

The Calcutta Stock Exchange Ltd.

BOARD OF DIRECTORS

Mr. Udayan Bose	-	Public Interest Director (Chairman)
Mr. Satyabrata Ganguly	-	-Do-
Mr. Shyamal Datta	-	-Do- (Upto 15.12.2008)
Mr. Jayanta Mitra	-	-Do- (From 15.12.2008)
Mr. Dipankar Chatterji	-	Shareholder Director
Mr. Ravi Poddar	-	-Do-
Mr. M. L. Soneji	-	-Do- (From 30.08.2008)
Mr. Sanjay Budhia	-	-Do-
Mr. Sunil Mitra	-	-Do- (Upto 10.08.2009)
Mr. Jhabarmall Choudhary	-	Trading Member Director
Mr. Ajit Khandelwal	-	-Do-
Mr. Binay Kumar Agarwal	-	-Do-
Ms. Molly Thambi	-	Managing Director & CEO (From 15.12.2008)

COMPANY SECRETARY & FINANCIAL CONTROLLER

Mr. Abhijit Majumdar

BANKERS

United Bank of India
HDFC Bank Limited

ADVOCATES

Sandersons & Morgans

AUDITORS

S. S. Kothari & Associates
(Chartered Accountants)

REGISTRAR & TRANSFER AGENT

C.B. Management Services (P) Ltd.



Directors' Report to the Shareholders

Your Directors take the pleasure in presenting the 86th Annual Report on the business and operations of the company along with audited statement of accounts for the financial year ended 31st March, 2009.

1. Operational Highlights :

During the year under review, the income of the Exchange has gone up to Rs.20.39 crores as against Rs.16.94 crores of last year registering a growth of 22.33%. This comprises of sharp increase in operating income from Rs.2.89 crores of the last year to Rs.4.80 crores in the current year. This apart, the income from investment and deposits has also increased from Rs.12.71 crores to Rs.14.57 crores keeping the other income to almost similar level of that of last year. The company expects better financial performance next year consequent to new business initiatives being rolled out.

2. Financial Parameters :

FINANCIAL RESULTS :		
	Rupees in Lacs	
	2008-09	2007-08
Profit / Surplus before Depreciation	350.31	296.81
Depreciation	77.08	58.10
Profit / Surplus before Tax	273.23	238.71
Provision for Tax	94.59	86.36
Profit / Surplus after Tax	178.64	152.35
Add: Investors' Service Fund written back	41.94	25.68
Settlement Guarantee Fund	56.74	38.43
Loss on sale of Assets/Bad Debts of Pre-demutualisation period	34.43	1.48
Provision for Impairment of Assets	5.27	-
	317.02	217.94
Appropriated to :		
Investors' Service Fund	45.30	43.91
Sundry Balances of Pre-Demutualisation Period written back	13.22	-
Provision for Leave encashment of Pre-Demutualisation Period adjusted with General Reserve	-	50.15
Proposed Dividend	42.77	-
Dividend Distribution Tax	7.27	-
Transfer to General Reserve	100.00	-
Fines pertaining to earlier years transferred for adjustment against BSE-TOT	-	28.92
Surplus / (Deficit) Carried to Balance Sheet	108.46	94.96
	317.02	217.94

3. Dividend :

Your Directors are pleased to recommend 700% dividend for every fully paid up equity share held by the shareholders for the financial year 2008-09, aggregating to Rs. 42.77 lakhs, subject to approval of the shareholders in forthcoming Annual General Meeting.

4. Directors :

During the year under review, Shri Sunil Mitra had resigned from the directorship of your company on and from 10th August,2009 consequent upon his move to new assignment as Secretary (Disinvestment) under the Ministry of Finance, Govt. of India. Board takes on record the enormous contribution made by Shri Mitra in the growth and continuity of this Exchange and expressed heartfelt thanks and best wishes to Shri Mitra for his new assignment. The vacancy caused by this resignation is in the process of being filled up.

Above apart, Shri Shyamal Datta, Public Interest Director had resigned from the Board and Shri Jayanta Kumar Mitra, Senior Advocate, was inducted in his place as Public Interest Director with effect from 15th December, 2008 in accordance with the approval of SEBI. While taking on record the contribution made by Shri Datta during his tenure of directorship with the company, Board welcomed Shri Mitra as a member of the Board.

It is further reported that in the ensuing Annual General Meeting Shri Ravi Poddar and Shri Sanjay Budhia, both shareholders' representatives and Shri Ajit Khandelwal, trading members' representative are liable to retire by rotation and being eligible offer themselves for reappointment.

5. Change of Name :

The name of your Exchange has been changed to the Calcutta Stock Exchange Limited consequent to the demutualisation of the Exchange. Accordingly, a fresh Certificate of Incorporation was issued by the Registrar of Companies, West Bengal on 23rd June, 2009.

6. Manpower Restructuring :

In June, 2009, a Voluntary Retirement Scheme was introduced and 19 employees of the company voluntarily opted for retirement. Most of the employees above the age of 50 have opted for the VRS. Apart from this, the long pending charter of demands of the employees union was settled mutually and amicably. The age of retirement of the employees has also been brought down to 60 years from 65 years.

7. Commencement of DP Business :

Your Directors are also pleased to inform you that CSE has started its own Depository Participant services with CDSL. This is a value added service for the members and will be a revenue stream in future. The company will make efforts to enhance these services further in the near future.

8. Formation of a Subsidiary Company :

Your Company has formed a 100% subsidiary, namely, CSE Capital Markets Private Limited (CCMPL) in April'09 for acquiring the trading membership of NSE in both equity and derivative segments and to deal with other financial products. The Directors take great pleasure in informing you that our business partner, Bombay Stock Exchange has given their consent to apply for NSE membership. CCMPL has already received the provisional membership approval from NSE and the business segment will start operations once SEBI gives the requisite clearance and approval. This is expected to give an access to the F & O segment to the trading members of CSE as well as generate additional business income.

9. Land :

Recently, there was a proposal from the Kolkata Municipal Commissioner for bifurcating the company's land on E. M. Bypass of 5 acres into two parts i.e., 3 acres and 2 acres to allow us an unencumbered title over 3 acres of land by which CSE will be able to utilize the 3 acres without any end use restriction. In order to give effect to the above decision, an EGM of the shareholders was convened on 21st May,2009 where the consent of the members was obtained. Now, KMC has also got the approval of their full house and are in the process of execution of the agreement.



10. Investor Education and Tie-up for Financial Literacy Programs :

The exchange lays stress on the importance of investor education and it will be our endeavor to take this initiative forward by involving investors across West Bengal through means of seminars, workshops and investor meets. CSE has also tied up with the National Institute of Securities Markets (an institution promoted by SEBI) to develop the concept of financial literacy in schools.

Apart from the above initiatives, it is a constant endeavor to strengthen the risk management mechanisms in the exchange to ensure a safe and risk-minimized trading environment for members as well as the retail investors. We have been trying to concentrate energies internally to create the conditions for a new phase of organic growth for CSE.

11. Directors' Responsibility Statement :

As required under Section 217(2AA) of the Companies Act,1956, we state that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation to material departures ;
- (ii) such accounting policies selected and applied are consistent and the judgments 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 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 fraud and other irregularities ;
- (iv) the annual accounts have been prepared on a going concern basis.

12. Extension of Time for Holding the AGM :

In response to our application for extension of time for holding 86th Annual General meeting by three months, the Registrar of Companies, West Bengal has granted vide his letter dated 7th September, 2009 an extension of time for holding AGM by three months.

13. Employee Particulars :

Pursuant to the provisions of Section-217(2A) of the Companies Act,1956, the necessary annexure is attached herewith as Annexure-A.

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

Since the Exchange does not own any manufacturing facility, your Directors have nothing to report with regard to conservation of energy and technology absorption in terms 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.

During the year, there was no foreign exchange earning or outgo reported in the Accounts.

15. Reappointment of Auditors :

The Auditors, M/s. S. S. Kothari & Associates, hold office until the conclusion of the ensuing AGM but being eligible, offer themselves for reappointment.

16. Standing Committees :

The following three Standing Committees have been functioning during the period under review :-

- 1) Disciplinary Action and Surveillance Committee
- 2) Arbitration Committee
- 3) Defaulters' Committee

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Apart from the three Standing Committees, the other Committees given below are also functioning :-

- 1) Audit & Finance Committee
- 2) Ethics Committee
- 3) Listing, Delisting, Investor Services & Membership Selection Committee
- 4) Business Development & Technology Committee
- 5) HR Committee
- 6) Premises Committee

17. Acknowledgement :

Your Directors would like to express their grateful appreciation for the continued assistance, co-operation and guidance received from SEBI, Ministry of Finance, Govt. of India, Govt. of West Bengal, Kolkata Municipal Corporation, Registrar of Companies, Bombay Stock Exchange Limited and several other business associates during the year under review.

