of non-executive directors who possess expertise in the fields of finance, accounting, banking and capital market. The Statutory Auditors and heads of all functional departments are permanent invitees to the Audit Committee meetings. The Company Secretary acts as the secretary to the Committee. The following directors were members of the Committee as on 31st March, 2012 :

1. Shri N. Rangachary
2. Shri Madhu Kannan
3. Shri T. S. Narayanasami

b) Role of the Audit Committee

The Audit Committee oversees the financial reporting process and disclosure of financial information. The Committee examines the annual financial statements and discusses in detail the adequacy of financial control systems with the external and internal auditors. The Committee reviews financial and risk management policies of the company and monitors its internal and concurrent audit functions. It also oversees the operations of depository participants on the basis of the audit and inspection reports submitted by the company's own inspection teams.

c) Meetings and Attendance

The Committee met four times during the year 2011-12 i.e. on 26th April, 2011, 22nd July, 2011, 22nd October, 2011 and 21st January, 2012 The record of attendance of the members of the Committee at these meetings is given hereunder:

Sr. No.	Name of the member	No. of meetings held during the tenure	No. of meetings attended
1.	Shri N. Rangachary	4	4
2.	Shri Anjan Barua	4	2
3.	Shri A. D. M. Chavali	3	1
4.	Shri Madhu Kannan	4	4
5.	Shri T. S. Narayanasami	4	3

Remuneration and Organisational Committee:

The Remuneration and Organisational Committee consists of non-executive directors and reviews annually the remuneration to be paid to the whole time directors. The Committee recommends fixation / revision in the remuneration for approval of the Board within the maximum limit approved by the members. The Committee also decides on recruitment and personnel policy of CDSL. The following directors were members of the Committee as on 31st March, 2012:

1. Shri N. Rangachary
2. Shri T. S. Narayanasami
3. Shri Madhu Kannan

Nomination Committee:

In terms of Corporate Governance Voluntary Guidelines 2009 issued by Ministry of Corporate Affairs, the Board has constituted Nomination Committee in June, 2010 to recommend appointment of Independent Directors and Executive Directors for approval of the Board. The following directors are the members of this committee:-

1. Shri N. Rangachary
2. Shri T. S. Narayanasami
3. Shri Madhu Kannan

Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior officers of the Company. All Board members and senior officers have affirmed compliance with the Code.

General Shareholder Information

Fourteenth Annual General Meeting

Day & Date	Monday, 28th May, 2012
Time	2.30 p.m.
Venue	BSE Board Room, 26th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001
Book Closure	- Nil -
Payment of Dividend	₹ 1.5/- per share i.e.15%

Financial Year

The company's Financial Year commences from 1st April and ends on 31st March of the following year.

Listing on Stock Exchange

The shares of the company are not listed on any Stock Exchange.

Registrar and Transfer Agent

The company has established in-house facility for the purpose of recording issue/ transfer of shares in both physical and dematerialized form. Hence the company has not appointed any Registrar and Transfer Agent.

Shareholding Pattern

The company's issued and paid up capital of ₹ 104.50 crores consists of 10.45 crore shares of ₹ 10/- each. Details of the shares held by different shareholders as on 31st March, 2012 are as follows:

Sr. No.	Name	No. of Shares held	%
1.	BSE Limited	56,634,600	54.20
2.	Bank of India	5,820,000	5.57
3.	Bank of Baroda	5,300,000	5.07
4.	State Bank of India	10,000,000	9.57
5.	HDFC Bank Ltd.	7,500,000	7.18
6.	Standard Chartered Bank Limited	7,500,000	7.18
7.	Canara Bank	6,744,600	6.45
8.	Union Bank of India	2,000,000	1.91
9.	Bank of Maharashtra	2,000,000	1.91
10	The Calcutta Stock Exchange Limited	1,000,000	0.96
11.	Others	800	Negligible
	Total	104,500,000	100.00

Means of Communication

The company issues communiqués to its depository participants and to Registrar and Transfer Agents as and when necessary. In addition to this the company disseminates information about important developments in the depository related areas to all users through its website-www.cdslindia.com. 'CDSL Infoline', a bi-monthly publication and e-infoline, a monthly publication of the company, provides latest updates to the market participants.

Your Company also allows DPs to submit BO Grievance Reports and internal audit reports electronically.

Annual Report

Annual Report containing, inter alia, Audited Accounts, Directors' Report, Auditors' Report, Consolidated Financial Statements and other related information is circulated to all shareholders. The Management Discussion and Analysis Report and the Corporate Governance Report annexed to the Directors' Report also form part of the Annual Report.

Address for Correspondence

Any query on Annual Report may be addressed to Shri Satish Budhakar, Senior Vice President & Group Company Secretary at the following address:

Central Depository Services (India) Limited

17th Floor, Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai - 400001

Tel : (Direct) 022 - 22722847 / 22728432

(Board) 22723333 / 22723224

Fax : 022 - 22722072

Email : satishb@cdslindia.com

For and on behalf of the Board

Sd/-

N. Rangachary

Chairman

Place : Mumbai

Date : 16th April, 2012

Management Discussion and Analysis Report

1. Introduction

Your company is engaged in the business of providing depository services in respect of various types of securities. It provides depository services to investors through depository participants and has put in place necessary infrastructure for recording allotment and transfer of securities in dematerialized form and to protect the interest of the investors. Since the commencement of its operations twelve years ago, the company has emerged as a convenient, dependable and secure depository and has accomplished high level of operational efficiency over the years.

2. Industry Structure and Developments

Your company as a depository extends its services to the investors through agents, i.e. the depository participants, who provide an interface between the depository and beneficial owners. The depository provides infrastructure for maintenance of records of the beneficial owners and facilitates transfer of securities. The clearing houses / clearing corporations of stock exchanges and commodity exchanges are electronically connected for processing settlement of transactions. The activities like dematerialization and rematerialisation of securities/ warehouse receipts, corporate actions such as issue of rights and bonus shares, consolidation, subdivision and redemption of securities and revalidation of warehouse receipts are carried out by the issuers of securities or their Registrars and Transfer Agents who have established electronic connectivity with your company. With the admission of close ended mutual funds with the depository, beneficial owners can de-statementise / re-statementise their existing units and hold the same in their demat accounts. The introduction of KYC Registration Agency (KRA) in January 2012, will make it convenient for investors to do a onetime KYC across all intermediaries in the capital markets.

3. Opportunities and Threats

The depository system has helped to enhance liquidity, facilitate faster transfer of securities, reduce transaction costs, and prevent various risks associated with the erstwhile system of holding securities in physical form. Currently various types of securities such as equity shares, debentures, bonds, certificate of deposits, commercial paper are admitted with CDSL for dematerialization. Your company has also commenced admission of open ended Mutual Fund units, which can now be purchased on the mutual fund platform of BSE and NSE.

Though the current capital market environment remains favorable for enhancing the opportunities and demand for depository services, maintaining the integrity, safety and efficiency of the system remains a challenging task due to increasing volumes and shorter settlement cycles.

4. Segment wise / product wise Performance

The depository services of CDSL cannot be classified into different business segments or products. Its performance may, therefore, be viewed in an integrated manner from the data furnished hereunder:

a. Operational highlights:

Sr. No.	Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011	Growth in percentage (%) terms
1.	Beneficial Owner Accounts			
	- Gross	10,214,904	9,444,953	8.15%
	- Net	7,917,184	7,479,316	5.85%
2.	Holdings of securities			
	Value (in million ₹)	1,02,05,690	1,08,14,170	-5.63%
	Volume (in million)	1,33,570	1,05,310	26.84%
3.	Number of Depository Participants	566	544	4.04%

b. Financial Performance

The company registered a gross income of ₹ 1022.42 million in 2011-12 as against ₹ 1020.91 million in the previous financial year reflecting an increase of 0.14 %. The profit after tax amounted to ₹ 474.57 million as against the net profit of ₹ 480.39 million in the previous year, reflecting a decline of 1.21 % over the previous year. The financial performance of the company is mainly dependent on the capital market conditions.

5. Future Outlook

The transactions processed by your company are mainly related to settlement of trades on the stock exchanges. The volume of transactions, and consequently, CDSL's business prospects, is in a large measure determined by stock market sentiment and activity level. During the year 2011-12, the stock market indices have dipped by 10.58% due to adverse market conditions, which has impacted the number of debit transactions on CDSL by 31%. This has posed a challenge to the company in maintaining

the earlier pace of growth of its depository operations. All efforts, will, however be made to achieve satisfactory financial results for the year 2012-13.

6. Risk Management

Risk is managed under a comprehensive risk framework, with policies related to each of the relevant risks and a governance structure that makes clear the responsibilities for monitoring and control. All critical functional areas of the company are under concurrent audit, which is carried out by an independent firm of Chartered Accountants. An extensive internal audit covering all areas is also carried out by the independent firm of Chartered Accountants. Post audit reviews are carried out to ensure follow up on the observations made. The scope of the internal and concurrent audit is determined by the Audit Committee and the audit reports are reviewed by this Committee on regular basis.

CDSL has constituted a Risk Management Committee to assess and mitigate the risks involved in depository and depository participant business. The Committee meets periodically to review issues related to identification, assessment and containment of risks.

CDSL also sends SMS alerts directly to BOs for any debit or credit transaction, modifications in important client details like address, nominee etc., pledge transactions, credits received through dematerialization, IPOs and /or corporate actions.

CDSL has continued with its policy to lay more stress on compliance so as to ensure that the integrity of the depository system is not compromised, since this is a key driver for sustainable growth. CDSL has also obtained a Comprehensive Package Policy to cover risks associated with Securities Depository Operations with indemnity limit of ₹ 50 Crores (Any one Accident) and ₹ 100 Crores (Any one Year) covering the company and its depository participants. A similar policy covering risks associated with operations in warehouse receipts held in electronic form has been obtained with indemnity limit of ₹ 10 Crores (Any one Accident) and ₹ 20 Crores (Any one Year). CDSL performs periodic Information Systems Audit with a view to secure its IT environment and to improve various IT related processes. The comprehensive System Audits which covers entire IT infrastructure is carried out by external system auditors. CDSL has benchmarked its IT practices with ISO27001 standard and is certified for the same by DNV. The Vulnerability Assessment /Penetration Testing Audits are also carried out by external auditors at regular intervals. The compliance of audit is done promptly, the progress of which is monitored by Technology Development Advisory Committee.

7. Monitoring of DP Operations

It has been the endeavor of CDSL to evaluate adequacy of internal controls and procedures and to ensure adherence to compliance requirements by the depository participants, who provide an interface to investors in extending depository services.

In addition to the internal audit of depository participant operations, CDSL has also instructed depository participants to appoint independent Chartered Accountant firms to conduct concurrent audit of risk prone areas on 100% basis. CDSL also conducts regular inspection of depository participants and Registrar and Transfer Agents in order to improve the efficiency of operations of depository participants and ensure compliance with regulatory provisions. During last financial year, CDSL conducted inspections of all its active depository participants and their live connected branches through its own staff.

CDSL has decided to continue to focus on '100% compliance by depository participants'. Accordingly, to enhance the overall compliance level, CDSL has taken initiatives to educate depository participants across the country. CDSL conducts compliance training programmes for depository participants and suggest improvements to achieve the objective of 100% compliance. To ensure that internal auditors of depository participants are equipped with knowledge about depository participant operations, CDSL conducts training for internal auditors of depository participants with special focus on auditing tools and procedures.

Cautionary Statement:

Statements in the Management Discussion and Analysis describing CDSL's objectives, expectations, and projections are based on experience relating to behavioural pattern of capital market. Actual results may vary in tandem with the capital market conditions and regulatory environment.

Place : Mumbai
Date : 16th April, 2012

For and on behalf of the Board
Sd/-
N. Rangachary
Chairman

Annex C

Profile of Directors seeking appointment /reappointment at the Annual General Meeting.

Shri Ashishkumar Chauhan

Shri Ashishkumar Chauhan is currently the Interim Chief Executive Officer of BSE Limited. Previously he worked as the CEO of Mumbai Indians and President and Group Chief Information Officer of Reliance Industries Limited. He has also acted as a CEO and Managing Director of Reliance Infosolutions Private Limited and Internet ExchangeNext.com Private Limited.

Shri Chauhan holds a B.Tech. in mechanical engineering from the Indian Institute of Technology and Post Graduate Diploma in Management from the Indian Institute of Management. He was awarded by the Computer Society of India in 1997 for Best IT Usage for his pioneering work in using IT for financial transactions at NSE.

Shri S. Raman

Shri Raman has a distinguished academic background of holding a Commerce Degree from Osmania University securing Second Rank followed by Masters Degree in Economics from Nagpur University with First Rank & a Gold Medal. He also holds a Diploma in Business Management and a Senior Diploma in German Language. He is also a Certified Associate of Indian Institute of Bankers and Associate of the Chartered Institute of Bankers, London. Shri Raman started his banking career with Bank of India 34 years ago. Over the years, he has gained vast experience in different arena of Banking, including Corporate Banking, International Banking and Human Resources Management. He has served in different parts of the country, apart from two overseas exposures at Jersey [UK] from 1983 to 1987 and as Chief Executive of Bank of India-US operations from June 2005 to October 2008.

Shri S. Raman joined Canara Bank as Chairman & Managing Director on 1st September, 2010. Before joining Canara Bank, Shri Raman was Executive Director of Union Bank of India since 15th October, 2008 overseeing Corporate Credit, Treasury, International Business, Impaired Assets and Transaction Banking.

Shri Alok kumar Misra

Shri Misra was born on 23rd September, 1952. He was National Merit Scholar holder and is M.Sc. (Statistics) from Lucknow University. Additionally, he has various professional qualifications to his credit namely Post Graduate Diploma in Personnel Management, CAIIB, Fellow of the certified Institute of Bankers of Scotland (FCIBS), Fellow of the Zambian Institute of Bankers (FZIB), Associate of Australasian Institute of Banking & Finance (AAIBF).

Shri Misra joined Bank of India in January 1974 as a Probationary Officer and worked in various capacities at branches and administrative offices including Planning and International Division of the Bank. In June 1999, he was seconded as Managing Director of Indo Zambia Bank Ltd., till May 2004. He was instrumental in transforming this joint venture into a profitable, focused and a forward looking Institution for which both Indian Government and Government of Zambia had praises. During his tenure, he was elevated to the post of General Manager in 2002. Shri Misra held the post of the Executive Director of Canara Bank from 24th March 2006 to 3rd June 2007 and the Chairman & Managing Director of Oriental Bank of Commerce from 4th June 2007. Shri Alok Kumar Misra has taken over as the Chairman and Managing Director of Bank of India with effect from 5th August, 2009.

Shri Neeraj Swaroop

Shri Neeraj Swaroop is Regional Chief Executive South Asia (which includes India, Bangladesh, Sri Lanka, Nepal and Afghanistan) for Standard Chartered Bank. Shri Swaroop holds a MBA degree from IIM Ahmedabad and is an engineering graduate from IIT Delhi. Standard Chartered has a history of over 150 years in banking in India. India is one of the largest contributors to Standard Chartered Bank's profits globally. Shri Swaroop's career spans over 29 years with the last 20 years spent in the Indian Banking Industry. He is a seasoned banker having worked previously with Bank of America and HDFC Bank.

