



# 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 22<sup>nd</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty-second Annual General Meeting of the members of Inter-Connected Enterprises Limited (Erstwhile Inter Connected Stock Exchange of India Limited) will be held on Monday, December 07, 2020 at 10.30 a.m. at 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 the audited Standalone Financial Statements of the company for the financial year ended March 31, 2020, together with the reports of the Board of Directors and Auditors thereon.

To consider and, if thought fit, to pass with or without modification(s) the following resolution, as an **ORDINARY RESOLUTION**: -

"**RESOLVED THAT** the audited Standalone Financial Statements as on 31<sup>st</sup> March 2020, Auditor's Report thereon and the Boards' Report be and are hereby considered, approved and adopted."

2. To receive, consider, approve and adopt the audited Consolidated Financial Statements of the company for the financial year ended March 31, 2020, together with the report of the Auditors thereon.

To consider and, if thought fit, to pass with or without modification(s) the following resolution, as an **ORDINARY RESOLUTION**: -

"**RESOLVED THAT** the audited Consolidated Financial Statements as on 31<sup>st</sup> March 2020 and the Auditor's Report thereon be and are hereby considered, approved and adopted."

3. To appoint a Director in place of Mr. Ashok Anopchand Lunia (DIN: 02225255) Director, who retires from office by rotation, and being eligible, offers himself for reappointment.

To consider and, if thought fit, to pass with or without modification(s) the following resolution, as an **ORDINARY RESOLUTION**: -

"**RESOLVED THAT**, Mr. Ashok Anopchand Lunia (DIN: 02225255) Director, who is liable to retire by rotation and being eligible, offers himself for reappointment, be and is hereby reappointed as a Director of the company whose period of office shall be liable to determination by retirement of Directors by rotation."



# Inter-Connected Enterprises Limited

4. To appoint a Director in place of Mr. Sanjay Vasantlal Sakariya (DIN: 02050364) Director, who retires from office by rotation, and being eligible, for reappointment, offers himself for reappointment.

To consider and, if thought fit, to pass with or without modification(s) the following resolution, as an **ORDINARY RESOLUTION**: -


**"RESOLVED THAT, Mr. Sanjay Vasantlal Sakariya (DIN: 02050364) Director, who is liable to retire by rotation and being eligible offers himself for reappointment, be and is hereby reappointed as a Director of the company whose period of office shall be liable to determination by retirement of Directors by rotation."**

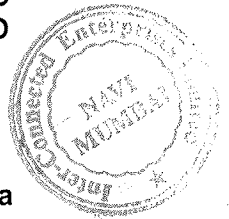
## NOTES:

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 November 23, 2020. 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.
4. Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution, authorizing their representative to attend and vote on their behalf at the Meeting.
5. Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting is provided as per Secretarial Standard on General Meetings and forms part of this notice.
6. Route Map to the venue of Annual General Meeting along with the landmark is annexed and forms part of the Notice of the Annual General Meeting.

BY ORDER OF THE BOARD  
For INTER-CONNECTED ENTERPRISES LIMITED

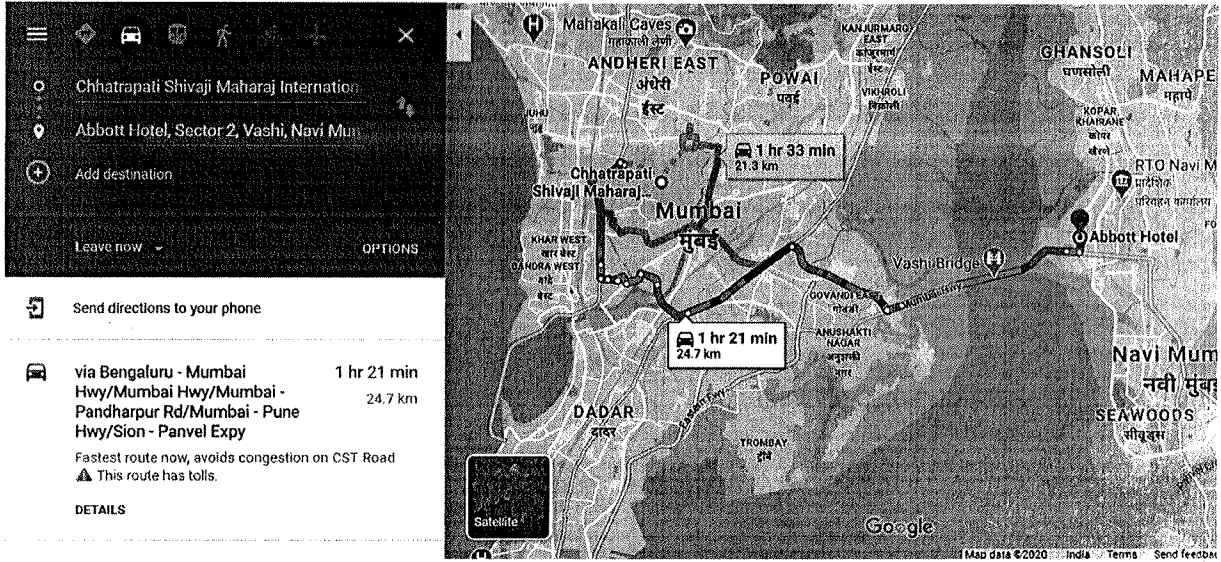
Date: November 04, 2020  
Place: Coimbatore