The Directors wish to put on record their thanks to all trading members of the Exchange for their unstinted support and co-operation.

The Directors further wish to place on record their appreciation for the devoted and dedicated services rendered by the employees of the Exchange and look forward to their continued services with zeal in the years ahead.

Dated the 23rd September,2009

Udayan Bose
Chairman



Auditors' Report

We have audited the annexed Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date of THE CALCUTTA STOCK EXCHANGE ASSOCIATION LIMITED (the Exchange).

These financial statements are the responsibility of the management of the Exchange. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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 misstatements. 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.

We report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion proper books of account as required by law have been kept by the Exchange so far as appears from our examination of the books of account.
3. The Balance Sheet, the Income and Expenditure Account and the Profit and Loss Account referred to above are in agreement with the books of account and, in our opinion, comply with Accounting Standards referred in Sub-section (3C) of Section 211 of the Companies Act, 1956.
4. On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

5. We further report that:

- (i) *Advances include Rs.91,17,68,941 due from ten defaulting members, under litigation, and Rs. 1,18,70,832 due from others which remained unrealised for prolonged period and hence the extent of recoverability of which is not presently ascertainable as stated in Note No. 4(ii) of Part B in Schedule "L";*
- (ii) *Advance include Rs.3,31,16,923 due from certain other defaulting members against whom the Exchange has also filed recovery suits, the recoverability of which is presently not ascertainable, not provided for in view of the reasons stated in Note No. 4(iii) of Part B in Schedule "L";*
- (iii) *Contributions made by certain members to Settlement Guarantee Fund in earlier years Rs.31,17,81,801 are subject to certain conditions as stated in Notes No.4(v) of Part B in Schedule "L";*
- (iv) *Additional Contribution for the year payable to the Settlement Guarantee Fund Rs. 1,52,454 has not been charged off to the Profit and Loss Accounts and also no provision is considered necessary for the same due to reasons stated in Note No. 5 of Part B in Schedule "L";*

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- (v) *Dividends and Interests on Members' Deposits for Security for Base Capital Requirements Rs. 8,30,25,890 as also amount of tax deducted at source up to 31st March, 2009 Rs. 2,15,88,287, which has been accounted for by the Exchange on the basis of Tax Deduction Certificates available with the Exchange, remain accumulated under Settlement Guarantee Fund as stated in Note No. 6 of Part B in Schedule "L";*
- (vi) *The balances under various heads of account pertaining to members are subject to adjustments, if any, on completion of reconciliations of Departmental records as stated in Note No. 7 of Part B in Schedule "L", the extent and resultant effects of which are presently indeterminate.*
6. *Subject to paragraph 5 above, the extent of impact of which on the net worth as on 31st March, 2009 and also on the operating results for the year is not presently ascertainable, in our opinion and according to the explanations given to us, the accounts, read together with Significant Accounting Policies and Notes appearing in Schedule – "L", give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:*
- (a) In the case of Balance Sheet, of the state of affairs of the Exchange as on 31st March, 2009 and
- (b) In the case Profit and Loss Account of the profit for the year ended on that date.

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report)(Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, on the matters specified in paragraphs 4 and 5 of the said Order and on the basis of such checks of the books and records of the Exchange as we considered appropriate and according to the information and explanations given to us, we further report that:

1. (a) The Exchange has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) We are informed that the Exchange has adopted a program for physical verification of fixed assets in a phased manner to cover physical verification of all the assets over a period of three years and accordingly certain fixed assets have been physically verified by the management during the year. We are of the opinion that the frequency of physical verification of fixed assets should be improved so as to cover major part of fixed assets by way of perpetual system of physical verification. We are also informed that no discrepancy has been noticed on the physical verification conducted at the end of the year.
- (c) The Exchange has not disposed off any substantial part of fixed assets during the year.
2. The nature of activities of the Exchange does not require it to hold inventories and as such clauses (ii) (a) to (ii)(c) of paragraph 4 of the Order are not applicable.
3. (a) The Exchange has not granted any loan, secured and unsecured, to any company, firm or other party. Accordingly, clauses (iii)(b) to (iii)(d) of paragraph 4 of the Order are not applicable.
- (b) The Exchange has not taken any loan, secured or unsecured, from any company, firm or other party. Accordingly, clauses (iii)(f) and (iii)(g) of paragraph 4 of the Order are not applicable.



4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Exchange and the nature of its business with regard to purchase of fixed assets and rendering of services. There has not been any continuing failure to correct major weaknesses in control. The nature of activities of the Exchange does not require any purchase of inventory and sale of goods. However, in our opinion the overall internal control in respect of reconciliation of inter-departmental records should be adequately strengthened particularly in view of changed operating status of the Exchange.
5. In our opinion and according to the information and explanations given to us, there is no transaction that needs to be entered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clause (v)(b) of paragraph 4 of the Order is not applicable.
6. The Exchange has not accepted any deposit from the public under the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
7. The Exchange has appointed a firm of Chartered Accountants to do internal audits periodically. In our opinion, the internal audit system is commensurate with the size and nature of business of the Exchange.
8. The Central Government has not prescribed maintenance of cost records under clause (d) of Section 209(1) of the Companies Act, 1956.
9. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Exchange has been regular in depositing undisputed statutory dues including provident fund, investors education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and any other material statutory dues, as applicable to the Exchange, with the appropriate authorities. As on 31st March, 2009 there are no undisputed statutory dues payable for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and as per the records of the Exchange, the dues in respect of income tax as on 31st March, 2009 that have not been deposited with the appropriate authorities on account of disputes and the forum where the disputes are pending are given below:

Name of the Statute	Nature of the Dues	Years	Amount Rs.	Forum where dispute is pending
Income-tax Act, 1961.	Income Tax	Assessment Year 1993-94.	1,08,45,085	Assessing Officer for re-assessment.

10. The Exchange does not have accumulated losses as at 31st March, 2009 and has not incurred cash losses in the financial year and in the immediately preceding financial year.
11. The Exchange has not taken any loan from bank or financial institution and has not issued any debenture.
12. According to the information and explanations given to us, the Exchange has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

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13. The Exchange is not a chit fund or a nidhi/mutual benefit fund/society; therefore clause (xiii) of paragraph 4 of the Order is not applicable to the Exchange.
14. In our opinion and according to the information and explanations given to us, the Exchange is not dealing in or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Exchange has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Exchange has not obtained any term loan.
17. According to the information and explanations given to us and on the basis of our overall examination of the Balance Sheet of the Exchange, no funds raised on short-term basis have been used for long-term investments.
18. The Exchange has not made any preferential allotment of shares during the year.
19. The Exchange has not issued any debentures.
20. The Exchange has not raised any money by way of public issue during the year.
21. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud on or by the Exchange has been noticed or reported during the year.

For **S. S. Kothari & Associates**
Chartered Accountants

Centre Point,
21, Old Court House Street,
Kolkata – 700 001
Dated the 23rd September, 2009

(P K Bhattacharya)
Partner
Membership No. 15899



STATEMENT OF ACCOUNTS

The Calcutta Stock Exchange Ltd.

BALANCE SHEET AS AT 31st MARCH, 2009

	SCHEDULE	As at 31st March 2009		As at 31st March 2008	
		Rs.	Rs.	Rs.	Rs.
I SOURCES OF FUNDS					
SHAREHOLDERS' FUND					
Capital	A		6,18,750		6,18,750
Reserves and Surplus	B		207,79,34,070		211,09,09,272
Deferred Tax Liability			-		2,87,301
			<u>207,85,52,820</u>		<u>211,18,15,323</u>
II. APPLICATION OF FUNDS					
FIXED ASSETS	C				
Gross Block		34,49,16,880		38,37,32,414	
Less : Depreciation		<u>28,17,10,048</u>		<u>27,99,37,112</u>	
Net Block		6,32,06,832		10,37,95,302	
Capital Work-in-progress		-	6,32,06,832	<u>1,16,39,179</u>	11,54,34,481
INVESTMENTS	D		13,23,06,775		27,19,24,175
CURRENT ASSETS, LOANS AND ADVANCES	E				
Sundry Debtors		5,91,34,206		4,13,63,617	
Cash and Bank Balances		87,42,21,236		87,30,49,121	
Other Current Assets		2,03,62,451		1,04,12,940	
Loans & Advances		<u>220,55,25,606</u>		<u>205,21,90,471</u>	
		315,92,43,499		297,70,16,149	
LESS : CURRENT LIABILITIES & PROVISIONS	F				
Current Liabilities		124,48,44,330		123,77,39,094	
Provisions		<u>3,29,19,536</u>		<u>1,54,09,368</u>	
		127,77,63,866		125,31,48,462	
NET CURRENT ASSETS			188,14,79,633		172,38,67,687
DEFERRED TAX ASSETS			10,54,740		-
MISCELLANEOUS EXPENDITURE (To the extent of not written off or adjusted)					
Deferred Revenue Expenditure on Project Appraisal of Commodity Exchange			5,04,840		5,88,980
			<u>207,85,52,820</u>		<u>211,18,15,323</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	L				

