

# ANNUAL REPORT

2012 - 2013



**Central Insurance Repository Limited**



**Central Insurance Repository Limited**

## CENTRAL INSURANCE REPOSITORY LIMITED

### Board of Directors

Shri N. Rangachary	Chairman
Shri Milind Kharat	Director [Appointed on 28th January, 2013]
Shri Vipin Anand	Director
Shri V.V. Balaji	Director
Shri Jayant Dua	Director
Smt. Vibha Padalkar	Director [Appointed on 23rd July, 2012]
Shri Nayan Mehta	Director [Appointed on 23rd July, 2012]
Shri Satish Budhakar	Director
Shri Cyrus Khambata	Managing Director

### Management

Shri Cyrus Khambata	Managing Director
Shri R.K.Rao	Sr.Asstt. Vice President & Company Secretary
Ms.Shajitha Lobo	Sr.Asstt. Vice President

### Auditors

Lodha & Co.  
Chartered Accountants  
6, Karim Chambers,  
40 A.D. Marg (Hamam Street),  
Mumbai - 400 001.

### Bankers

Bank of India  
Stock Exchange Branch,  
Ground Floor, P.J.Towers,  
Dalal Street,  
Mumbai 400 001.

### Registered Office

17th Floor, P.J. Towers,  
Dalal Street,  
Mumbai - 400 - 001

## Directors' Report

Your Directors are pleased to present the Second Annual Report along with Audited Financial Statements of your Company for the Financial Year ended 31st March, 2013.

## Financial Highlights

Particulars	Year ended 31st March 2013 (₹ in Lacs)	Year ended 31st March 2012 (₹ in Lacs)
Income	266.57	50.27
Expenditure	84.57	39.20
Profit/ (Loss) before Depreciation and Taxation	182.00	11.07
Depreciation	N I L	N I L
Profit / (Loss) before Tax	182.00	11.07
Tax	33.50	N I L
Profit/ (Loss) after Tax	148.50	11.07

Your Company received IRDA's in-principle approval to set up the insurance repository in the year 2011. However, actual operations have still to commence. Indications are available that IRDA may grant the final clearance very soon. It may be observed that the company has, during the year under review, reported an income of ₹266.57 lakhs under the head Income from Investments which is higher by ₹216.30 lakhs over the previous year. The funds received by the company on account of subscription towards the Equity Capital were deployed profitably as per the Investment policy of the company which has resulted in generation of the aforesaid income. Similarly, the Net Profit during the year under review also has gone up by ₹137.43 lakhs over the previous year. The year has ended with a Net Profit of ₹148.50 lakhs after tax.

## IRDA Guidelines

Your Company was incorporated with a view to act as insurance repository for holding insurance policies in electronic form in e-insurance accounts of policy holders. This insurance repository activity will be undertaken in pursuance to issuance of detailed guidelines on insurance repositories and electronic issuance of insurance policies by IRDA on 29th April, 2011. These Guidelines form the regulatory framework for the company to operate in.

## Operational Preparedness

Phase I of the software application required for holding the insurance policies in electronic form in e-insurance accounts by the policy holders was tested by the insurance companies and the same is ready for deployment. The internal procedures/guidelines for admitting Approved Persons for account opening and customer servicing have been framed. The operations are expected to commence as soon as the final license is issued by IRDA.

## Capital Structure

The Authorised and Paid-up Equity Capital of your Company is ₹30-crore with 51% contribution from Central Depository Services (India) Limited and 39% contribution from eight insurance companies in Life and Non-Life sectors. The remaining 10% is held by a Group-company. As per the guidelines of IRDA, networth requirement stipulated for setting up insurance repositories is ₹25-crore which has been met by your company as on 31st March, 2013.