Shri P. S. Reddy

Shri P. S. Reddy is a Post Graduate in Economics having 24 years of experience in capital market related activities. He joined BSE Limited in the year 1988 and had worked in various departments of the Exchange including Research & Statistics Department, Surveillance & Inspection Department, Listing Department and Corporate Relations Department. He joined CDSL in 2006 as Chief Operating Officer and was elevated to the position of Executive Director w.e.f. 1/4/2009.

AUDITORS' REPORT

To,
The Members,
Central Depository Services (India) Limited

We have audited the attached Balance Sheet of CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (the "Company") as at 31st March, 2012, the Profit and Loss Statement and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (hereinafter referred to as the "Act"), we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we state that:-
 - (a) We have 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 appears from our examination of those books;
 - (c) The Balance Sheet, the Profit and Loss Statement and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

- (d) In our opinion, the Balance Sheet, the Profit and Loss Statement and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of Section 211 of the Act, to the extent applicable.
- (e) On the basis of written representations received by the Company from the directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director of the Company in terms of clause (g) of sub-section (1) of section 274 of the Act.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Notes to Accounts, 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:
- i) in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - ii) in so far as it relates to the Profit & Loss Statement, of the profit of the Company for the year ended on that date, and
 - iii) in so far as it relates to the Cash Flow Statement of the Company for the year ended on that date.

For M. P. Chitale & CO.
Chartered Accountants
Firm Reg. No. 101851W

Viraj Londhe
Partner
(Membership No. 45761)

Place : Mumbai
Date : 16th April, 2012

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 OF CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED.

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

1. a) The Company has maintained proper records, showing full particulars including quantitative details and situation of fixed assets.
 - b) The fixed assets were physically verified during the year by the Management in accordance with a program of verification, which in our opinion provides for the physical verification of all the fixed assets at reasonable intervals and discrepancies observed during the verification have been properly dealt with in the books of account.
 - c) The company has not disposed of substantial part of fixed assets during the year.
2. The Company does not have any inventory. Therefore, the provisions of clause 4(ii) of the Order are not applicable to the Company.
3. The Company has not granted / taken any loans , secured or unsecured, to / from companies , firms or other parties covered in the register maintained under Section 301 of the Act.
4. There is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. There were no instances of continuing failure to correct major weaknesses in internal control system.
5. In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into a register in pursuance of section 301 of the Companies Act 1956.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.

7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. In respect of company's activities, the Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Act.
9. (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) There are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax or Cess which have not been deposited on account of any dispute except as disclosed below.

Details of income tax which was not deposited as on 31st March 2012 on account of dispute are :

Amount	Period to which it relates	Forum where the dispute is pending
₹ 8,92,940/-	Financial Year 2008-09 (Assessment Year 2009-10)	Commissioner of Income Tax (Appeals)

10. The Company has no accumulated losses as at 31st March, 2012 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, during the year, the company has not taken any loan and no amounts were due towards principal or interest to financial institution, bank or debenture holders during the year.
12. During the year, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/ societies are not applicable to the company.

14. The Company is not dealing or trading in shares, securities, debentures or other securities.
15. On the basis of representation received from the company management the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company has not taken any term loan during the year.
17. During the year, the Company has not raised any funds.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered and recorded in the register maintained under Section 301 of the Act.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For M. P. Chitale & CO.
Chartered Accountants
Firm Reg. No. 101851W

Viraj Londhe
Partner
(Membership No. 45761)

Place : Mumbai
Date : 16th April, 2012

BALANCE SHEET AS AT MARCH 31, 2012

Particulars	Note No.	(₹) In Lacs	(₹) In Lacs
		Figures as at 31-March-2012	Figures as at 31-March-2011
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	10,450.00	10,450.00
(b) Reserves and surplus	2	18,909.09	15,985.16
(c) Money received against share warrants		-	-
2 Share application money pending allotment			
		-	-
3 Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	3	2,071.24	1,938.84
(d) Long-term provisions	4	67.40	65.95
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		5.61	4.50
(c) Other current liabilities	5	929.00	518.42
(d) Short-term provisions	6	1,986.44	1,675.11
TOTAL		34,418.78	30,637.98
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	7		
(i) Tangible assets		521.50	727.51
(ii) Intangible assets		1.97	27.55
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	8	9,406.93	5,876.44
(c) Deferred tax assets (Net)		299.74	262.72
(d) Long-term loans and advances	9	139.75	13.42
(e) Other non-current assets		-	-
2 Current assets			
(a) Current investments	8	19,809.94	14,612.39
(b) Inventories		-	-
(c) Trade receivables	10	443.15	486.41
(d) Cash and Bank Balances	11	3,079.98	8,124.57
(e) Short-term loans and advances	12	516.45	304.51
(f) Other current assets	13	199.37	202.46
TOTAL		34,418.78	30,637.98

As per our attached report of even date

For and on behalf of the Board of Directors

For M. P. Chitale & Co.
Chartered Accountants

Viraj Londhe
Partner
M. No: 45761

Satish Budhakar
Senior Vice President
& Group Company Secretary

N. Rangachary
Chairman

P. S. Reddy
Managing Director
& CEO

Place : Mumbai,
Date : 16th April, 2012

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

Particulars	Refer Note No.	(₹) In Lacs	(₹) In Lacs
		Figures as at 31-March-2012	Figures as at 31-March-2011
I. Revenue from operations	14	7,825.91	8,538.48
II. Other income	15	2,398.38	1,670.62
III. Total Revenue (I + II)		10,224.29	10,209.10
IV. Expenses:	16		
Employee benefits expense		1,162.81	1,135.20
Depreciation and amortization expense		354.02	542.01
Other expenses		1,802.00	1,677.52
Total expenses		3,318.83	3,354.73
V. Profit before exceptional and extraordinary items and tax (III-IV)		6,905.47	6,854.37
VI. Exceptional items -Municipal tax		266.77	
VII. Profit before extraordinary items and tax (V - VI)		6,638.70	6,854.37
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		6,638.70	6,854.37
X Tax expense:			
(1) Current tax		1,930.00	2,048.00
(2) Deferred tax		(37.02)	2.54
XI Profit (Loss) for the period from continuing operations (VII-VIII)		4,745.72	4,803.83
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		4,745.72	4,803.83
XVI Earnings per equity share:			
(1) Basic & Diluted		4.54	4.60
XVII Nominal Value per share (Rupees)		10.00	10.00

As per our attached report of even date

For and on behalf of the Board of Directors

For M. P. Chitale & Co.
Chartered Accountants

Viraj Londhe
Partner
M. No: 45761

Satish Budhakar
Senior Vice President
& Group Company Secretary

N. Rangachary
Chairman

P. S. Reddy
Managing Director
& CEO

Place : Mumbai,
Date : 16th April, 2012

Cash Flow Statement For the year ended March 31, 2012

	2011-2012 ₹ (In Lacs)	2010-2011 ₹ (In Lacs)
CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAXES	6638.70	6854.37
Net Profit for non-cash items to be disclosed seperately		
Add : Depreciation	354.02	542.01
Provision for Doubtful Debts	91.00	(11.24)
Less : Profit from sale of Investments	883.43	106.23
Income from mutual funds	147.17	634.31
Rental Income	70.76	54.95
Provision no longer required written back	1.69	57.54
Advisory Fees	36.26	99.73
Profit on sale of fixed assets(net)	2.93	3.85
Interest Income on Fixed Deposits	706.91	337.70
Interest Income on Investment in Debt Instruments	587.90	472.24
	(1992.03)	(1235.78)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	4646.67	5618.59
Advisory Fees	36.26	99.73
<u>Adjustment for changes in working capital</u>		
Sundry Debtors	(47.74)	49.11
Loans and Advances	(142.31)	175.03
Current Liabilities and Provisions	492.51	308.94
	338.72	632.80
CASH GENERATED FROM OPERATIONS	4985.39	6251.40
Taxes Paid	(2117.93)	(2111.36)
A NET CASH PROVIDED BY OPERATING ACTIVITIES	2867.46	4140.04
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase/Sale of Fixed assets	(119.50)	(102.08)
Purchase of Investments(Net)	(7842.92)	1926.00
Rental Income	70.76	54.95
Deposits with Banks	5101.74	(5951.74)
Dividend Received	147.17	634.31
Interest Received	1289.87	745.01
Loan repayment from CVL	-	135.00
B NET CASH GENERATED FROM INVESTING ACTIVITIES	(1352.87)	(2558.55)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid including Dividend Distribution Tax	(1457.43)	(1462.27)
C NET CASH USED IN FINANCING ACTIVITIES	(1457.43)	(1462.27)
NET INCREASE / DECREASE IN CASH & CASH EQUIVALENTS (A+B+C)	57.15	119.22
Cash and Cash Equivalents at the beginning of the year	172.83	53.62
Cash and Cash Equivalents at the end of the year	229.98	172.84
	57.15	119.22
1. Cash and Cash Equivalents comprises of		
Cash and Cheques on Hand	0.44	5.36
With scheduled bank on		
Current Accounts	228.35	166.29
With RBI - Current Account	1.19	1.19
	229.98	172.84
2. Reconciliation of Cash and Cash Equivalents		
Cash and Bank Balances as per Balance Sheet	3079.98	8124.57
Bank Deposits with maturity date after three months	2850.00	7951.73
Cash and Cash Equivalents as per Cash Flow Statement	229.98	172.84
Notes :		
The above statement has been prepared by using the indirect method as per Accounting Standard 3 - Cash Flow Statement issued by the Institute of Chartered Accountants of India.		

As per our attached report of even date

For and on behalf of the Board of Directors

For **M. P. Chitale & Co.**
Chartered Accountants

Viraj Londhe
Partner
M. No: 45761

Satish Budhakar
Senior Vice President
& Group Company Secretary

N. Rangachary
Chairman

P. S. Reddy
Managing Director
& CEO

Place : Mumbai,
Date : 16th April, 2012

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

**Note 1 Disclosure pursuant to Note no. 6(A)(a,b & c) of
Part I of Schedule VI to the Companies Act, 1956**

SHARE CAPITAL	As at 31.3.2012		As at 31.3.2011	
	Number	(₹) In Lacs	Number	(₹) In Lacs
Authorised				
Equity Shares of ₹ 10/- each	150,000,000	15,000.00	150,000,000	15,000.00
Issued				
Equity Shares of ₹ 10/- each	104,500,000	10,450.00	104,500,000	10,450.00
Subscribed & Paid up				
Equity Shares of ₹ 10/- each fully paid	104,500,000	10,450.00	104,500,000	10,450.00
Subscribed but not fully Paid up				
Equity Shares of ₹ 10/- each, not fully paid up	-	-	-	-
Total	104,500,000	10,450.00	104,500,000	10,450.00

**Note 1 a "Disclosure pursuant to Note no. 6(A)(d) of Part I of
Schedule VI to the Companies Act, 1956 "(Following disclosure
should be made for each class of Shares)"**

Particulars	Equity Shares		Preference Shares	
	Number	(₹) In Lacs	Number	(₹) In Lacs
Shares outstanding at the beginning of the year	104,500,000	10,450	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	104,500,000	10,450	-	-

**Note 1 b Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule
VI to the Companies Act, 1956**

5,66,34,600 Equity Shares (Previous year - 5,66,34,600) are held by Bombay Stock Exchange Limited, the holding company

Note 1 c Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (if more than 5%)

Name of Shareholder	As at 31.3.2012		As at 31.3.2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
BSE Limited	56,634,600	54.20	56,634,600	54.20
Bank of India	5,820,000	5.57	5,820,000	5.57
Bank of Baroda	5,300,000	5.07	5,300,000	5.07
State Bank of India	10,000,000	9.57	10,000,000	9.57
HDFC Bank Limited	7,500,000	7.18	7,500,000	7.18
Standard Chartered Bank	7,500,000	7.18	7,500,000	7.18
Canara Bank	6,744,600	6.45	6,744,600	6.45

Note 2 Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956

Reserves & Surplus	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
a. General Reserve		
Opening Balance	238.87	118.77
(+) Current Year Transfer	237.29	120.10
(-) Written Back in Current Year		
Closing Balance	476.16	238.87
b. Surplus		
Opening balance	15,746.29	12,519.99
(+) Net Profit/(Net Loss) For the current year	4,745.72	4,803.83
(+) Transfer from Reserves	-	-
(-) Proposed Dividends (including DDT)	1,821.79	1,457.43
(-) Interim Dividends	-	-
(-) Transfer to Reserves	237.29	120.10
Closing Balance	18,432.93	15,746.29
Total	18,909.09	15,985.16

Note 3 Disclosure pursuant to Note no. 6(D) of Part I of Schedule VI to the Companies Act, 1956

Other Long Term Liabilities	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
(a) Trade Payables		-
(b) Others		
Security Deposit from -		
Depository Participants	2,050.00	1,917.50
Registrar & Transfer Agents	16.50	16.50
Issuers	0.30	-
Renaissance deposit account	0.44	0.43
Govt. Security BO Account	1.19	1.19
SEBI Registration Fees	2.81	3.22
Total	2,071.24	1,938.84

Note 4 Disclosure pursuant to Note no. 6(E) of Part I of Schedule VI to the Companies Act, 1956

Long Term Provisions		
(a) Provision for employee benefits		
Superannuation (unfunded)		
Gratuity (unfunded)		
Leave Encashment (unfunded)	67.40	65.95
ESOP / ESOS		
(b) Others (Specify nature)		
Total	67.40	65.95

Note 5 Disclosure pursuant to Note no. 6(G) of Part I of Schedule VI to the Companies Act, 1956

Other Current Liabilities		
(a) Income received in advance	62.95	32.94
(b) Other payables (specify nature)		
Sebi Fee Received in Advance	1.83	2.20
Debtors having credit balances	443.73	307.92
Penalty charged to DP	1.36	1.27

Note 5 Disclosure pursuant to Note no. 6(G) of Part I of Schedule VI to the Companies Act, 1956

Other Current Liabilities	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
Beneficial Owners Protection Fund	87.33	77.90
Investor Education & Awareness Prog. (CISA overdue charges)	23.01	16.72
Stale Cheque account	0.01	0.01
TDS Payable	22.18	22.03
The Stock Exchange, Mumbai	272.08	(2.17)
Arbitration charges payable	-	0.48
Vsat Usage Charges (Leased Line Service Chgs-Reimbursement)	10.71	5.51
Central Bank of India (FDR)	-	0.10
Service tax	3.81	53.51
Total (a+b)	929.00	518.42

Note 6 Disclosure pursuant to Note no. 6(H) of Part I of Schedule VI to the Companies Act, 1956