For and on behalf of The Calcutta Stock Exchange Association Ltd

UDAYAN BOSE
Chairman

DIPANKAR CHATTERJI
Director

As per our Report of even date
For S S Kothari & Associates
Chartered Accountants

MOLLY THAMBI
Managing Director & Chief Executive Officer

ABHIJIT MAJUMDAR
Company Secretary & Financial Controller

P K Bhattacharya
Partner

Kolkata, the 23rd September 2009



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AS AT 31ST MARCH, 2009

PARTICULARS	Schedule	For the Year ended as at 31st March, 2009 Rs.	For the year ended as at 31st March, 2008 Rs.
INCOME			
Operating Income	G	4,79,61,016	2,89,17,584
Income from Investments and Deposits	H	14,56,79,564	12,71,23,386
Other Services / Income	I	1,02,58,377	1,34,05,418
		<u>20,38,98,957</u>	<u>16,94,46,388</u>
EXPENDITURE			
Computer Maintenance and Service Charges		1,90,75,853	2,41,46,623
Staff Costs	J	4,21,71,159	2,87,10,759
Administration and Other Expenses	K	3,30,44,222	2,50,50,604
Loss on Surrender of Land		18,78,593	-
Investors' Services Expenses		41,93,735	25,68,289
Contribution to SEBI		44,44,825	43,41,846
Contribution to Customers Protection Fund		10,59,732	9,84,615
Contribution to Settlement Guarantee Fund		6,29,99,988	5,39,62,753
		<u>16,88,68,107</u>	<u>13,97,65,489</u>
Profit before Depreciation		<u>3,50,30,850</u>	<u>2,96,80,899</u>
Depreciation		77,07,599	58,10,470
Profit before Tax		<u>2,73,23,251</u>	<u>2,38,70,429</u>
Fringe Benefit Tax		3,01,515	2,84,535
Provision for Deferred Tax		(13,42,041)	2,87,301
Provision for Current Tax		1,05,00,000	80,64,661
		<u>94,59,474</u>	<u>86,36,497</u>
Profit after Tax		<u>1,78,63,777</u>	<u>1,52,33,932</u>
ADD :			
Impairment of Assets of Pre-Demutualisation Period adjusted with General Reserve		5,27,271	-
Loss on discard of Assets of Pre-Demutualisation Period adjusted with General Reserve		4,08,082	-
Loss on sale of Assets of Pre-Demutualisation Period adjusted with General Reserve		28,002	1,48,062
Loss on Surrender of Land of Pre-Demutualisation Period adjusted with General Reserve		18,78,593	-
Bad Debts of Pre-Demutualisation Period adjusted with General Reserve		11,27,974	-
Expenses incurred on behalf of Investors' Services Fund Written Back		41,93,735	25,68,289
Settlement Guarantee Fund Expenses		56,74,457	38,43,205
		<u>1,38,38,114</u>	<u>65,59,556</u>
LESS :			
Transferred to General Reserve		1,00,00,000	-
Investors' Service Fund		45,30,350	43,90,630
Provision for Leave Encashment of Pre-Demutualisation Period adjusted with General Reserve		-	50,14,608
Sundry Balances Written Back of Pre-Demutualisation Period adjusted with General Reserve		13,22,137	-
Fines realised in earlier year transferred for adjustment against BSE-TOC		-	28,91,555
Proposed Dividend		42,77,000	-
Tax on Dividend		7,26,876	-
		<u>2,08,56,363</u>	<u>1,22,96,793</u>
Surplus/(Deficit) Carried to Profit and Loss Account		<u>1,08,45,528</u>	<u>94,96,695</u>

For and on behalf of The Calcutta Stock Exchange Association Ltd

UDAYAN BOSE
Chairman

DIPANKAR CHATTERJI
Director

As per our Report of even date
For S S Kothari & Associates
Chartered Accountants

MOLLY THAMBI
Managing Director & Chief Executive Officer

ABHIJIT MAJUMDAR
Company Secretary & Financial Controller

P K Bhattacharya
Partner

Kolkata, the 23rd September 2009

SCHEDULE - 'A'

Annexed to and forming part of the Balance Sheet as at 31st March 2009.

**SHARE CAPITAL
PARTICULARS**

	As at 31st March 2009 Rs.	As at 31st March 2008 Rs.	Pre-Demutalisation Period Rs.
AUTHORISED :			
1000000 Shares of Re.1 each	10,00,000	10,00,000	10,00,000
ISSUED :			
618750 Shares of Re.1 each	6,18,750	6,18,750	2,97,000
SUBSCRIBED & PAID UP :			
1. Issued as fully paid for consideration other than cash :			
213000 Shares of Re.1 each			
Out of the above, 79000 Shares were forfeited and 74250 Shares were re-issued.	2,08,250	2,08,250	2,08,250
2. Issued as fully paid up for cash :			
405750 Shares of Re.1 each			
Out of the above, 10250 Shares were forfeited and 7250 Shares were re-issued.	4,02,750	4,02,750	81,000
Forfeited Shares :			
7750 Shares paid up of Re.1 each (4750 Shares were from the Shares issued for other than cash and 3000 Shares were from the Shares issued for cash)	7,750	7,750	7,750
	6,18,750	6,18,750	2,97,000



SCHEDULE - 'B'

Annexed to and forming part of the Balance Sheet as at 31st March 2009.

RESERVES AND SURPLUS

PARTICULARS	Pre-Demutalisation Period			
	Balance of Pre-Demutalisation Period as at 31st March, 2008	Balance of Post-Demutalisation Period as at 31st March, 2008	Addition during the year	Deductions during the year
	Rs.	Rs.	Rs.	Rs.
B - I				
Capital Reserve	6,18,860	-	-	-
Share Premium	30,14,597	63,17,78,051	-	-
Reserve for Establishment of Centre for Training and Statistical Information & Setting up a Library	27,56,49,570	-	-	21,90,58,000
Contingency Reserve	2,00,00,000	-	-	-
Development Fees Fund	13,40,50,000	-	-	-
General Reserve	10,77,36,162	-	13,22,137	39,69,922
Surplus in Profit and Loss Account		1,49,82,404	-	-
	54,10,69,189	64,67,60,455	13,22,137	22,30,27,922
B - II				
Investors' Service Fund	-	2,87,46,605	-	-
Adjustable Credit Balance with Settlement Guarantee Fund (Refer Note No - 3 of Schedule - 'L')	-	5,90,16,347	-	-
	-	8,77,62,952	-	-
B - III				
Settlement Guarantee Fund (as per Contra in Schedule 'E') *	-	83,53,16,676	-	-
	-	83,53,16,676	-	-
TOTAL OF B-I + B-II + B-III	54,10,69,189	156,98,40,083	13,22,137	22,30,27,922
Figures for the previous year	53,88,37,636	77,72,39,893	5,06,93,469	4,84,61,916

* Governed by the Bye-Laws of the Settlement Guarantee Fund of the Exchange.

SCHEDULE - 'B'

Annexed to and forming part of the Balance Sheet as at 31st March 2009.

RESERVES AND SURPLUS

Post-Demutalisation Period						
Transferred from Profit and Loss Account during the year	Additions during the year	Deductions during the year	Balance of Pre-Demutalisation Period as at 31st March, 2009	Balance of Post-Demutalisation Period as at 31st March, 2009	Total Balance of Reserves as at 31st March 2009	Total Balance of Reserves as at 31st March, 2008
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
-	-	-	6,18,860	-	6,18,860	6,18,860
-	-	-	30,14,597	63,17,78,051	63,47,92,648	63,47,92,648
-	-	-	5,65,91,570	-	5,65,91,570	27,56,49,570
-	-	-	2,00,00,000	-	2,00,00,000	2,00,00,000
-	-	-	13,40,50,000	-	13,40,50,000	13,40,50,000
1,00,00,000	21,90,58,000	-	10,50,88,377	22,90,58,000	33,41,46,377	10,77,36,162
-	1,08,45,528	-	-	2,58,27,932	2,58,27,932	1,49,82,404
1,00,00,000	22,99,03,528	-	31,93,63,404	88,66,63,983	120,60,27,387	118,78,29,644
-	45,30,350	41,93,735	-	2,90,83,220	2,90,83,220	2,87,46,605
-	3,54,07,654	-	-	9,44,24,001	9,44,24,001	5,90,16,347
-	3,99,38,004	41,93,735	-	12,35,07,221	12,35,07,221	8,77,62,952
-	36,23,71,838	44,92,89,052	-	74,83,99,462	74,83,99,462	83,53,16,676
-	36,23,71,838	44,92,89,052	-	74,83,99,462	74,83,99,462	83,53,16,676
1,00,00,000	63,22,13,370	45,34,82,787	31,93,63,404	175,85,70,666	207,79,34,070	211,09,09,272
-	91,45,45,613	121,945,423	54,10,69,189	156,98,40,083	211,09,09,272	



SCHEDULE - 'C'

Annexed to and forming part of the Balance Sheet as at 31st March 2009.

