



## Inter-Connected Enterprises Limited

(Formerly : Inter-Connected Stock Exchange of India Ltd.)

International Infotech Park, Tower No. 7, 5th Floor, (Above Vashi Railway Station), Sector - 30A,  
Vashi, Navi Mumbai - 400 703. Tel.: (022) 2781 2056

CIN : U74999MB2005PLC157556 Internet URL : <http://www.isec.com>

For redressal of investor grievance e-mail to : [invgrievise@iseindia.com](mailto:invgrievise@iseindia.com)



### NOTICE OF THE 19<sup>TH</sup> ANNUAL GENERAL MEETING OF INTER-CONNECTED ENTERPRISES LIMITED

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of Inter Connected Enterprises Limited (Erstwhile Inter Connected Stock Exchange of India Limited) will be held on Thursday, September 21, 2017 at 10.30 a.m. at Chandragupta Hall, 2<sup>nd</sup> Floor, Hotel Abbott, Sector-2, Near Meghraj Cinema Hall, Vashi, Navi Mumbai- 400 703, to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider approve and adopt :
  - a) The audited Balance Sheet as at March 31, 2017, Profit & Loss Account for the financial year ended March 31, 2017 and the Directors' report on accounts and Auditors' report thereon.
  - b) The Consolidated Financial Statements of the company for the Financial Year ended March 31, 2017 including the Audited Balance Sheet as at March 31, 2017, and statement of Profit & Loss account for the year ended on that date and the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Sanjay Sakaria, Director, who retires from office by rotation, and being eligible, for reappointment, offers himself for reappointment.
3. To appoint a Director in place of Mr. Shrichand Pareek, Director, who retires from office by rotation, and being eligible, for reappointment, offers himself for reappointment.
4. To appoint Auditors M/s Chhajed Kedia & Associates (Firm Registration Number: 119248W) Chartered Accountants and to fix their remuneration and to consider and, if thought fit, to pass with or without modification(s) the following resolution, as an ORDINARY RESOLUTION: -

**"RESOLVED THAT** in conformity with the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and Rule 3,4,5,6 of The Companies (Audit and Auditors) Rules, 2014, M/s. Chhajed Kedia & Associates, Chartered Accountants, (Firm Registration Number: 119248W) be and are hereby appointed as Statutory Auditors of the company, to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company, at remuneration of Rs. 1,00,000/- Plus Out of Pocket Expenses (OPE) not exceeding Rs.5,000/- Plus taxes if any."



**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ONLY ON POLL AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING
2. Members seeking any information or clarification on the Accounts are requested to send in writing queries to the Company on or before September 15, 2017. Replies to such written queries received, will be provided at the meeting.
3. Members / proxies should bring the Attendance Slip sent herewith, duly filled in, along with the Annual Report for attending the Meeting.

Date: August 28, 2017

Place: Mumbai

BY ORDER OF THE BOARD



  
Ashok Lunia  
Director  
DIN: 02225255

M/S. Inter-Connected Enterprises Limited  
(Erstwhile: M/s Inter-connected Stock Exchange of India Limited)  
Regd Office: International Infotech Park, Tower 7, 5th Floor, Vashi, Navi Mumbai  
Maharashtra 400703  
CIN : U74999MH2005PLC157556

Attendance Slip

19 <sup>th</sup> Annual General Meeting
<p><b>(Details of Shareholder)</b></p> <p>Name :</p> <p>Folio no / Client ID:</p> <p>Address:</p>

I/We hereby record my/our presence at the 19<sup>th</sup> Annual General Meeting of the Company at 10.30 a.m. on Thursday, September 21, 2017, at Chandragupta Hall, 2<sup>nd</sup> Floor, Hotel Abbott, Sector - 2, Near Meghraj Cinema Hall, Vashi, Navi Mumbai - 400 703.

.....

Member's Folio

.....

Member's/ Proxy's name in  
Block letters

.....

Member's/ Proxy's  
signature



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## DIRECTORS' REPORT FOR ACCOUNTS FOR 2016- 2017

Dear Members,

The Directors are pleased to present the Eighteenth Annual Report and the Company's audited financial statement for the Financial Year ended March 31, 2017.

The financial performance of your Company as per the financials for the year 2016-17, together with the comparable figures for the four previous years, is given below in Table No. 1:

**Table No. 1: Comparative Financial Performance**

(Rs. in lakh)

Particulars	16-17	15-16	14-15	13-14	12-13
<b>INCOME</b>					
<i>Admission Fee from Trading Members</i>	-	-	-	-	1.50
Annual Subscription from Trading Members	-	-	-	64.43	69.67
Listing Fees	-	-	0.27	0.25	0.25
Income from DP Operation	-	-	-	55.90	122.68
Income from Training Programmes	-	-	0.10	5.82	2.92
Income from Research	-	-	-	0.87	2.39
Income from Rent	-	-	-	-	-
Interest on Bank Deposits	104.63	113.20	69.72	90.06	140.43
Management Services Fee	-	-	40.00	60.00	60.00
Others	32.24	0.90	68.02	246.78	115.95
<b>Total Income</b>	<b>136.87</b>	<b>114.10</b>	<b>178.11</b>	<b>524.11</b>	<b>515.79</b>
<b>EXPENDITURE</b>					
Employee Cost	-	1.40	356.97	421.65	322.32
Administrative & Operational Expenses	42.33	61.28	283.47	394.27	295.67
DP Expenses	-	-	-	17.39	25.18
Training Programmes Expenses	-	-	-	2.73	1.35
Depreciation	13.63	14.46	16.95	385.28	113.11
Impairment Loss	-	-	-	1213.07	-
<b>Total Expenditure</b>	<b>55.95</b>	<b>77.14</b>	<b>657.40</b>	<b>2434.39</b>	<b>757.63</b>
<b>Profit/(Loss) before Taxation</b>	<b>80.92</b>	<b>36.96</b>	<b>(479.29)</b>	<b>(1910.28)</b>	<b>(241.84)</b>
<b>Less: Provision for Tax and other adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.91</b>	<b>21.17</b>
<b>PROFIT/(LOSS) AFTER TAXATION</b>	<b>80.92</b>	<b>36.96</b>	<b>(479.29)</b>	<b>(1908.37)</b>	<b>(220.67)</b>



**Note: Previous year figures have been regrouped/ reclassified wherever necessary.**

## **APPROPRIATIONS**

**Appropriations of the net profit for the period ended 31.03.2017 are as under:**  
(Rs. in lakh)

<b>General Reserves</b>	<b>NIL</b>
<b>Proposed Dividend</b>	<b>NIL</b>
<b>Corporate Dividend Tax</b>	<b>NIL</b>
<b>Balance carried to Reserves and Surplus</b>	<b>80.92</b>

### **2. Dividend**

The Board of Directors has not recommended the payment of dividend.

### **3. Reserves**

The Board of Directors has decided not to transfer any amount to General Reserves.

## **4. CONSOLIDATED ACCOUNTS**

The consolidated financial statements of your Company for the financial year 2016-17, are prepared in compliance with applicable provisions of the Companies Act, 2013, & Accounting Standards. The consolidated financial statements have been prepared on the basis of audited financial statements of the Company, its subsidiary as approved by its Board of Directors.

## **5. SUBSIDIARY**

A separate statement containing the salient features of financial statement of subsidiary of your Company forms part of consolidated financial statements is attached in FORM AOC-1 in compliance with Section 129 (3) and other applicable provisions, if any, of the Companies Act, 2013.

## **6. Proposal for sale of stake in the Subsidiary company ISE Securities & Services Ltd.**

The share holders of the company through Postal Ballot, on January 13, 2017, accorded the approval to the Board to dispose-off 55,00,000 Equity shares of Rs. 10/- each including the shares held by Nominee for total consideration of Rs.15,00,00,000/-. The shareholders have also approved the terms & Conditions mentioned in the share purchase agreement, entered into between the Company and the Purchaser Mitesh Shah & Group.

## **7. Present status of proposed sale of stake in subsidiary Company.**

As sale of stake in subsidiary company, tantamount to change in control of subsidiary company The subsidiary Company informed that the necessary formalities for obtaining prior approval from concerned Regulator is in process. The approvals have been received from BSE,NSE and



Metropolitan Stock Exchange (MCX-SX). The approval is pending from CDSL and SEBI. As per the regulatory requirement the sale can be completed after receipt prior approval from SEBI.

## 8. TECHNOLOGY AND SYSTEMS

There are no major Technological Changes during the year under review except streamlining and certain up gradation was done in technology for which no major expenses were incurred during the year under review.

## 9. OFFICE INFRASTRUCTURE

Registered office of the company is located at International Infotech Park, Tower No. 7, 5<sup>th</sup> Floor, Sector – 30, Vashi, Navi Mumbai – 400 703.

## 10. Statutory Auditors

During the F.Y. 2016-17, the Statutory Auditor Chhjaed & Co. Chartered Accountants was appointed as Statutory Auditor for the F.Y. 2016-17, who shall hold the office till the conclusion of Nineteenth Annual General meeting of the company.

## 11. Directors:

The Board of Directors as on the date of this Report consists of:

<u>Sr. No.</u>	<u>Name of the Director</u>	<u>Status</u>	<u>Date of Appointment</u>
1.	Mr. Ashok Lunia	Director	20 <sup>th</sup> December 2014 & 1 <sup>st</sup> October 2015
2.	Mr. Peter Markose	Director	20 <sup>th</sup> December 2014 & 1 <sup>st</sup> October 2015
3.	Mr. Shrichand Pareek	Director	22 <sup>nd</sup> December, 2015
4.	Mr. Sanjay Sakaria	Director	22 <sup>nd</sup> December, 2015
5.	Mr. Rajeeb Ranjan Kumar	Director	22 <sup>nd</sup> December, 2015

Two Directors of the company, namely Mr. Sanjay Sakaria and Mr. Shrichand Pareek are liable to retire by rotation and are eligible offers themselves for re appointment.

During the period April 01, 2016 to March 31, 2017, the following Board Meetings were held:

Board Meeting No.	Date
158	June 03, 2016
159	August 11, 2016
160	September 21, 2016
161	November 18,, 2016
162	March 15,, 2017

## 12. DETAILS OF ATTENDANCE OF THE DIRECTORS IN THE BOARD MEETINGS

During the period April 01, 2016 to March 31, 2017, the Board of Directors met 5 times. The attendance record of the Directors at each Board Meeting and at the last Annual General Meeting held on September 21, 2016, is given below:



Sr. No	Name of Director and Status	No. of Board Meetings held during their tenure	No. of Board Meetings attended	Status at Last 18 <sup>th</sup> Annual General Meeting on September 21, 2016
1	Mr. Peter Markose	05	05	Present
2	Mr. Ashok Lunia	05	05	Present
3	Mr. Shrichand Preek	05	05	Present
4	Mr. Sanjay Sakaria	05	05	Present
5	Mr. Rajeeb Ranjan Kumar	05	05	Present

### 13. GENERAL BODY MEETINGS

#### Location and dates of the last three Annual General Meetings (AGMs):

The last three Annual General Meetings i.e, 16<sup>th</sup> 17<sup>th</sup> and 18<sup>th</sup> Meetings of the Company were held on the following dates

16<sup>th</sup> AGM: October 25, 2014 (at Hotel Abbot, Vashi, Navi Mumbai)

Adjourned 16<sup>th</sup> AGM: September 30, 2015 (at Hotel Abbot, Vashi, Navi Mumbai)

17<sup>th</sup> AGM December 22, 2015 (at Hotel Abbot, Vashi, Navi Mumbai)

18<sup>th</sup> AGM September 21, 2016 (at Hotel Abbot, Vashi, Navi Mumbai)

As per the provisions contained under the companies Act 2013, to be read with Companies (Meetings of Board its powers) Rules 2014, provisions relating to constitution of Audit committee are not applicable to the company.

All the matters pertaining to Audit Committee are being looked after by the Board.

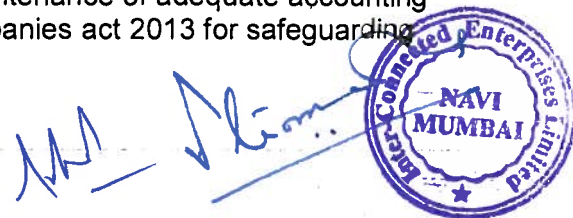
### 14 Risk Management Policy

As there is no Business activity, the Company has not framed any Risk Management Policy.

### 15. Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Ac 2013, the Directors State that:

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 and of the profit and loss of the company for the year ended March 31, 2016;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the companies act 2013 for safeguarding



the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) The annual accounts have been prepared on a going concern basis;
- (e) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**16. DISCLOSURES OF PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES.**

All the transactions entered into with the related parties i.e. Subsidiary company ISE Securities & Services Limited (ISS) with regard to payment of Interest @ 10% P.A. on amount of Expenses incurred by subsidiary company on behalf of the company are at arm's length. The Form AOC-2, pursuant to Section 134(3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as Annexure B

**17. HUMAN RESOURCES AND PARTICULARS OF EMPLOYEES**

In view of the Exit from Stock Exchange Business, there are no Employees, except one Administrative in charge has been appointed by the Board to take care of day to day activities of the company.