Short Term Provisions		
(a) Provision for employee benefits		
Salary & Reimbursements	-	-
Contribution to PF	3.98	-
Contribution to ESIC	0.05	-
Profession tax payable	0.33	-
Gratuity	16.47	44.39
Bonus	0.23	0.23
Leave Encashment	10.89	25.78
Leave Travel Allowance	25.11	25.90
Ex - Gratia	56.74	65.20
(b) Others (Specify nature)		
Wealth tax	1.89	2.05
Outstanding Expenses	48.95	54.13
Provision for Proposed Dividend (Including DDT)	1,821.79	1,457.43
Total	1,986.44	1,675.11

Note 7 :Disclosure pursuant to Note no. I (i), (ii), (iii); Note no. J (i),(ii); Note no. J and Note no. L of Part I of Schedule VI to the Companies Act, 1956

Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at 1 April 2011	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31 March 2012	Balance as at 1 April 2011	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2012	Balance as at 31 March 2012	Balance as at 31 March 2011
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Tangible Assets												
Building - Freehold	173.77	-	-	-	173.77	173.76	-	-	-	173.76	0.01	0.01
Building - Leasehold	531.52	-	-	-	531.52	149.26	53.15	-	-	202.42	329.11	382.26
Plant and Equipment	1,985.57	50.26	-	-	2,035.83	1,801.37	200.28	-	34.23	1,967.42	68.41	184.20
Furniture and Fixtures	362.87	5.05	-	-	367.91	285.67	26.18	-	-	311.85	56.07	77.20
Vehicles	97.34	(19.91)	-	-	77.44	62.24	16.60	-	19.63	59.21	18.23	35.11
Office equipment	284.50	24.65	-	-	309.15	235.75	30.10	-	6.37	259.48	49.67	48.74
Total (A)	3,435.57	60.06	-	-	3,495.62	2,708.05	326.31	-	60.23	2,974.13	521.50	727.51
(b) Intangible Assets												
Computer software	1,300.96	2.13	-	-	1,303.10	1,273.41	27.72	-	-	1,301.13	1.97	27.55
Total (B)	1,300.96	2.13	-	-	1,303.10	1,273.41	27.72	-	-	1,301.13	1.97	27.55
Grand Total (A+B)	4,736.53	62.19	-	-	4,798.72	3,981.47	354.02	-	60.23	4,275.26	523.47	755.06

Note 7 (a) :Disclosure pursuant to Note no.I (iv) and J (iii) of Part I of Schedule VI to the Companies Act, 1956

No sums have been written off on a reduction of capital or revaluation of assets and no sums have been added on revaluation of assets during last 5 years.

**Note 8 Disclosure pursuant to Note no.N (i) and (ii) of Part I of
Schedule VI to the Companies Act, 1956**

Particulars	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
(a) Investment in Equity instruments	0.00	3.13
(b) Investments in preference shares	0.00	0.00
(c) Investments in Government or Trust securities		
(d) Investments in Debentures or Bonds	1004.63	1004.63
(e) Investments in Mutual Funds	18805.31	13606.31
(f) Investments in partnership firms*	0.00	0.00
(g) Other non-current investments (specify nature)	9406.93	5876.44
Total (A)	29216.87	20490.51
Less : Provision for dimunition in the value of Investments (B)	0.00	1.69
Total (A) - (B)	29,216.87	20488.82

Particulars	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
Aggregate amount of quoted investments (Market value of ₹ 0 (Previous Year ₹ 144356.1))	0.00	3.13
Aggregate amount of unquoted investments (Previous Year ₹ 10000000)	3630.50	100.00

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		₹ (in Lacs)		Basis of Valuation
			As at 31 March 2012	As at 31 March 2011			As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Details of Current Investments											
(a) Investment in Equity Instruments											
	Reliance Power Ltd	Others		111.3	Quoted	Fully Paid		0	1004.63	3.13	Cost
(b) Investments in Preference Shares											
(c) Investments in Government or Trust securities											
(d) Investments in Debentures or Bonds											
	7.90% REC		100	100					1004.63	1004.63	Cost
(e) Investments in Mutual Funds											
	Birla Cash Plus-Institutional Premium-Weekly Dividend			1166863						11.67	Cost
	Birla Savings Fund - Institutional-Daily Dividend -Reinvestment		19261	463559					19.27	4.64	Cost
	Birla Short Term Fund - Monthly Dividend - Reinvestment		2926148	30503772					322.87	305.04	Cost
	Birla Fixed Term Plan Series CO - Growth			55000000						550.00	Cost
	Birla Fixed Term Plan Series CI - Growth			50000000						500.00	Cost
	Birla Fixed Term Plan Series CW - Growth			38544620						385.45	Cost
	Birla Fixed Term Plan Series CU - Growth			35500000						355.00	Cost
	Birla Fixed Term Plan Series EV - Dividend Payout		6043399	30000000					604.34	300.00	Cost
	Birla Fixed Term Plan Series EP - Dividend Payout		3903331						390.33		Cost
	Birla Fixed Term Plan Series EW - Growth		529700						529.97		Cost
	Birla Fixed Term Plan Series FX - Growth		4246499						424.65		Cost
	DSP BlackRock Fixed Maturity Plan-T3M-Series 2-Dividend			30000000						300.00	Cost
	DSP BlackRock Fixed Maturity Plan-T2M-Series5-Dividend		4000000	40000000					400.00	400.00	Cost
	DSP BlackRock Fixed Maturity Plan-T2M-Series 13-Growth			54500000						545.00	Cost
	DSP BlackRock Fixed Maturity Plan-T2M-Series 19-Growth		4502663	40000000					450.27	400.00	Cost
	DSP BlackRock Fixed Maturity Plan-T2M-Series 18-Growth		4000000	40000000					400.00	400.00	Cost
	DSP BlackRock Fixed Maturity Plan-T2M-Series 10-Growth			34000000						340.00	Cost
	DSP BlackRock Fixed Maturity Plan-T2M-Series 7-Growth			30000000						300.00	Cost
	DSP BlackRock Fixed Maturity Plan-T2M-Series 12-Growth		3236430						323.64		Cost
	DSP BlackRock Fixed Maturity Plan-T2M-Series 32-Dividend		5988406						598.84		Cost
	DWS Fixed Term Fund Series 67-Dividend Plan-Payout			30000000						300.00	Cost
	DWS Fixed Term Fund Series 71-Growth Plan		3111791	37000000					311.18	370.00	Cost
	DWS Fixed Term Fund Series 80-Growth Plan									300.00	Cost
	DWS Fixed Term Fund Series 5-Dividend Plan - Payout		3000000						300.00		Cost
	IDFC Floating Rate Income Fund-Short Term Plan -Wholesale Option-Dividend Daily			10510646						105.11	Cost
	IDFC Floating Rate Income Fund-Long Term Plan -Growth		6492207						1200.00		Cost
	IDFC 370D March 2011 (4) - Growth			44177780						441.79	Cost
	IDFC 370D May 2011 (1) - Growth		6000000						600.00		Cost
	IDFC 370D June 2011 (4) - Growth		5008479						500.85		Cost
	IDFC 390D March 2012 (1) - Growth		4863310						486.33		Cost
	IDFC Debt Fund for Cancer Cure - 100% Dividend Donation Option		500000	5000000					50.00	50.00	Cost
	IDFC FMP 14 M March 2010 - Quarterly Dividend - Series XII - Payout			40000000						400.00	Cost
	IDFC 370D June 2010 (1) - Growth - Series XV			38327570						383.28	Cost
	IDFC Fixed Maturity Plan-Half Yearly Series 12-Dividend			56562828						565.63	Cost
	IDFC Fixed Maturity Plan Yearly Series 43-Growth		5854440						585.44		Cost
	IDFC Fixed Maturity Plan Yearly Series 45-Growth		3000000						300.00		Cost

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)			Basis of Valuation	
			As at 31 March 2012	As at 31 March 2011			As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011	(₹ in Lacs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	IFDC Fixed Maturity Plan Yearly Series 63-Dividend		9225757						922.58		Cost
	Kotak FMP 370 days Series 6 - Growth			4000000						400.00	Cost
	Kotak FMP Series 28 - Growth			3500000						350.00	Cost
	Kotak FMP Series 38 - Growth		34290720							342.91	Cost
	Kotak FMP Series 39 - Growth			31699100						316.99	Cost
	Kotak FMP Series 40 - Growth			33003910						330.04	Cost
	Kotak FMP Series 57 - Growth		4328954						432.90		Cost
	Kotak FMP Series 69-Dividend		3500000							350.00	Cost
	Kotak FMP Series 79-Dividend		3779841							377.98	Cost
	Kotak FMP Series 83-Growth		3637019							363.70	Cost
	Kotak FMP Series 84-Growth		7250000							725.00	Cost
	ICICI Prudential Long Term Floating Rate Plan C - Monthly Dividend-Reinvestment			51722311						517.22	Cost
	ICICI Prudential Institutional Liquid Plan-Super Institutional-daily Dividend			226093						2.26	Cost
	ICICI Prudential Fixed Maturity Plan-Series 51-14 Months Plan D Dividend			3500000						350.00	Cost
	ICICI Prudential Flexible Income Plan-Premium-Daily Dividend-Reinvestment		6255	5094946					6.61		50.95 Cost
	ICICI Prudential Interval Half Yearly II Institutional Dividend			35076583						350.77	Cost
	ICICI Prudential Fixed Maturity Plan-Series 35-1 Year Plan F Cumulative			3750000						375.00	Cost
	ICICI Prudential Fixed Maturity Plan-Series 36-1 Year Plan A Cumulative			3600000						360.00	Cost
	ICICI Prudential Fixed Maturity Plan-Series 36-1 Year Plan E Cumulative		5197878						519.79		Cost
	ICICI Prudential Fixed Maturity Plan-Series 35-1 Year Plan G Cumulative		3500000							350.00	Cost
	ICICI Prudential Fixed Maturity Plan-Series 39-1 Year Plan A Cumulative		4000000							400.00	Cost
	ICICI Prudential Fixed Maturity Plan-Series 63-1 Year Plan B Cumulative		7508516							750.85	Cost
	ICICI Prudential Fixed Maturity Plan-Series 63-1 Year Plan C Cumulative		4000000							400.00	Cost
	Reliance Fixed Horizon Fund -XVII -Series 3 - Growth Plan			35000000						350.00	Cost
	Reliance Fixed Horizon Fund -XVII -Series 1 - Growth Plan			40005943						400.06	Cost
	Reliance Fixed Horizon Fund -XX -Series 8 - Growth Plan		5801647						580.16		Cost
	Reliance Fixed Horizon Fund -XX -Series 4 - Growth Plan		4376970						437.70		Cost
	Reliance Fixed Horizon Fund -XXI -Series 2 - Dividend Plan		3650000							365.00	Cost
	Reliance Fixed Horizon Fund -XXI -Series 12 - Growth Plan		1100000						1100.00		Cost
	SBI Debt Fund Series - 367 Days -17-Growth			30000000						300.00	Cost
	Sundaram Fixed Term Plan-14 Months Series AA-Dividend			30000000						300.00	Cost
	Sundaram Fixed Term Plan-15 Months Series Z-Dividend			34097130						340.97	Cost
	Sundaram Fixed Term Plan BA 366 days - Growth		6000000						600.00		Cost
	Sundaram Fixed Term Plan BE 366 days - Growth		4000000						400.00		Cost
	Sundaram Fixed Term Plan CO 370 days - Growth		9250535						925.05		Cost
(f)	Investments in partnership firms*										
	less: Diminution in the value of investments									-1.69	
	Sub Total - Current Investments								19809.94		14612.39
Details of Non-Current Investments											
(g)	Other non-current investments (specify nature)										
	CDSL Ventures Limited	Subsidiary	3000000	1000000	Unquoted	Fully Paid	10	10	2100.00		Cost
	Central Insurance Repository Limited	Subsidiary	15299984		Unquoted	Fully Paid	10	10	1530.00		Cost
	Equity Shares-BRSCCL	Others	5000						0.50		Cost
	11.50% GOI 2015	Others	10	10					0.10		Cost
	11.35% IDBI Omni Bonds 2008-Sr.XV		100	100					1000.00		Cost
	6.85% IFCL Bonds (Tax Free)		1300	1300					1300.75		Cost
	6.85% IFCL Bonds (Tax Free)		200	200					200.50		Cost
	ICD Tata Capital Ltd. (T25)		50000	50000					500.00		Cost
	9.62% LBT Finance		28106	28106					281.06		Cost
	7.70% REC		50	50					494.02		Cost
	9.25% HDFC		50	50					500.00		Cost
	9.75% HDFC		50	50					500.00		Cost
	8.48% IDFC		50	50					500.00		Cost
	6.05% IRFCL Bonds (Tax Free)		500	500					500.00		Cost
	Sub Total - Non Current Investments								9406.93		5876.44
	Total								29216.87		20488.83

Note 9 Disclosure pursuant to Note no. L (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Long Term Loans and Advances	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
a. Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	66.33	-
	<u>66.33</u>	<u>-</u>
b. Security Deposits		
Secured, considered good	-	-
Unsecured, considered good		
Deposit with Bombay Stock Exchange	73.42	13.42
	<u>73.42</u>	<u>13.42</u>
Total	139.75	13.42

Note 9 (a) Disclosure pursuant to Note no. L (iv) of Part I of Schedule VI to the Companies Act, 1956

There are no Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member as on reporting date.