  
Ashok Anopchand Lunia  
Director  
(DIN: 02225255)



# Inter-Connected Enterprises Limited

## ROUTE MAP FOR THE VENUE OF THE ANNUAL GENERAL MEETING





Landmark: Near Meghraj Cinema Hall



# Inter-Connected Enterprises Limited

## DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS PER SECRETARIAL STANDARD ON GENERAL MEETINGS:

NAME	Mr. Ashok Anopchand Lunia	Mr. Sanjay Vasantlal Sakariya
DIN	02225255	02050364
DATE OF BIRTH	10/07/1958	15/03/1965
AGE	62	55
QUALIFICATION	B.Com	B.E. (Electronics & Telecommunications)
EXPERTISE IN SPECIFIC FUNCTIONAL AREAS AND PAST EXPERIENCE	Tax Practitioner, Stock Broker upto 2006, from 2006 till date Tax Practitioner	Director, in Porwal Shares & Stock Pvt. Ltd., a corporate stock broker since 2002.
TERMS AND CONDITIONS OF APPOINTMENT	Non-executive Director, Liable to retire by rotation	Non-executive Director, Liable to retire by rotation
REMUNERATION SOUGHT TO BE PAID	Nil	Nil
LAST DRAWN REMUNERATION	Nil	Nil
DATE OF FIRST APPOINTMENT ON THE BOARD	20.12.2014	22.12.2015
SHAREHOLDING IN THE COMPANY	Nil	Nil
RELATIONSHIP WITH OTHER DIRECTOR/MANAGER/KMP, IF ANY	Nil	Nil
NO OF MEETINGS OF THE BOARD ATTENDED DURING THE FINANCIAL YEAR UNDER REVIEW	4	4
MEMBERSHIP/ CHAIRMANSHIPS OF OTHER BOARDS	Nil	Nil
DIRECTORSHIP IN OTHER COMPANIES	<ol style="list-style-type: none"> <li>1. A C Securities and Services Private Limited</li> <li>2. ISS Enterprise Limited</li> <li>3. Inter-Connected Enterprises Limited</li> <li>4. Coimbatore Enterprises and Holdings Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. ISS Enterprise Limited</li> <li>2. Porwal Shares and Stocks Private Limited</li> <li>3. BGSE Properties and Securities Limited</li> <li>4. Inter-Connected Enterprises Limited</li> </ol>



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## DIRECTORS' REPORT FOR ACCOUNTS FOR 2019- 2020

Dear Members,

The Directors are pleased to present the Twenty Second Annual Report and the Company's audited financial statements (Standalone and Consolidated) for the Financial Year ended March 31, 2020.