FIXED ASSETS

PARTICULARS	Cost as at 31st March, 2008	Additions during the year	Deductions during the year	Cost as at 31st March, 2009
	Rs.	Rs.	Rs.	Rs.
ASSETS OF PRE-DEMUTUALISATION PERIOD :				
Land - Freehold	4,15,300	-	-	4,15,300
Land - Leasehold	9,37,73,788	55,60,794	4,96,67,291	4,96,67,291
Building	21,57,399	-	-	21,57,399
Tube well	2,46,618	-	2,46,618	-
Electric Installation	1,39,39,613	-	39,581	1,39,00,032
Pump	1,12,889	-	93,372	19,517
Furniture & Fixtures	1,41,21,629	-	-	1,41,21,629
Office Equipment	54,07,537	-	13,34,466	40,73,071
Air Conditioner	64,40,515	-	2,14,710	62,25,805
Water Cooler	27,065	-	11,600	15,465
Lift	7,09,767	-	-	7,09,767
Motor Car	10,24,578	-	-	10,24,578
Computer & Software	24,02,76,133	60,78,385	11,83,973	24,51,70,545
	37,86,52,831	1,16,39,179	5,27,91,611	33,75,00,399
ASSETS OF POST-DEMUTUALISATION PERIOD :				
Building	58,768	-	-	58,768
Electric Installation	12,131	-	-	12,131
Office Equipment	3,68,852	2,78,231	-	6,47,083
Air Conditioner	1,17,000	2,02,725	-	3,19,725
Computer & Software	45,22,832	8,43,467	-	53,66,299
Motor Car	-	8,73,530	-	8,73,530
Furniture & Fixtures	-	1,38,945	-	1,38,945
	50,79,583	23,36,898	-	74,16,481
	38,37,32,414	1,39,76,077	5,27,91,611	34,49,16,880
CAPITAL WORK-IN-PROGRESS OF PRE-DEMUTUALISATION PERIOD:				
Exchange Complex Project	55,60,794	-	55,60,794	-
C-STAR	60,78,385	-	60,78,385	-
	1,16,39,179	-	116,39,179	-
	39,53,71,593	1,39,76,077	6,44,30,790	34,49,16,880

* Includes Provision for Impairment Rs.5,27,271

Figures for the previous year :

Fixed Assets	38,34,78,347	52,65,369	50,11,302	38,37,32,414
Capital Work-in-Progress	1,16,39,179	-	-	1,16,39,179
	39,51,17,526	52,65,369	50,11,302	39,53,71,593

The Calcutta Stock Exchange Ltd.

D E P R E C I A T I O N				Net Value of Assets as at 31st March, 2009	Net Value of Assets as at 31st March, 2008
Upto 31st March 2008	Additions during the year	Deductions during the year	Upto 31st March 2009		
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
-	-	-	-	4,15,300	4,15,300
71,03,790	7,25,855	37,88,698	40,40,947	4,56,26,344	8,66,69,998
12,35,180	46,111	-	12,81,291	8,76,108	9,22,219
1,37,312	5,465	1,42,777	-	-	1,09,306
1,12,25,051	3,77,596	24,596	1,15,78,051	23,21,981	27,14,562
96,072	2,339	84,075	14,336	5,181	16,817
1,22,42,566	3,38,231	-	1,25,80,797	15,40,832	18,79,063
43,21,690	1,51,041	10,65,849	34,06,882	6,66,189	10,85,847
50,19,368	1,97,681	1,71,708	50,45,341	11,80,464	14,21,147
24,756	321	10,937	14,140	1,325	2,309
6,84,399	3,529	-	6,87,928	21,839	25,368
9,34,607	23,293	-	9,57,900	66,678	89,971
23,61,66,905	* 46,02,316	11,73,294	23,95,95,927	55,74,618	41,09,228
27,91,91,696	64,73,778	64,61,934	27,92,03,540	5,82,96,859	9,94,61,135
265	2,925	-	3,190	55,578	58,503
638	1,599	-	2,237	9,894	11,493
46,652	63,113	-	109,765	5,37,318	3,22,200
200	19,590	-	19,790	2,99,935	1,16,800
6,97,661	15,83,847	-	22,81,508	30,84,791	38,25,171
-	57,004	-	57,004	8,16,526	-
-	33,014	-	33,014	1,05,931	-
7,45,416	17,61,092	-	25,06,508	49,09,973	43,34,167
27,99,37,112	82,34,870	64,61,934	28,17,10,048	6,32,06,832	10,37,95,302
-	-	-	-	-	55,60,794
-	-	-	-	-	60,78,385
-	-	-	-	-	1,16,39,179
27,99,37,112	82,34,870	64,61,934	28,17,10,048	6,32,06,832	11,54,34,481
27,88,57,632	58,10,470	47,30,990	27,99,37,112	10,37,95,302	
-	-	-	-	1,16,39,179	
27,88,57,632	58,10,470	47,30,990	27,99,37,112	11,54,34,481	



SCHEDULE - 'D'

Annexed to and forming part of the Balance Sheet as at 31st March 2009.

INVESTMENTS

P A R T I C U L A R S	Nominal Value at 31st March, 2008	Cost Price as at 31st March, 2008	Cost Price of Investments Purchase/ Converted during the year
	Rs.	Rs.	Rs.
INVESTMENTS OF PRE-DEMUTUALISATION PERIOD			
LONG TERM INVESTMENTS :			
Debentures of Joint Stock Companies (Quoted)			
15% Bengal Paper Mills Co Ltd Regd. Debenture of Rs.100 each	1,17,000	1	-
6.75% Tax Free US64 Bonds of Rs.100 each	21,17,400	21,17,400	-
Investment in Equity Shares with Central Depository Services (India) Ltd (Unquoted) Equity Shares of Rs.10 each fully paid, by way of Equity participation as a co-sponsor.	1,00,00,000	1,00,00,000	-
	1,22,34,400	1,21,17,401	-
INVESTMENTS OF POST-DEMUTUALISATION PERIOD			
CURRENT INVESTMENTS:			
EQUITY SHARES :			
Investment in Equity Shares with Beeyu Overseas Ltd (Quoted) Equity Shares of Rs.16.69 each fully paid	4,000	6,674	-
UNITS OF MUTUAL FUND :			
ICICI Prudential Fixed Maturity Plan - Series 41 19 Months	4,00,00,000	4,00,00,000	-
Birla Sun Fund - Series AK	5,00,00,000	5,00,00,000	-
Birla Sun Fund - Series AL	2,28,00,000	2,28,00,000	-
Birla Sun Fund - Series AN	1,25,00,000	1,25,00,000	-
IDFC Yearly Series 17 - Plan A	2,00,00,000	2,00,00,000	-
Fortis Series 10-E	4,70,00,000	4,70,00,000	-
SBI Mutual Fund - SDFS-13 Months-7-(18-Mar-08)-IG	5,00,00,000	5,00,00,000	-
UTI Mutual Fund - Series IV - Plan III	75,00,000	75,00,000	-
UTI Mutual Fund - Daily Cash Management	-	-	1,00,00,000
DSP Merrill - 13M - Series 1	1,00,00,100	1,00,00,100	-
	25,98,04,100	25,98,06,774	1,00,00,000
	27,20,38,500	27,19,24,175	1,00,00,000
Figures for the previous year	1,22,34,400	1,21,17,401	25,98,06,774

Aggregate cost of :-

Quoted Investments - Rs. 6,675 (previous year Rs.21,24,075)

Unquoted Investments - Rs.13,23,00,100 (previous year Rs.26,98,00,100)

*Market Value not available

The Calcutta Stock Exchange Ltd.