Note 10 Disclosure pursuant to Note no.P (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956

Trade Receivables	As at 31.3.2012		As at 31.3.2011	
	(₹) In Lacs		(₹) In Lacs	
Trade receivables outstanding for a period less than six months from the date they are due for payment				
Secured, considered good	295.04		300.95	
Unsecured, considered good			56.71	
Unsecured, considered doubtful	-		-	
Less: Provision for doubtful debts	-		-	
Total (A)	295.04		357.66	
Trade receivables outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	-		-	
Unsecured, considered good	117.83		107.84	
Unsecured, considered doubtful	324.28		223.91	
Less: Provision for doubtful debts	(294.00)		(203.00)	
Total (B)	148.11		128.75	
Total (A) + (B)	443.15		486.41	

Note 11 Disclosure pursuant to Note no.Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956

Cash and Bank Balances	As at 31.3.2012		As at 31.3.2011	
	(₹) In Lacs	(₹) In Lacs	(₹) In Lacs	(₹) In Lacs
a. Balances with banks		3,079.54		8,119.21
This includes:				
Earmarked Balances (eg/- unpaid dividend accounts)	1.19		1.18	
Bank deposits with more than 12 months maturity (Principal Amount)	500.00		1,000.00	
b. Cheques, drafts on hand		-		5.30
c. Cash on hand	0.44			0.06
d. Others (specify nature)		-		-
Total		3,079.98		8,124.57

Note 12 Disclosure pursuant to Note no.R (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Short-term loans and advances	As at 31.3.2012		As at 31.3.2011	
	(₹) In Lacs	(₹) In Lacs	(₹) In Lacs	(₹) In Lacs
a. Loans and advances to related parties				
Secured, considered good				-
Unsecured, considered good				
Amount receivable from Central Insurance Repository Ltd.	0.53			
Amount receivable from CDSL Ventures Ltd.	24.19	24.72	-	
		<u>24.72</u>		<u>-</u>
b. Others (specify nature)				
Secured, considered good				-
Unsecured, considered good				
Postage Advance	0.50		0.50	
Staff Advance	0.43		1.13	
Staff Loan	5.67		3.98	
Advances to parties	6.38		4.65	
Prepaid Expenses	72.99		84.53	
Income Tax (Net of provisions)	389.40		201.47	
Fringe Benefit Tax (Net of provisions)	2.62		2.62	
CENVAT Credit receivable	13.74	491.73	5.62	304.51
		<u>491.73</u>		<u>304.51</u>
Total (a) + (b)		516.45		304.51

Note 12 (a) Disclosure pursuant to Note no.R (iv) of Part I of Schedule VI to the Companies Act, 1956

	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
Directors		
Other officers of the Company		
Wholly owned Subsidiary	24.19	-
Firm in which director is a partner		
Private Company in which director is a member		
	24.19	-

Note 13 As per Point No. 6S of General Instructions for Preparation of Balance Sheet

Other Current Assets	Balance As at 31-3-2012	Balance As at 31-3-2011
Dividend and Rent receivable	0.00	6.92
Sundry Deposits	3.34	3.94
Interest accrued on Investments	196.03	191.10
Share Application money	0.00	0.50
Total	199.37	202.46

Note 14 Disclosure pursuant to Note No. 2 of Part II of Schedule VI to the Companies Act, 1956

Particular	For the year ended 31 Mar 2012 (₹) In Lacs	For the year ended 31 Mar 2011 (₹) In Lacs
Sale of products	-	-
Sale of services	7,759.93	8,418.86
Other operating revenues	65.98	119.62
Less:		
Excise duty		
Total	7,825.91	8,538.48

Note 15 Disclosure pursuant to Note No. 4 of Part II of Schedule VI to the Companies Act, 1956

Particular		
Interest Income	1,294.82	813.68
Dividend Income	147.17	634.31
Net gain/loss on sale of investments	881.32	106.23
Other non-operating income (net of expenses directly attributable to such income)	75.07	116.40
Total	2,398.38	1,670.62

Note 16 a Disclosure pursuant to Note no. 5(i)(a) of Part II of Schedule VI to the Companies Act, 1956

Particular	For the year ended 31 Mar 2012 (₹) In Lacs	For the year ended 31 Mar 2011 (₹) In Lacs
Employee Benefits Expense :		
(i) salaries and wages,	1,035.36	997.22
(ii) contribution to provident and other funds,	72.14	84.38
(iii) staff welfare expenses	55.31	53.60
Total	1,162.81	1,135.20

Note 16 b Disclosure pursuant to Note no. 5(i)(b) of Part II of Schedule VI to the Companies Act, 1956

Depreciation and Amortization expense	354.02	542.01
Total	354.02	542.01

Note 16 c Disclosure pursuant to Note no. 5(ii)(c) of Part II of Schedule VI to the Companies Act, 1956

Legal, Professional and Consultancy Fees	107.11	75.66
Directors' Sitting Fees	9.75	13.00
Travelling and Conveyance	72.46	61.48
Annual SEBI Fees	10.00	10.00
Postage, Telephone & Communication Charges	145.37	173.34
Advertisement Expenses	0.56	6.41
Printing & Stationery	22.08	37.34
Business Promotion Expenses	41.11	26.15
Water Charges	3.44	3.06
Total	411.88	406.45

Note 16 d Disclosure pursuant to Note no. 5(ii)(h) of Part II of Schedule VI to the Companies Act, 1956

Bad Debts Written Off	144.83	140.46
Provision for diminution in the value of investments	-	-
Provision for Doubtful debts/Advances	91.00	-
Total	235.83	140.46

Note 16 e Disclosure pursuant to Note no. 5(ii)(j) of Part II of Schedule VI to the Companies Act, 1956

Payment to auditors as		
I Auditor	7.25	6.27
II Reimbursement of expenses	0.20	0.22
Total	7.45	6.49

Note 16 f Disclosure pursuant to Note no. 5(vi) of Part II of Schedule VI to the Companies Act, 1956

(a) Power and fuel	41.74	74.25
(b) Rent	262.32	300.12
(c) Repairs to buildings	114.39	25.09
(d) Repairs to machinery	566.23	551.35
(e) Insurance	124.66	140.11
(f) Rates and taxes, excluding, taxes on income	2.14	2.27
(g) Miscellaneous expenses,	35.36	30.93
Total	1,146.84	1,124.12
Total (16c+16d+16e+16f)	1,802.00	1,677.52

**Note 17 Disclosure pursuant to Note no. 6(T) of Part I of
Schedule VI to the Companies Act, 1956**

Contingent liabilities and commitments (to the extent not provided for)	Balance as at 31 Mar 2012 (₹) In Lacs	Balance as at 31 Mar 2011 (₹) In Lacs
(i) Contingent Liabilities		
(a) Claims against the company not acknowledged as debt*	2,281.07	2,272.14
(b) Guarantees	-	50.00
(c) Other money for which the company is contingently liable	<u>2,281.07</u>	<u>2,322.14</u>
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	170.04	47.32
(b) Uncalled liability on shares and other investments partly paid	-	-
(c) Other commitments (specify nature)	<u>23.31</u>	-
	<u>193.35</u>	<u>47.32</u>
Total	2,474.42	2,369.46

***Claims against the company not acknowledged as debt**

- (a) The Company is a party in certain legal proceedings filed by beneficial owners/third parties in the normal course of business. The Company does not expect the outcome of these proceedings to have any material adverse effect on its financial conditions, results of operations and cash flow. Amount is not ascertainable.
- (b) The Commissioner of Service Tax, Mumbai has issued Show cause cum Demand Notice (SCN) on 21st October 2009 to CDSL demanding service tax amount of ₹ 1791 lacs on the charges recovered by CDSL for providing “Depository services” to DPs and RTAs for the period 2004-05 to 2008-09.

The Commissioner of Service Tax, Mumbai has issued Show cause cum Demand Notice (SCN) on 04th October 2010 to CDSL demanding service tax amount of ₹ 465 lacs on the charges recovered by CDSL for providing “Depository services” to DPs and RTAs for the period 2009-10.

Company has obtained two legal opinions which states that CDSL is not liable for the service tax as demanded in the aforesaid notice. Company has filed a comprehensive reply based on jurisdiction and merits, vide its letter dated November 25, 2009 and November 2, 2010 to the SCNs respectively and requested for personal hearing in the matter. Till date no reply from Service Tax Department has been received.

Note 18 Disclosure pursuant to Note no. 6(U) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Total (₹) In Lacs	Per share Amount In ₹
Dividends proposed to be distributed to equity shareholders	1,567.50	1.50
Dividends proposed to be distributed to preference shareholders	-	-
Arrears of fixed cumulative dividends on preference shares	-	-

Note 19 General Information

Central Depository Services (India) Limited (CDSL) was set up with the objective of providing convenient, dependable and secure depository services at affordable cost to all market participants. A depository facilitates holding of securities in the electronic form and enables securities transactions to be processed by book entry by a Depository participants (DP) who as an agent of the depository, offers depository services to investors.

Note 20 Significant Accounting Policies

a) General

The financial statements are prepared on the basis of historical cost convention, on the accounting principles of a going concern and are in accordance with the applicable accounting standards. All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

The preparation of financial statements requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including current liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable and results however are not likely to differ from these estimates materially. Any revision to accounting estimates is recognised prospectively

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

the Company has ascertained its operating cycle as 12 months for the purpose of current - noncurrent classification of assets and liabilities.

b) Fixed Assets

Fixed assets are shown at their original cost of acquisition including taxes, duties, freights and other incidental expenses relating to acquisition and installation less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

c) Software Costs

Systems Software, Application Software and additions of new modules thereto are capitalized and any modifications/changes thereto are charged to revenue.

d) Depreciation/Impairment Loss

Depreciation on fixed assets is provided on Straight Line Method in the manner specified in Schedule XIV to the Companies Act, 1956 (hereinafter referred to as "the Act") at the rates mentioned below:-

Description of asset	Rates as per the Schedule XIV	Rates used
Building	1.63	10
Computer Hardware/software	16.21	50
Office Equipment	4.75	20
Furniture & Fixtures	6.33	20
Vehicles	9.5	25

Assets costing ₹ 5,000 or less are fully written off in the year of purchase.

Leasehold premises amortized over a period of 10 years.

e) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

- i. Long term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments.
- ii. Current investments are stated at lower of cost and fair/market value on individual investment basis

f) Employees Benefits

Short term Employee Benefits are estimated and provided for.

Performance linked bonus is provided as and when the same is approved by the management.

Post Employment Benefits and Other Long term Employee Benefits are treated as follows:

(i) Defined Contribution Plans:

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

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

(ii) Defined Benefits Plans:

- a) Gratuity: Gratuity for employees is covered by Gratuity Scheme with Life Insurance Corporation of India and the contribution thereof is paid / provided for. Provision for Gratuity is made on the basis of actuarial valuation on Projected Unit Credit Method as at the end of the year.
- b) Long term compensated absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12months from the end of the year end are treated as other long term employee ben-

efits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

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

g) Current tax and deferred tax

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

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

h) Foreign Currency Translation

All foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

i) Revenue Recognition

In contracts involving the rendering of services, revenue is measured using the proportionate completion method and are recognised net of service tax provided that at the time of performance it is not unreasonable to expect ultimate collection. If at the time of raising of any claim it is unreasonable to expect ultimate collection, revenue recognition is postponed till the time the ultimate collection is made.

j) Provisions and Contingent Liabilities

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

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

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

Contingent Liability is disclosed in the case of

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

Note 21 Deferred Tax Assets		
	(₹ in Lacs)	
	2011-12	2010-11
The components of deferred tax assets are as under:		
Provision for Doubtful Debts/Advances	95.39	65.86
Provision for Diminution in Value of Investments	-	0.27
Expenses allowed on payment basis	55.59	73.80
Depreciation	148.77	122.78
Total	299.75	262.71

Note 22 Auditors' Remuneration		
	(₹ in Lacs)	
	2011-12	2010-11
Audit Fees	7.25	6.75
Tax Audit Fees	-	-
Out of Pocket Expenses	0.17	0.13
Total	7.42	6.88

Note 23 Expenses in foreign currency		
	(₹ in Lacs)	
	2011-12	2010-11
Travelling Expenses	18.30	10.44
Others	5.47	7.82

Note 24

VSAT connectivity facilities provided by the Bombay Stock Exchange Limited (BSE) are used by the Company as also by the Company's Depository Participants (DP's) and other users. As agreed with the BSE the user charges invoiced by the Company to the DPs and other users are recovered by the Company and passed on to the BSE and therefore, are not recognised as Company's revenues: ₹ 81.43 lacs (Previous Year ₹ 103.42 lacs)

Note 25

(a) Investor Education and Awareness Programme :

During the year, out of the penalty collected on account of late transfer of securities by Depository Participants to beneficial owner accounts, ₹ 2.70 lacs (Previous Year ₹ 3.35 lacs) utilized for conducting various investor education and awareness programme. Balance of ₹ 23.01 lacs (Previous year ₹ 16.72 lacs) is to be utilised for the said programme has been disclosed in "Other Current Liabilities"

(b) Beneficial Owner's Protection Fund :

As advised by SEBI, the Company had set up a Trust called "CDSL Beneficial Owner's Protection Fund"(BOPF) with the object of indemnification of losses suffered by Beneficial Owners. As per the rules of the said Fund, corpus is constituted mainly out of (a) penalties collected from Depository Participants (DPs) and (b) amount funded by the Company from time to time based on certain percentage of annual issuer fees and interest earned on security deposit from DPs. Details of the Fund account disclosed in "Other Current Liabilities" are given below :

(₹ in lacs)

	Current Year	Previous Year
Opening Balance	79.17	92.83
Add :		
Penalties levied (net)	3.25	4.34
Other Contributions*	84.10	71.81
Less : Funded	77.94	89.81
Closing Balance	88.55	79.17
* Refer Note 14 & 15		

Note 26

- a) In the opinion of the Management, the Current Assets, Loans & Advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The provision for depreciation and other known liabilities is adequate and is not in excess of what is required.

- b) The accounts of certain sundry debtors, creditors and deposits are subject to confirmation/reconciliation and adjustments, if any. In the opinion of the management, adjustments as may be required in the above cases, to the stated values of the assets and liabilities on these accounts, would not be significant.

Note 27

The Company is engaged in the business of providing depository services and there is no separate reportable segment as per Accounting Standard 17 on "Segment Reporting" prescribed in Companies (Accounting Standards) Rules, 2006.

Note 28

The Company has made a strategic and long term investments of ₹ 2100 lacs (Incl. of Share Premium ₹ 1800 lacs) in the equity shares of the subsidiary company CDSL Ventures Limited. Further Company has made a strategic and long term investments of ₹ 1530 lacs in the equity shares of the subsidiary company Central Insurance Repository Limited. The management is confident of realising its investments.

Note 29

The Company has determined the liability for Employee Benefits as at March 31, 2012 in accordance with the revised Accounting Standard 15 on "Employee Benefits" prescribed in Companies (Accounting Standards) Rules, 2006.