The financial performance of your Company as per the financials for the year 2019-2020, together with the comparable figures for the previous year, are given below in **Table No. 1:**

**Table No. 1: Comparative Financial Performance (₹ in lakh)**

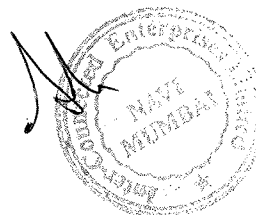
Particulars	Standalone		Consolidated	
	19-20	18-19	19-20	18-19
<b>INCOME</b>				
Interest on Bank Deposits	26.40	52.41	350.04	410.31
Others	53.39	76.65	457.88	565.99
<b>Total Income</b>	<b>79.79</b>	<b>129.06</b>	<b>807.92</b>	<b>976.30</b>
<b>EXPENDITURE</b>				
Administrative & Operational Expenses	35.30	42.92	712.97	721.63
Depreciation	8.87	9.74	26.51	15.37
<b>Total Expenditure</b>	<b>44.17</b>	<b>52.67</b>	<b>739.48</b>	<b>737.00</b>
<b>Profit/(Loss) before Taxation</b>	<b>35.61</b>	<b>76.40</b>	<b>68.44</b>	<b>239.29</b>
Less: Provision for Tax and other adjustments	7.30	20.50	17.44	49.30
Less: Prior Period item	-	-	17.52	-
<b>PROFIT/(LOSS) AFTER TAXATION</b>	<b>28.31</b>	<b>55.90</b>	<b>33.48</b>	<b>189.99</b>

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

### **APPROPRIATIONS**

*Appropriations of the net profit for the period ended 31.03.2020 are as under:*

	(₹ in lakh)
<b>General Reserves</b>	0.00
<b>Proposed Dividend</b>	0.00
<b>Corporate Dividend Tax</b>	0.00
<b>Balance carried to Reserves and Surplus</b>	110.14



*[Handwritten signature]*

# Inter-Connected Enterprises Limited

## Financial Performance of the Company

### Standalone

The Company has made a Net Profit of ₹28,31,197/- in the year 2019-20 as against a Net Profit of ₹55,90,262/- in the year 2018-19.

### Consolidated

The Company has made a Net Profit of ₹33,48,515/- in the year 2019-20 as against a Net Profit of ₹1,89,98,600/- in the year 2018-19. The Directors are confident about a strong future performance and growth of the Company in upcoming financial years.

### Share Capital:

The paid-up capital of the Company as at 31<sup>st</sup> March 2020 stood at ₹2,32,05,187/- (₹ Two Crores Thirty-Two Lakhs Five Thousand One Hundred and Eighty Seven only) divided into 2,32,05,187 (Two Crores Thirty Two Lakhs Five Thousand One Hundred Eighty Seven) Equity shares of ₹ 1/- each.

### Events subsequent to the date of financial statements:

No major event took place after the close of Financial Year 2019-2020.

### Dividend:

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

### Reserves:

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

### Consolidated Accounts:

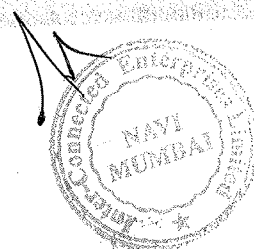
The consolidated financial statements of your company for the financial year 2019-2020, are prepared in compliance with applicable provisions of the Companies Act, 2013, & Accounting Standards. The consolidated financial statements have been prepared on the basis of audited financial statements of the company, its subsidiary as approved by its Board of Directors.

### Holding, Subsidiary, Associate and Joint Venture Companies:

The Company is not a subsidiary of any other Company. M/s. ISS Enterprise Limited (Erstwhile: ISE Securities & Services Ltd) is a wholly owned subsidiary of the Company.

The Company is neither having Joint Venture nor Associate Companies as on 31<sup>st</sup> March 2020.

### Report on Performance and Financial Position of the Subsidiary, Associates and Joint Venture Companies, included in the Consolidated Financial Statements:



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# Inter-Connected Enterprises Limited

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 as Annexure B in compliance with Section 129 (3) and other applicable provisions, if any, of the Companies Act, 2013.

## Financial Performance of the subsidiaries, associates and joint venture companies:

The highlights of performance of the subsidiary and its contribution to the overall performance of the Company during the period are detailed below:

### **1) M/s. ISS Enterprise Limited (Erstwhile: ISE Securities & Services Ltd)**

The Company was incorporated in the year 2000 with an object to carry on the business of Share and Stock Broker in Capital Market. During the year 2019-2020, the Company had carried on the business of Share and Stock Broker in Capital Market, and as Depository participant of Central Depository Services Limited (CDSL)

The Company's total earnings during 2019-20 is ₹778.28 Lakhs. The Profit for the year is ₹5,17,000. The Directors are confident about a strong future performance and growth of the Company for the upcoming financial years.