**18. OTHER DISCLOSURES REQUIREMENTS:**

Other disclosures required to be made in this report pursuant to provisions contained in section 134, of the Companies act 2013, have not been made as same are not applicable to the company.

**19. EXTRACT OF ANNUAL RETURN:**

The details forming part of the Annual Return in form MGT 9 annexed herewith as Annexure A


**20. Acknowledgements**

Acknowledgements on behalf of the Directors of the Company, we would like to place on record our deep appreciation to our Shareholders, Customers, and Business Partners, Vendors, Bankers, and Regulatory authorities.

For and on behalf of the Board of Directors

Place: Mumbai

  
Ashok Lunia

  
Peter Markose



Director

Director

DIN: 02225255

DIN: 01849369

Date: August 28, 2017

signing as per Board resolution passed on August 28, 2017



**ANNEXURE A  
EXTRACT OF ANNUAL RETURN**

As on the financial year ended 31.03.2016

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

**FORM NO. MGT – 9**

**I. REGISTRATION AND OTHER DETAILS**

i.	CIN	U74999MH2005PLC157556
ii.	Registration Date	January 20, 1998 (Date of New Certificate of Incorporation on account of Name change 09/10/2015)
iii.	Name of the Company	Inter Connected-Enterprises Limited (Erstwhile: Inter Connected Stock Exchange of India Limited)
iv.	Category / Sub-Category of the Company	Public Limited Company (Limited by Shares)
v.	Address of the Registered office and contact details	International Infotech Park, Tower No.7, 5 <sup>th</sup> Floor, Sector-30, Vashi Navi Mumbai--400703
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd., E2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai—400072.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Currently, the Company is managing its assets and its Subsidiary company ISE Securities & Services Limited.



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### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SR No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	ISE Securities & Services Ltd.	U67190MH2000PLC123707	Subsidiary Company	99.99%	Section 2(87) of The Companies Act 2013

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

##### i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>	--	---	---		-	-	-			
(1) Indian	--	-	-		-	-	-			
a) Individual/HUF	--	-	-		-	-	-			
b) Central Govt. or State Govt.	--	-	-		-	-	-			
c) Bodies Corporate	78,12,000	28,00,000	106,12,000	37.90	78,12,000	28,00,000	1,06,12,000	37.90	Nil	Nil
d) Bank/FI	--	-	-		-	-	-			
e) Any other	--	-	-		-	-	-			
<b>SUB TOTAL:(A) (1)</b>	78,12,000	28,00,000	106,12,000	37.90	78,12,000	28,00,000	1,06,12,000	37.90	Nil	Nil
<b>(2) Foreign</b>	---	-	-		-	-	-			
a) NRI-Individuals	---	-	-		-	-	-			



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b) Other Individuals	---	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	----	-	-	-	-	-	-	-	-	-
d) Banks/FI	----	-	-	-	-	-	-	-	-	-
e) Any other...	----	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	----	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	78,12,000	28,00,000	28,00,000	37.90	78,12,000	28,00,000	1,06,12,000	37.90	Nil	Nil

<b>B. PUBLIC SHARE HOLDING</b>	----	----	-	-	-	-	-	-	-	-
(1) Institutions	----	---	-	-	-	-	-	-	-	-
A) Mutual Funds	----	---	-	-	-	-	-	-	-	-
b) Central Govt.	----	---	-	-	-	-	-	-	-	-
d) State Govt.	----	---	-	-	-	-	-	-	-	-
e) Venture Capital	----	---	-	-	-	-	-	-	-	-
f) Insurance Companies	-----	---	-	-	-	-	-	-	-	-
g) FIIS	----	---	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	---	---	-	-	-	-	-	-	-	-
i) Others (Specify)	---	---	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B) (1):</b>	---	--	-	-	-	-	-	-	-	-
(2) Non Institutions	---	--	-	-	-	-	-	-	-	-
a) Bodies Corporate	--	--	-	-	-	-	-	-	-	-
i) Indian	1,33,40,340	Nil	1,33,40,340	47.64	1,33,40,340	Nil	1,33,40,340	47.64		
ii) Overseas	----		-	-	-	-	-	-	-	-
b) Individuals			-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs.1 Lakhs	56,010	Nil	56,010	0.20	56,010	Nil	56,010	0.20		
ii) Individual	39,91,650	Nil	39,91,650	14.26	39,91,650	Nil	39,91,650	14.26		



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shareholders holding nominal share capital in excess of Rs. 1 Lakhs								
c)Others (Specify)	-----		-	-	-	-		
<b>SUB TOTAL (B) (2):</b>	1,73,88,000	Nil	1,73,88,000	62.10	1,73,88,000	Nil	1,73,88,000	62.10
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	1,73,88,000	Nil	1,73,88,000	62.10	1,73,88,000	Nil	1,73,88,000	62.10
C. Shares held by Custodian for GDRs & ADRs	-----		-----	-	-			
<b>Grand Total (A+B+C)</b>	2,52,00,000	28,00,000	2,80,00,000	100.00	2,52,00,000	28,00,000	2,80,00,000	100.00



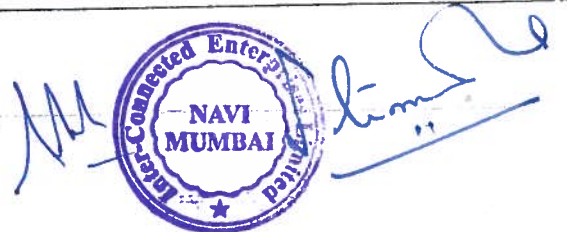
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ii) Shareholding of Promoters –

Sr. No	Share Holder's Name	Shareholding at the beginning of the Year.			Share Holding at the end of the Year			% Change in share holding
		No. of Shares	% of Total Share holding	% Shares Pledge/encumbered to total shares	No. of Shares	% of Total Share holding	% Shares Pledge/encumbered to total shares	
1	Bangalore Stock Exchange	8,40,000	3.00	Nil	8,40,000	3.00	Nil	Nil
2	Cochin Stock Exchange Ltd.	14,00,000	5.00	Nil	14,00,000	5.00	Nil	Nil
3	Coimbatore Stock Exchange	14,00,000	5.00	Nil	14,00,000	5.00	Nil	Nil
4	The Gauhati Stock Exchange	14,00,000	5.00	Nil	14,00,000	5.00	Nil	Nil
5	Jaipur Stock Exchange Limited	8,00,000	2.86	Nil	8,00,000	2.86	Nil	Nil
6	Madras Stock Exchange	6,00,000	2.14	Nil	6,00,000	2.14	Nil	Nil
7	Mangalore Stock Exchange.	6,86,000	2.45	Nil	6,86,000	2.45	Nil	Nil
8	Magadh Stock Exchange	14,00,000	5.00	Nil	14,00,000	5.00	Nil	Nil
9	Saurashtra Kutch Stock Exchange Ltd.	14,00,000	5.00	Nil	14,00,000	5.00	Nil	Nil
10	Uttar Pradesh Stock Exchange	6,86,000	2.45	Nil	6,86,000	2.45	Nil	Nil

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

SR. No.		Shareholding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares the company
	At the beginning of				



	the year	
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change in Promoters' Share Holding during the year.
	At the end of the year	

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) -

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Madhya Pradesh Stock Exchange Ltd.	14,00,000	5.00	14,00,000	5.00
2	Bhuwaneshwar Shares & Securities Ltd.	14,00,000	5.00	14,00,000	5.00
3	Panoramic Universal Ltd.	12,48,260	4.46	12,48,260	4.46
4	Acme Chem Ltd.	12,48,260	4.46	12,48,260	4.46
5	Madhuri Omprakash Damani	12,48,260	4.46	12,48,260	4.46
6	Darshaw & Co. Pvt. Ltd.	12,48,260	4.46	12,48,260	4.46
7	Bennett, Coleman & Co. Ltd.	12,48,260	4.46	12,48,260	4.46
8	Dion Global Solutions Ltd.	12,43,280	4.44	12,43,280	4.44
9	Anjana Fincap Pvt. Ltd.	10,66,020	3.81	10,47,838	3.74
10	Telelink Commerce Pvt.	2,52,000	0.88	4,82,000	1.72



	Ltd..		
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v) Shareholding of Directors and Key Managerial Personnel - NIL

SR. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year				

II. INDEBTEDNESS :

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0		0	---
ii) Interest due but not paid	0	0	0	---
iii) Interest accrued but not due	0	0	0	---
<b>Total (i+ii+iii)</b>	0		0	---
<b>Change in Indebtedness during the financial year</b>	0	0	0	---
Addition	0		0	---
Reduction	0		0	---
<b>Net Change</b>	0		0	---
<b>Indebtedness at the end of the financial year</b>	0	0	0	---
i) Principal Amount	0	0	0	---
ii) Interest due but not paid	0	0	0	---



iii) Interest accrued but not due	0	0	0	---
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NIL.</b>

### III. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. Remuneration to other Directors: Not Applicable

#### 1. Independent Directors

Particulars of Remuneration	Name of Director					Total Amount
<b>Fee for attending Board/Committee Meetings</b>						----
-Commission						----
- Others, please specify						----
<b>Total (B)(1)</b>						<b>NIL</b>

#### 2. Other Non Executive Directors

Particulars of Remuneration	Name of Director/ Committee		Total Amount Rs.
	Member		
<b>Fee for attending Board/Committee Meetins</b>	Mr. ASHOK LUNIA	Board Meeting	50,000/-
	Mr. Peter Markose	Board Meeting	50,000/-
	Mr. Shrichand Parik	Board Meeting	50,000/--
	Mr. Sanjay Sakaria	Board Meeting	50,000/-
	Mr. Rajeeb Ranjan Kumar	Board Meeting	50,000/-





-Commission			-----
- Others, please specify			=====
<b>Total (B)(2)</b>			<b>2,50,000/-</b>
<b>Total (B)= (B)(1)+ (B)(2)</b>			<b>2,50,000/-</b>

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER /WTD: NIL

IV. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty			----NIL----		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			-----NIL-----		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			---NIL---		
Punishment					
Compounding					



ANNEXURE B

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

**1. Details of contracts or arrangements or transactions not at arm's length basis: NIL**

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

- (a) Name(s) of the related party and nature of relationship: **ISE Securities & Services Limited, Subsidiary Company.**
- (b) Nature of contracts/arrangements/transactions: **Payment of interest @10% p.a. on amount of expenses incurred by subsidiary company on behalf of the company.**
- (c) Duration of the contracts/arrangements/transactions: **On continuous basis.**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **N.A.**
- (e) Date(s) of approval by the Board, if any: **February 06, 2016**
- (f) Amount paid as advances, if any: **N.A.**

For and on behalf of the Board of Directors

  
Ashok Lunia  
Director  
DIN: 02225255

  
Peter Markose  
Director  
DIN: 01849369

Place: Mumbai  
Date: August 28, 2017



**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies  
(Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of  
subsidiaries/associate companies/joint ventures****Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No	Particulars	Details
1	Name of the subsidiary	ISE Securities & Services Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 2016 to March 2017
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital	5,50,00,000
5	Reserves & surplus	10,27,01,682
6	Total assets	1,14,67,78,037
7	Total Liabilities	98,90,76,355
8	Investments	67,10,005
9	Turnover	4,57,12,451
10	Profit before taxation	1,34,61,183
11	Provision for taxation	(35,39,076)
12	Profit after taxation	99,22,107
13	Proposed Dividend	Nil.
14	% of shareholding	100%

For and on behalf of the Board of Directors

Place: Mumbai  
Date: August 28, 2017

  
Ashok Lunia  
Director  
DIN: 02225255

  
Peter Markose  
Director  
DIN: 01849369



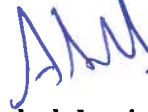
**Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	None
Latest audited Balance Sheet Date	-
Shares of Associate/Joint Ventures held by the company on the year end	-
Amount of investment in Associates/Joint Venture (Rs.)	-
Extent of Holdings%	-
Description of how there is significant influence	-
Reason why the associate/joint venture is not consolidated	-
Net worth attributable to shareholding as per latest audited Balance Sheet	-
Profit/Loss for the year	-
Considered in Consolidation (Rs.)	-
Not Considered in Consolidation (Rs.)	-

1. Names of associates or joint ventures which are yet to commence operations - NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year - NIL.

For and on behalf of the Board of Directors



**Ashok Lunia**  
Director  
DIN: 02225255



**Peter Markose**  
Director  
DIN: 01849369



Place: Mumbai  
Date: August 28, 2017



## Independent Auditors' Report

**To the Members of Inter-Connected Enterprises Limited**  
( Formerly Inter - connected Stock Exchange of India Ltd.)

### Report on the Standalone Financial Statements:

We have audited the accompanying standalone financial statements of **Inter-Connected Enterprises Limited** ( Formerly Inter - connected Stock Exchange of India Ltd.) ("the Company"), which comprise the Balance Sheet as at 31st March , 2017, the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 standalone financial statements based on our audit.