Nominal Value of Investments purchased during the year	Cost Price of Investments Redeemed/ Converted during the year	Nominal Value of Investment Redeemed/ Converted during the year	Nominal Value as at 31st March, 2009	Cost Price as at 31st March, 2009	Market Value as at 31st March, 2009	Numbers for the current Year	Number for the previous year
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Qty.	Qty.
-	-	-	1,17,000	1	*	117	117
-	21,17,400	21,17,400	-	-	*	0	21174
-	-	-	1,00,00,000	1,00,00,000	-	1000000	1000000
-	21,17,400	21,17,400	1,01,17,000	1,00,00,001			
-	-	-	4,000	6,674	1,196	400	400
-	4,00,00,000	4,00,00,000	-	-	-	0	4000000
-	5,00,00,000	5,00,00,000	-	-	-	0	5000000
-	-	-	2,28,00,000	2,28,00,000	2,51,43,840	2280000	2280000
-	-	-	1,25,00,000	1,25,00,000	1,37,77,500	1250000	1250000
-	-	-	2,00,00,000	2,00,00,000	2,20,20,000	2000000	2000000
-	-	-	4,70,00,000	4,70,00,000	5,12,95,800	4700000	4700000
-	5,00,00,000	5,00,00,000	-	-	-	0	5000000
-	75,00,000	75,00,000	-	-	-	0	750000
1,00,00,000	-	-	1,00,00,000	1,00,00,000	-	1000000	1000000
-	-	-	1,00,00,100	1,00,00,100	1,10,50,111	1000010	1000010
1,00,00,000	14,75,00,000	14,75,00,000	12,23,04,100	12,23,06,774	12,32,88,447		
1,00,00,000	14,96,17,400	14,96,17,400	13,24,21,100	13,23,06,775	12,32,88,447		
25,98,04,100	-	-	27,20,38,500	27,19,24,175	26,28,67,053		



SCHEDULE - 'E'

Annexed to and forming part of the Balance Sheet as at 31st March 2009.

CURRENT ASSETS, LOANS & ADVANCES

PARTICULARS	As at 31st March 2009		
	Rs.	Rs.	Rs.
A. CURRENT ASSETS :			
SUNDRY DEBTORS :			
a) Debts outstanding for a period exceeding six months:			
From Members (Secured, considered good)	1,07,46,673		
From Members (Unsecured, considered good)	-		
From Others (Unsecured, considered good)	4,81,34,693		
From Others (Unsecured, considered doubtful)	51,63,024		
	6,40,44,390		
Less : Provision for Doubtful Debts	51,63,024	5,88,81,366	
b) Other Debts for a period less than six months :			
From Members (Secured, considered Good)		-	
From Others (Secured, considered Good)		2,52,840	5,91,34,206
CASH & BANK BALANCES :			
Cash-in-hand (As Certified)			37,532
BALANCE WITH SCHEDULED BANKS :			
In Current Account		4,55,71,153	
In Savings Account		28,09,362	
In Fixed Deposits		82,58,03,189	87,41,83,704
INTEREST ACCRUED BUT NOT DUE ON DEPOSITS			2,03,62,451
			95,37,17,893
B. LOANS & ADVANCES (Unsecured, considered good) :			
TAX DEDUCTED AT SOURCE		8,07,09,850	
FRINGE BENEFIT TAX		6,44,099	
LOAN TO STAFF (WITH INTEREST)		27,29,667	
ADVANCE TO STAFF		35,93,651	
ADVANCE TO OTHERS			
(Including Rs.97,38,90,608 as per contra in Schedule - 'F')		103,15,44,577	
PREPAID EXPENSES		8,02,996	112,00,24,840
MEMBERS' DEPOSIT FOR ADDITIONAL BASE CAPITAL REQUIREMENT :			
(As per Contra In Schedule - 'F')			
In Fixed Deposits :			
In Shares		6,47,64,531	6,47,64,531
DEPOSIT WITH TURNER MORRISON LTD			2,00,00,000
DEPOSIT WITH WEST BENGAL			
HIDCO FOR PURCHASE OF LAND			25,00,00,000
SECURITY DEPOSIT WITH OTHERS			23,36,773
SETTLEMENT GUARANTEE FUND :			
(As per Contra in Schedule - "B")			
In Fixed Deposits & Mutual Funds		51,56,45,463	
In Shares & Fixed Deposits		5,28,41,057	
In Fixed Deposits : Interest and Dividend on Members Security Deposits		1,44,43,884	
Bank Balances		71,46,605	
Other Receivables		15,83,22,453	74,83,99,462
			220,55,25,606
			315,92,43,499

The Calcutta Stock Exchange Ltd.

As at 31st March 2008		
Rs.	Rs.	Rs.
1,10,86,920		
1,85,620		
2,99,57,895		
-		
4,12,30,435		
-	4,12,30,435	
	1,29,121	4,13,63,617
	4,061	
	5,24,73,212	57,097
	27,13,148	
	81,78,05,664	87,29,92,024
		1,04,12,940
		92,48,25,678
	3,97,83,111	
	3,42,584	
	25,99,577	
	28,88,935	
	104,02,18,545	
	13,67,481	108,72,00,233
	1,85,70,505	
	5,78,23,284	7,63,93,789
		2,00,00,000
		3,09,42,000
		23,37,773
	18,13,21,911	
	17,76,23,758	
	31,40,64,840	
	22,93,648	
	16,00,12,519	83,53,16,676
		205,21,90,471
		297,70,16,149



SCHEDULE - 'F'

Annexed to and forming part of the Balance Sheet as at 31st March 2009.

CURRENT LIABILITIES & PROVISIONS

PARTICULARS	As at 31st March, 2009				TOTAL Rs.
	Pre-Demutalisation Period		Post-Demutalisation Period		
	Rs.	Rs.	Rs.	Rs.	
A. CURRENT LIABILITIES :					
SUNDRY DEPOSITS (Including Rs. 97,38,90,608 related to Settlement Guarantee Fund as per contra in Schedule - 'E')		102,26,54,522		1,08,95,874	103,35,50,396
OUTSTANDING LIABILITIES		3,86,38,486		2,28,64,649	6,15,03,135
MEMBERS' DEPOSIT FOR ADDITIONAL BASE CAPITAL REQUIREMENT AND MARGIN :-					
In Cash			8,50,26,268		
In Fixed Deposits (As per Contra in Schedule 'E')			-		
In Shares (As per Contra in Schedule 'E')			6,47,64,531	14,97,90,799	14,97,90,799
					124,48,44,330
B. PROVISIONS :					
PROVISION FOR LEAVE ENCASHMENT				87,64,949	87,64,949
PROVISION FOR TAX				1,85,64,661	1,85,64,661
PROVISION FOR FRINGE BENEFIT TAX				5,86,050	5,86,050
PROPOSED DIVIDEND			42,77,000		
TAX ON DIVIDEND			7,26,876	50,03,876	50,03,876
					3,29,19,536
TOTAL					127,77,63,866

The Calcutta Stock Exchange Ltd.

As at 31st March, 2008				
Pre-Demutualisation Period		Post-Demutualisation Period		TOTAL
Rs.	Rs.	Rs.	Rs.	Rs.
	1,02,13,79,343		82,52,055	1,02,96,31,398
	3,94,75,861		82,08,623	4,76,84,484
4,46,02,157		3,94,27,266		
1,10,79,481		74,91,024		
5,78,23,284	11,35,04,922	-	4,69,18,290	16,04,23,212
				123,77,39,094
	49,33,678		21,26,494	70,60,172
	-		80,64,661	80,64,661
	-		2,84,535	2,84,535
	-		-	
	-		-	
				1,54,09,368
				125,31,48,462



SCHEDULE - 'G'

Annexed to and forming part of the Profit and Loss Account for year ended as at 31st March, 2009

OPERATING INCOME

PARTICULARS	For the year ended	For the year ended
	as at 31st March, 2009	as at 31st March, 2008
	Rs.	Rs.
Income from CSTAR	4,76,349	5,41,717
Turnover Charges from BSE Trading Platform	5,41,667	82,717
Listing Fee	4,34,48,250	2,53,84,250
Bad Debt of Listing Fees Recovered	8,81,750	1,48,400
Subscription	26,13,000	27,60,000
Entrance Fees	-	500
	4,79,61,016	2,89,17,584

SCHEDULE - 'H'

Annexed to and forming part of the Profit and Loss Account for year ended as at 31st March, 2009

INCOME FROM INVESTMENTS AND DEPOSITS

PARTICULARS	For the year ended	For the year ended
	as at 31st March, 2009	as at 31st March, 2008
	Rs.	Rs.
Interest :		
On Fixed Deposits	7,68,43,513	7,59,03,838
On Savings Bank Account	96,214	92,994
On Security Deposit with CESC Ltd	1,23,219	1,21,561
On 6.75% Tax Free US64 Bond	71,463	1,42,924
On Refund of Income Tax	12,14,760	-
From Others	1,61,892	1,04,896
Dividend from CDSL	10,00,000	6,00,000
Dividend from Mutual Fund	65,897	37,625
Profit on Sale of Mutual Fund Unit (Long Term Investment)	35,06,800	-
Profit on Sale of Mutual Fund Unit (Short Term Investment)	52,70,275	-
	8,83,54,033	7,70,03,838
Interest / Dividend on Investment of Settlement Guarantee Fund /BMC :		
On Fixed Deposits of SGF	5,20,25,531	4,49,19,548
Dividend on MSD	53,00,000	52,00,000
	5,73,25,531	5,01,19,548
	14,56,79,564	12,71,23,386