### **Contribution of the subsidiary to overall performance of the Company during the period:**

During the year, the Company has achieved a consolidated revenue of ₹8,07,92,103/- as against Standalone revenue of ₹79,78,668/- during the year.

The Net Profit for the year as per Consolidated Financials is ₹ 33,48,515/- compared to Net Profit as per Standalone Financials of ₹28,31,197/- during the year.



# Inter-Connected Enterprises Limited

## Technology & 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.

## 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 - 400703.

## Change in nature of business:

There was no change in the nature of business of the Company during the financial year.

## Deposits:

The Company has not accepted any deposits from the public during the year under review.

## Particulars of Monies accepted from Director of the Company:

The Company has not accepted monies from Directors of the Company during the financial year 2019-2020.

## Statutory Auditors:

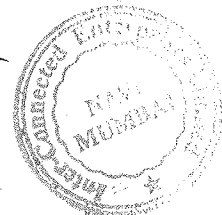
At the Twenty-First Annual General Meeting of the Company held on September 27, 2019, Statutory Auditor, M/s. Chhajed Kedia & Associates, Chartered Accountants, (Firm Registration Number: 119248W) were appointed as Statutory Auditor for the period starting from F.Y. 2019-2020 to F.Y. 2023-2024, who shall hold the office till the conclusion of Twenty-Sixth Annual General meeting of the company.

## Directors:

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

Sr. No.	Name of the Director	Status	Date of Appointment
1.	Mr. Ashok Anopchand 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 Sakariya	Director	22 <sup>nd</sup> December, 2015
5.	Mr. Rajeeb Ranjan Kumar	Director	22 <sup>nd</sup> December, 2015
6.	Mr. Valliappan Nagappan	Director	27 <sup>th</sup> September, 2019

Two Directors of the company, namely Mr. Ashok Anopchand Lunia and Mr. Sanjay Sakariya are liable to retire by rotation and are eligible offers themselves for re appointment.





# Inter-Connected Enterprises Limited

During the period April 01, 2019 to March 31, 2020, the following Board Meetings were held:

Board Meeting No.	Date
172	July 03, 2019
173	September 04, 2019
174	September 27, 2019
175	January 20, 2020

## Details of Attendance of the Directors in the Board Meetings:

During the period April 01, 2019 to March 31, 2020, the Board of Directors met 4 times. The attendance record of the Directors at each Board Meeting and at the last Annual General Meeting held on September 27, 2019, 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 21 <sup>st</sup> Annual General Meeting on September 27, 2019
1	Mr. Peter Markose	04	04	Present
2	Mr. Ashok Anopchand Lunia	04	04	Present
3	Mr. Shrichand Pareek	04	04	Present
4	Mr. Sanjay Sakariya	04	04	Present
5	Mr. Rajeeb Ranjan Kumar	04	04	Present
6	Mr. Valliappan Nagappan	01	01	Not Applicable

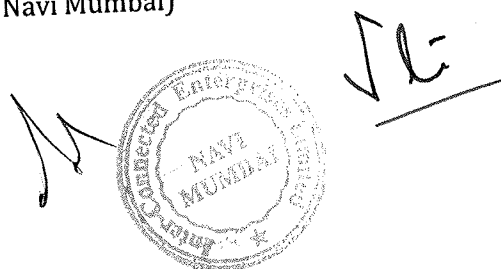
The Company has complied with the applicable Secretarial Standards, viz., SS-1 and SS-2, as issued by the Institute of Company Secretaries of India, from time to time.

## General Body Meetings:

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

The last three Annual General Meetings i.e., 19<sup>th</sup>, 20<sup>th</sup>, and 21<sup>st</sup> Meetings of the Company were held on the following dates:

- 19<sup>th</sup> AGM      September 21, 2017 (at Hotel Abbot, Vashi, Navi Mumbai)
- 20<sup>th</sup> AGM      September 19, 2018 (at Hotel Abbot, Vashi, Navi Mumbai)
- 21<sup>st</sup> AGM      September 27, 2019 (At Hotel Abbot, Vashi Navi Mumbai)



# Inter-Connected Enterprises Limited

## Audit Committee:

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.