## Directors

During the year under review, Shri Madhu Kannan resigned with effect from 10th May, 2012. Shri Paresh Parasnis, nominee of HDFC Standard Life Insurance Co. Ltd. resigned with effect from 9th July, 2012 and Shri G. Srinivasan the nominee of United India Insurance Co. Ltd. resigned with effect from 27th November, 2012. The Board has placed on record its appreciation of the valuable services rendered by them during their tenure as Directors of the company.

Shri Milind Kharat, Smt. Vibha Padalkar and Shri Nayan Mehta were appointed as Additional Directors by the Board during the year to hold office up to the date of the next Annual General Meeting of the Company. Notices from a Member under section 257 of the Companies Act, 1956, signifying his intention to propose the abovenamed persons as candidates for the office of Director have been received by the Company. The Board recommends their appointment as Directors.

In accordance with the provisions of Section 256 of the Companies Act, 1956, Shri N. Rangachary and Shri Satish Budhakar will retire by rotation at the ensuing Annual General Meeting, and are eligible for re-appointment. Resolutions seeking their re-appointment have been proposed in the notice convening the 2nd Annual General Meeting.

## Audit Committee:

As per the provisions of Section 292A of the Companies Act, 1956 Audit Committee of the Board has been constituted and has as its Members, five Directors namely Shri N. Rangachary, Shri Vipin Anand, Shri V.V. Balaji, Smt. Vibha Padalkar and Shri Nayan Mehta. Shri N. Rangachary is the Chairman of the Committee.

The functions of the Audit Committee are broadly :

- (a) Review and monitoring of internal control system and compliance of audit observations of the Auditors.
- (b) Review of the financial statements before submission to the Board.
- (c) Supervision of other financial and accounting matters as may be referred to by the Board.

### **Dividend:**

The operations of your Company have not yet commenced. It will be the endeavour of the Management of your Company to have a stable dividend policy in the future.

### **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.

### **Auditors:**

Lodha & Co., Statutory Auditors of your Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Auditors have furnished a certificate to the effect that their re-appointment, if made, would be in accordance with the limit specified under Section 224(1B) of the Companies Act, 1956. Your Directors recommend their re-appointment in the ensuing Annual General Meeting.

### **Conservation of Energy, Technology Absorption:**

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, however, will be using information technology for implementation of its insurance repository project.

### **Details of foreign exchange earnings and outgo:**

Your Company did not earn any foreign exchange, nor was there any outgo in foreign exchange during the year under review.

### **Directors' Responsibility Statement:**

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

- i) in the 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 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; and
- iv) the annual accounts have been prepared on a going-concern basis.

### **Particulars of Employees:**

None of the employees of the Company is drawing remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975.

### **Human Resources:**

Your Company has as on 31st March, 2013 eleven employees who are well versed in their respective areas of operations.

### **Acknowledgement**

Your Directors place on record their sincere gratitude for the assistance, guidance and co-operation the Company has received from IRDA, BSE Ltd., CDSL, various insurance companies, bankers and all other stake holders. The Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

For and on behalf of the Board

**N. Rangachary**  
Chairman

Place : Mumbai

Date : 22<sup>nd</sup> April, 2013

## **Independent Auditors' Report**

**To  
The Members of  
Central Insurance Repository Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Central Insurance Repository Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2013, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with 'Significant Accounting Policies and the accompanying notes to financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013; and
- b. in the case of the Statement of Profit & Loss, of the profit of the Company for the year ended on that date and
- c. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

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

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.

As required by Section 227(3) of the Act, we report 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 Statement of Profit and Loss and the Cash Flow Statement, dealt with by this report are in agreement with the books of account.
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss 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 from directors as on 31st March, 2013, and taken on record by the Board of Directors, wherever applicable, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director of the Company in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For Lodha & Co.**  
Chartered Accountants  
(Firm's Registration Number: 301051 E)