SCHEDULE - 'I'

Annexed to and forming part of the Profit and Loss Account for year ended as at 31st March, 2009

OTHER INCOME

PARTICULARS	For the year ended	For the year ended
	as at 31st March, 2009	as at 31st March, 2008
	Rs.	Rs.
Rent	10,40,197	10,22,675
Miscellaneous Receipts	43,96,043	73,68,135
Sponsorship Fees towards Centenary Celebration	35,00,000	-
Sundry Balances Written Back	13,22,137	-
Provision for Leave Encashment Written Back	-	50,14,608
	1,02,58,377	1,34,05,418

SCHEDULE - 'J'

Annexed to and forming part of the Profit and Loss Account for year ended as at 31st March, 2009

STAFF COSTS

PARTICULARS	For the year ended	For the year ended
	as at 31st March, 2009	as at 31st March, 2008
	Rs.	Rs.
Salary, Arrear Salary, Bonus, Gratuity and Leave Encashment	3,66,44,705	2,43,25,447
Staff Welfare	36,23,075	26,45,451
Contribution to Provident & Other Funds	19,03,379	17,39,861
	4,21,71,159	2,87,10,759

SCHEDULE - 'K'

Annexed to and forming part of the Profit and Loss Account for year ended as at 31st March, 2009

ADMINISTRATIVE AND OTHER EXPENSES

PARTICULARS	For the year ended	For the year ended
	as at 31st March, 2009	as at 31st March, 2008
	Rs.	Rs.
Rent and other Expenses	29,86,820	25,45,152
Electric Charges	37,09,744	29,25,746
Taxes & Licenses	4,52,584	4,53,729
Insurance	1,31,585	1,56,910
Stamp, Stationary & Printing	4,62,611	5,78,575
Telephone Charges	5,37,750	6,90,093
Travelling & Conveyance	30,66,082	17,21,432
Motor Car Expenses	4,37,734	5,10,795
Repairs to Building	1,99,348	4,09,070
Other Repairs and Maintenance	12,27,968	13,01,092
General Charges	87,59,336	34,24,882
Demat Charges	6,06,725	3,36,354
Legal & Professional Charges	20,48,234	30,05,296
Auditor's Remuneration	1,71,500	1,78,230
Directors Sitting Fee	8,22,500	3,51,500
Bad Debts	11,27,974	53,19,702
Provision for Doubtful Debts	51,63,024	-
Website Expenses	85,208	88,783
Provision for Impairment of Assets	5,27,271	-
Loss on Discard of Assets	4,08,082	1,48,062
Loss on Sale of Assets (Net)	28,002	1,48,062
Expenditure on Commodity Exchange Written Off	84,140	84,140
Sundry Balances Written Off	-	6,72,999
	3,30,44,222	2,50,50,604



SCHEDULE - 'L'

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

(Annexed to and forming part of the Balance Sheet as on 31st March, 2009 and the Profit and Loss Account for the year ended on that date)

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Accounting Convention:

The Company prepares its accounts under the Historical Cost Convention. The financial statements have been prepared to comply in all material respects with the various Accounting Standards and the relevant provisions of the Companies Act, 1956. For recognition of income & expenses, Mercantile System of Accounting is followed. The accounting policies have been consistently applied by the company.

2. Revenue Recognition:

Revenue in respect of services rendered is recognised when the service is rendered and there is certainty of ultimate realization. Dividend income on investments is recognised when the right to receive payment is established.

3. Fixed Assets and Depreciation:

Fixed Assets are stated at cost of acquisition inclusive of duties, taxes, inward freight, incidental expenses, erection and commissioning expenses up to the date when the asset is ready for its intended use.

Depreciation:

Depreciation is provided in accordance with Schedule XIV of the Companies Act, 1956 on written-down value method at the rates specified for the purpose. Leasehold Land is amortized over the period of lease.

Capitalized software cost is amortized over a period of four years.

Impairment of Assets:

The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment based on external /internal practice. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable amount. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in estimate of recoverable amount.

4. Investments:

Investments that are readily realizable are classified as current investments. All other investments are classified as long term investments. Current investments are stated at lower of cost and market value. Long term investments are stated at cost and wherever applicable provision is made where there is permanent fall in the valuation of long term investment.

Investment Income:

Interest: Income from Investment is recognised on accrual basis inclusive of related tax deducted at source.

Dividend: Revenue is recognized when right to receive payment is established by the balance sheet date.

5. Retirement Benefits:

a. Contributions to defined contribution scheme in the form of Provident and other funds are charged to the Profit and Loss Account when the contributions to the respective funds are due.

b. The Exchange has a defined benefit plan for post-employment benefit in the form of gratuity for all employees rendering qualifying years of service as per the Payment of Gratuity Act, 1972. Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date and the Scheme is funded with the Life Insurance Corporation of India. The actuarial method used for measuring the liability is the Projected Unit Credit method.

c. In respect of leave encashment benefits to employees, liability is provided for on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

6. Deferred Revenue Expenditure:

Expenses incurred on project appraisals conducted for setting up a Commodity Exchange are being written off over a period of ten years.

7. Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is materially probable that there will be an outflow of resources. Contingent Assets are neither recognised nor disclosed in the financial statements. Contingent Liabilities, if material, are disclosed by way of notes of accounts.

8. Taxes on Income:

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred tax is recognised, subject to consideration of prudence, on timing differences, being the differences between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, applying the tax rates that have been substantively enacted by the Balance Sheet date.

B. NOTES ON ACCOUNTS:

I. Contingent Liabilities not provided for:

Other matters:

- a) The Exchange has received two Show Cause notices from the Employees State Insurance Corporation of West Bengal demanding an amount of Rs.5,83,494 as contribution payable by the Exchange. The Exchange has filed a Writ Petition before the Hon'ble High Court of Kolkata for quashing the notices. As the matter is Sub- Judice, the claim has not been acknowledged and no provision has been made for the same.
- b) A listed company obtained an ex-parte decree from a Court in Patna against the Exchange for an amount of Rs.9,67,22,780. The Exchange is contesting the case for setting aside the decree and has obtained a stay order. Hence, the aforesaid claim against the Exchange has not been acknowledged as debt. The Exchange has also filed a criminal case under Section 156(3) of Cr. P. C. before the Court of the Ld. C.M.M. at Kolkata against the said party for forgery relating to listing matters.

Income Tax matters:

- c) In respect of Assessment Year 1991-92 and 1992-93, demands of Rs. 3,66,74,684 raised by the Assessing Officer had been vacated by the Income Tax Appellate Tribunal vide its Order dated 28.02.2006. However, the Income Tax Department filed an application before the Hon'ble High Court of Calcutta for condonation of delay in filing an appeal against the order of the Income Tax Appellate Tribunal.
 - d) In respect of Assessment Yea 1993-94, demand of Rs. 1,08,45,085 raised by the Assessing Officer had been vacated by the CIT (Appeals). On a petition moved by the Income Tax Department against the above Vacation Order of the CIT (Appeals), the Income Tax Appellate Tribunal directed the Assessing Officer to assess the same. However, in view of the Order dated 28.02.2006 of the Income Tax Appellate Tribunal, the Exchange does not expect any liability in this respect.
 - e) In respect of Assessment Year 2001-02, the Assessing Officer raised a demand for Rs. 2,69,21,819 on the Exchange. The Assessing Officer, while giving effect of the Order of the Income Tax Appellate Tribunal dated 16.06.2006, reversed the demand and confirmed that Rs.3.57 Crores including interest of Rs. 88.48 Lacs is refundable vide the Order dated 29.08.2006. However, the Income Tax Department filed an application for condonation of delay for filing an appeal before the Hon'ble High Court of Kolkata against above Order of the Income Tax Appellate Tribunal.
2. During the year the Exchange utilized Rs.21,90,58,000 to meet the final payment to West Bengal HIDCO for land at Newtown, Rajarhat from the reserve fund specifically made for "Establishment of Centre for Training & Statistical Information & Setting up a Library" and the same has been transferred to General Reserve of Post-demutualisation period.
- Further a sum of Rs.13,22,137 has been transferred to General Reserve of Pre-demutualisation period towards



writing back of liabilities relating to Leave Encashment, Contribution to SEBI, Outstanding Liabilities etc. of Pre-demutualisation period.