## Risk Management Policy:

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

## Directors' Responsibility Statement:

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

- (a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) 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, 2020 and of the profit and loss of the company for the year ended March 31, 2020;
- (c) 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.
- (f) Proper internal financial controls related to Financial Statements were followed by the company and such internal financial controls are adequate and were operating effectively;

## Disclosures of Particulars of Contracts/Arrangements with Related Parties:

All the transactions entered into with the related parties i.e. Subsidiary Company ISS Enterprise Limited (Erstwhile: ISE Securities & Services Limited) With regard to Receipt of Interest @ 11.50% P.A. from ISS Enterprise Limited on loan of ₹4,30,00,000/- given to said subsidiary for working Capital requirement is 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 C.

## Human Resources & Particulars of Employees:

In view of the exit from Stock Exchange Business, there are no employees. The company is managed by the Board of Directors of the company.

## 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.



# Inter-Connected Enterprises Limited

## Annual Return:

In terms of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, a copy of the Annual Return should be placed on the website of the Company, if any, and the web-link of such annual return should be disclosed in the Board's Report. Since the Company does not have any website, the said provisions are not applicable to the Company.

## Extract of Annual Return:

The extract of the annual return in Form MGT-9 is annexed (as Annexure - A) and forms part of this report.

## Particulars of loans, guarantees or investments:

The company has duly complied with the provisions of Section 186 of the Companies Act, 2013. Details of loans, guarantee and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes of the Financial Statements.

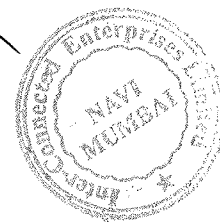
## Maintenance of books of account and other relevant books and papers in electronic form:

The company is maintaining books of accounts and other relevant books and papers in electronic form and the place of maintenance of computer servers (Storing Accounting Data) is located at INTERNATIONAL INFOTECH PARK, TOWER 7, 5TH FLOOR, SECTOR-30 A, VASHI, NAVI MUMBAI - 400703 Phone no. 022- 27812056.

## Details regarding Service Provider

a.	the name of the service provider	NIL
b.	the internet protocol address of service provider	Not Applicable
c.	the location of the service provider (wherever applicable)	Not Applicable
d.	where the books of account and other books and papers are maintained on cloud, such address as provided by the service provider	Not Applicable

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# Inter-Connected Enterprises Limited

## Conservation of Energy, Technology Absorption & Foreign Exchange Earnings outgo:

### A. Details of Conservation of Energy: Not Applicable

- (i) Steps taken or impact on conservation of energy
- (ii) Steps taken by the company for utilizing alternate sources of energy
- (iii) Capital investment on energy conservation equipment

### B. Technology Absorption: NIL

- (i) Efforts made towards technology absorption: NIL
- (ii) Benefits derived as a result of the above efforts: NIL
- (iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year): NIL
  - (a) Details of technology imported: NIL
  - (b) Year of import: NIL
  - (c) Whether the technology been fully absorbed: NIL
  - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NIL
- (iv) Expenditure incurred on Research and Development:  
The Company has not any incurred any cost towards undertaking R&D Activity during the period under review.

### C. Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows during the year: NIL  
Foreign Exchange outgo during the year in terms of actual outflows: NIL

### Material orders:

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### Internal financial controls:

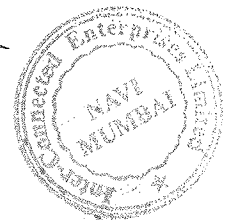
The Company has adequate internal financial controls with reference to the Financial statements.

### Maintenance of Cost records and applicability of Cost Audit

The Company is not required to maintain cost records as provided under sub-section (1) of section 148 of the Companies Act, 2013. Hence, the provisions of the Cost Audit are not applicable to the Company.

### Explanation or comments by the Board on every qualification, reservation, adverse remark or disclaimer made by the auditor:

No such explanation or comment is required since there are no qualifications, reservations, adverse remarks or disclaimer made by the auditor.



# Inter-Connected Enterprises Limited

## Fraud reported by Auditor

The Auditor has not reported any fraud under Section 143(12).

## Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In accordance with section 6(1) of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company is not required to constitute Internal Complaints Committee (ICC) as the number of employees is less than 10. However, the Company does have a redressal system under the direct supervision of the Board. The Company has not received any sexual harassment complaints during the year 2019-20.

The following is a summary of sexual harassment complaints received and disposed off during the year 2019-20.