**A M Hariharan**  
Partner  
(Membership Number: 38323)

Place : Mumbai  
Date : 22<sup>nd</sup> April, 2013

**ANNEXURE REFERRED TO IN AUDITORS' REPORT OF EVEN DATE ON THE  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 OF  
CENTRAL INSURANCE REPOSITORY 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. The Company's fixed asset consists of only capital work-in-progress and intangible asset under development. Therefore, the provisions of clause 4(ii) of the Order are not applicable to the Company.
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. The Company has neither purchased any inventory nor sold any goods or services. During the course of our audit, no major weakness has been noticed in the internal control system.
5. There are no particulars of contracts or arrangements referred to in Section 301 of the Act which need to be entered in the register required to be maintained under that section.
6. No deposits within the meaning of Sections 58A, 58AA or any other relevant provision of the Act and rules framed there under have been accepted by the Company.
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, Cess which have not been deposited on account of any dispute.
10. The Company has been registered for a period less than five years and hence clause 4(x) of the Order relating to reporting of losses is not applicable.
11. The Company has not taken any loan from any financial institution or bank or debenture holders and hence clause 4(xi) of the Order relating to repayment of dues is not applicable.
12. During the period, 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 investments.
15. 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. The Company has not raised any fund on short or long term basis.
18. During the period, 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 period, nor have we been informed of such case by the management.

**For LODHA & CO.**  
Chartered Accountants  
(Firm Registration No. 301051 E)

**A M Hariharan**  
Partner  
(Membership No. 38323)

Place : Mumbai  
Date : 22<sup>nd</sup> April, 2013

## BALANCE SHEET AS AT MARCH 31, 2013

Particulars	Note No.	31.03.2013 ₹ in Lacs	31.03.2012 ₹ in Lacs
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	3,000.00	2,855.00
(b) Reserves and Surplus	3	159.57	11.07
<b>(2) Share application money pending allotment</b>	4	-	145.00
<b>(3) Current Liabilities</b>			
(a) Trade Payables	5	2.44	1.36
(b) Other Current Liabilities	6	10.33	0.25
(c) Short-Term Provisions	7	3.00	-
<b>Total</b>		<b>3,175.34</b>	<b>3,012.68</b>
<b>II. ASSETS</b>			
<b>(1) Non -Current assets</b>			
(a) Fixed assets			
(i) Capital work in progress-Tangible		86.74	-
(ii) Intangible assets under development		44.23	-
<b>(2) Current assets</b>			
(a) Current investments	9	2,479.31	2,507.29
(b) Cash & Cash Equivalents	8	502.65	500.10
(c) Short Term Loans and Advances	10	10.98	0.60
(d) Other current assets	11	51.43	4.69
<b>Total</b>		<b>3,175.34</b>	<b>3,012.68</b>
Significant accounting policies	1		
Other notes accompanying the financial statements	16-23		
The accompanying notes are an integral part of the financial statements.			

As per our attached report of even date

For and on behalf of the Board of Directors

**For Lodha & Company**  
Chartered Accountants

**A. M. Hariharan**  
Partner

**R. K .Rao**  
Company Secretary

**Cyrus Khambata**  
Managing Director

**N. Rangachary**  
Chairman

Place : Mumbai,  
Date : 22<sup>nd</sup> April, 2013

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Note No.	01.04.2012 to 31.03.2013 ₹ in Lacs	12.07.2011 to 31.03.2012 ₹ in Lacs
I. Non - Operating Income	12	266.57	50.27
<b>Total Revenue</b>		<b>266.57</b>	<b>50.27</b>
<b>II. Expenses:</b>			
Preliminary Expenses	13	-	19.14
Employee Benefit Expenses	14	40.63	4.91
Other operating & administrative expenses	15	43.94	15.15
<b>Total Expenses</b>		<b>84.57</b>	<b>39.20</b>
<b>III. Profit before tax (I - II)</b>		<b>182.00</b>	<b>11.07</b>
<b>IV. Tax expense:</b>		<b>33.50</b>	<b>-</b>
<b>V. Profit after tax (III-IV)</b>		<b>148.50</b>	<b>11.07</b>
<b>VI. Earning per equity share of face value of ₹ 10 each: (Amount in ₹)</b>	22		
(1) Basic		0.50	0.13
(2) Diluted		0.50	0.13
Significant accounting policies 1			
Other notes accompanying the financial statements 16-23			
The accompanying notes are an integral part of the financial statements.			