- a) Defined benefit plans-Gratuity-As per Actuarial Valuation on March 31, 2012

	(₹ in Lakhs)	
	31-3-2012	31-3-2011
A Expenses Recognized in the statement of Profit & Loss Account for the year ended		
1 Current Service Cost	15.45	15.92
2 Past Service Cost	-	12.74
3 Interest Cost	6.09	3.48
4 Expected Return on Plan Assets	(4.31)	(3.38)
5 Net Actuarial (Gain)/ Loss recognized for the Period	(3.70)	16.61
6 Expenses recognized in statement of P&LA/c	13.53	45.37
B Net Asset / (Liability) recognized in the Balance Sheet		
1 Present Value of Obligation	89.27	83.46
2 Fair Value of Plan Assets	75.53	39.07
3 Funded Status	(13.74)	(44.39)
4 Unrecognised Actuarial Gain/ (Loss)	-	-
5 Net Assets / (Liability) recognized in the Balance Sheet	(13.74)	(44.39)

	(₹ in Lakhs)	
	31-3-2012	31-3-2011
C Changes in present value of obligations		
1 Present Value of Obligation as at April 01, 2011	83.46	55.43
2 Interest Cost	6.09	3.48
3 Current Service Cost	15.45	15.92
4 Past Service Cost	-	12.74
5 Benefits Paid	(14.60)	(21.52)
6 Actuarial (Gain)/Loss on Obligation	(1.13)	17.41
7 Present Value of Obligation as at March 31,2012	89.27	83.46
D Changes in Fair Value of Plan Assets		
1 Fair Value of Plan Assets as at April 01, 2011	39.07	49.56
2 Expected Return on Plan Assets	4.31	3.38
3 Contributions	44.18	6.87
4 Benefits Paid	(14.60)	(21.52)
5 Actuarial Gain / (Loss) on plan assets	2.57	0.80
6 Fair Value of Plan Assets as at March 31,2012	75.53	39.07
E Fair Value of Plan Assets		
1 Fair Value of Plan Assets as at April 01,2011	39.07	49.56
2 Actual Return on Plan Assets	6.88	4.18
3 Contributions	44.18	6.87
4 Benefits Paid	(14.60)	(21.53)
5 Fair Value of Plan Assets as at March 31,2012	75.53	39.07
6 Funded Status	(13.74)	(44.39)
7 Excess of Actual over estimated return on Plan Assets	2.57	0.80
F Actuarial Gain / (Loss) Recognized		
1 Actuarial Gain/(Loss) for the period (Obligation)	1.13	(17.41)
2 Actuarial Gain / (Loss) for the period (Plan Assets)	2.57	0.80
3 Total Gain / (Loss) for the period	3.70	(16.61)
4 Actuarial Gain / (Loss) recognized for the period	3.70	(16.61)
5 Unrecognized Actuarial Gain / (Loss) at March 31,2012	-	-
G Movements in the Liability recognized in Balance Sheet		
1 Opening Net Liability	44.39	5.88
2 Expenses recognized in Profit & Loss A/c	13.53	45.37
3 Contribution Paid	(44.17)	(6.87)
4 Closing Net Liability	13.74	44.39
I Actuarial Assumptions		
1 Mortality	LIC(1994-96)Ult	LIC(1994-96)Ult
2 Discount Rate as at March 31,2012	8.53%	8.00%
3 Rate of Increase in Compensation	4.00%	4.00%

- b) Gratuity is administered through Group Gratuity Scheme with Life Insurance Corporation of India. The LIC raises demand for annual contribution for gratuity amount based on its own computation without providing entire details as required by the Accounting Standard 15. Hence the company obtains separate actuarial valuation report as required under Accounting Standard 15 from an independent Actuary. The maximum amount as per these two valuation reports is recognized as liability in the books of accounts. The expected return on plan assets is based on market expectation at the beginning of the year, for the returns over the entire life of the related obligations.

Note 30

As at March 31, 2012, no supplier has intimated the company about its status as Micro or Small Enterprises or its Registration with appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006.

Note 31. Related Party Disclosures:

(a)	List of related parties and their relationship:		
(i)	Entities where control exists: CDSL Ventures Limited - Wholly owned subsidiary Central Insurance Repository Limited - Company in which CDSL holds more than 50 % voting power		
(ii)	Holding Company: Bombay Stock Exchange Ltd - Shareholder with more than 50% interest in voting power.		
(iii)	Key Managerial Personnel: Shri V V Raut - MD & CEO (Resigned on 31/07/2010) Shri P S Reddy - MD & CEO		
(₹ in Lacs)			
(b)	Transactions during the year:	2011-2012	2010-2011
	Bombay Stock Exchange Limited:		
	- Custodial Fees and Corporate Action charges received	0.33	0.33
	- Payment towards VSAT usage charges, rent, electricity and other expenses	804.71	444.64
	- Reimbursement of expenses paid on behalf of Bombay Stock Exchange Limited	7.34	9.41
	- Dividend	679.62	679.62
	CDSL Ventures Limited		
	- Reimbursement received for rent, salaries etc	102.79	79.67

(₹ in Lacs)

	31.3.2012	31.3.2011
- Interest received on loan	-	3.50
- Purchase of Computer Software	1.68	-
- Loan Repaid	-	135.00
Central Insurance Repository Limited		
- Reimbursement of Preliminary & Other Expenses	24.17	-
- Face Value of Shares	1530.00	-
Managerial remuneration		
Shri V V Raut	-	205.35
Shri P S Reddy	73.67	49.26
(c) Balances at the year end:		
Bombay Stock Exchange Limited		
- Deposit with BSE	73.42	13.42
- Amount Payable/(Receivable)	272.08	(2.17)
- Face Value of Shares	5663.46	5663.46
CDSL Ventures Limited:		
- Investment in shares	2100.00	100.00
- Amount Receivable	24.19	-
Central Insurance Repository Limited		
- Amount Receivable	0.53	-

Notes :

- No amounts in respect of the related parties has been provided for as doubtful debts or written off/back during the year.
- Related party relationship is as identified by the Company and relied upon by the auditors.
- All the above transactions are in the ordinary course of the business of the Company.

Note 32

Basic and Diluted Earnings Per Share is calculated as under :-

	2011-2012	2010-2011
(i) Numerator - Net Profit as per Profit & Loss Account (₹ in lacs)	4745.72	4803.83
(ii) Denominator - Weighted Average Number of Equity Shares outstanding during the year (No.'s)	10,45,00,000	10,45,00,000
(iii) Nominal Value of Shares (₹)	10.00	10.00
(iv) Basic and Diluted Earning Per Share (₹)	4.54	4.60

Note 33

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

Signatures to Notes 1 to 33

For and on behalf of the Board of Directors

Satish Budhakar
Senior Vice President
& Group Company Secretary

N Rangachary
Chairman

P. S. Reddy
Managing Director
& CEO

Place : Mumbai

Date : 16th April, 2012

Auditors' Report on Consolidated Financial Statements

To
The Board of Directors
Central Depository Services (India) Limited

We have audited the attached Consolidated Balance Sheet of CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (the Company) and its subsidiaries (collectively referred to as "the Group") as at 31st March, 2012, and the Consolidated Profit and Loss Statement and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. We did not audit the financial statements of the two subsidiaries, whose financial statements reflect total assets of Rupees 6,345.95 Lacs as at 31st March, 2012, total revenue of Rupees 1,891.33 Lacs and cash flows amounting to Rupees 494.42 Lacs for the year ended on that date. These financial statements and other financial information have been audited by Statutory auditors of respective Companies whose reports have been furnished to us, and our opinion is based solely on these reports.
2. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements and (AS) 27, Financial Reporting of Interests in Joint Ventures, as notified by the Companies (Accounting Standards) Rules, 2006.

3. Based on our audit as aforesaid, and on consideration of reports of other auditor on the separate financial statements and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Consolidated Balance Sheet, of the State of Affairs of the Group as at 31st March 2012;
 - (ii) in the case of the Consolidated Profit and Loss Statement , of the Profit of the Group for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

For M. P. Chitale & CO.
Chartered Accountants
Firm Reg. No. 101851W

Viraj Londhe
Partner
(Membership No. 45761)

Place : Mumbai
Date : 16th April, 2012

Consolidated Balance Sheet as at 31st March 2012

Particulars	Note No.	(₹) In Lacs	(₹) In Lacs
		Figures as at 31-March-2012	Figures as at 31-March-2011
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	10,450.00	10,450.00
(b) Reserves and surplus	2	19,852.61	16,139.92
(c) Money received against share warrants		-	-
2 Minority Interest		1,028.92	-
3 Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	3	2,074.24	1,941.91
(d) Long-term provisions	4	70.26	1.56
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		216.36	24.22
(c) Other current liabilities	5	1,087.67	602.40
(d) Short-term provisions	6	1,987.49	1,943.67
TOTAL		36,767.55	31,103.68
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	7		
(i) Tangible assets		600.14	766.63
(ii) Intangible assets		23.19	75.21
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	8	5,776.93	5,776.43
(c) Deferred tax assets (Net)		291.28	268.70
(d) Long-term loans and advances	9	139.75	13.42
(e) Other non-current assets		-	-
2 Current assets			
(a) Current investments	8	24,967.39	14,693.73
(b) Inventories	-	-	-
(c) Trade receivables	10	668.44	781.08
(d) Cash and Bank Balances	11	3,598.75	8,144.23
(e) Short-term loans and advances	12	502.31	381.79
(f) Other current assets	13	199.37	202.46
TOTAL		36,767.55	31,103.68

As per our attached report of even date

For and on behalf of the Board of Directors

For M. P. Chitale & Co.
Chartered Accountants
FRN : 101851W

Viraj Londhe
Partner
M. No: 45761

Satish Budhakar
Senior Vice President
& Group Company Secretary

N. Rangachary
Chairman

P. S. Reddy
Managing Director
& CEO

Place : Mumbai,
Date : 16th April, 2012

Profit And Loss Statement For The Year Ended March 31, 2012

Particulars	Refer Note No.	(₹) In Lacs	(₹) In Lacs
		For the year ended 31-March-2012	For the year ended 31-March-2011
I. Revenue from operations	14	9,624.38	9,429.90
II. Other income	15	2,449.73	1,654.69
III. Total Revenue (I + II)		12,074.11	11,084.59
IV. Expenses:	16		
Employee benefits expense		1,240.05	1,197.26
Depreciation and amortization expense		420.62	555.49
Other expenses		2,317.07	2,112.80
Total expenses		3,977.73	3,865.54
V. Profit before exceptional and extraordinary items and tax (III-IV)		8,096.38	7,219.04
VI. Exceptional items -Municipal tax		266.77	
VII. Profit before extraordinary items and tax (V - VI)		7,829.61	7,219.04
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		7,829.61	7,219.04
X Tax expense:			
(1) Current tax		2,302.00	2,120.68
(2) Deferred tax		(22.58)	(3.44)
(3) MAT Credit availed/(entitlement)		11.73	(6.73)
XI Profit (Loss) for the period from continuing operations (VII-VIII)		5,538.46	5,108.53
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		5,538.46	5,108.53
XVI Minority Interest		3.97	-
XVII Profit (Loss) for the period (XV - XVI)		5,534.48	5,108.53
XVIII Earnings per equity share:			
(1) Basic & Diluted		5.30	4.89
XIX Nominal Value per share (Rupees)		10.00	10.00

As per our attached report of even date

For and on behalf of the Board of Directors

For M. P. Chitale & Co.
Chartered Accountants
FRN : 101851W

Viraj Londhe
Partner
M. No: 45761

Satish Budhakar
Senior Vice President
& Group Company Secretary

N. Rangachary
Chairman

P. S. Reddy
Managing Director
& CEO

Place : Mumbai,
Date : 16th April, 2012

Cash Flow Statement For the year ended March 31, 2012

	2011-2012 ₹ (In Lacs)	2010-2011 ₹ (In Lacs)
CASH FLOWS FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAXES	7825.63	7219.04
Net Profit for non-cash and other items to be disclosed seperately		
Add : Depreciation	420.62	555.49
Provision for Doubtful Debts	91.00	(11.24)
Less : Profit from sale of Investments	888.07	106.23
Income from mutual funds	222.59	640.83
Rental Income	30.00	36.00
Provision no longer required written back	1.69	57.54
Advisory Fees	36.26	99.73
Profit on sale of fixed assets(net)	2.93	3.85
Interest Income	1302.33	809.85
Miscellaneous Income	5.28	0.09
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	5848.09	6009.18
Advisory Fees	36.26	99.73
Adjustment for changes in working capital		
Sundry Debtors	21.59	(165.38)
Loans and Advances	(131.20)	152.20
Current Liabilities and Provisions	561.76	516.45
CASH GENERATED FROM OPERATIONS	6336.51	6612.17
Taxes Paid	(2416.55)	(2142.23)
A NET CASH PROVIDED BY OPERATING ACTIVITIES	3919.97	4469.94
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase/Sale of Fixed assets	(199.18)	(192.11)
Purchase of Investments(Net)	(9389.05)	1844.68
Rental Income	30.00	36.00
Deposits with Banks	4601.69	(5951.74)
Dividend Received	222.59	640.83
Interest Received	1297.38	745.01
Miscellaneous Income	5.28	0.09
B NET CASH GENERATED FROM INVESTING ACTIVITIES	(3431.28)	(2877.24)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid including Dividend Distribution Tax	(1457.43)	(1462.26)
Proceeds from Issue of Share Capital	1024.95	0.00
C NET CASH USED IN FINANCING ACTIVITIES	(432.48)	(1462.26)
NET INCREASE / DECREASE IN CASH & CASH EQUIVALENTS (A+B+C)	56.21	130.44
Cash and Cash Equivalents at the beginning of the year	192.50	62.06
Cash and Cash Equivalents at the end of the year	248.70	192.50
1. Cash and Cash Equivalents comprises of	56.20	130.44
Cash and Cheques on Hand	0.59	5.51
With scheduled bank on Current Accounts	246.92	185.80
With RBI - Current Account	1.19	1.19
	248.70	192.50
2. Reconciliation of Cash and Cash Equivalents		
Cash and Bank Balances as per Balance Sheet	3598.75	8144.23
Bank Deposits with maturity date after three months	3350.05	7951.73
Cash and Cash Equivalents as per Cash Flow Statement	248.70	192.50

Notes :

The above statement has been prepared by using the indirect method as per Accounting Standard 3 - Cash Flow Statement issued by the Institute of Chartered Accountants of India.

As per our attached report of even date

For and on behalf of the Board of Directors

For **M. P. Chitale & Co.**
Chartered Accountants

Viraj Londhe
Partner
M. No: 45761

Satish Budhakar
Senior Vice President
& Group Company Secretary

N. Rangachary
Chairman

P. S. Reddy
Managing Director
& CEO

Place : Mumbai,
Date : 16th April, 2012

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED
MARCH 31, 2012**

Note 1 Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule VI to the Companies Act, 1956				
SHARE CAPITAL	As at 31.3.2012		As at 31.3.2011	
	Number	(₹) In Lacs	Number	(₹) In Lacs
Authorised				
Equity Shares of ₹ 10/- each	150,000,000	15,000.00	150,000,000	15,000.00
Issued				
Equity Shares of ₹ 10/- each	104,500,000	10,450.00	104,500,000	10,450.00
Subscribed & Paid up				
Equity Shares of ₹ 10/- each fully paid	104,500,000	10,450.00	104,500,000	10,450.00
Subscribed but not fully Paid up				
Equity Shares of ₹ 10/- each, not fully paid up	-	-	-	-
Total	104,500,000	10,450.00	104,500,000	10,450.00

Note 1 a "Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956 "(Following disclosure should be made for each class of Shares)"				
Particulars	Equity Shares		Preference Shares	
	Number	(₹) In Lacs	Number	(₹) In Lacs
Shares outstanding at the beginning of the year	104,500,000	10,450	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	104,500,000	10,450	-	-

Note 1 b Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956

5,66,34,600 Equity Shares (Previous year - 5,66,34,600) are held by Bombay Stock Exchange Limited, the holding company

Note 1 c Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (if more than 5%)

Name of Shareholder	As at 31.3.2012		As at 31.3.2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
BSE Limited	56,634,600	54.20	56,634,600	54.20
Bank of India	5,820,000	5.57	5,820,000	5.57
Bank of Baroda	5,300,000	5.07	5,300,000	5.07
State Bank of India	10,000,000	9.57	10,000,000	9.57
HDFC Bank Limited	7,500,000	7.18	7,500,000	7.18
Standard Chartered Bank	7,500,000	7.18	7,500,000	7.18
Canara Bank	6,744,600	6.45	6,744,600	6.45