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

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



**Inter-Connected Enterprises Limited**  
( Formerly Inter - connected Stock Exchange of India Ltd.)

**Independent Auditors' Report to the Members of Inter-Connected Enterprises Limited**

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 financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, its Profit and cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-'A'** a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we further report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of



A handwritten signature in blue ink, consisting of a stylized cursive name, positioned below the stamp.

**Inter-Connected Enterprises Limited**  
( Formerly Inter - connected Stock Exchange of India Ltd.)

**Independent Auditors' Report to the Members of Inter-Connected Enterprises Limited**

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in -Annexure- "B"
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- i. The Company has few pending litigations which are not affecting its financial position significantly/materially, as opined by the management based on the opinion given by the experts.
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

**FOR CHHAJED KEDIA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**ICAI Firm Registration No: 119248W**

  
**Lalit Kumar Chhajed**  
**Partner**  
**Membership No: 071980**



**Place : Mumbai**

**Date : 28 AUG 2017**

**Inter-Connected Enterprises Limited**  
**(Formerly Inter - connected Stock Exchange of India Ltd.)**

**Independent Auditors' Report to the Members of Inter-Connected Enterprises Limited**

**Annexure- A**

(Annexure Referred To In Paragraph 1 under the heading "Report on other legal and regulatory requirements" of Our Report Of Even Date.)

- i) A. The Company has maintained proper records showing full particulars , including quantitative details and situation of fixed assets.
- B. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on verification.
- C. According to the information and explanation given to us, there is no immovable property held by the company. Accordingly the provision of clause i(c) of paragraph 3 of the Order is not applicable.
- ii) The Company did not have any inventory during the current financial year. Accordingly the provision of clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- iii) According to information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered under section 189 of the Act. Accordingly paragraph 3(iii) of the Order is not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security to the extent applicable to it.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder. Therefore, the provision of clause 3(v) of the Order is not applicable to the Company.
- vi) To the best of our knowledge and as explained, Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act , for the products of the Company. Therefore, the provision of clause 3(vi) of the Order is not applicable to the Company.
- vii) (a) According to the records of the Company and the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues to the extent applicable to it.

According to the information and explanations given to us and based on the records of the company examined by us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax , Customs Duty , Excise Duty, Value Added Tax, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income Tax , Sales Tax, Service Tax, Customs Duty , Excise Duty and Value Added Tax which have not been deposited on account of any dispute except, as stated hereunder:-.



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**Inter-Connected Enterprises Limited**  
(Formerly Inter - connected Stock Exchange of India Ltd.)

**Independent Auditors' Report to the Members of Inter-Connected Enterprises Limited**

Name of Statute	Nature of Dues	Amount (in INR)	Period to which it relates	Forum where dispute is pending
Navi Mumbai Municipal Corporation (NMMC)	Cess Tax (However company has already paid Rs. 240,610/- against the demand raised by NMMC)	Rs. 3,718,468/-	FY 1998-1999	Bombay High Court
	Cess Tax - (However company has already paid Rs. 913,015/- against the demand raised by NMMC)	Rs. 10,608,646/-	Fy 1999 to 2011	Bombay High Court

\*Refer Notes to Accounts 18 for details & for further clarification

- (viii) Based on our audit procedures and as per the information and explanations given by the management, the Company did not have any loans from banks, financial institutions, government or has not issued debentures during the year.
- (ix) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not raised any money from any Public Issue / follow-on offer. Therefore, the provision of clause 3(ix) of the Order is not applicable to the Company.
- (x) Bases upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the year.
- (xi) According to the records of the company examined by us and as per the information and explanations given to us, the Company has paid / provided managerial / director remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with schedule V to the Act.
- (xii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of clause 3(xii) of the Order is not applicable to the Company.



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**Inter-Connected Enterprises Limited**  
**(Formerly Inter - connected Stock Exchange of India Ltd.)**

**Independent Auditors' Report to the Members of Inter-Connected Enterprises Limited**

- (xiii) In our opinion, all the transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone financial statements as required by applicable accounting standard.
- (xiv) The Company has not made any preferential allotment or private placement of shares or partly or fully convertible debentures during the year, therefore reporting under clause 3(xiv) shall not be applicable.
- (xv) According to the information and explanations given to us, we report that the Company has not entered into any non-cash transaction with directors or persons connected with him.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR CHHAJED KEDIA & ASSOCIATES**  
**CHARTERED AACCOUNTANTS**

**ICAI Firm Registration No: 119248W**

  
**Lalit Kumar Chhajed**  
**Partner**  
**Membership No: 071980**



**Place: Mumbai**  
**Date: 28 AUG 2017**



**Independent Auditors' Report to the Members of Inter-Connected Enterprises Limited**

**Annexure – 'B' to the Auditors' Report**

(Referred to in paragraph 2(f) under 'Report on other legal and regulatory requirements' section of our report of even date)

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the standalone financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting **Inter-Connected Enterprises Limited** ("the Company").

**Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



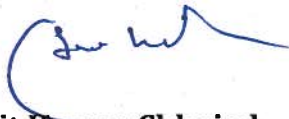
**Inter-Connected Enterprises Limited  
( Formerly Inter - connected Stock Exchange of India Ltd.)**

**Independent Auditors' Report to the Members of Inter-Connected Enterprises Limited**

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in -Annexure- "B"
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- i. The Company has few pending litigations which are not affecting its financial position significantly/materially, as opined by the management based on the opinion given by the experts.
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

**FOR CHHAJED KEDIA & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**ICAI Firm Registration No: 119248W**



**Lalit Kumar Chhajed  
Partner  
Membership No: 071980**



**Place : Mumbai**

**Date : 28 AUG 2017**

## Background

Inter - connected Stock Exchange of India Ltd. (Formerly Inter - connected Stock Exchange of India Ltd.) is a company incorporated on January 22, 1998. The objective of the company was to form a Stock Exchange and had accordingly applied to The Securities and Exchange Board of India. However, on June 11, 2014, ISE communicated to SEBI regarding its decision to exit through a voluntary surrender of recognition in terms of SEBI Circular No. CIR/ MRD/ DSA/ 14/2012 dated May 30, 2012 on Exit Policy for De-recognized/ Non-operational Stock Exchange, read with SEBI circular no. RD/Dop/SE/CIR-36/2008 dated December 29, 2008. Accordingly SEBI vide its letter WTM/RKA/MRD/142/2014 dated December 8, 2014 allowed the exit of inter connected Stock Exchange of India Ltd as a Stock Exchange.

### 1 Significant accounting policies

#### a Method of Accounting

The financial statements have been prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis of accounting except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 2013 (to the extent notified) and the relevant provisions of the Companies Act, 1956. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### b Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent assets & contingent liabilities as of the date of the financial statements and the results of operations during the reporting period. Examples of such estimates include estimates of income taxes, employment retirement benefit plans, provision for doubtful debts and advances and estimated useful life of fixed assets. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

#### c Revenue recognition

- i) Due to the exit letter from SEBI, admission fees and annual fees are no longer recognised as revenue.
- ii) The Dividend Income, if any, is accounted when the right to receive payment is established.
- iii) Contributions towards the Settlement Guarantee Fund received from Trading Members are accounted on the basis of the date of grant of registration certificate by SEBI, as it signifies the conclusive point of entry of Trading Members into the Company.



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- iv) In appropriate circumstances, revenue is recognised when no significant uncertainty as to determination and realisation exists.
- v) The interest income on investments of the Earmarked Funds, being accretions to the said funds, is credited to the funds, in accordance with the Rules, Bye-laws and Regulations of the Company. After the exit letter, the interest on all investments are recognised as Interest income on accrual basis.

**d Fixed Assets**

**Tangible Assets**

- i) Fixed assets are stated at the cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation costs, duties and taxes, finance charges and other incidental expenses incurred during the construction / installation stage.
- ii) Fixed assets, if any, retired from active use or held for disposal are stated at lower of costs (net of accumulated depreciation) or estimated net realizable value.
- iii) Fixed assets under construction and cost of assets not ready for use before the year-end, are disclosed as capital work in progress.

**Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

**e Depreciation and Amortization**

- i) Depreciation on fixed assets except leasehold improvement is charged on the Straight Line Method on a pro-rata basis at the rate and manner prescribed under Schedule II to the Companies Act, 2013. Depreciation has been charged after considering scrap value prescribed under Schedule II to the Companies Act, 2013. The Company provides pro-rata depreciation from / to the date the asset is acquired / put to use / or disposed off.
- ii) Depreciation on assets is charged on the Straight Line Method over a period of useful life of assets.

Asset	Useful life (in yrs.)
<b>Tangible Assets</b>	
Leasehold Land	60
Leasehold Premises	60
Office Equipments	5
Electrical Fittings	10
Furniture & Fixtures	10
Motor Vehicles	8
Computer Equipments & Networking Equipments	3
<b>Intangible Assets</b>	
Computer Software	3



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iii) The Management does not expect any re-sale value on fixed assets after the end of useful life and therefore, have considered the scrap value for all assets as NIL.

**f Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**g Impairment of tangible and intangible assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount.

Recoverable amount is higher of an asset's net selling price, and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

**h Investments**

Investment in the subsidiary company being of long-term nature is stated at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. Current investments are valued at lower of the cost or Net realisable value of such investments.

**i Taxes on Income**

Provision for current income tax is made on the tax liability payable on the taxable income after considering tax allowances, deductions and exemptions, determined in accordance with the prevailing tax laws.

Deferred tax assets and liabilities are recognized for timing difference between profit as per financial statements and the taxable profit that originate in one period and are capable of reversal in one or more subsequent periods, based on the tax rate that may have been enacted or substantively enacted at the Balance Sheet date. Deferred tax asset, subject to consideration of prudence and reasonable certainty, are recognized and carried forward only to the extent that the same can be realized.

**j Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of the equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



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**k Accounting for Provisions, Contingent Liabilities and Contingent Assets**

As per the Accounting Standard - 29, norms for provisions, contingent liabilities and contingent assets, the Company recognizes provisions only when it has a present obligation as result of past event, only when it is probable that an outflow of resources embodying economic benefits will be required to settle that obligation and a reliable estimate of the amount of the obligation can be made.

No provision is recognized for any possible obligation that arises from past events and the existence of which will be confirmed only by that occurrence or non- occurrence of one or more uncertain future events, not wholly within the control of the Company.

**l Employees Benefits**

The Company's obligations towards various employee benefits have been recognized as follows:

**Short-term employee benefits**

All employee benefits payable within twelve months of rendering service are classified as short-term employee benefits. Benefits such as salaries, allowances, short-term compensated absences and the expected cost of other benefits is recognised in the period in which the employee renders the related service.

**m Cash Flow Statement**

The cash flow statement has been prepared by using Indirect Method in accordance with the requirements of "Accounting Standard -3 Cash Flow Statement".

All other accounting policies are followed as per the generally accepted accounting principles.



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**Inter-Connected Enterprises Limited**  
( Formerly Inter - connected Stock Exchange of India Ltd.)  
**BALANCE SHEET AS AT MARCH 31, 2017**

Amount in Rs

Particulars	Note #	As at March 31, 2017	As at March 31, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	28,000,000	28,000,000
Reserves and surplus	3	207,152,745	199,136,244
		<b>235,152,745</b>	<b>227,136,244</b>
<b>Non-current liabilities</b>			
Long-term provisions		-	-
<b>Current liabilities</b>			
Other current liabilities	4	38,700,002	17,268,249
Short-term provisions		-	-
		<b>38,700,002</b>	<b>17,268,249</b>
<b>Total</b>		<b>273,852,747</b>	<b>244,404,493</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	5	25,028,790	26,391,950
Intangible assets		-	-
Capital work-in-progress		-	-
<b>Non-current investments</b>			
Deferred tax assets (net)	6	55,000,000	55,000,000
Long -term loans and advances	7	8,263,682	17,573,116
Other non-current assets	8	-	-
		<b>88,292,472</b>	<b>97,965,066</b>
<b>Current assets</b>			
Trade receivables	9	3,937,465	4,588,140
Cash and cash equivalents	10	181,596,455	140,851,287
Short-term loans and advances	11	-	-
Other current assets	12	26,355	-
		<b>185,560,275</b>	<b>145,439,427</b>
<b>Total</b>		<b>273,852,747</b>	<b>244,404,493</b>

Significant Accounting Policies  
Notes to the Accounts

1  
2 to 28

**Auditor's Report**

"As per our separate report of even date"

Chhaged Kedia & Associates  
Chartered Accountants  
FRN No. 119248W

FOR AND ON BEHALF OF  
Inter-Connected Enterprises Ltd.  
Formerly Inter-Connected Stock Exchange of India Ltd.