As per our attached report of even date

For and on behalf of the Board of Directors

**For Lodha & Company**  
Chartered Accountants

A. M. Hariharan  
Partner

R. K. Rao  
Company Secretary

Cyrus Khambata  
Managing Director

N. Rangachary  
Chairman

Place : Mumbai,  
Date : 22<sup>nd</sup> April, 2013

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	01.04.2012 to 31.03.2013 ₹ in Lacs	12.07.2011 to 31.03.2012 ₹ in Lacs
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) Before Tax	182.00	11.07
<b>Adjustments for:</b>		
Interest on Bank Deposits	(51.93)	(5.53)
Dividend Income from Current Investments	(64.74)	(44.74)
Profit on sale of Mutual Fund Units	(149.90)	-
<b>Adjustment for changes in working capital</b>		
Increase in Trade Payables	1.09	1.36
Increase in Other Liabilities & Provisions	13.08	0.25
Increase in other current assets	(9.69)	(0.60)
<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>(80.10)</b>	<b>(38.19)</b>
Taxes Paid	(34.19)	-
<b>A) NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(114.30)</b>	<b>(38.19)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Redemption/(Investment) in Units of Mutual Funds (net)	177.88	(2,507.29)
Interest on Bank Deposits	51.93	5.53
Dividend Income from Current Investments	64.74	44.74
Deposits with Banks	(46.73)	(504.69)
Purchase of Fixed Assets	(130.97)	-
<b>B) NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES</b>	<b>116.85</b>	<b>(2,961.71)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Equity Shares ( Net of share application money pending for allotment)	-	3,000.00
<b>C) NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>3,000.00</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>2.55</b>	<b>0.10</b>
Cash and Cash Equivalents Opening Balance	0.10	-
Cash and Cash Equivalents Closing Balance	2.65	0.10
	<b>2.55</b>	<b>0.10</b>
<b>Notes :</b>		
<b>1. Cash and Cash Equivalents comprises of</b>		
Cash on Hand	0.07	0.05
With scheduled bank on Current Accounts	2.58	0.05
	2.65	0.10
<b>2. Reconciliation of Cash and Cash Equivalents</b>		
Cash and Bank Balances as per Balance Sheet	502.65	500.10
Bank Deposits with maturity date after three months	500.00	500.00
Cash and Cash Equivalents as per Cash Flow Statement	2.65	0.10

3. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard -3 on "Cash Flow Statements"
4. Previous year's/period's figures have been regrouped / rearranged wherever necessary to conform to the current period's presentation.

As per our attached report of even date

For and on behalf of the Board of Directors

**For Lodha & Company**  
Chartered Accountants

**A. M. Hariharan**  
Partner

**R. K .Rao**  
Company Secretary

**Cyrus Khambata**  
Managing Director

**N. Rangachary**  
Chairman

Place : Mumbai,  
Date : 22<sup>nd</sup> April, 2013



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

### Corporate Information

The Company was incorporated on July 12, 2011, with the main objective of setting up an insurance repository 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 issuance and maintenance of insurance policies. The Company has received a communication from Insurance Repository and Development Authority (IRDA) on April 03, 2013 that the issue of Certificate of Registration is in final stages and the Company is initiating and implementing the processes and systems required to be put in place before the final Certificate of Registration is issued.

#### NOTE 1

#### Significant Accounting Policies

##### i. 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.

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.

##### ii. Revenue Recognition

All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.