Note 2 Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956

Reserves & Surplus	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
a. General Reserve		
Opening Balance	238.87	118.77
(+) Current Year Transfer	237.29	120.10
(-) Written Back in Current Year		
Closing Balance	<u>476.16</u>	<u>238.87</u>
b. Surplus		
Opening balance	15,901.05	12,370.05
(+) Net Profit/(Net Loss) For the current year	5,534.48	5,108.53
(+) Transfer from Reserves	-	-
(-) Proposed Dividends (including DDT)	1,821.79	1,457.43
(-) Interim Dividends	-	-
(-) Transfer to Reserves	<u>237.29</u>	<u>120.10</u>
Closing Balance	<u>19,376.45</u>	<u>15,901.05</u>
Total (a+b)	19,852.61	16,139.92

Note 3 Disclosure pursuant to Note no. 6(D) of Part I of Schedule VI to the Companies Act, 1956

Other Long Term Liabilities	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
(a) Trade Payables		-
(b) Others		
Security Deposit from -		
Depository Participants	2,050.00	1,917.50
Registrar & Transfer Agents	16.50	16.50
Issuers	0.30	-
Pos	3.00	3.00
Renaissance deposit account	0.44	0.43
Govt. Security BO Account	1.19	1.19
SEBI Registration Fees	2.81	3.29
Total	2,074.24	1,941.91

Note 4 Disclosure pursuant to Note no. 6(E) of Part I of Schedule VI to the Companies Act, 1956

Long Term Provisions		
(a) Provision for employee benefits		
Superannuation (unfunded)		
Gratuity (unfunded)		0.67
Leave Encashment (unfunded)	70.26	0.89
ESOP / ESOS		
(b) Others (Specify nature)		
Total	70.26	1.56

Note 5 Disclosure pursuant to Note no. 6(G) of Part I of Schedule VI to the Companies Act, 1956

Other Current Liabilities	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
(a) Income received in advance	62.95	32.94
(b) Other payables (specify nature)		
Sebi Fee Received in Advance	1.83	2.20
Debtors having credit balances	443.73	310.36
Penalty charged to DP	1.36	1.27
Beneficial Owners Protection Fund	87.33	77.90
Investor Education & Awareness Prog. (CISA overdue charges)	23.01	16.72
Stale Cheque account	0.01	0.01
TDS Payable	35.85	51.47
The Stock Exchange, Mumbai	272.08	(2.17)
Arbitration charges payable	-	0.48
Vsat Usage Charges (Leased Line Service Chgs-Reimbursement)	10.71	5.51
Central Bank of India (FDR)	-	0.10
Service tax	3.81	105.61
Application money in Subsidiary	145.00	-
Total	1,087.67	602.40

Note 6 Disclosure pursuant to Note no. 6(H) of Part I of Schedule VI to the Companies Act, 1956

Short Term Provisions		
(a) Provision for employee benefits		
Salary & Reimbursements	-	-
Contribution to PF	4.16	-
Contribution to ESIC	0.06	-
Profession tax payable	0.37	-
Gratuity	16.47	44.39
Bonus	0.23	0.23
Leave Encashment	10.89	91.73
Leave Travel Allowance	25.11	25.90
Ex - Gratia	56.74	65.20
(b) Others (Specify nature)		
Wealth tax	1.89	2.05
Outstanding Expenses	49.78	256.74
Provision for Proposed Dividend (Including DDT)	1,821.79	1,457.43
Total	1,987.49	1,943.67

Note 7 :Disclosure pursuant to Note no. I (i), (ii), (iii); Note no. J (i),(ii); Note no. J and Note no. L of Part I of Schedule VI to the Companies Act, 1956

Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at 1 April 2011	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31 March 2012	Balance as at 1 April 2011	Depreciation charge for the year	Adjustment due to evaluations	On disposals	Balance as at 31 March 2012	Balance as at 31 March 2012	Balance as at 31 March 2011
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
a Tangible Assets												
Building - Freehold	173.77	-	-	-	173.77	173.76	-	-	-	173.76	0.01	0.01
Building - Leasehold	531.52	-	-	-	531.52	149.26	53.15	-	-	202.42	329.11	382.26
Plant and Equipment	2,212.30	99.09	-	-	2,311.39	2,013.69	207.69	-	34.23	2,187.15	124.24	198.61
Furniture and Fixtures	363.76	5.05	-	-	368.81	286.12	26.29	-	-	312.41	56.40	77.64
Vehicles	97.34	(19.91)	-	-	77.44	62.24	16.60	-	19.63	59.21	18.23	35.11
Office equipment	318.12	38.08	-	-	356.20	245.12	45.30	-	6.37	284.05	72.15	73.00
Total (A)	3,696.81	122.31	-	-	3,819.13	2,930.19	349.03	-	60.23	3,218.99	600.14	766.63
b Intangible Assets												
Computer software	1,457.82	(7.47)	-	-	1,450.35	1,382.61	52.46	-	7.91	1,427.16	23.19	75.21
Total (B)	1,457.82	(7.47)	-	-	1,450.35	1,382.61	52.46	-	7.91	1,427.16	23.19	75.21
Grand Total (A+B)	5,154.63	114.84	-	-	5,269.48	4,312.80	401.49	-	68.14	4,646.15	623.33	841.84

Note 7 (a) :Disclosure pursuant to Note no.I (iv) and J (iii) of Part I of Schedule VI to the Companies Act, 1956

No sums have been written off on a reduction of capital or revaluation of assets and no sums have been added on revaluation of assets during last 5 years.

**Note 8 Disclosure pursuant to Note no.N (i) and (ii) of Part I of
Schedule VI to the Companies Act, 1956**

Particulars	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
(a) Investment in Equity instruments	0.00	3.13
(b) Investments in preference shares	0.00	0.00
(c) Investments in Government or Trust securities		
(d) Investments in Debentures or Bonds	1004.63	1004.63
(e) Investments in Mutual Funds	23962.79	13687.63
(f) Investments in partnership firms*	0.00	0.00
(g) Other non-current investments (specify nature)	5776.93	5776.43
Total (A)	30744.34	20471.82
Less : Provision for diminution in the value of Investments (B)	0.00	1.69
Total (A) - (B)	30,744.34	20470.13

Particulars	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
Aggregate amount of quoted investments (Market value of ₹ 0 (Previous Year ₹ 144356.1)	0.00	3.13
Aggregate amount of unquoted investments (Previous Year ₹ 10000000)	0.50	100.00

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		₹ in Lacs		Basis of Valuation
			As at 31 March 2012	As at 31 March 2011			As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Details of Current Investments											
(a) Investment in Equity Instruments											
	Reliance Power Ltd	Others		1113	Quoted	Fully Paid		0		3.13	Cost
(b) Investments in Preference Shares											
(c) Investments in Government or Trust securities											
(d) Investments in Debentures or Bonds											
	7.90% REC		100	100					1004.63	1004.63	Cost
(e) Investments in Mutual Funds											
	Birla Cash Plus-Institutional Premium-Weekly Dividend			1166863						11.67	Cost
	Birla Savings Fund -Institutional-Daily Dividend -Reinvestment		19261	463559					19.27	4.64	Cost
	Birla Short Term Fund - Monthly Dividend - Reinvestment		2926148	30503772					322.87	305.04	Cost
	Birla Fixed Term Plan Series CO - Growth			5500000						550.00	Cost
	Birla Fixed Term Plan Series CI - Growth			5000000						500.00	Cost
	Birla Fixed Term Plan Series CW - Growth			38544620						385.45	Cost
	Birla Fixed Term Plan Series CQ - Growth			35500000						355.00	Cost
	Birla Fixed Term Plan Series CU - Growth			30000000						300.00	Cost
	Birla Fixed Term Plan Series EI - Dividend Payout		6043399						604.34		Cost
	Birla Fixed Term Plan Series EP - Dividend Payout		3903331						390.33		Cost
	Birla Fixed Term Plan Series EW - Growth		5299700						529.97		Cost
	Birla Fixed Term Plan Series FA - Growth		4246499						424.65		Cost
	Birla Savings Fund -Institutional-Daily Dividend -Reinvestment		176555	312941					176.67	31.32	Cost
	Birla Fixed Term Plan Series CK Growth		9646	500000					9.66	50.00	Cost
	Birla Fixed Term Plan Series DH Growth		3000000						300.00		Cost
	Birla Fixed Term Plan Series DL Growth		1500000						150.00		Cost
	Birla Fixed Term Plan Series EB Dividend Payout		3000000						300.00		Cost
	Birla Fixed Term Plan Series EF Dividend Payout		3000000						300.00		Cost
	Birla Fixed Term Plan Series EM Dividend Payout		4500000						450.00		Cost
	DSP BlackRock Fixed Maturity Plan-13M-Series 2-Dividend			30000000						300.00	Cost
	DSP BlackRock Fixed Maturity Plan-12M-Series5-Dividend			40000000						400.00	Cost
	DSP BlackRock Fixed Maturity Plan-12M-Series 23-Dividend		4000000						400.00		Cost
	DSP BlackRock Fixed Maturity Plan-12M-Series 13-Growth			54500000						545.00	Cost
	DSP BlackRock Fixed Maturity Plan-12M-Series 19-Dividend		4502663						450.27		Cost
	DSP BlackRock Fixed Maturity Plan-12M-Series 18-Growth		4000000	40000000					400.00	400.00	Cost
	DSP BlackRock Fixed Maturity Plan-12M-Series 10-Growth			34000000						340.00	Cost
	DSP BlackRock Fixed Maturity Plan-12M-Series 7-Growth			30000000						300.00	Cost
	DSP BlackRock Fixed Maturity Plan-12M-Series 12-Growth		3236430						323.64		Cost
	DSP BlackRock Fixed Maturity Plan-12M-Series 32-Dividend		5988406						598.84		Cost
	DSP BlackRock Money Manager Fund - Inst -DDR		14567						145.71		Cost
	DSP BlackRock FMP Sr 32 - 12 M -Growth		5000000						500.00		Cost
	DWS Fixed Term Fund Series 67-Dividend Plan-Payout			30000000						300.00	Cost
	DWS Fixed Term Fund Series 71-Growth Plan			37000000						370.00	Cost
	DWS Fixed Term Fund Series 80-Growth Plan		3111791						311.18		Cost
	DWS Fixed Term Fund Series 5-Dividend Plan - Payout		3000000						300.00		Cost
	HDFC Floating Rate Income Fund-Short Term Plan -Wholesale Option-Dividend Daily			10510646						105.11	Cost
	HDFC Floating Rate Income Fund-Long Term Plan -Growth		6492207	44177780					1200.00	441.78	Cost
	HDFC 370D March 2011 (4) - Growth			6000000					600.00		Cost
	HDFC 370D May 2011 (1) - Growth			5008479					500.85		Cost
	HDFC 370D June 2011 (4) - Growth			4863310					486.33		Cost
	HDFC 390D March 2012 (1) - Growth			500000	5000000				50.00	50.00	Cost
	HDFC Debt Fund for Cancer Cure - 100% Dividend Donation Option			30000000						300.00	Cost
	HDFC FMP 14 M.March 2010 -Quarterly Dividend - Series XII -Payout			40000000						400.00	Cost
	HDFC 370D June 2010 (1) - Growth - Series XV			38327570						383.28	Cost
	IDFC Fixed Maturity Plan-Half Yearly Series 12-Dividend			56562828						565.63	Cost
	IDFC Fixed Maturity Plan Yearly Series 40-Growth			5854440					585.44		Cost
	IDFC Fixed Maturity Plan Yearly Series 43-Growth			3000000					300.00		Cost
	IDFC Fixed Maturity Plan Yearly Series 45-Growth										Cost

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		₹ in Lacs		Basis of Valuation
			As at 31 March 2012	As at 31 March 2011			As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	IDFC Fixed Maturity Plan Yearly Series 63-Dividend		9225757						922.58		Cost
	Kotak FMP 370 days Series 6 -Growth			4000000						400.00	Cost
	Kotak FMP Series 28 -Growth			3500000						350.00	Cost
	Kotak FMP Series 38 -Growth			34290720						342.91	Cost
	Kotak FMP Series 39 -Growth			31699100						316.99	Cost
	Kotak FMP Series 40 -Growth			33003910						330.04	Cost
	Kotak FMP Series 57 -Growth		4328954						432.90		Cost
	Kotak FMP Series 69-Dividend		3500000						350.00		Cost
	Kotak FMP Series 79-Dividend		3779841						377.98		Cost
	Kotak FMP Series 83-Growth		3637019						363.70		Cost
	Kotak FMP Series 84-Growth		7250000						725.00		Cost
	Kotak FMP Series 52 - Growth		1000000						100.00		Cost
	Kotak FMP Series 72 - Dividend		4000000						400.00		Cost
	Kotak FMP Series 75 - Dividend		4000000						400.00		Cost
	Kotak Floater Short Term -Daily Dividend		453126						45.84		Cost
	Kotak Liquid -Institutional Premium-Daily Dividend		147286						18.01		Cost
	ICICI Prudential Long Term Floating Rate Plan C - Monthly Dividend-Reinvestment			51722311						517.22	Cost
	ICICI Prudential Institutional Liquid Plan-Super Institutional-daily Dividend			226093						2.26	Cost
	ICICI Prudential Fixed Maturity Plan-Series 51-14 Months Plan D Dividend			3500000						350.00	Cost
	ICICI Prudential Flexible Income Plan-Premium-Daily Dividend-Reinvestment		6255	5094946					6.61	50.95	Cost
	ICICI Prudential Interval Half Yearly II Institutional Dividend			35076583						350.77	Cost
	ICICI Prudential Fixed Maturity Plan-Series 55-1 Year Plan F Cumulative			3750000						375.00	Cost
	ICICI Prudential Fixed Maturity Plan-Series 56-1 Year Plan A Cumulative			3600000						360.00	Cost
	ICICI Prudential Fixed Maturity Plan-Series 56-1 Year Plan E Cumulative		5197878						519.79		Cost
	ICICI Prudential Fixed Maturity Plan-Series 55-1 Year Plan G Cumulative		3500000						350.00		Cost
	ICICI Prudential Fixed Maturity Plan-Series 59-1 Year Plan A Cumulative		4000000						400.00		Cost
	ICICI Prudential Fixed Maturity Plan-Series 63-1 Year Plan B Cumulative		7508516						750.85		Cost
	ICICI Prudential Fixed Maturity Plan-Series 63-1 Year Plan C Cumulative		4000000						400.00		Cost
	ICICI Prudential Flexible Income Plan Premium -DDR		385739						407.86		Cost
	ICICI Prudential FMP Sr 61- 1 yr Plan A		5000000						500.00		Cost
	Reliance Fixed Horizon Fund -XVI -Series 3 - Growth Plan			3500000						350.00	Cost
	Reliance Fixed Horizon Fund -XVII -Series 1 - Growth Plan			40005943						400.06	Cost
	Reliance Fixed Horizon Fund -XIX -Series 8 - Growth Plan			55656886						556.57	Cost
	Reliance Fixed Horizon Fund -XX -Series 4 - Growth Plan		5801647						580.16		Cost
	Reliance Fixed Horizon Fund -XXI -Series 2 - Dividend Plan		4376970						437.70		Cost
	Reliance Fixed Horizon Fund -XXI -Series 12 - Growth Plan		3650000						365.00		Cost
	Reliance Liquid Fund - Treasury Plan -Inst-DDR		2967877						453.71		Cost
	Reliance FHF XXI -Sr 6- Growth		5000000						500.00		Cost
	SBI Debt Fund Series - 367 Days -17-Growth		11000000						1100.00		Cost
	Sundaram Fixed Term Plan-14 Months Series AA-Dividend			3000000						300.00	Cost
	Sundaram Fixed Term Plan-15 Months Series Z-Dividend			3000000						300.00	Cost
	Sundaram Fixed Term Plan BA 366 days - Growth			34097330						340.97	Cost
	Sundaram Fixed Term Plan BD 366 days - Growth		6000000						600.00		Cost
	Sundaram Fixed Term Plan BE 366 days - Growth		4000000						400.00		Cost
	Sundaram Fixed Term Plan CQ 370 days - Growth		9250535						925.05		Cost
(f)	Investments in partnership firms*										
	less: Diminution in the value of investments										-1.69
	Sub Total - Current Investments								24967.39	14693.73	
Details of Non -Current Investments											
(g)	Other non-current investments (specify nature)										
	Equity Shares-BRSCCL	Others	5000					10		0.50	Cost
	11.50% GOI 2015	Others	10	10						0.10	Cost
	11.35% IDBI Omni Bonds 2008-Sr.XV		100	100					1000.00	1000.00	Cost
	6.85% IIFCL Bonds (Tax Free)		1300	1300					1300.75	1300.75	Cost
	6.85% IIFCL Bonds (Tax Free)		200	200					200.50	200.50	Cost
	NCD Tata Capital Ltd. (12%)		50000	50000					500.00	500.00	Cost
	9.62% L&T Finance		28106	28106					281.06	281.06	Cost
	7.70% REC		50	50					494.02	494.02	Cost
	9.25% HDFC		50	50					500.00	500.00	Cost
	9.75% HDFC		50	50					500.00	500.00	Cost
	8.48% IDFC		50	50					500.00	500.00	Cost
	6.05% IRFCL Bonds (Tax Free)		500	500					500.00	500.00	Cost
	Sub Total - Non Current Investments								5776.93	5776.43	
	Total								30744.32	20470.16	