Lalit Kumar Chhaged  
F. C. A. Partner  
MRN: 071980  
Mumbai  
Date: 28/08/2017

Ashok Lunia  
Director  
DIN. 02225255  
Navi Mumbai  
Date: 28/08/2017

Peter Markose  
Director  
DIN. 01849369  
Navi Mumbai  
Date: 28/08/2017



**Inter-Connected Enterprises Limited**  
(Formerly Inter - connected Stock Exchange of India Ltd.)  
**Statement of Profit and Loss for the year ended on March 31, 2017**

Amount in Rs

Particulars	Note No.	For the year ended on March 31, 2017	For the year ended on March 31, 2016
<b>Incomes</b>			
Revenue from operations	13	13,687,332	11,409,714
Other income		-	-
<b>Total Revenue</b>		<b>13,687,332</b>	<b>11,409,714</b>
<b>Expenses</b>			
Employee benefits expense	14	-	139,756
Finance costs	15	5,899	5,117
Depreciation and amortization expense	5	1,363,160	1,446,012
Other expenses	16	4,226,773	6,123,247
<b>Total Expenses</b>		<b>5,595,832</b>	<b>7,714,131</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>8,091,501</b>	<b>3,695,583</b>
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		<b>8,091,501</b>	<b>3,695,583</b>
Extraordinary items		-	-
<b>Profit before tax</b>		<b>8,091,501</b>	<b>3,695,583</b>
Tax expense:			
Current tax		-	-
Tax related to previous years		-	-
Deferred tax		-	-
<b>Profit (Loss) for the period from continuing operations</b>		<b>8,091,501</b>	<b>3,695,583</b>
Profit/(loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
<b>Profit/(loss) from Discontinuing operations (after tax)</b>		<b>-</b>	<b>-</b>
<b>Profit (Loss) for the period</b>		<b>8,091,501</b>	<b>3,695,583</b>
Earnings per equity share:			
Basic		0.29	0.13
Diluted		0.29	0.13

Significant Accounting Policies

Notes to the Accounts


Auditor's Report

"As per our separate report of even date"

1  
2 to 28

**Chhajed Kedia & Associates**  
Chartered Accountants  
FRN No. 119248W

**FOR AND ON BEHALF OF**  
**inter-Connected Enterprises Ltd.**  
Formerly Inter-Connected Stock Exchange of India Ltd.

  
**Lalit Kumar Chhajed**  
F. C. A. Partner  
MRN: 071980  
Mumbai  
Date: 28/08/2017



  
**Ashok Lunia**  
Director  
DIN. 02225255  
Navi Mumbai  
Date: 28/08/2017

  
**Peter Markose**  
Director  
DIN. 01849369  
Navi Mumbai  
Date: 28/08/2017

**Inter-Connected Enterprises Limited**  
( Formerly inter - connected Stock Exchange of India Ltd.)  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2017**

Amount in Rs

Particulars	For the year ended on March 31, 2017	For the year ended on March 31, 2016
<b>Cash flows from operating activities</b>		
Net profit before tax and extraordinary Items	8,091,501	3,695,583
<b>Adjustments for:</b>		
-Depreciation	1,363,160	1,446,012
-Gain/Loss on sale of fixed assets, net	(31,000)	(50,500)
-Sale of Depository Participant Business	-	-
-Impairment Loss on Assets	-	-
-Interest income/Interest expense	5,899	5,117
<b>Operating Profit/(Loss) before working capital changes</b>	<b>9,429,559</b>	<b>5,096,212</b>
<b>Adjustments for changes in working capital</b>		
(Increase)/Decrease in Long -term loans and advances	3,909	52,130
(Increase)/Decrease in Other Non Current Assets	-	-
(Increase)/Decrease in trade receivables	650,675	4,187,485
(Increase)/Decrease in short term loans & advances	-	716,317
(Increase)/Decrease in other current assets	(26,355)	9,813,556
Increase/(Decrease) in trade payables	-	-
Increase/(Decrease) in other current liabilities	21,431,753	(53,727,701)
increase/(Decrease) in short term provisions	-	-
increase/(Decrease) in long term provisions	-	-
<b>Cash generated from operations before tax &amp; extra ordinary items</b>	<b>31,489,542</b>	<b>(33,862,001)</b>
<b>Less: Taxes Paid</b>	<b>9,305,525</b>	<b>(1,146,091)</b>
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>40,795,067</b>	<b>(35,008,093)</b>
<b>Cash flows from investment activities</b>		
-Purchase of fixed assets	-	-
-Sale proceeds of fixed assets	31,000	50,500
-Interest Income	-	-
-Dividend income	-	-
<b>Net cash generated from/ (used in) investing activities (B)</b>	<b>31,000</b>	<b>50,500</b>
<b>Cash flows from financing activities</b>		
-Interest paid/received	(5,899)	(5,117)
-Amount received/paid in S G F and interest earned thereon	(75,000)	(11,645,571)
-Amount received/paid in Investor Service Fund and interest earned thereon	-	-
-Dividend & corporate dividend tax paid	-	-
-Loans given/taken	-	-
-Interim Dividend Paid	-	-
<b>Net cash generated from/ (used in) financing activities (C)</b>	<b>(80,899)</b>	<b>(11,650,688)</b>
<b>Net increase/(decrease) in cash/cash equivalents (A+B+C)</b>	<b>40,745,168</b>	<b>(46,608,281)</b>
<b>Cash and Cash Equivalents at beginning of the year</b>	<b>140,851,287</b>	<b>187,459,568</b>
<b>Cash and Cash Equivalents at end of the year</b>	<b>181,596,455</b>	<b>140,851,287</b>

**Notes**

The Cash Flow Statement has been prepared under the "indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements.



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2) Cash and Cash Equivalents at the end of the year consist of Cash, Cheques in Hand, Fixed Deposits and Balances with Banks.

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
Cash in Hand		12,346	16,241
Fixed Deposits		167,681,216	134,706,391
Balances with Banks		13,902,893	6,128,654
		<b>181,596,455</b>	<b>140,851,287</b>

Significant Accounting Policies

1

Notes to the Accounts

2 to 28

Auditor's Report

"As per our separate report of even date"

Chhajed Kedla & Associates  
Chartered Accountants  
FRN No. 119248W



Lalit Kumar Chhajed  
F. C. A. Partner  
MRN: 071980  
Mumbai  
Date: 28/08/2017



FOR AND ON BEHALF OF  
Inter-Connected Enterprises Ltd.  
Formerly Inter-Connected Stock Exchange of India Ltd.

Ashok Lunia  
Director  
DIN. 02225255  
Navi Mumbai  
Date: 28/08/2017

Peter Markose  
Director  
DIN. 01849369  
Navi Mumbai  
Date: 28/08/2017

Notes forming part of the accounts as at March 31, 2017

2 Share Capital

a) Particulars	As at March 31, 2017	As at March 31, 2016
<b>Authorized Capital</b> (1,00,00,000 Equity shares of Re 1/- each) (Previous year 100,00,000 Equity Shares of Rs1/- each)	100,00,000	100,00,000
<b>Issued, Subscribed and Paid up:</b> 2,80,00,000 Equity Shares of Rs 1/- each fully paid up (Previous year 2,80,00,000 Equity Shares of Rs 1/- fully paid up)	28,00,000	28,00,000
<b>Total</b>	<b>28,00,000</b>	<b>28,00,000</b>

b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is as given below:

Particulars	As at March 31, 2017	As at March 31, 2016
Shares outstanding at the beginning of the year	28,00,000	28,00,000
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	28,00,000	28,00,000

c) **Terms/rights attached to equity shares :**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay an amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

d) None of the shareholders of the company are holding more than 5% equity shares of the paid up capital of the company directly or indirectly as on March 31, 2017.

e) The Company has not allotted any fully paid up equity shares without payment being received in cash and by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.



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Notes forming part of the accounts as at March 31, 2017

## 3 Reserves and Surplus

Particulars	As at March 31, 2017	As at March 31, 2016
<b>PART A : RESERVES &amp; SURPLUS (before November 24, 2005)*</b>		
Free Reserves		
Surplus in P&L as per last Balance Sheet	11,888,319	11,888,319
General Reserves	1,253,176	1,253,176
<b>Total Free Reserves</b>	<b>13,141,495</b>	<b>13,141,495</b>
Capital Reserves		
Infrastructure Development Contribution:	91,900,000	91,900,000
<u>Dealer Admission Fees :</u>		
As per last Balance Sheet	38,328,857	38,328,857
<b>Total Capital Reserves</b>	<b>130,228,857</b>	<b>130,228,857</b>
<b>Total of PART A : RESERVES &amp; SURPLUS</b>	<b>143,370,352</b>	<b>143,370,352</b>
<b>PART B : RESERVES &amp; SURPLUS (after November 24, 2005)</b>		
Share Premium Account	111,438,315	111,438,315
General Reserves:		
Opening Balance	6,839,725	6,839,725
Add: Transferred from Settlement Guarantee Fund	-	-
Less: Transferred to Settlement Guarantee Fund	-	-
<b>Closing Balance</b>	<b>6,839,725</b>	<b>6,839,725</b>
Surplus/(deficit) in the statement of profit and loss :		
Opening balance	(204,804,443)	(208,500,026)
Add: Net profit/(loss) after tax transferred from statement of profit and loss	8,091,501	3,695,583
<b>Profit available for Appropriation</b>	<b>(196,712,943)</b>	<b>(204,804,443)</b>
Less :Transfer to reserve for the depreciation	-	-
<b>Net surplus/(deficit ) in the statement of profit and loss account</b>	<b>(196,712,943)</b>	<b>(204,804,443)</b>
Settlement Guarantee Fund: (Refer Note No. 3.1)	142,217,295	142,292,295
<b>Total of PART B : RESERVES &amp; SURPLUS</b>	<b>63,782,392</b>	<b>55,765,892</b>
<b>Reserves and Surplus (Total of Part A+B)</b>	<b>207,152,745</b>	<b>199,136,244</b>

3.1 Settlement Guarantee Fund includes liability towards members amount of Rs. 4,40,000/- outstanding as on 31.03.2017

## 4 Other Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016
Statutory Liability	30,137	8,457
Refundable Deposits	10,196,826	12,164,214
Advance received from trading member	1,442,500	1,890,000
Loans & Advances to subsidiary	128,225	537,498
Creditor for expenses	1,344,691	1,318,578
Defaulter account credit balances	800,063	1,349,502
Subsidiary Part Sale Consideration	20,000,000	-
Stale Cheque	4,725,122	-
UTI Mutual Funds 1000 Units proceeds Liability	32,439	-
	<b>38,700,002</b>	<b>17,268,249</b>



5 Fixed Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2016		As at March 31, 2017		For the year		As at March 31, 2017		As at March 31, 2016	
	Additions	Deletions / Adjustments	Additions	Deletions / Adjustments	Deletions / Adjustments	As at March 31, 2017	Deletions / Adjustments	As at March 31, 2017	As at March 31, 2016	
<b>Tangible Assets</b>										
Leasehold Land	870,626	-	870,626	247,653	14,631	262,284	608,342	622,973		
Leasehold Premises	32,585,962	-	32,585,962	9,808,697	544,999	10,353,696	22,232,266	22,777,265		
Electrical Fittings	9,922,745	-	9,922,745	8,305,201	238,798	8,543,999	1,378,746	1,617,544		
Office Equipments	5,940,806	-	5,940,806	5,427,579	278,601	5,706,180	234,626	513,227		
Furniture & Fixtures	8,536,837	-	8,536,837	7,675,896	286,131	7,962,027	574,810	860,941		
Computer Equipments including networking equipments	128,778,909	-	128,778,909	128,778,909	-	128,778,909	-	-		
<b>TOTAL</b>	<b>186,635,884</b>	-	<b>186,635,884</b>	<b>160,243,935</b>	<b>1,363,160</b>	<b>161,607,095</b>	<b>25,028,790</b>	<b>26,391,950</b>		
<b>Intangible Assets</b>										
Computer Software	41,347,000	-	41,347,000	41,347,000	-	41,347,000	-	-		
<b>Total Intangible Assets</b>	<b>41,347,000</b>	-	<b>41,347,000</b>	<b>41,347,000</b>	-	<b>41,347,000</b>	-	-		
<b>Total</b>	<b>227,982,884</b>	-	<b>227,982,884</b>	<b>201,590,935</b>	<b>1,363,160</b>	<b>202,954,095</b>	<b>25,028,790</b>	<b>26,391,950</b>		
Previous Year Figure	227,982,884	-	227,982,884	200,144,923	1,446,012	201,590,935	26,391,950	-		

Pursuant to "AS28- Impairment of Asset" issued by the central Government under the Companies (Accounting Standard) Rule 2006 for determining impairment in carrying amount of fixed asset, the companies has concluded that since recoverable amount of fixed asset is not less than its carrying amount, therefore, no provision for impairment is required in respect of fixed assets owned by the company.

During the year company has sold Computer Monitor Screen having WDV Rs NIL as on 01.04.2016. The profit on sale of Computer Monitor Screen Rs 31,000/- is fully recognized as Profit on Sale of Fixed Assets under the head 'Other Income'.