##### iii. 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.

##### iv. Income Tax

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

#### v. Provisions and Contingent Liabilities

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

- the Company has a present obligation as a result of past event,
- a probable outflow of resources is expected to settle the obligation and
- 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 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 2				
SHARE CAPITAL	As at 31.03.2013		As at 31.03.2012	
	Number	₹ in Lacs	Number	₹ in Lacs
<b>Authorised</b> Equity Shares of ₹ 10 each	30,000,000	3,000	30,000,000	3,000
<b>Issued, Subscribed &amp; Paid up</b> Equity Shares of ₹ 10 each fully paid	30,000,000	3,000	28,550,000	2,855

#### Terms/rights attached to equity shares

- The Company has only one class of equity shares having a face value of ₹ 10 each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- iii) As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

#### Shares held by Holding Company and its subsidiaries

Name of the Shareholders	As at 31.03.2013		As at 31.03.2012	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Central Depository Services (India) Limited, Holding Company and its nominees	15,299,999	1,530.00	15,299,999	1,530.00
CDSL Ventures Limited, Subsidiary of Holding Company	2,950,001	295.00	3,000,001	300.00

#### List of Shareholders holding more than 5% shares in the Company

Name of the Shareholders	No. of shares	%	No. of shares	%
Central Depository Services (India) Limited, Holding Company and its nominees	15,299,999	51.00	15,299,999	53.59
CDSL Ventures Limited, Subsidiary of Holding Company	2,950,001	9.82	3,000,001	10.51
Life Insurance Corporation of India	2,500,000	8.33	2,500,000	8.76
ICICI Prudential Life Insurance Company Limited	1,500,000	5.00	1,500,000	5.25
HDFC Standard Life Insurance Company Limited	1,500,000	5.00	-	-

NOTE 3 RESERVES & SURPLUS	As at 31.03.2013	As at 31.03.2012
	₹ in Lacs	₹ in Lacs
<b>Profit and Loss Account</b>		
Opening Balance	11.07	-
Add: Profit for the year	148.50	11.07
Closing Balance	<u>159.57</u>	<u>11.07</u>

NOTE 4		
<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>		
14,50,000 Equity shares of ₹ 10 each allotted at par to HDFC Standard Life Insurance Co. Ltd. on 03.04.2012	-	145.00
	<u>-</u>	<u>145.00</u>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

NOTE 5	As at 31.03.2013 (₹) in Lacs	As at 31.03.2012 (₹) in Lacs
<b>Trade Payables</b>		
Related Parties	1.38	0.53
Others (Refer note 20 for details of dues to Micro, Small and Medium enterprises)	1.06	0.83
	<u>2.44</u>	<u>1.36</u>
<b>NOTE 6</b>		
<b>Other Current Liabilities</b>		
Statutory dues payable	1.33	0.25
Vendors for capital assets	9.00	-
	<u>10.33</u>	<u>0.25</u>
<b>NOTE 7</b>		
<b>Short-Term Provisions</b>		
Provision For Ex-Gratia	3.00	-
	<u>3.00</u>	<u>-</u>
<b>NOTE 8</b>		
<b>Cash &amp; Cash Equivalents</b>		
Cash on Hand	0.07	0.05
Bank Balance		
- In Current Accounts	2.58	0.05
- Term deposit with maturity period beyond 12 months	500.00	500.00
	<u>502.65</u>	<u>500.10</u>