Note 9 Disclosure pursuant to Note no. L (i),(ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Long Term Loans and Advances	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
a. Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	66.33	
	<u>66.33</u>	<u>-</u>
b. Security Deposits		
Secured, considered good		-
Unsecured, considered good		
Deposit with Bombay Stock Exchange	73.42	13.42
	<u>73.42</u>	<u>13.42</u>
Total	139.75	13.42

Note 9 (a) Disclosure pursuant to Note no. L (iv) of Part I of Schedule VI to the Companies Act, 1956

There are no Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member as on reporting date.

Note 10 Disclosure pursuant to Note no.P (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956

Trade Receivables		
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	517.09	331.75
Unsecured, considered good		-
Unsecured, considered doubtful		-
Less: Provision for doubtful debts		-
Total (A)	<u>517.09</u>	<u>331.75</u>

Note 10 Disclosure pursuant to Note no.P (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956

Trade Receivables	As at 31.3.2012	As at 31.3.2011
	(₹) In Lacs	(₹) In Lacs
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	121.11	429.01
Unsecured, considered doubtful	324.24	223.32
Less: Provision for doubtful debts	(294.00)	(203.00)
Total (B)	151.35	449.33
Total (A) + (B)	668.44	781.08

Note 11 Disclosure pursuant to Note no.Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956

Cash and Bank Balances				
a. Balances with banks		3,598.16		8,138.72
This includes:				
Earmarked Balances	1.19		1.18	
Bank deposits with more than 12 months maturity (Principal Amount)	1,000.00		7,938.25	
b. Cheques, drafts on hand		-		5.30
c. Cash on hand		0.59		0.21
d. Others (specify nature)		-		-
Total		3,598.75		8,144.23

Note 12 Disclosure pursuant to Note no.R (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Short-term loans and advances	As at 31.3.2012		As at 31.3.2011	
	(₹) In Lacs	(₹) In Lacs	(₹) In Lacs	(₹) In Lacs
a. Loans and advances to related parties				
Secured, considered good		-		-
Unsecured, considered good				
	-	-	-	-
b. Others (specify nature)				
Secured, considered good		-		-
Unsecured, considered good				
Postage Advance	1.38		0.50	
Staff Advance	0.57		1.13	
Staff Loan	5.67		3.98	
Advances to parties	6.38		4.65	
Prepaid Expenses	87.89		89.67	
CMC & HSBC	-		0.20	
Income Tax (Net of provisions)	356.00		241.45	
Fringe Benefit Tax (Net of provisions)	2.62		2.62	
CENVAT Credit receivable	41.80		25.86	
MAT credit Entitlement	-	502.31	11.73	381.79
		502.31		381.79
Total		502.31		381.79

Note 13 As per Point No. 6S of General Instructions for Preparation of Balance Sheet

Other Current Assets	Balance As at 31-3-2012	Balance As at 31-3-2011
Dividend and Rent receivable	0.00	6.92
Sundry Deposits	3.34	3.94
Interest accrued on Investments	196.03	191.10
Share Application money	0.00	0.50
Total	199.37	202.46

Note 14 Disclosure pursuant to Note no. 2 of Part II of Schedule VI to the Companies Act, 1956

Particular	For the year ended 31 Mar 2012 (₹) In Lacs	For the year ended 31 Mar 2011 (₹) In Lacs
Sale of products	-	-
Sale of services	9,558.40	9,310.28
Other operating revenues	65.98	119.62
Less:		
Excise duty		
Total	9,624.38	9,429.90

Note 15 Disclosure pursuant to Note no. 4 of Part II of Schedule VI to the Companies Act, 1956

Particular	For the year ended 31 Mar 2012 (₹) In Lacs	For the year ended 31 Mar 2011 (₹) In Lacs
Interest Income	1,302.33	815.29
Dividend Income	222.59	635.63
Net gain/loss on sale of investments	885.97	106.23
Other non-operating income (net of expenses directly attributable to such income)	38.84	97.54
Total	2,449.73	1,654.69

Note 16 a Disclosure pursuant to Note no. 5(i)(a) of Part II of Schedule VI to the Companies Act, 1956

Particular	For the year ended 31 Mar 2012 (₹) In Lacs	For the year ended 31 Mar 2011 (₹) In Lacs
Employee Benefits Expense :		
(i) salaries and wages	1,109.94	1,055.60
(ii) contribution to provident and other funds,	74.01	85.67
(iii) staff welfare expenses	56.09	55.99
Total (a)	1,240.05	1,197.26

Note 16 b Disclosure pursuant to Note no. 5(i)(b) of Part II of Schedule VI to the Companies Act, 1956

Depreciation and Amortization expense		
Depreciation	401.49	555.49
Preliminary Expenses		
Registration Fees	13.57	-
Stamp Duty	5.00	-
Legal & Professional Fees	0.56	-
Total (b)	420.62	555.49

Note 16 c Disclosure pursuant to Note no. 5(ii)(c) of Part II of Schedule VI to the Companies Act, 1956

Legal, Professional and Consultancy Fees	135.85	79.78
Directors' Sitting Fees	12.14	13.70
Travelling and Conveyance	72.46	61.48
Annual SEBI Fees	10.00	10.00
Point Of Service (POS) charges**	340.34	352.66
Postage, Telephone & Communication Charges	190.95	198.18
Advertisement Expenses	0.56	6.41
Printing & Stationery	22.08	37.34
Business Promotion Expenses	43.44	27.41
Water Charges	3.44	3.06
Total (c)	831.24	790.03

** POS charges include charges towards Data Entry, Verification, Scanning & Storage of Documents & net of ₹ 40.50 lacs (Previous Year Nil) being write back of provision no longer required.

Note 16 d Disclosure pursuant to Note no. 5(ii)(h) of Part II of Schedule VI to the Companies Act, 1956

Bad Debts Written Off	144.83	140.46
Provision for diminution in the value of investments	-	-
Provision for Doubtful debts/Advances	91.00	-
Total (d)	235.83	140.46

Note 16 e Disclosure pursuant to Note no. 5(ii)(j) of Part II of Schedule VI to the Companies Act, 1956

Payment to auditors as		
I Auditor	8.35	6.84
II Reimbursement of expenses	0.42	0.22
Total (e)	8.77	7.06

Note 16 f Disclosure pursuant to Note no. 5(vi) of Part II of Schedule VI to the Companies Act, 1956

(a)Power and fuel	51.64	80.73
(b)Rent	263.75	300.79
(c)Repairs to buildings	120.37	29.24
(d)Repairs to machinery	610.86	579.14
(e)Insurance	125.39	140.62
(f)Rates and taxes, excluding, taxes on income	2.35	2.38
(g)Miscellaneous expenses	66.86	42.36
Total (f)	1,241.23	1,175.25
Total (16c + 16d +16e + 16 f)	2,317.07	2,112.80

**Note 17 Disclosure pursuant to Note no. 6(T) of Part I of
Schedule VI to the Companies Act, 1956**

Contingent liabilities and commitments (to the extent not provided for)	Balance as at 31 Mar 2012 (₹) In Lacs	Balance as at 31 Mar 2011 (₹) In Lacs
(i) Contingent Liabilities		
(a) *Claims against the company not acknowledged as debt	2,281.07	2,272.14
(b) Guarantees	-	50.00
(c) Other money for which the company is contingently liable	<u>2,281.07</u>	<u>2,322.14</u>
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	522.04	47.32
(b) Uncalled liability on shares and other investments partly paid	-	-
(c) Other commitments (specify nature)	<u>23.31</u>	<u>-</u>
	<u>545.35</u>	<u>47.32</u>
Total	2,826.42	2,369.46

***Claims against the company not acknowledged as debt**

- (a) The Company is a party in certain legal proceedings filed by beneficial owners/third parties in the normal course of business. The Company does not expect the outcome of these proceedings to have any material adverse effect on its financial conditions, results of operations and cash flow. Amount is not ascertainable.
- (b) The Commissioner of Service Tax, Mumbai has issued Show cause cum Demand Notice (SCN) on 21st October 2009 to CDSL demanding service tax amount of ₹ 1791 lacs on the charges recovered by CDSL for providing “Depository services” to DPs and RTAs for the period 2004-05 to 2008-09.

The Commissioner of Service Tax, Mumbai has issued Show cause cum Demand Notice (SCN) on 04th October 2010 to CDSL demanding service tax amount of ₹ 465 lacs on the charges recovered by CDSL for providing “Depository services” to DPs and RTAs for the period 2009-10.

Company has obtained two legal opinions which states that CDSL is not liable for the service tax as demanded in the aforesaid notice. Company has filed a comprehensive reply based on jurisdiction and merits, vide its letter dated November 25, 2009 and November 2, 2010 to the SCNs respectively and requested for personal hearing in the matter. Till date no reply from Service Tax Department has been received.

(c) Contingent Liability in respect of Income Tax matters of subsidiary Company CDSL Ventures Ltd.:

The CDSL Ventures Ltd. has files an appeal on 18/01/2010 before the Income Tax Tribunal Authority against the disallowance of business loss of Rupees 116 lacs in financial year 2006-07. In case, a favorable decision from Tribunal is not recived, a tax demand of Rupees 40 lacs (approx) would arise for the financial years 2009-10 and 2010-11 wherein, the loss was set-off against the taxable income of those years.

Note 18 Disclosure pursuant to Note no. 6(U) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Total (₹) In Lacs	Per share Amount In ₹
Dividends proposed to be distributed to equity shareholders	1,567.50	1.50
Dividends proposed to be distributed to preference shareholders	-	-
Arrears of fixed cumulative dividends on preference shares	-	-

Note 19 Significant Accounting Policies:

i. Principles of consolidation

The consolidated financial statements relate to Central Depository Services (India) Limited ("the Company") and its subsidiary company CDSL Ventures Limited and Central Insurance Repository Limited have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- b) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

ii. Investments

Investments have been accounted as per Accounting Standard (AS) 13 - "Accounting for Investments". Since this Accounting Standard does not lay down presentation norms, presentation of all investments in the Balance Sheet have been made based on Current / Non-current classification as defined in the Revised Schedule VI. The portion of long-term investments as per AS 13 which are expected to be realized within twelve months from the Balance Sheet date are shown as Current Investment.

iii. Other significant accounting policies :

These are set out under "Significant Accounting Policies" as given in the Standalone Financial Statements of Central Depository Services (India) Limited and its subsidiaries.

Note 20 The subsidiary companies considered in the consolidated financial statements are:-

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest
CDSL Ventures Limited	India	100.00 %
Central Insurance Repository Limited	India	
- On its own name		53.59 %
- Through CDSL Ventures Limited		10.51 %

Note 21 Deferred Tax Assets :

	(₹ in Lacs)	
	2011-12	2010-11
The components of deferred tax assets are as under:		
Provision for Doubtful Debts/Advances	95.39	65.86
Provision for Diminution in Value of Investments	-	0.28
Expenses allowed on payment basis	56.66	74.31
Depreciation	139.23	128.25
Total	291.28	268.70

Note 22

The Group is engaged in providing depository, data processing services and insurance repository services. The Group does not have any geographic segment. Since the revenue, profit or assets of the insurance repository services segment do not exceed 10% of the Group's revenue, profits or assets, the Group has two reportable segments i.e. Depository Services and Data Processing Services, in terms of Accounting Standard 17 on 'Segment Reporting' as notified by the Companies (Accounting Standards) Rules, 2006.