**6 Non Current Investments**

Particulars	As at March 31, 2017	As at March 31, 2016
Investment in Wholly Owned Subsidiary ISE Securities & Services Limited 55,00,000 Equity shares of Face value Rs 10/- each fully paid	55,000,000	55,000,000
<b>Total</b>	<b>55,000,000</b>	<b>55,000,000</b>
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted Investments	-	-
Aggregate amount of unquoted investments	55,000,000	55,000,000

**7 Long -term loans and advances**

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Unsecured - Considered Good</b>		
Security Deposits	910,589	914,498
Advance Tax/ Income Tax Refund (Net of Provisions)	7,353,093	16,658,618
<b>Total</b>	<b>8,263,682</b>	<b>17,573,116</b>

**8 Other Non Current Assets**

Particulars	As at March 31, 2017	As at March 31, 2016
Prepaid Expense	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**9 Trade Receivables**

Particulars	As at March 31, 2017	As at March 31, 2016
Settlement dues	5,010,226	5,660,901
Less : Provision for Doubtful Debts	(1,072,761)	(1,072,761)
<b>Total</b>	<b>3,937,465</b>	<b>4,588,140</b>

**9.1** Trade Receivables include Trading Members, listed companies and other receivables from whom an amount of Rs. 50,10,226 is outstanding on account of various charges. Out of this, an amount of Rs. 1,072,761 (previous year Rs. 1,072,761) has been provided as doubtful debts during the year ended March 31, 2017. The remaining debts are considered good for recovery by the Management in the view of the various amounts deposited and collaterals given by the Trading Members with the company, which are available for adjustment against the dues, as per the applicable Rules, Bye-laws and regulations.

**9.2** Trade receivables are subject to confirmation. In opinion of the management, effect if any on confirmation will not be material in nature.



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**10 Cash and Cash Equivalents**

Particulars	As at March 31, 2017	As at March 31, 2016
Cash on Hand	12,346	16,241
<b>Balance with Banks:</b>		
Bank Current Accounts	13,902,893	6,128,654
Fixed Deposit with Vijaya Bank	167,607,950	134,669,207
Fixed Deposits with Corporation Bank	40,101	37,184
Enmarked Deposit UTI Mutual Funds 1000 Units proceeds	33,165	-
<b>Total</b>	<b>181,596,455</b>	<b>140,851,287</b>

**11 Short Term Loans & Advances**

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Unsecured - Considered Good</b>		
Advances recoverable in cash or kind or for value to be received	-	-
Staff Advances	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**12 Other Current Assets**

Particulars	As at March 31, 2017	As at March 31, 2016
Prepaid Expenses	26,355	-
<b>Total</b>	<b>26,355</b>	<b>-</b>



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**Inter-Connected Enterprises Limited** (Formerly Inter - connected Stock Exchange of India Ltd.)  
**Notes forming part of the accounts as at March 31, 2017**

**13 Other income**

Particulars	Current Year	Previous Year
Interest on Fixed Deposits	10,463,437	11,319,647
Processing Fees	-	20,000
Profit on sale of asset	31,000	50,500
Other non operating income	1,288,330	19,567
Interest on Income Tax Refund	1,904,565	-
<b>Total</b>	<b>13,687,332</b>	<b>11,409,714</b>

**14 Employee Benefits Expense**

Particulars	Current Year	Previous Year
Gratuity	-	108,000
Leave encashment	-	-
Salary & Wages	-	-
Staff Welfare	-	31,756
	-	<b>139,756</b>

**15 Finance Costs**

Particulars	Current Year	Previous Year
Interest	5,899	5,117
<b>Total</b>	<b>5,899</b>	<b>5,117</b>



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16 Other Expenses

Particulars	Current Year	Previous Year
Advertising	22,708	22,800
Bank charges	2,124	2,090
Telephone expense	8,693	34,319
Courier & postage	15,666	47,364
Demat charges	-	1,704
Insurance	34,500	141,684
Legal & Professional	542,748	728,035
Lodging & Boarding	480,636	297,488
Miscellaneous Expenses	70,414	60,250
Office expense	1,006	15,426
Power, Fuel & Water Charges	413,511	787,587
Printing & Stationery	38,696	64,608
Remuneration to Auditor	102,150	115,000
Rent, Rates & Taxes	589,817	626,127
Repairs & Maintenance - Others	824,024	912,821
SGF - Paid on Own A/c	20,000	-
Securtiy charges	354,453	569,353
Sitting Fees	250,000	240,000
Service tax cenvat	-	560,977
Admission Fees Pd on Our Own A/c	200,000	-
Travelling Expenses	255,627	633,115
Trading Member Annual Fees Reversal	-	262,500
<b>Total</b>	<b>4,226,773</b>	<b>6,123,247</b>

17 Payment to Auditors

Particulars	Current Year	Previous Year
<b>As Auditors'</b>		
- Audit Fees	70,000	70,000
- Tax Audit Fees	30,000	30,000
<b>In Other Capacity</b>		
- Company Law Matters	-	-
- Other Matters	-	-
- Reimbursement of expenses	-	-
<b>Total</b>	<b>100,000</b>	<b>100,000</b>



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**18 Contingent Liabilities and Commitments**

i) Claims against company lodge by Trading Members, Clients and other parties not acknowledged as debts of Rs. 6,01,500/- (Previous Year Rs. 6,01,500/-)

ii) The Company has received notice pertaining to Navi Mumbai Municipal Corporation (NMMC) Cess Tax for the year 1998-1999 from the NMMC department for Rs. 3,718,468/- against which company has already paid Rs. 240,610/-. The company has filed a writ petition before the Bombay High Court against the order and the Company awaiting for final hearing.

iii) The company has received various notices for the year from 1999 to 2011 from the NMMC department amounting to Rs. 10,608,646/-. The company has already paid Rs. 913,015/- and filed a writ petition before the Bombay High Court against the order and the Company is awaiting for final hearing.

In the opinion of the management both the demand is not tenable and accordingly no provision of Rs. 13,173,489/- for the year 1998-1999 and for the years 1999 to 2011 has been made.

**19 Related Party Disclosures**

As per accounting standard 18 on "Related party Disclosure" issued by the Institute of Chartered Accountants of India the disclosure of transactions with the related party is as under:

Nature of Relationship and Names of related parties

**(a) Related Party where control exists**

ISE Securities & Services Ltd.

Wholly owned Subsidiary

**(b) Transactions with Related Parties**

Particulars	As at 31 March 2017	As at 31 March 2016
<b>Expense</b>		
<b><u>Subsidiary Company</u></b>		
Reimbursement of Expenses	980,785	755,412
Interest Paid	5,899	5,117
<b><u>Income</u></b>		
<b><u>Subsidiary Company</u></b>		
Profit on Sale of Fixed Assets	31,000	-
<b><u>Loans taken</u></b>		
Loan Taken from subsidiary company	980,785	755,257
<b><u>Loans repaid</u></b>		
Loan repayment to subsidiary company	933,848	839,191
<b><u>Key Managerial Personnel</u></b>		
Managerial Remuneration	-	-
<b><u>Equity</u></b>		
ISE Securities & Services Ltd	55,000,000	55,000,000
<b><u>Balance Receivable/(Payable)</u></b>		
Subsidiary Company	(128,225)	(537,498)



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**20 Earning Per Share**

Particulars	Reference	Current Year	Previous Year
A Net profit/ (Loss) attributable to equity shareholders (Rs.)	A	8,091,501	3,695,583
B Weighted Average Number of Equity Shares outstanding	B	28,000,000	28,000,000
C Face Value per Share (Rs.)	C	10	10
D Basic Earnings/(Loss) per equity shares (Rs.)	A/B	0.29	0.13
E Diluted Earnings/ (loss) per equiry shares (Rs.)	A/B	0.29	0.13

**21** The Company has made profit in the current year as well as in the previous financial year. However the accumulated losses have not resulted in the substantial erosion of its networth. The Company has adequate reserves directly and indirectly through the wholly owned subsidiary.

The Governing Board of the company considering various factors is proposing for non exchange related business activities to be carried out post its exit from the stock exchange business.

Accordingly, the company's financial statements have been prepared on a going concern basis whereby the realization of assets and discharge of liabilities are expected to occur in the normal course of business.

**22** The accounts of certain Trade Receivables, Trade Payables, Short/Long Term Loans and Advances, Other Current Assets and Current Liabilities and are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.

In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

**23** The Company has issued certain cheques to subbrokers and other parties against amount payable to them, however these cheques have not yet presented / debited in bank account of total amounting to Rs. 47,25,121.74/- These cheques has become Time Bar as the date of issue is more than 3 Months old, the Company has parked these entries as on 31.03.2017 as Stale Cheque.

**24** The company has not been able to compile the details of vendor's status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The Company contends that no overdue amounts along with interest have been payable to enterprise covered under MSMED Act and generally payments are made to vendors within the stipulated time/agreed credit terms.

Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006. During the year company has not paid any interest in terms of the section 18 of the above mentioned act. No principal amount or interest amount are due at the end of this accounting year which is payable to any Micro, Small or Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

**25** The share holders of the company through Postal Ballot, on January 13, 2017, accorded the approval to the Board to dispose-off 55,00,000 Equity shares of Rs. 10/- each including the shares held by Nominee for total consideration of Rs.15,00,00,000/-. The shareholders have also approved the terms & Conditions mentioned in the share purchase agreement, entered into between the Company and the Purchaser Mitesh Shah & Group.



*[Handwritten signature]*

**Inter-Connected Enterprises Limited** (Formerly Inter - connected Stock Exchange of India Ltd.)  
**Notes forming part of the accounts as at March 31, 2017**

26 The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

	SBNs	Other Denominations Notes	Total
Closing cash in hand as on 08.11.2016	-	13,339	13,339
(+) Permitted receipts	Nil	-	-
(-) Permitted payments	Nil	(9,057)	(9,057)
(-) Amount deposited in Bank	-	Nil	-
Closing Cash in hand as on 30.12.2016	-	4,282	4,282

27 The Company has prepared these financial statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the schedule') Issued by Ministry of Corporate Affairs. The Current Year refers to the period April 01, 2016 to March 31, 2017 (Previous year refers to April 01, 2015 to March 31, 2016).

The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

28 All Figures are in Indian Rupees.

**Auditor's Report**

*"As per our separate report of even date"*

**Chhajed Kedia & Associates**  
**Chartered Accountants**  
**FRN No. 119248W**

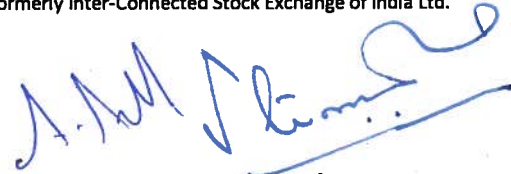


**Lalit Kumar Chhajed**  
**F. C. A. Partner**  
**MRN: 071980**  
**Mumbai**  
**Date: 28/08/2017**



**FOR AND ON BEHALF OF**  
**Inter-Connected Enterprises Ltd.**

Formerly Inter-Connected Stock Exchange of India Ltd.



**Ashok Lunia**  
**Director**  
**DIN. 02225255**  
**Navi Mumbai**  
**Date: 28/08/2017**

**Peter Markose**  
**Director**  
**DIN. 01849369**  
**Navi Mumbai**






## Independent Auditors' Report on Consolidated Financial Statements

### To the Members of Inter- Connected Enterprises Limited

Report on the Consolidated Financial Statements We have audited the accompanying consolidated financial statements of Inter – Connected Enterprises Ltd. (f.k.a Inter - Connected Stock Exchange Of India Ltd.) ('the Company') and its subsidiary companies (The Company and its subsidiary companies together referred as ' the Group'), which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. ('the consolidated financial statements')

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

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act"). The respective Board of Directors of the Company and its subsidiary companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Company.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit.

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



***Independent Auditors' Report on Consolidated Financial Statements  
To the Members of Inter- Connected Enterprises Limited***

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors referred to in the 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2017, and its consolidated profit and its consolidated cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.



A handwritten signature in blue ink, appearing to be 'GK', written over a horizontal line.




**Independent Auditors' Report on Consolidated Financial Statements  
To the Members of Inter- Connected Enterprises Limited**

- (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the directors of the Company as on 31 March 2017 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2017 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our report in "Annexure A" which is based on the Auditors Report of the Company and its subsidiary companies incorporated in India. Our report express an unmodified opinion, the adequacy and operating effectiveness of the internal financial controls over financial reporting of the company and its subsidiary companies incorporated in India
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on the consolidated financial position of the group in its consolidated financial statements as of March 31, 2017.
  - ii. The Group did not have any long term contracts including derivative contracts as such, the question of commenting on any material foreseeable losses thereon does not arise.
  - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.



- iv. The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Group and as produced to us by the Management.

**for Chhajed Kedia & Associates**  
*Chartered Accountants*  
Firm's registration number: 119248W

  
**Lalit Kumar Chhajed**  
*Partner*  
Membership number: 071980



**Mumbai**

**Date: 28 AUG 2017**



*Independent Auditors' Report on Consolidated Financial Statements  
To the Members of Inter- Connected Enterprises Limited*

**Annexure - A to the Independent Auditors' Report**

(Referred to in paragraph (f) under 'Report on Other Legal & Regulatory Requirements' section of our report of even date)

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Inter - Connected Enterprises Ltd. (f.k.a Inter - Connected Stock Exchange Of India Ltd.) ('the Company'), and its subsidiary Company incorporated in India as at March 31, 2017 in conjunction with our audit of the consolidated financial statements of the Company for the year ended and as on that date.

**Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the respective internal control over financial reporting criteria established by the Company and its subsidiary Companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). (The Guidance Notes). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



***Independent Auditors' Report on Consolidated Financial Statements  
To the Members of Inter- Connected Enterprises Limited***

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

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.

We believe that the audit evidence we have obtained and the Audit Evidence obtained by the other auditors of the subsidiary Company incorporated in India , in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



**Independent Auditors' Report on Consolidated Financial Statements  
To the Members of Inter- Connected Enterprises Limited**

**Opinion**

In our opinion to the best of our information and according to the explanations given to us, the company and its subsidiary Company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company and its subsidiary Company incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**for Chhajed Kedia & Associates**

*Chartered Accountants*

Firm's registration number: 119248W



**Lalit Kumar Chhajed**

*Partner*

Membership number: 071980



**Mumbai**

**Date: 28 AUG 2017**

**I General Information**

Inter - connected Stock Exchange of India Ltd. (ISE) ( Formerly Inter - Connected Stock Exchange of India Ltd.) is a company incorporated on 22 January, 1998. The objective of the company was to form a Stock Exchange and had accordingly applied to The Securities and Exchange Board of India. However, on June 11, 2014, ISE communicated to SEBI regarding its decision to exit through a voluntary surrender of recognition in terms of SEBI Circular No. CIR/ MRD/ DSA/ 14/2012 dated May 30, 2012 on Exit Policy for De-recognized/ Non-operational Stock Exchange, read with SEBI circular no. RD/Dop/SE/CIR-36/2008 dated December 29, 2008. Accordingly SEBI vide its letter WTM/RKA/MRD/142/2014 dated 08.12.2014 allowed the exit of Inter connected Stock Exchange of India Ltd as a Stock Exchange.

ISE Securities & Services Limited ("ISS") was incorporated under the Companies Act, 1956 on January 18, 2000. ISE Securities & Services Ltd, a wholly owned subsidiary of Inter-connected Stock Exchange of India Limited (ISE) ( Formerly Inter - Connected Stock Exchange of India Ltd.) is a trading - cum -clearing Member of National Stock Exchange of India Ltd and Bombay Stock Exchange Ltd. W.e.f. 08.12.2014, the date on which SEBI has passed an order approving Exit route of ISE, the said entity is no longer a stock exchange and therefore ISS remains normal subsidiary company and normal broking entity who can trade of its own and can also directly do the trades on behalf of clients. As at March 31, 2017, ISE and its nominees hold 100 percent of the equity share capital of the Company. The Company is an active member of the capital market and futures & options segments of NSE & an active member of the equities segment of BSE.

The Consolidated Financial Statements relate to Inter Connected Stock Exchange of India Limited ( Formerly Inter - Connected Stock Exchange of India Ltd.) ("the Holding Company") and its subsidiary ISE Securities and Services Ltd. The Company and its subsidiary together constitute the Group.

**II Basis of Consolidation**

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.

- i. The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended 31<sup>st</sup> March, 2017.
- ii. The Financial Statements of the Company and its subsidiary companies have been combined on a line by line basis by adding together book values of similar items of assets, liabilities income and expenses. The intra-group balances and intra – group transactions have been fully eliminated.
- iii. The difference between the cost of investments in the subsidiaries ,over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve , as the case may be.
- iv. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- v. Indian Rupee is the reporting currency for the Group.

**III Other significant accounting policies**

These are set out under "Significant Accounting Policies" as given in the standalone Financial Statements of Inter-connected Stock Exchange of India Ltd.



**Inter-Connected Enterprises Limited**  
( Formerly Inter - connected Stock Exchange of India Ltd.)  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017**

Amount in Rs

Particulars	Note #	As at March 31, 2017	As at March 31, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	28,000,000	28,000,000
Reserves and surplus	3	310,179,427	291,915,820
		<b>338,179,427</b>	<b>319,915,820</b>
<b>Non-current liabilities</b>			
Long-term provisions	4	5,713,414	3,955,492
		<b>5,713,414</b>	<b>3,955,492</b>
<b>Current liabilities</b>			
Other current liabilities	5	52,768,923	26,238,533
Trade Payable	6	969,165,796	403,918,191
Short-term provisions		-	-
		<b>1,021,934,719</b>	<b>430,156,724</b>
<b>Total</b>		<b>1,365,827,559</b>	<b>754,028,035</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	7	25,458,591	27,199,598
Tangible assets		190,200	-
Intangible assets		1,035,375	1,320,675
Capital work-in-progress		6,710,005	6,710,005
Non-current investments	8	5,709,720	4,875,727
Deferred tax assets (net)	9	-	-
Long-term loans and advances		67,469,902	86,032,931
Other non-current assets	10	106,573,793	126,138,936
		<b>106,573,793</b>	<b>126,138,936</b>
<b>Current assets</b>			
Trade receivables	11	425,174,960	142,288,339
Cash and cash equivalents	12	826,838,014	478,666,434
Short-term loans and advances		-	-
Other current assets	13	7,240,792	6,934,326
		<b>1,259,253,766</b>	<b>627,889,099</b>
<b>Total</b>		<b>1,365,827,559</b>	<b>754,028,035</b>

Significant Accounting Policies  
Notes to the Accounts

1  
2 to 31

**Auditor's Report**

"As per our separate report of even date"

Chhajed Kedia & Associates  
Chartered Accountants  
FRN No. 119248W



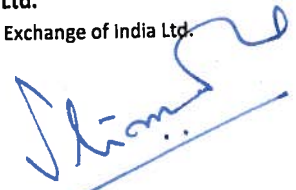
Lalit Kumar Chhajed  
F. C. A. Partner  
MRN: 071980  
Mumbai  
Date: 28/08/2017



FOR AND ON BEHALF OF  
Inter-Connected Enterprises Ltd.  
Formerly Inter-Connected Stock Exchange of India Ltd.



Ashok Lunia  
Director  
DIN. 02225255  
Navi Mumbai  
Date: 28/08/2017



Peter Markose  
Director  
DIN. 01849369  
Navi Mumbai  
Date: 28/08/2017

**Inter-Connected Enterprises Limited**  
( Formerly Inter - connected Stock Exchange of India Ltd.)  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31,2017**

Amount in Rs

Particulars	Note No.	For the year ended on March 31, 2017	For the year ended on March 31, 2016
<b>Incomes</b>			
Revenue from operations	14	45,712,451	41,962,517
Other income	15	45,665,265	43,108,252
<b>Total Revenue</b>		<b>91,377,715</b>	<b>85,070,769</b>
<b>Expenses</b>			
Employee benefits expense	16	32,187,467	33,388,790
Finance costs	17	-	-
Depreciation and amortization expense	7	1,950,850	4,574,194
Other expenses	18	35,686,715	37,419,597
<b>Total Expenses</b>		<b>69,825,032</b>	<b>75,382,581</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>21,552,683</b>	<b>9,688,188</b>
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		<b>21,552,683</b>	<b>9,688,188</b>
Extraordinary items		-	-
<b>Profit before tax</b>		<b>21,552,683</b>	<b>9,688,188</b>
Tax expense:			
Current tax		(4,650,000)	(1,560,000)
Tax related to previous years		601,931	-
Deferred tax		833,993	(657,574)
<b>Profit (Loss) for the period from continuing operations</b>		<b>18,338,607</b>	<b>7,470,614</b>
Profit/(loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
<b>Profit/(loss) from Discontinuing operations (after tax)</b>		<b>-</b>	<b>-</b>
<b>Profit (Loss) for the period</b>		<b>18,338,607</b>	<b>7,470,614</b>
Earnings per equity share:			
Basic		0.65	0.27
Diluted		0.65	0.27

Significant Accounting Policies  
Notes to the Accounts

1  
2 to 31

Auditor's Report

"As per our separate report of even date"


Chhajed Kedia & Associates  
Chartered Accountants  
FRN No. 119248W

  
Lalit Kumar Chhajed  
F. C. A. Partner  
MRN: 071980  
Mumbai  
Date: 28/08/2017



FOR AND ON BEHALF OF  
Inter-Connected Enterprises Ltd.  
Formerly Inter-Connected Stock Exchange of India Ltd.

  
Ashok Lunia  
Director  
DIN. 02225255  
Navi Mumbai  
Date: 28/08/2017

  
Peter Markose  
Director  
DIN. 01849369  
Navi Mumbai  
Date: 28/08/2017



**Inter-Connected Enterprises Limited**  
( Formerly Inter - connected Stock Exchange of India Ltd.)  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2017**

Amount in Rs

Particulars	For the year ended on March 31, 2017	For the year ended on March 31, 2016
<b>Cash flows from operating activities</b>	<b>21,552,683</b>	<b>9,688,188</b>
Net profit before tax and extraordinary items		
<b>Adjustments for:</b>		
-Depreciation	1,950,850	4,574,194
-Dividend Received	(845,000)	(1,105,000)
-Excess provision written back	(240,000)	(703,840)
-Provision for Bad & Doubtful debts- Debtors	1,597,561	996,635
-Gain/Loss on sale of fixed assets, net	(31,000)	(50,500)
-Sale of Depository Participant Business	-	-
-Impairment Loss on Assets	-	-
-Interest Income/Interest expense	5,899	
<b>Operating Profit/(Loss) before working capital changes</b>	<b>23,990,992</b>	<b>13,399,677</b>
<i>Adjustments for changes in working capital</i>		
(Increase)/Decrease in Long -term loans and advances	3,909	1,052,130
(Increase)/Decrease in Other Non Current Assets	1,395	-
(Increase)/Decrease in trade receivables	(284,244,182)	(9,195,010)
(Increase)/Decrease in short term loans & advances	-	723,979
(Increase)/Decrease in other current assets	(434,691)	9,660,882
Increase/(Decrease) in trade payables	565,247,606	(47,146,161)
Increase/(Decrease) in other current liabilities	26,658,614	(53,375,854)
Increase/(Decrease) in short term provisions	-	(2,574,600)
Increase/(Decrease) in long term provisions	1,757,922	535,662
<b>Cash generated from operations before tax &amp; extra ordinary items</b>	<b>332,981,566</b>	<b>(86,919,296)</b>
Less: Taxes Paid	(14,509,655)	(5,568,599)
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>347,491,221</b>	<b>(92,487,894)</b>
<b>Cash flows from investment activities</b>		
-Purchase of fixed assets	(114,742)	(86,449)
-Sale proceeds of fixed assets	31,000	50,500
-Interest Income	-	-
-Dividend Income	845,000	1,105,000
<b>Net cash generated from/ (used in) investing activities (B)</b>	<b>761,258</b>	<b>1,069,051</b>
<b>Cash flows from financing activities</b>		
-Interest paid/received	(5,899)	-
-Amount received/paid in S G F and interest earned thereon	(75,000)	(11,645,571)
-Amount received/paid in Investor Service Fund and interest earned thereon	-	-
-Dividend & corporate dividend tax paid	-	-
-Loans given/taken	-	-
-Interim Dividend Paid	-	-
<b>Net cash generated from/ (used in) financing activities (C)</b>	<b>(80,899)</b>	<b>(11,645,571)</b>
<b>Net increase/(decrease) in cash/cash equivalents (A+B+C)</b>	<b>348,171,580</b>	<b>(103,064,414)</b>
Cash and Cash Equivalents at beginning of the year	478,666,434	581,730,848
<b>Cash and Cash Equivalents at end of the year</b>	<b>826,838,014</b>	<b>478,666,434</b>

**Notes**

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements.



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2) Cash and Cash Equivalents at the end of the year consist of Cash, Cheques in Hand, Fixed Deposits and Balances with Banks.

Particulars	As at March 31, 2017	As at March 31, 2016
	Cash in Hand	12,346
Fixed Deposits	524,071,216	404,256,392
Balances with Banks	302,754,452	74,393,801
	<b>826,838,014</b>	<b>478,666,434</b>

Significant Accounting Policies  
Notes to the Accounts

1  
2 to 31

Auditor's Report

"As per our separate report of even date"

Chhajed Kedia & Associates  
Chartered Accountants  
FRN No. 119248W




Lalit Kumar Chhajed  
F. C. A. Partner  
MRN: 071980  
Mumbai  
Date: 28/08/2017



FOR AND ON BEHALF OF  
Inter-Connected Enterprises Ltd.  
Formerly Inter-Connected Stock Exchange of India Ltd.