<b>NOTE 10</b>		
<b>Short Term Loans and Advances</b>	<b>As at 31.03.2013 (₹) In Lacs</b>	<b>As at 31.03.2012 (₹) In Lacs</b>
(Unsecured, considered good)		
Adv tax & Tax deducted at source (Net of Provision ₹ 33.5 lacs; Previous year Nil)	1.21	0.52
Service Tax Receivable	9.52	0.08
Others	0.25	-
	<u>10.98</u>	<u>0.60</u>
<b>NOTE 11</b>		
<b>Other Current Assets</b>		
(Unsecured, considered good)		
Interest accrued on term deposit	51.43	4.69
	<u>51.43</u>	<u>4.69</u>
<b>NOTE 12</b>		
	<b>01.04.2012 to 31.03.2013 ₹ in Lacs</b>	<b>12.07.2011 to 31.03.2012 ₹ in Lacs</b>
<b>Non-Operating Income</b>		
Interest on Bank Deposits	51.93	5.53
Income from Current Investments :		
- Dividend from Mutual Funds	64.74	44.74
- Profit on sale of Mutual Fund units	149.90	-
	<u>266.57</u>	<u>50.27</u>
<b>NOTE 13</b>		
<b>Preliminary Expenses</b>		
Registration Fees	-	13.58
Stamp Duty	-	5.00
Legal & Professional Fees	-	0.56
	<u>-</u>	<u>19.14</u>
<b>NOTE 14</b>		
<b>Employee Benefit Expenses</b>		
Salaries & Other allowances	37.16	4.58
Contribution to PF & Other funds	3.27	0.27
Staff welfare expenses	0.20	0.06
	<u>40.63</u>	<u>4.91</u>
<b>NOTE 15</b>		
<b>Other Expenses</b>		
Travel & Conveyance	3.37	0.28
Communication, Telephone & Courier charges	0.32	-
Insurance	0.34	0.25
Directors Sitting fees	3.70	0.90
Auditor's Remuneration *		
- As Audit Fees	0.45	0.40
- For Certification	-	0.13
- Reimbursement of expenses	0.09	-
Rent, Rates & Taxes	13.38	0.06
Legal & Professional Fees	2.40	12.64
Administrative expenses	18.00	-
Miscellaneous Expenses	1.89	0.49
	<u>43.94</u>	<u>15.15</u>
*(Net of service tax of ₹ 5,562; Previous year ₹ 6489)		

## NOTE 16

### CAPITAL AND OTHER COMMITMENTS

Estimated amount of contract to be executed on capital account and not provided for ₹ 512.13 Lacs as on 31.03.2013 (as on 31.03.2012 ₹352 Lacs) plus applicable taxes.

## NOTE 17

In the opinion of the Management, assets other than fixed assets and non current investments 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 not in excess of what is required.

## NOTE 18

### Related Party Disclosures:

(a) List of related parties and their relationship:

(i) **Entity where control exists:**

Central Depository Services (India) Limited (CDSL) - Holding Company

(ii) **Associates :**

CDSL Ventures Limited (CVL)- Fellow Subsidiary

(b) Transactions during the year:

	01.04.2012 to 31.03.2013 ₹ In Lacs	12.07.2011 to 31.03.2012 ₹ In Lacs
Central Depository Services (India) Limited Reimbursement of Preliminary & Other Expenses	27.72	24.17
Share Capital	-	1530.00
CDSL Ventures Limited		
Reimbursement of Legal Expenses	-	0.10
Share Capital	-	300.00
(c) Balances at	31.03.2013	31.03.2012
Central Depository Services (India) Limited : Payable	1.38	0.53

**Notes :**

- No amounts in respect of the related parties has been provided for as doubtful debts or written off/back during the period.
- 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 19

The Company is primarily engaged to do the business of providing insurance policy holders a facility to keep insurance policies in Electronic Form and there is no separate reportable segment as per Accounting Standard 17 on “Segment Reporting” prescribed in Companies (Accounting Standards) Rules, 2006.

#### NOTE 20

As at March 31, 2013, 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 21

The Company has determined the liability for Employee Benefits as on 31st March ,2013 in accordance with the revised accounting standard 15 on “Employee Benefits” prescribed in Companies (Accounting Standards) Rules,2006.