Segment Information	Year ended on 31-03-2012 (₹) In Lacs	Year ended on 31-03-2011 (₹) In Lacs
I Segment Revenue		
(a) Depository Activity	7,897	8,557
(c) Others	-	-
Total	9,695	9,449
Less : Inter Segment Revenue	42	19
Total Income	9,654	9,466
II Segment Results		
(a) Depository Activity	4,665	5,781
(b) Data Entry and Storage	1,185	375
(c) Others	-20	-
Total	5,830	6,156
III Add : Unallocated Corporate Income	2,420	1,619
Less : Unallocated Corporate		
IV Expenses	19	-
Less : Depreciation		
(a) Depository Activity	354	542
(b) Data Entry and Storage	47	13
V Total Depreciation	401	555
VI Profit before tax	7,830	7,219
Less : Income tax expense		
a) Depository Activity	1,893	2,050
(b) Data Entry and Storage	398	60
VII Total Income Tax Expense	2,291	2,110
VIII Profit after tax	5,538	5,109

	As on 31-03-2012	As on 31-03-2011
IX Segment Assets		
(a) Depository Activity	4,289	9,484
(b) Data Entry and Storage	383	399
(c) Others	501	-
Total	5,173	9,883
X Unallocated Corporate Assets	31,595	21,220
XI Total Assets	36,768	31,104
XII Segment Liabilities		
(a) Depository Activity	3,236	2,744
(b) Data Entry and Storage	230	283
(c) Others	2	-
Total	3,468	3,027
XIII Unallocated Corporate Liabilities	2,997	1,487
XIV Total Liabilities	6,465	4,514
XV Capital Expenditure		
(a) Depository Activity	62	108
(b) Data Entry and Storage	62	90
(c) Others	-	-
Total	124	198
XVI Non Cash Expenses other than Depreciation	-	-

Note 23. Expenses in foreign currency

(₹ in Lacs)

	2011-12	2010-11
Travelling Expenses	18.30	10.44
Others	5.47	7.82

Note 24 Related Party Disclosures:

(a)	List of related parties and their relationship:		
	Holding Company: Bombay Stock Exchange Ltd - Shareholder with more than 50% interest in voting power. Key Managerial Personnel: Shri V V Raut - MD & CEO-resigned on 31/07/2010 Shri P S Reddy - MD & CEO		
	(₹ in Lacs)		
(b)	Transactions during the year:	2011-2012	2010-2011
	Bombay Stock Exchange Limited:		
	- Custodial Fees and Corporate Action charges received	0.33	0.33
	- Payment towards VSAT usage charges, rent, electricity and other expenses	804.71	444.64
	- Sale of Computer Hardware	-	-
	- Reimbursement of expenses paid on behalf of Bombay Stock Exchange Limited	7.34	9.41
	- Dividend	679.62	679.62
	Managerial remuneration		
	Shri V V Raut	-	205.35
	Shri P S Reddy	73.67	49.26
(c)	Balances at the year end:	31.03.2012	31.3.2011
	Bombay Stock Exchange Limited		
	- Deposit with BSE	73.42	13.42
	- Amount Payable/(Receivable)	272.08	(2.17)
	- Face Value of Shares	5663.46	5663.46

Notes :

- a) No amounts in respect of the related parties has been provided for as doubt ful debts or written off/back during the year.
- b) Related party relationship is as identified by the Company and relied upon by the auditors.
- c) All the above transactions are in the ordinary course of the business of the Company.

Note 25

VSAT connectivity facilities provided by the Bombay Stock Exchange Limited (BSE) are used by the Company as also by the Company's Depository Participants (DP's) and other users. As agreed with the BSE the user charges invoiced by the Company to the DPs and other users are recovered by the Company and passed on to the BSE and therefore, are not recognised as Company's revenues: ₹ 81.43 lacs (Previous Year ₹ 103.42 lacs)

Note 26

(a) Investor Education and Awareness Programme :

During the year, out of the penalty collected on account of late transfer of securities by Depository Participants to beneficial owner accounts, ₹ 2.70 lacs (Previous Year ₹ 3.35 lacs) utilized for conducting various investor education and awareness programme. Balance of ₹ 23.01 lacs (Previous year ₹ 16.72 lacs) is to be utilised for the said programme has been disclosed in "Other Current Liabilities"

(b) Beneficial Owner's Protection Fund :

As advised by SEBI, the Company had set up a Trust called "CDSL Beneficial Owner's Protection Fund"(BOPF) with the object of indemnification of losses suffered by Beneficial Owners. As per the rules of the said Fund, corpus is constituted mainly out of (a) penalties collected from Depository Participants (DPs) and (b) amount funded by the Company from time to time based on certain percentage of annual issuer fees and interest earned on security deposit from DPs. Details of the Fund account disclosed in "Other Current Liabilities" are given below :

(₹ in lacs)

	Current Year	Previous Year
Opening Balance	79.17	92.83
Add :		
Penalties levied (net)	3.25	4.34
Other Contributions*	84.10	71.81
Less : Funded	77.94	89.81
Closing Balance	88.55	79.17
* Refer Notes 14 & 15		

Note 27

- a) In the opinion of the Management, the Current Assets, Loans & Advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The provision for depreciation and other known liabilities is adequate and is not in excess of what is required.

- b) The accounts of certain sundry debtors, creditors and deposits are subject to confirmation/reconciliation and adjustments, if any. In the opinion of the management, adjustments as may be required in the above cases, to the stated values of the assets and liabilities on these accounts, would not be significant.

Note 28

The Company has determined the liability for Employee Benefits as at March 31, 2012 in accordance with the revised Accounting Standard 15 on "Employee Benefits" prescribed in Companies (Accounting Standards) Rules, 2006.

Note 29

Basic and Diluted Earning Per Share is calculated as under :-

	2011-2012	2010-2011
(i) Numerator - Net Profit as per Profit & Loss Account (₹ in Lacs)	5,534.48	5108.53
(ii) Denominator - Weighted Average Number of Equity Shares outstanding during the year (No.'s)	10,45,00,000	10,45,00,000
(iii) Nominal Value of Shares (₹.)	10.00	10.00
(iv) Basic and Diluted Earning Per Share (₹.)	5.30	4.89

Note 30

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

Signatures to Notes 1 to 30

For and on behalf of the Board of Directors

Satish Budhakar
Senior Vice President
& Group Company Secretary

N Rangachary
Chairman

P. S. Reddy
Managing Director
& CEO

Place : Mumbai

Date : 16th April, 2012

Statement pursuant to section 212 of the Companies Act, 1956, relating to subsidiary company

1 Name of the subsidiary	: CDSL VENTURES LIMITED	CENTRAL INSURANCE REPOSITORY LIMITED
2 Financial Year of the Subsidiary Company ended on	: 31 ST March 2012	31 ST March 2012
3 Holding Company's interest as on above date (Inclusive of holding through its subsidiary)		
Number of shares	: 30,00,000 equity shares of Rs.10each fully paid	1,83,00,000 equity shares of Rs.10each fully paid
Extent of Holding	: 100%	64%
4 The Net Aggregate amount of the Subsidiary's Profit/(Losses) so far as it concerns members of the holding company and is not dealt with in Holding Company's accounts		
(i) for the financial year of the company	: <u>₹ in lacs</u> 781.66	<u>₹ in lacs</u> 11.07
(ii) for the previous financial years of the subsidiary since it became the holding company's subsidiary	: 154.76	NIL
5 Net aggregate amounts of the Profit/(Losses) of the subsidiary dealt with in company's account		
(i) for the financial year of the company.	: NIL	NIL
(ii) for the previous financial year of the subsidiary since it became the holding company's subsidiary	: NIL	NIL

CDSL DP NETWORK

ANDHRA PRADESH

Hyderabad AP 1
Nizamabad AP 2
Visakhapatnam AP 3

ASSAM

Guwahati AS 1
Tinsukia AS 2

BIHAR

Gaya BR 1
Muzaffarpur BR 2

CHANDIGARH

Chandigarh CH 1

CHATTISGARH

Bhilai CT 1
Raipur CT 2

GOA

Panaji GA 1

GUJARAT

Ahmedabad GJ 1
Bardoli GJ 2
Bhavnagar GJ 3
Gandhinagar GJ 4
Jamnagar GJ 5
Nadiad GJ 6
Palanpur GJ 7
Rajkot GJ 8
Surat GJ 9
Vadodara GJ 10
Unjha GJ 11

HARYANA

Ambala Cantt HR 1
Gurgaon HR 2
Hissar HR 3
Sirsa HR 4

JHARKHAND

Jamshedpur JH 1
Ranchi JH 2

KARNATAKA

Bangalore KA 1
Mangalore KA 2
Udipi KA 3

KERALA

Ernakulam KL 1
Kochi KL 2
Thiruvananthapuram KL 3
Thrissur KL 4

MADHYA PRADESH

Bhopal MP 1
Indore MP 2
Jabalpur MP 3
Shahdol MP 4

MAHARASHTRA

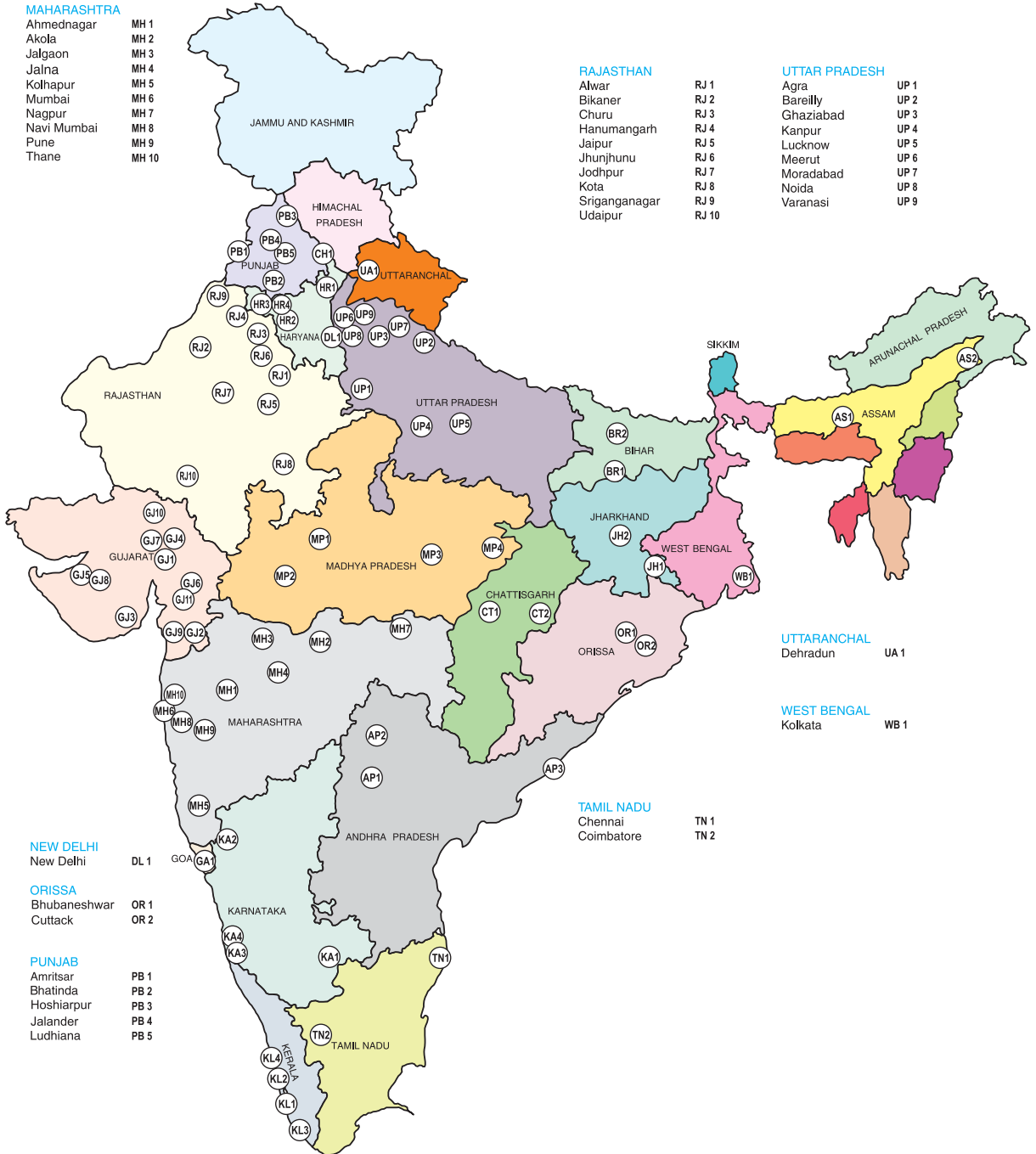
Ahmednagar MH 1
Akola MH 2
Jalgaon MH 3
Jalna MH 4
Kolhapur MH 5
Mumbai MH 6
Nagpur MH 7
Navi Mumbai MH 8
Pune MH 9
Thane MH 10

RAJASTHAN

Alwar RJ 1
Bikaner RJ 2
Churu RJ 3
Hanumangarh RJ 4
Jaipur RJ 5
Jhunjhunu RJ 6
Jodhpur RJ 7
Kota RJ 8
Sriganganagar RJ 9
Udaipur RJ 10

UTTAR PRADESH

Agra UP 1
Bareilly UP 2
Ghaziabad UP 3
Kanpur UP 4
Lucknow UP 5
Meerut UP 6
Moradabad UP 7
Noida UP 8
Varanasi UP 9



* Map not to scale



Central Depository Services (India) Limited

Convenient ♦ Dependable ♦ Secure

17th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.

Phone : 91-22-2272 3333, Fax : 91-22-2272 3199 / 2272 2072

www.cdslindia.com

CDSL Regional Offices

Western Region

Ahmedabad

Mr. Utpal Shah
203/204, Abhishree Avenue,
2nd floor, Near Nehru Nagar Circle,
S.M.Road, Ambawadi, Gujarat
Ahmedabad – 380 015
Phone : 079 - 30936232
Mobile No.: (0)9327691723
Email : utpals@cdslindia.com

Northern Region

New Delhi

Mr. Prateek Mohan
15th Floor, Gopal Das Bhawan,
28, Barakhamba Road,
New Delhi - 110001.
Phone : 011 - 43007413-16
Email : prateekm@cdslindia.com

Jaipur

Mr. Yashwant Gupta
C/o Jaipur Stock Exchange,
Room No. 379, 3rd Floor,
J.L.N. Marg, Malviya Nagar,
Jaipur - 302 017.
Mobile No.: (0)9314647826
Email : yashwantg@cdslindia.com

Ludhiana

Mr. Inderjeet Singh
214, Ludhiana Stock Exchange
Building, Feroze Gandhi Market,
Ludhiana – 141 001. Punjab
Mobile No.: (0)9872603304
Email: inderjitp@cdslindia.com

Eastern Region

Kolkata

Mr. Moly Biswas
Horizon, 2nd Floor,
Opp. Exide Building,
57, Jawaharlal Nehru Road,
Near Rabindra Sadan Metro,
Kolkata - 700 071
Phone : 033 - 32974880
Email : molyb@cdslindia.com

Southern Region

Chennai

Mr. A. R. Vaasudevan
BSE Investor Service Center
No:4, Vijaya Towers, III Floor,
Kodambakkam High Road,
Chennai - 600 034. Tamil Nadu
Mobile No.: (0)9381995000
Email : vasudevan@cdslindia.com

Hyderabad

Mr. Shiva Prasad Venishetty
Flat No.: 304, Right Wing,
Amrutha Ville, Opp. Yashoda
Hospital, Raj Bhavan Road,
Somajiguda,
Hyderabad - 500 082.
Phone : 040 - 30722562
Mobile No.: (0)9347033350
Email : shivap@cdslindia.com

Kochi

Mr. Shibunath T.
BSE Investor Service Centre,
4th Floor, M.E.S,
Dr. P.K. Abdul Gafoor
Memorial Culture Complex,
Judges Avenues, Kaloor,
Kochi - 682017 Kerala
Mobile No.: (0)9895449539
Email : shibunatht@cdslindia.com

Bengaluru

Mr. C. S. Harisha
No. 34 & 35, Annapurna Complex,
South End Road, Basavanagudi,
Bangalore - 560 004
Mobile No.: (0)9902103263
Email : csharisha@cdslindia.com