Ashok Lunia  
Director  
DIN. 02225255  
Navi Mumbai  
Date: 28/08/2017



Peter Markose  
Director  
DIN. 01849369  
Navi Mumbai  
Date: 28/08/2017

Consolidated Notes forming part of the accounts as at March 31, 2017

2 Share Capital

a) Particulars	As at March 31, 2017	As at March 31, 2016
Authorized Capital (1,0,00,00,000 Equity shares of Rs 1/- each) (Previous year 100,000,000 Equity Shares of Rs 1/- each)	100,000,000	100,000,000
Issued, Subscribed and Paid up: 2,80,00,000 Equity Shares of Rs 1/- each fully paid up (Previous year 2,80,00,000 Equity Shares of Rs 1/- fully paid up)	28,000,000	28,000,000
<b>Total</b>	<b>28,000,000</b>	<b>28,000,000</b>

b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is as given below:

Particulars	As at March 31, 2017	As at March 31, 2016
Shares outstanding at the beginning of the year	28,000,000	28,000,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	28,000,000	28,000,000

c) **Terms/rights attached to equity shares :**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay an amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

d) None of the shareholders of the company are holding more than 5% equity shares of the paid up capital of the company directly or indirectly as on March 31, 2017.

e) The Company has not allotted any fully paid up equity shares without payment being received in cash and by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.



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Consolidated Notes forming part of the accounts as at March 31, 2017

3 Reserves and Surplus

Particulars	As at March 31, 2017	As at March 31, 2016
<b><u>PART A : RESERVES &amp; SURPLUS (before November 24, 2005)*</u></b>		
Free Reserves		
Surplus in P&L as per last Balance Sheet	11,888,319	11,888,319
	1,253,176	1,253,176
General Reserves		
Total Free Reserves	I 13,141,495	13,141,495
Capital Reserves		
Infrastructure Development Contribution:	91,900,000	91,900,000
<u>Dealer Admission Fees :</u>		
As per last Balance Sheet	38,328,857	38,328,857
Total Capital Reserves	II 130,228,857	130,228,857
Total of PART A : RESERVES & SURPLUS	III=I+II 143,370,352	143,370,352
<b><u>PART B : RESERVES &amp; SURPLUS (after November 24, 2005)</u></b>		
Share Premium Account	111,438,315	111,438,315
General Reserves:		
Opening Balance	37,374,725	37,374,725
Add: Transferred from Settlement Guarantee Fund	-	-
Less: Transferred to Settlement Guarantee Fund	-	-
Closing Balance	IV 37,374,725	37,374,725
Surplus/(deficit) in the statement of profit and loss :		
Opening balance	(142,559,868)	(150,030,482)
Add: Net profit/(loss) after tax transferred from statement of profit and loss	18,338,607	7,470,615
Profit available for Appropriation	(124,221,261)	(142,559,868)
Less :Transfer to reserve	-	-
Net surplus/(deficit ) in the statement of profit and loss account	V (124,221,261)	(142,559,868)
Settlement Guarantee Fund: (Refer Note No. 3.1)	VI 142,217,295	142,292,295
Total of PART B : RESERVES & SURPLUS	VII=IV+V+VI 166,809,075	148,545,468
Reserves and Surplus (Total of Part A+B)	VIII=III+VII 310,179,427	291,915,820

3.1 Settlement Guarantee Fund includes liability towards members amount of Rs. 4,40,000/- outstanding as on 31.03.2017

4 LONG TERM PROVISIONS

Particulars	As at March 31, 2017	As at March 31, 2016
Gratuity - Benefits	4,280,079	2,849,728
Leave Encashment	1,433,335	1,105,764
	5,713,414	3,955,492



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Consolidated Notes forming part of the accounts as at March 31, 2017

4.1 Employee Benefits

The following table sets out the disclosure in respect of defined benefit plans with

Particulars	As at March 31, 2017	As at March 31, 2016
Reconciliation of opening and closing balances of the present value of the defined benefit obligation:		
Obligations as at April 1, 2016	6,033,808	5,649,580
Service Cost	584,014	730,086
Interest cost	518,789	489,234
Liabilities Assumed on Acquisition/ (Settled on divestiture)	881,141	160,338
Benefits settled	-	(917,146)
Actuarial (gain)/loss	(279,675)	-78,284
<b>Obligations As at March 31, 2017</b>	<b>7,738,077</b>	<b>6,033,808</b>
<b>Change in plan assets</b>	<b>3,184,080</b>	
Plans assets as at April 1, 2016, at fair value	295,352	3,557,787
Expected return on plan assets	-91,759	317,677
Actuarial gain/(loss)	350,000	(67,658)
Contributions	-	133,082
Assets Acquired on Acquisition/ (Distributed on divestiture)	-279,675	160,338
Benefits paid	3,457,998	(917,146)
<b>Plans assets As at March 31, 2017, at fair value</b>	<b>1,200,000</b>	<b>3,184,080</b>
Reconciliation of present value of the obligation and the fair value of the plan assets:		
Present value of the defined benefit obligations, As at March 31, 2017	7,738,077	6,033,808
Fair value of plan assets, As at March 31, 2017	3,457,998	(3,184,080)
<b>(Asset)/Liability recognized in the balance sheet</b>	<b>11,196,075</b>	<b>2,849,728</b>
<b>Costs for the year</b>		
Current service cost	584,014	730,086
Interest cost	518,789	489,234
Expected return on plan assets	(295,352)	(317,677)
Actuarial (gain)/loss	972,900	-10,626
<b>Net costs</b>	<b>1,780,351</b>	<b>891,017</b>
<b>Assumptions</b>		
Interest rate		
Discount factor	7.35%	7.95%
Estimated rate of return on plan assets	7.50%	8.00%
Salary Increase	8.36%	7.77%
Retirement age	60	60



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## Consolidated Notes forming part of the accounts as at March 31, 2017

**Experience Adjustments**

Particulars	As at March 31, 2016	As at March 31, 2015
Defined Benefit Obligation	7,738,077	6,033,808
Plan Assets	3,457,998	3,184,080
Surplus/(Deficit)	(4,280,079)	(2,849,728)
Exp. Adj. on Plan Liabilities	(28,182)	-40,202
Exp. Adj. on Plan Assets	(91,759)	(67,658)

Particulars	As at March 31, 2014	As at March 31, 2015
Defined Benefit Obligation	4,110,143	5,649,580
Plan Assets	3,349,950	3,557,787
Surplus/(Deficit)	(760,193)	(2,091,793)
Exp. Adj. on Plan Liabilities	383,263	62,189
Exp. Adj. on Plan Assets	76,827	(28,893)

**5 Other Current Liabilities**

Particulars	As at March 31, 2017	As at March 31, 2016
Statutory Liability	2,821,413	2,797,558
Refundable Deposits	10,196,826	12,164,214
Advance received from trading member	1,442,500	1,890,000
Loans & Advances to subsidiary	-	537,498
Creditor for expenses	3,052,553	3,306,436
Defaulter account credit balances	800,063	1,349,502
Subsidiary Part Sale Consideration	20,000,000	-
Stale Cheque	4,725,122	-
UTI Mutual Funds 1000 Units proceeds Liability	32,439	-
Clients/Corporate Benefits	67,764	39,328
Other Liability	9,630,243	4,153,997
	<b>52,768,923</b>	<b>26,238,533</b>

**6 Trade Payable**

Particulars	As at March 31, 2017	As at March 31, 2016
Exchange Liability	3,103,540	1584973
Settlement Obligations to Sub-Brokers/Clients/Authorized person	861,825,514	302244811
Sub Brokers Margin-BSE	36,003,079	37478447
Sub Brokers Margin-NSE	65,148,313	62609960
DP AMC Deposit	451,500	-
Settlement Obligation to/from Clearing House	2,633,850	-
Outstanding Dues of Micro and Small Enterprises	-	-
	<b>969,165,796</b>	<b>403,918,191</b>

6.1 Trade payables are due in respect of services received in the normal course of business.

6.2 The Company has not received intimation from suppliers regarding the status under Micro Small and Medium Enterprises Development Act, 2006 and based on the information available with the Company there are no dues to Micro, Small and Medium Enterprises Development Act, 2006.



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Fixed Assets

(Amount in Rs)

PARTICULARS	G R O S S B L O C K			D E P R E C I A T I O N			N E T B L O C K		
	As at April 1, 2016	Additions	Deletions /	As at March 31,	As at April 1, 2016	For the year	Deletions /	As at March	
			Adjustments	2017			Adjustments	31, 2017	
Tangible Assets									
Leasehold Land	870,626	-	-	870,626	247,653	14,631	-	608,342	622,973
Leasehold Premises	32,585,962	-	-	32,585,962	9,808,697	544,999	-	22,232,266	22,777,265
Electrical Fittings	9,922,745	-	-	9,922,745	8,305,201	238,798	-	1,378,746	1,617,544
Office Equipments	10,215,906	-	-	10,215,906	9,289,372	528,753	-	397,781	926,534
Furniture & Fixtures	9,861,257	-	-	9,861,257	8,668,977	445,872	-	746,408	1,192,280
Computer Equipments including networking equipments	134,161,459	114,742	-	134,276,201	134,098,457	82,697	-	95,047	63,002.23
<b>TOTAL</b>	<b>197,617,955</b>	<b>114,742</b>	<b>-</b>	<b>197,732,697</b>	<b>170,418,357</b>	<b>1,855,750</b>	<b>-</b>	<b>25,458,590</b>	<b>27,199,598</b>
Intangible Assets									
Computer Software	59,010,565	285,300	-	59,295,865	59,010,565	95,100	-	190,200	-
<b>Total Intangible Assets</b>	<b>59,010,565</b>	<b>-</b>	<b>-</b>	<b>59,295,865</b>	<b>59,010,565</b>	<b>95,100</b>	<b>-</b>	<b>190,200</b>	<b>-</b>
Capital Work-in-Progress	1,320,675	-	285,300	1,035,375	-	-	-	1,035,375	-
<b>Total</b>	<b>257,949,195</b>	<b>114,742</b>	<b>285,300</b>	<b>258,063,937</b>	<b>229,428,922</b>	<b>1,950,850</b>	<b>-</b>	<b>26,684,165</b>	<b>27,199,598</b>
Previous Year Figure	265,007,914	86,449	-	265,094,363	231,999,896	4,574,194	-	28,520,273	-

Pursuant to "AS28- Impairment of Asset" issued by the central Government under the Companies (Accounting Standard) Rule 2006 for determining impairment in carrying amount of fixed asset, the company has concluded that since recoverable amount of fixed asset is not less than its carrying amount, therefore, no provision for impairment is required in respect of fixed assets owned by the company.



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8 Non Current Investments

Particulars	As at March 31, 2017	As at March 31, 2016
Bombay Stock Exchange Limited (Trade, quoted & at cost): 65000 Equity shares of Face value. ₹ 2/- Fully paid of Bombay Stock Exchange Ltd - BSE	6,710,005	6,710,005
<b>Total</b>	<b>6,710,005</b>	<b>6,710,005</b>

Particulars	As at March 31, 2017	As at March 31, 2016
Investment in Bombay Stock Exchange Limited		
Quoted /Unquoted	Quoted	Unquoted
No. of Shares	65,000	130,000
Market Price per share as on 31.03.2017 on NSE	977.65	N/A
Market Value as on 31.03.2017	63,547,250	N/A

9 DEFERRED TAX ASSETS

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Deferred Tax Assets</b>		
Provision for doubtful debts	2,816,148	2322502
Disallowance u/s 43B	1,765,445	1222247
On difference between book balance and tax balance of fixed assets	1,128,127	1330978
<b>Deferred Tax Liability</b>	-	-
<b>Net Deferred Tax (Liability) /Asset</b>	<b>5,709,720</b>	<b>4,875,727</b>

10 Other Non Current Assets

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Unsecured Considered Good, unless otherwise stated</b>		
Deposit with Exchanges	49,925,000	49,925,000
Advance Tax/ Income Tax Refund (Net of Provisions)	12,881,162	31,438,887
Security Deposits	4,663,740	4,669,044
<b>Total</b>	<b>67,469,902</b>	<b>86,032,931</b>



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11 Trade Receivables

Particulars	As at March 31, 2017	As at March 31, 2016
Debts outstanding for a period exceeding six months		
- Considered Good	12,241,072	12,867,677
- Considered Doubtful	9,569,270	7,874,913
Other Debts		
- Considered Doubtful	273,563	370,358
- Considered Good	412,933,887	129,420,662
	435,017,791	150,533,610
Less : Provision for Doubtful Debts	(9,842,832)	(8,245,271)
<b>Total</b>	<b>425,174,959</b>	<b>142,288,339</b>

11.1 Trade Receivables include Trading Members, listed companies and other receivables from whom an amount of Rs.43,50,17,791/- is outstanding on account of various charges. Out of this, an amount of Rs. 98,42,832/- (previous year Rs. 82,45,271/-) has been provided as doubtful debts during the year ended March 31, 2017. The remaining debts are considered good for recovery by the Management in the view of the various amounts deposited and collaterals given by the Trading Members with the company, which are available for adjustment against the dues, as per the applicable Rules, Bye-laws and regulations.

11.2 Trade receivables are subject to confirmation. In opinion of the management, effect if any on confirmation will not be material in nature.