Defined benefit plans-Gratuity-(As per Actuarial Valuation)

	31.03.2013 (₹ In Lacs)	31.03.2012 (₹ In Lacs)
<b>A Expenses Recognized in the statement of Profit &amp; Loss Account for the year ended</b>		
1 Current Service Cost	0.39	-
2 Past Service Cost	-	-
3 Interest Cost	-	-
4 Expected Return on Plan Assets	(0.04)	-
5 Net Actuarial (Gain)/ Loss recognized for the period	0.02	-
6 Expenses recognized in statement of P&L A/c	0.37	-
<b>B Net Asset / (Liability) recognized in the Balance Sheet</b>		
1 Present Value of Obligation	0.39	-
2 Fair Value of Plan Assets	0.86	0.27
3 Funded Status	0.47	0.27
4 Unrecognised Actuarial Gain/ (Loss)	-	-
5 Net Assets / (Liability) recognized in the Balance Sheet	0.47	0.27
<b>C Changes in present value of obligations</b>		
1 Present Value of Obligation as at April 01, 2012	-	-
2 Interest Cost	-	-
3 Current Service Cost	0.39	-
4 Benefits Paid	-	-
5 Actuarial (Gain)/Loss on Obligation	-	-
6 Present Value of Obligation as at March 31,2013	0.39	-



	31.03.2013 (₹ In Lacs)	31.03.2012 (₹ In Lacs)
<b>D Changes in Fair Value of Plan Assets</b>		
1 Fair Value of Plan Assets as at April 01, 2012	0.27	-
2 Adjustment to opening balance	-	-
3 Expected Return on Plan Assets	0.04	-
4 Contributions	0.57	0.27
5 Benefits Paid	-	-
6 Actuarial Gain / (Loss) on plan assets	(0.02)	-
7 Fair Value of Plan Assets as at March 31,2013	0.86	0.27
<b>E Fair Value of Plan Assets</b>		
1 Fair Value of Plan Assets as at April 01,2012	0.27	-
2 Adjustment to opening balance	-	-
3 Actual Return on Plan Assets	0.02	-
4 Contributions	0.57	0.27
5 Benefits Paid	-	-
6 Fair Value of Plan Assets as at March 31,2013	0.86	0.27
7 Funded Status	0.47	-
8 Excess of Actual over estimated return on Plan Assets	(0.02)	-
<b>F Actuarial Gain / (Loss) Recognized</b>		
1 Actuarial Gain/(Loss) for the period (Obligation)	-	-
2 Actuarial Gain /(Loss) for the period (Plan Assets)	(0.02)	-
3 Total Gain / (Loss) for the period	(0.02)	-
4 Actuarial Gain / (Loss) recognized for the period	(0.02)	-
5 Unrecognized Actuarial Gain / (Loss) at March 31, 2013	-	-
<b>G Movements in the Liability recognized in Balance Sheet</b>		
1 Opening Net Liability	(0.27)	-
2 Adjustment to opening balance	-	-
3 Expenses recognized in Profit & Loss A/c	0.37	-
4 Contribution Paid	(0.57)	(0.27)
5 Closing Net Liability	(0.47)	(0.27)
<b>H Actuarial Assumptions</b>		
1 Mortality	LIC(1994-96)Ult	LIC(1994-96)Ult
2 Discount Rate as at March 31,2013	7.95%	8.53%
3 Rate of Increase in Compensation	4.00%	4.00%

## NOTE 22

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

	01.04.2012 to 31.03.2013	12.07.2011 to 31.03.2012
Numerator - Net Profit as per Profit & Loss Account (Amount in ₹ Lacs)	148.50	11.07
Denominator - Weighted Average Number of Equity Shares outstanding during the year (No.'s)	29992055	8711250
Nominal Value of Shares (₹)	10	10
Basic and Diluted Earnings per share ( Amount in ₹)	0.50	0.13

## NOTE 23

Figures of Previous year are for the period from July 12, 2011 (date of incorporation) to March 31, 2012 and are therefore, not comparable with those of the current 12 months period.

Signatures to notes 1 to 23

For and on behalf of the Board of Directors

**R K Rao**  
Company Secretary

**Cyrus Khambata**  
Managing Director

**N Rangachary**  
Chairman

Place : Mumbai

Date : 22<sup>nd</sup> April, 2013



**Central Insurance Repository Limited**



# **Central Insurance Repository Limited**

**17<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.**  
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