Loss on discard of Assets Rs.4,08,082, loss on sale of Assets Rs.28,002, loss on surrender of E M Bye-pass land Rs.18,78,593 (after capitalization of the Capital Work-in-Progress of Rs.55,60,794 relating to Pre-demutualisation period) and Bad debts Rs. 11,27,974 totaling to Rs.34,42,651, being related to Pre-Demutualisation period, have been adjusted with General Reserve of Pre-demutualisation period during the year.

During the year the Exchange has ascertained possibility of usage of CSTAR Router Modems and made a provision for Rs.5,27,271 towards impairment which has been adjusted with the General Reserve of the Pre-Demutualisation Period.

3. Adjustable Credit Balance with Settlement Guarantee Fund under Reserves and Surpluses has increased during the year by Rs.3,54,07,654 to the extent of interest earned on account of Settlement Guarantee Fund by the Exchange.
4.
 - i) The advances other than Members Security Deposits are recoverable in cash or in kind or for value to be received or pending adjustment.
 - ii) Included in Loans & Advances, amount due from Members on account of Settlements is Rs.98,13,07,246 (Rs.98,13,07,246), comprising of Rs.97,31,67,088 on account of Hand Delivery Settlement, Rs.32,06,537 on account of Cash Settlement and Rs.49,33,621 on account of Demat Settlement as on 31.03.2009. Out of the above Rs.91,17,68,941 (Rs.91,17,68,941 as on 31st March,2008) due from ten defaulting members, against whom the Exchange has filed legal cases and Rs.1,18,70,832 (Previous year Rs.1,28,47,819) remain unrealized/unadjusted for prolonged period.
 - iii) In addition to above, the Exchange has also filed recovery suits amounting to Rs.3,31,16,923 from other defaulting members. As the matter is Sub-Judice, extent of recoverability of the amount from defaulting members is presently not ascertainable. However, the Exchange carries a contingency reserve of Rs.2,00,00,000 to cover the risk which may arise out of its relationship with Member-brokers in course of its dealing with them.
 - iv) Besides above an amount of Rs.97,38,90,608 has been included under Sundry Deposits under the head of "Current Liabilities & Provisions" as on 31.03.2009 as contribution received from Settlement Guarantee Fund on account of payment crisis (Previous year Rs.97,38,90,608).
 - v) Certain members had made ad-hoc contribution totaling to Rs.28,06,89,708 in the financial year 2000-01, Rs.65,00,000 in the financial year 2001-02 by virtue of decree of the Hon'ble High Court of Kolkata and Rs.2,45,92,093 in the financial year 2002-03 to the Settlement Guarantee Fund subject to the condition that the said sum can be considered for refund in the event of recovery from defaulting members.
5. The erstwhile Board of Directors of the Exchange in its meeting dated 03.10.2001 had decided that the additional contribution of Rs.19,93,55,380 made by the Exchange to Settlement Guarantee Fund in the financial year 2000-01 will be adjusted with the future contribution payable by the Exchange to the Settlement Guarantee Fund. Accordingly, Rs. 93,12,112 has been adjusted on this account up to 31.03.2009 (Rs.91,59,658 up to 31.03.2008), leaving a balance of Rs.19,00,43,268 for adjustments in future. Due to the reasons stated above, Rs.1,52,454 being the contribution for 2008-09 has not been charged to the Profit & Loss Account for the financial year 2008-09. Also no further provision on this account is considered necessary.
6. The Tax deducted at source up to 31.03.2009 Rs.2,15,88,287 (Previous year Rs.2,40,42,682) has been accumulated by the Exchange on the basis of Tax deduction certificates available with the Exchange and the same remain accumulated under Settlement Guarantee Fund along with dividend and interest on Members Security Deposits for Base Capital Requirement amounting to Rs.8,30,25,890 (Previous year Rs.3,52,95,321) considering 1st November 2007 as prospective date for non-release of income/dividend/interest on Base Minimum Capital / Settlement Guarantee Fund.
7. Certain balances pertaining to Members Security Deposits, Settlement Account and Margin Account are under reconciliation. The impact of the said reconciliation on Accounts will be known on completion of reconciliation. However, the management does not expect any material impact on this account.
8. In arriving at the amount of security deposits by members, investments comprising of quoted shares and bonds lodged as securities have been taken at their market value.

The Calcutta Stock Exchange Ltd.

9. Balance of Rs.17,28,065 on Savings Account with Standard Chartered Bank Ltd has remain under Injunction Order of the Hon'ble High Court of Kolkata and Rs.4,53,296 in current account with other banks remain non-operative.
10. Balance of Rs.4,55,17,397 in Current Accounts of the scheduled banks includes Rs.31,02,080 and Rs.3,43,43,200 relating to Settlement bank accounts and Margin bank accounts respectively.
11. As per practice, bills raised during the year on certain Listed companies Rs.75,250 has not been considered as income as the same is not recoverable and has not been credited to Profit and Loss Account for the year ended 31st March, 2009.
12. As a measure of prudent financial practice, during the year the Exchange has made an omnibus provision for doubtful debts Rs.51,63,024, calculated at 10% of total outstanding Sundry Debtors on account of Listing Fees.
13. a) Settlement Guarantee Fund comprises of:

	As on 31st March 2009 (Rs.)	As on 31st March 2008 (Rs.)
I. Settlement Guarantee Fund of the Exchange	3,12,39,275	4,87,12,140
I. Members Deposit in Cash, Fixed Deposits & Shares	45,62,84,492	58,66,65,477
III. Members' Ad-hoc contribution to SGF	3,11,27,700	3,11,27,700
IV. Members' Special Security Deposit	35,00,000	35,00,000
V. Interest on SGF/BMC	14,95,88,663	8,83,76,336
VI. TDS under Section 194	Nil	55,75,691
VII. Dividend on Members' Security Deposit	2,88,91,592	2,35,91,592
VIII. Interest on MSD/SGF received from CSE	4,77,67,740	4,77,67,740
	74,83,99,462	83,53,16,676

b) As per consistent practice, deposits of members required to be maintained under Settlement Guarantee Fund are calculated on the basis of number of members having been allotted Code Numbers at the year end.

14. Disclosures in accordance with revised Accounting Standard AS – 15 on Employee Benefits:

- a) Defined Contribution Plans:

The Exchange has recognised following amounts towards Employer's Contribution to Provident and Other Funds: In the Profit and Loss Account as at 31st March, 2009 - Rs.19,03,379 (Previous year Rs.17,39,861)

- b) Defined Benefit Plans:

Following figures are as per actuarial valuation as at the Balance Sheet date carried out by the Life Insurance Corporation of India and certified by them:

	As at 31st March 2009 (Rs.)	As at 31st March 2008 (Rs.)
i) <u>Present value of defined benefit obligations:</u> Gratuity		
Present value of obligations as at beginning of the year	Rs.86,55,349	Rs.68,52,294
Service Cost	2,31,178	1,29,569
Interest Cost	6,92,428	5,13,922
Benefits settled	(10,77,451)	10,12,270
Actuarial (Gain)/Loss	12,90,509	21,71,834
Present value of obligations as at end of the year	97,92,013	86,55,349
ii) <u>Change in fair value of plan assets:</u>		
Fair value of plan assets as at beginning of the year	72,98,204	69,20,032
Expected return on plan assets	7,40,580	6,28,611
Actuarial gain/(Loss)	Nil	Nil
Contributions	15,88,323	7,61,831
Benefits settled	(10,77,451)	10,12,270
Fair value of plan assets as at end of the year	85,49,656	72,98,204