12 Cash and Cash Equivalents

Particulars	As at March 31, 2017	As at March 31, 2016
Cash on Hand	12,346	16,241
Balance with Banks:		
Bank Current Accounts	302,754,452	74,393,801
Fixed Deposit with Bank	524,071,216	404,256,392
<b>Total</b>	<b>826,838,014</b>	<b>478,666,434</b>

13 Other Current Assets

Particulars	As at March 31, 2017	As at March 31, 2016
Unsecured Considered Good, unless otherwise stated		
Advances Recoverable in Cash or Kind	1,040,990	1,471,751
Interest Accrued on Fixed Deposit with bank	2,877,287	2,656,216
Prepaid Expenses	2,683,316	1,935,556
Balances with Government Authorities	639,200	413,213
Settlement Obligation to/from Clearing House	-	457,590
<b>Total</b>	<b>7,240,792</b>	<b>6,934,326</b>



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14 Revenue from operations

Particulars	Current Year	Previous Year
Brokerage Income	24,200,034	20,511,970
Income From Depository Services	9,130,806	9,155,859
Other Operating Revenue	12,381,611	12,294,688
	<b>45,712,451</b>	<b>41,962,517</b>

15 Other Income

Particulars	Current Year	Previous Year
Interest on Fixed Deposits	36,673,732	37,967,206
Processing Fees	-	20,000
Profit on sale of asset	31,000	50,500
Other non operating income	1,288,330	19,567
Recovery of DP Charges (NET)	2,214,790	2,763,339
Dividend Income on Long Term Investment	845,000	1,105,000
Bad Debt Recovery	-	478,800
Excess Provision Written Back	240,000	703,840
Interest on Income Tax Refund	4,372,413	-
Total	<b>45,665,265</b>	<b>43,108,252</b>

16 Employee Benefits Expenses

Particulars	Current Year	Previous Year
Salary & Other Allowances	27,908,367	29,533,226
Provident Fund - Employer Contribution	1,979,982	2,299,229
Gratuity	1,780,351	994,124
Staff Welfare expenses	518,767	562,211
	<b>32,187,467</b>	<b>33,388,790</b>

17 Finance Costs

Particulars	Current Year	Previous Year
Interest	-	-
Total	-	-



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18 Other Expenses

Particulars	Current Year	Previous Year
Advertising	22,708	22,800
VSAT, Lease line and other Communication expenses	3,068,790	2,840,526
Annual Maintenance Charges for Networking System	3,583,986	3,538,294
Annual Maintenance charges	255,471	523,870
Bank charges	2,124	2,090
Telephone expense	625,378	737,441
Courier & postage	320,196	426,139
Insurance	49,018	145,254
Legal & Professional	5,469,133	6,002,485
Lodging & Boarding	622,022	537,544
Miscellaneous Expenses	2,052,247	2,282,908
Membership charges	75,811	133,039
Office expense	1,006	15,426
Power, Fuel & Water Charges	3,278,252	3,655,185
Printing & Stationery	527,936	553,258
Remuneration to Auditor	330,150	414,000
Rent, Rates & Taxes	8,348,634	8,394,731
Provision for Doubtful Debts	1,597,561	996,635
Demat Charges	1,230,441	1,382,399
Remiser Account- DP Incentive	493,655	652,918
Repairs & Maintenance - Others	1,117,630	1,241,663
Transfer Fee For Change In Control	817,600	-
SGF - Paid on Own A/c	20,000	-
Security charges	971,339	1,084,401
Sitting Fees	350,000	380,000
Service tax cenvat	-	560,977
Admission Fees Pd on Our Own A/c	200,000	-
Travelling Expenses	255,627	633,115
Trading Member Annual Fees Reversal	-	262,500
<b>Total</b>	<b>35,686,715</b>	<b>37,419,597</b>

19 Payment to Auditors

Particulars	Current Year	Previous Year
<b>As Auditors'</b>		
- Audit Fees	245,000	286,250
- Tax Audit Fees	80,000	103,750
<b>In Other Capacity</b>		
- Company Law Matters	-	-
- Other Matters	3,000	24,000
- Reimbursement of expenses	-	-
<b>Total</b>	<b>328,000</b>	<b>414,000</b>



20 Contingent Liabilities and Commitments

a Holding Company

i) Claims against company lodge by Trading Members, Clients and other parties not acknowledged as debts of Rs. 6,01,500/- (Previous Year Rs. 6,01,500/-)

ii) The Company has received notice pertaining to Navi Mumbai Municipal Corporation (NMMC) Cess Tax for the year 1998-1999 from the NMMC department for Rs. 3,718,468/- against which company has already paid Rs. 240,610/-. The company has filed a writ petition before the Bombay High Court against the order and the Company awaiting for final hearing.

iii) The company has received various notices for the year from 1999 to 2011 from the NMMC department amounting to Rs. 10,608,646/-. The company has already paid Rs. 913,015/- and filed a writ petition before the Bombay High Court against the order and the Company is awaiting for final hearing.

In the opinion of the management both the demand is not tenable and accordingly no provision has been made for Rs. 13,173,489/- for the year 1998-1999 and for the years 1999 to 2011.

b Subsidiary Company

i) Claim against the company not acknowledged as debts amounting to Rs NIL (Estimated) (Previous Year Rs NIL).

ii) The company has issued perpetual indemnity in favor of Indusind Bank to the extent of Rs 3,000,000/- (Previous year Rs 3,000,000/-).

iii) The company has outstanding demands from the Income Tax Department for an amount of Rs NIL/- (Previous year: Rs 74,54,690/-) .

iv) The company has received show cause notices from Service Tax Department for availment of cenvat credit on input services and service tax demand on output services for the years 2007-08 to 2014-15. Total amount of cenvat credit disallowed including penalty and interest is Rs 79,22,660/- (Previous year: Rs 69,00,559/- ) and total amount of demand on output services is Rs 1,04,75,937 (Previous year: Rs 1,08,45,431 ). The company has filed appeals before higher authorities against the said orders. In the management view the demand raised by Service Tax Department is not tenable & accordingly no provision has been made.

21 Related Party Disclosures

As per accounting standard 18 on "Related party Disclosure" issued by the Institute of Chartered Accountants of India the disclosure of transactions with the related party is as under:

Nature of Relationship and Names of related parties

(a) Related Party where control exists

ISE Securities & Services Ltd.

Mr. Sivaraman K M- Chief Executive Officer & Whole Time Director



(b) Transactions with Related Parties

Particulars	Current Year	Previous Year
Remuneration paid to Managing Director – Holding Company	-	-
Remuneration paid to Managing Director – Subsidiary Company	3,556,165	3,264,679
Reimbursement of expenses	126,938	127,454

22 Operating Lease: Company as Lessee

(a) The Company has entered into operating lease arrangements for office space and CRD godown under operating lease arrangement. The lease have an average life between 3 to 5 years. The Company has not given straight line impact over the lease term as it expects to vacate the office premises before the end of lease term.

(b) Total of minimum lease payments

Particulars	Current Year	Previous Year
(i) Total of minimum lease payments	25,717,894	8,596,398
The total of future minimum lease payments under non-cancellable		
Operating leases for period:		
Not later than one year	6,397,894	7,675,202
Later than one year and not later than five years	19,320,000	921,196
Later than five years	-	-

(c) Lease payments recognized in the statement of profit & loss for the year

	7,883,172	7,751,638
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(d) Details of lease Deposit

Particulars	Period	Amount in Rs	
		Current Year	Previous Year
Powerica Limited	5 Years	2,550,000	2,550,000
CRD Sanpada Godown	33 Months	100,000	100,000
Patna Branch Deposit	12 Months	20,000	34,000
Nagpur Branch	12 Months	34,000	60,000
Delhi Branch	3 Years	60,000	50,000
Coimbatore	-	50,000	90,000
Kolkata Branch	48 Months	90,000	150,000
Kolkata Godown	36 Months	150,000	20,000



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23 Earning Per Share

Particulars	Reference	Current Year	Previous Year
A Net profit/ (Loss) attributable to equity shareholders	A	18,338,607	7,470,614
B Weighted Average Number of Equity Shares outstanding	B	28,000,000	28,000,000
C Face Value per Share (Rs.)	C	10	10
D Basic Earnings/(Loss) per equity shares (Rs.)	A/B	0.65	0.27
E Diluted Earnings/ (loss) per equity shares (Rs.)	A/B	0.65	0.27

- 24 The accounts of certain Trade Receivables, Trade Payables, Short/Long Term Loans and Advances, Other Current Assets and Current Liabilities and are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.

In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

- 25 The list of subsidiary enterprises and associates which are included in the consolidation and the Company's holdings therein are as under :

List of subsidiary forming part of Group Consolidated Financial Statements			As at March 31, 2017	As at March 31, 2016
Name of the Company	Relationship	Country of Incorporation	Ownership in % either directly or through Subsidiaries	Ownership in % either directly or through Subsidiaries
ISE Securities & Services Limited	Subsidiary	India	100%	100%

There is no other subsidiary or associate other than the company mentioned above.

- 26 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of Entity	Net Assets		Share in Profit or (Loss)	
	As % of Consolidated Net Assets	Amount(Rs)	As % of Consolidated Profit or (Loss)	Amount(Rs)
Parent Inter - connected Enterprises Ltd .	66.78	207,152,745	44.12	8,091,501
Subsidiaries ISE Securities & Services Ltd.	33.22	103,026,682	55.88	10,247,107
<b>TOTAL</b>	<b>100</b>	<b>310,179,427</b>	<b>100</b>	<b>18,338,607</b>



*[Handwritten signature]*



*[Handwritten signature]*

27 The company has not been able to compile the details of vendor's status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The Company contends that no overdue amounts along with interest have been payable to enterprise covered under MSMED Act and generally payments are made to vendors within the stipulated time/agreed credit terms.

Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006. During the year company has not paid any interest in terms of the section 18 of the above mentioned act. No principal amount or interest amount are due at the end of this accounting year which is payable to any Micro, Small or Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

28 The share holders of the company through Postal Ballot, on January 13, 2017, accorded the approval to the Board to dispose-off 55,00,000 Equity shares of Rs. 10/- each including the shares held by Nominee for total consideration of Rs.15,00,00,000/-. The shareholders have also approved the terms & Conditions mentioned in the share purchase agreement, entered into between the Company and the Purchaser Mitesh Shah & Group.

29 The Group has prepared these financial statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the schedule') issued by Ministry of Corporate.

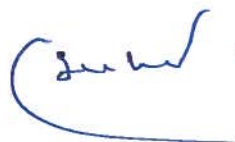
30 The Company has prepared these financial statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the schedule') issued by Ministry of Corporate Affairs. The Current Year refers to the period April 01, 2016 to March 31, 2017. (Previous year refers to April 01, 2015 to March 31, 2016).  
The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

31 All Figures are in Indian Rupees.

**Auditor's Report**

*"As per our separate report of even date"*

**Chhajed Kedia & Associates**  
Chartered Accountants  
FRN No. 119248W



Lalit Kumar Chhajed  
F. C. A. Partner  
MRN: 071980  
Mumbai  
Date: 28/08/2017



**FOR AND ON BEHALF OF**  
**Inter-Connected Enterprises Ltd.**  
Formerly Inter-Connected Stock Exchange of India Ltd.



Ashok Lunia  
Director  
DIN. 02225255  
Navi Mumbai  
Date: 28/08/2017



Peter Markose  
Director  
DIN. 01849369  
Navi Mumbai  
Date: 28/08/2017

M/S. Inter-Connected Enterprises Limited  
(Erstwhile: M/s Inter-connected Stock Exchange of India Limited)  
Regd Office: International Infotech Park, Tower 7, 5th Floor, Vashi Navi Mumbai  
Maharashtra 400703  
CIN : U74999MH2005PLC157556

Form No. MGT 11

Proxy Form

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

Name of the member(s) :.....

Registered address :.....

.....

.....

E-mail ID :.....

Folio No :.....

I/We, being the member(s) of .... Shares, hereby appoint

1. Name: ..... Address: .....

E-mail Id: ..... Signature: .....

2 Name: ..... Address: .....

E-mail Id: ..... Signature: .....

3 Name: ..... Address: .....

E-mail Id: ..... Signature: .....

As my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 19<sup>th</sup> Annual General Meeting to be held at 10.30 a.m. on Thursday, September 21, 2017, at Hotel Abbott, Near Meghraj Cinema Hall, Vashi, Navi Mumbai – 400 703 and at any adjournment thereof in respect of such resolutions as are indicated below:



M/S. Inter-Connected Enterprises Limited  
(Erstwhile: M/s Inter-connected Stock Exchange of India Limited)  
Regd Office: International Infotech Park, Tower 7, 5th Floor, Vashi Navi Mumbai  
Maharashtra 400703  
CIN : U74999MH2005PLC157556

Sl. No	Resolution
	<b>Business</b>
1.	To receive, consider, approve and adopt Financial Statements as on March 31, 2017; including consolidated Financial Statements as on March 31, 2017, Directors' Report and Auditors' Report thereon.
2.	Appointment of Shri Sanjay Sakariya as a director.
3.	Appointment of Shri Shrichand Pareek as a director.
4.	Appointment of M/s Chhaged, Kedia & Associates, Chartered Accountants as Statutory Auditors.

Signed this..... day of ..... 2017

.....

Signature of shareholder

.....

Signature of Proxy-holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