	<u>As at 31st March 2009</u>	<u>As at 31st March 2008</u>	
	(Rs.)	(Rs.)	
iii) <u>Reconciliation of present value of the defined obligations plan and the fair value of plan assets:</u>			
Fair value of plan assets as at the end of the year	85,49,656	72,98,204	
Present value of the defined benefit obligations as at the end of the year	97,92,013	86,55,349	
Net Asset / (Liability) recognised in the Balance Sheet	(12,42,357)	(13,57,145)	
iv) <u>Total expenses recognised in the Profit & Loss Account:</u>			
Service Cost	2,31,178	1,29,569	
Interest Cost	6,92,428	5,13,922	
Expected return on plan assets	(7,40,580)	6,28,611	
Net Actuarial (Gain) / Loss	12,90,509	21,71,834	
Expenses recognised in the Statement of Profit and Loss	14,73,535	21,86,714	
v) <u>Actuarial assumptions:</u>			
Discount rate	8%	8%	
Salary escalation rate (Inflation rate)	10%	7%	
Withdrawal rate	1% to 3%	1% to 3%	
	depending on age	depending on age	
vi) <u>Major categories of plan assets as a percentage of the fair value of total plan assets:</u>			
Investments with Insurers	100%	100%	
15. Leave Encashment has been provided Rs.20,43,234 based on the Actuarial valuation of the Accumulated Privilege Leave of the Employees during the year as per AS-15 and Rs.25,91,427 has since been paid to the employees till the date of approval of accounts by the Board of Directors, at the time of making payments under Voluntary Retirement Scheme adopted by the Exchange with effect from 30 th June 2009.			
16. Salary include Rs.43,64,664 on account of arrear salary pertaining to 2007-08.			
17. Significant component and classification of deferred tax assets and liabilities on account of timing differences are:			
Deferred Tax Asset / (Liability):	<u>As on 31st March 2009</u>	<u>As on 31st March 2008</u>	
Depreciation	(Rs. 4,12,871)	(Rs.2,87,300)	
Provision for Doubtful Debts	Rs.17,54,912	Nil	
18. Segment Reporting: The Exchange has been operating in only one business segment, namely Stock Exchange Operations. Hence, no separate disclosure is required.			
19. Related Party Disclosure:			
a) Entities under common control:			
Name : Stock Exchange Customers Protection Fund			
Transactions with the entity under common control:			
<u>Name</u>	<u>Particulars</u>	<u>31st March 2009</u>	<u>31st March 2008</u>
		(Rs.)	(Rs.)
Stock Exchange	Contribution to Customers		
Customers Protection Fund	Protection Fund	10,59,732	9,84,615
	Outstanding Balance (Credit)	1,11,18,242	1,11,25,155

The Calcutta Stock Exchange Ltd.

b) Key Management Personnel : Managing Director & Chief Executive Officer

<u>Name</u>	<u>Particulars</u>	<u>For the year ended 31st March 2009</u>	<u>For the year ended 31st March 2008</u>
Ms. Molly Thambi	Remuneration :	Rs. 10,00,581	Rs. Nil
	Outstanding Balance (Credit) :	Rs. 2,72,836	

20. Remuneration to Managing Director & Chief Executive Officer:

	<u>For the year ended 31st March 2009</u>	<u>For the year ended 31st March 2008</u>
	(Rs.)	(Rs.)
Salary	9,65,594	Nil
Contribution to Provident and Other Funds	20,091	Nil
Perquisites	14,896	Nil
	<u>10,00,581</u>	<u>Nil</u>

21. Expenses have been shown net of amounts debited to other heads of expenses, wherever applicable.

	<u>31st March 2009</u>	<u>31st March 2008</u>
	(Rs.)	(Rs.)
Salary	53,48,846	43,21,937
Staff Welfare	1,80,000	1,80,000
Rent	3,60,000	3,60,000
Telephone Charges	1,32,009	1,26,236
Computer Service Expenses	22,922	54,291
Electric Charges	42,369	14,291
Website Expenses	1,50,272	52,779
Legal Expenses	8,04,846	3,91,008
Travelling & Conveyance	Nil	17,085

22. On the basis of information available with the Exchange, there are no suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, the information as required by the Act is not given.

23. Auditors' Remuneration:

	<u>As on 31.03.2009</u>	<u>As on 31.03.2008</u>
	(Rs.)	(Rs.)
Audit Fees	1,50,000	1,50,000
Tax Audit Fees	15,000	15,000
Out of Pocket Expenses (Including Service Tax Rs.16,995, Previous year Rs.20,394)	23,495	33,624

24. a) Consequent upon vacation of the premises at 1st floor of Turner Morrison Building at 6, Lyons Range, Kolkata, the Exchange has asked for refund of security deposit as per Tenancy Agreement with Turner Morrison Ltd. for Rs.2 Crores together with 15% interest with effect from 1st February, 2002, after adjustment of outstanding dues on account of rent, others and reimbursement of quarterly Municipal Taxes. The Exchange has filed a suit for recovery of the said amount.

b) As Turner Morrison Ltd has not refunded the aforesaid amount of Rs.2 Crores, the Exchange stopped payment of dues to say company for Rent, Service charge etc. except Electricity Bills, pertaining to office space situated at 4th Floor of 6, Lyons Range, Kolkata - 700001 with effect from May, 2001. Consequently Turner Morrison Ltd has filed a suit against the Exchange for eviction from the said office space.

25. A sum of Rs.5,65,91,570 (previous year Rs.27,56,49,570) had been specifically set aside up to 31.03.2009 for funds in relation to Reserve for Establishment of Centre for Training & Statistical Information and setting up a Library, in the form of Deposits in Scheduled Banks.



26. Earnings per Share:

	Year Ended 31.03.2009 Basic & Diluted EPS	Period Ended 31.03.2008 Basic & Diluted EPS
Earnings:		
Net Profit (Profit after Tax)	Rs.1,78,63,777	Rs.1,53,81,994
Shares:		
Weighted average number of Equity		
Shares outstanding during the year	618750	487765
Earnings per share of face value of Re.1	Rs.28.87	Rs.31.53

27. The name of the Exchange has since been changed from "The Calcutta Stock Exchange Association Limited" to "The Calcutta Stock Exchange Limited" vide issue of fresh Certificate of Incorporation by the Office of the Registrar of Companies, West Bengal on 23rd June, 2009.

28. i) Previous year's figures have been re-arranged, regrouped and recast wherever considered necessary.

ii) Figures of previous year in the Profit and Loss Account include those reported under Income & Expenditure Account for the period from 01.04.2007 to 27.08.2007 as also those reported under Profit and Loss Account for the period from 28.08.2007 to 31.03.2008, which have been merged to make them comparable with those of current year.

29. Information pursuant to part IV of Schedule VI to The Companies Act, 1956, Balance Sheet Abstract and Company's General Business Profile are enclosed as per Annexure - "B".

Signatories to Schedule A to L

For and on behalf of The Calcutta Stock Exchange Association Ltd

UDAYAN BOSE
Chairman

DIPANKAR CHATTERJI
Director

As per our Report of even date
For S S Kothari & Associates
Chartered Accountants

MOLLY THAMBI
Managing Director & Chief Executive Officer

ABHIJIT MAJUMDAR
Company Secretary & Financial Controller

Kolkata, the 23rd September 2009

P K Bhattacharya
Partner

ANNEXURE - 'B'

Information pursuant to part IV of Schedule VI to the Companies Act, 1956

BALANCE SHEET ABSTRACT AND COMPANYS GENERAL BUSINESS PROFILE.

		(Rs. in Thousand)
(a)	REGISTRATION DETAILS	
	Registraion number	4707/25 for 1923-24
	State code	21
	Balance sheet date	31/Mar/09
(b)	CAPITAL RAISED DURING THE YEAR	
	Public issue	NIL
	Rights issue	NIL
	Bonus issue	NIL
(c)	POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS	
	Total liabilities and share-holders funds	33,56,317
	Total assets	33,56,317
	SOURCES OF FUNDS (Excluding Current Liabilities)	
	Paid up capital	619
	Reserves and surplus	20,77,934
	Secured loans	NIL
	Unsecured loans	NIL
	Deferred Tax Liability	NIL
	APPLICATION OF FUNDS	
	Net fixed assets	63,207
	Investments	1,32,307
	Net current assets	18,81,479
	Deferred Tax Assets	1055
	Miscellaneous expenditure	505
	Accumulated losses	NIL
(d)	PERFORMANCE OF THE COMPANY	
	Income	2,03,899
	Total expenditure	1,76,576
	Surplus/(Shortage) before Tax	27,323
	Tax	9,459
	Surplus/(Shortage) after tax	17,864
	Earnings per share in Rs. (basic & diluted)	28.87
	Dividend rate %	Nil
(e)	GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY	
	Item Code No. (ITC Code)	N A
	Product	FACILITATING
	Product Description	TRADING IN SECURITIES



The Calcutta Stock Exchange Ltd.

Annexure-A

ANNEXURE TO THE DIRECTORS' REPORT

STATEMENT OF PARTICULARS OF EMPLOYEES, PURSUANT TO THE PROVISIONS OF SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2009

Sr. No.	Name of the Employee	Designation /Nature of Duties	Qualification	Total Working Experience (Years)	Date of commencement of Employment	Total Remu-neration (Rs.)	Age (Years)	Previous Employment held
I	Ms. Molly Thambi	Managing Director & Chief Executive Officer	M.A. (Economics) & PGDBM from IIM, Calcutta	20	15.12.08	10,00,581/- (For Part of the year)	46	HSBC Securities Services, HSBC Electronic Data Processing India Ltd.

Dated the 23rd September, 2009

Udayan Bose
Chairman

The Calcutta Stock Exchange Ltd.