No. of Complaints received: NIL


No. of Complaints disposed off: NIL

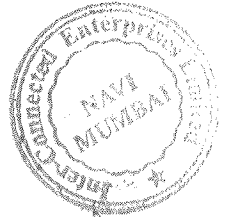
## Acknowledgements

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.

By the order of the Board  
For INTER-CONNECTED ENTERPRISES LIMITED  
(Signed as per Board Resolution Passed on 03<sup>rd</sup> November, 2020)

  
ASHOK ANOPCHAND LUNIA  
DIRECTOR  
DIN: 02225255  
Place: Coimbatore  
Date: 04<sup>th</sup> November, 2020

  
PETER MARKOSE  
DIRECTOR  
DIN: 01849369  
Place: Kochi  
Date: 05<sup>th</sup> November, 2020



Annexure - A - Extract of the annual return in Form MGT-9

Annexure - B - Form AOC-1

Annexure - C - Particulars of contracts or arrangements with related parties in Form AOC-2

# Inter-Connected Enterprises Limited

## ANNEXURE- A

### EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2020

[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 (Original Date of Incorporation). October 09, 2015 (Date of New Certificate of Incorporation on account of Name change of the Company on 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	International Infotech Park, Tower No.7, 5 <sup>th</sup> Floor, Sector - 30, Vashi Navi Mumbai - 400703.
vi.	Phone No.	022-27812056
vii.	Email	icelshareholders@gmail.com
viii.	Whether listed company	No
ix.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited. 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai-400059 Contact Number: 022-62638200



# Inter-Connected Enterprises Limited

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Currently, the Company is managing its assets and its Subsidiary company ISS Enterprise Limited (Erstwhile: ISE Securities & Services Limited.)

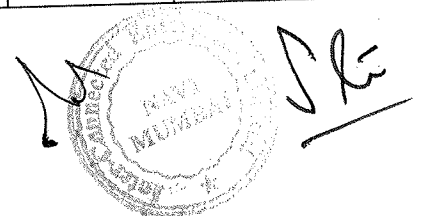
## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SR No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	ISS Enterprise Limited (Erstwhile: ISE Securities & Services Ltd.)	U67100MH2000PLC123707	Subsidiary Company	100%	Section 2(87) (ii) of the Companies Act 2013

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

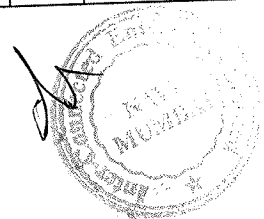
### i) Category-wise Shareholding

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	
A. Promoters	--	--	--		.		.		
(1) Indian	--		.		.		.		
a) Individual/HUF	--		.		.		.		
b) Central Govt. or State Govt.									



# Inter-Connected Enterprises Limited

--	--	--	--	--	--	--	--	--	--	--



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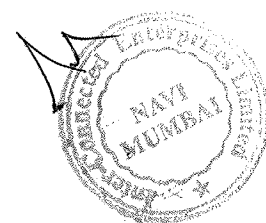


# Inter-Connected Enterprises Limited

c) Bodies Corporate	73,64,663	-	73,64,663	31.74	65,26,232	--	65,26,232	28.12	(3.62)	
d) Bank/FI	--		-		-		-			
e) Any other	--		-		-		-			
<b>SUB TOTAL:(A) (1)</b>	73,64,663	-	73,64,663	31.74	65,26,232	---	65,26,232	28.12	(3.62)	
<b>(2) Foreign</b>	----		-		-		-			
a) NRI-Individuals	---		-		-		-			
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>	73,64,663	-	73,64,663	31.74	65,26,232	---	65,26,232	28.12	(3.62)	



ii)


<b>B. PUBLIC SHARE HOKDING</b>	----	--	-	-	-	-	-	-	-	-
<b>(1) Institutions</b>	----	--	-	-	-	-	-	-	-	-
a) Mutual Funds	-----	--	-	-	-	-	-	-	-	-
b) Central Govt.	----	--	-	-	-	-	-	-	-	-
d) State Govt.	----	--	-	-	-	-	-	-	-	-
e) Venture Capital	-----	--	-	-	-	-	-	-	-	-



# Inter-Connected Enterprises Limited

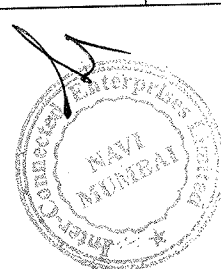
f) Insurance Companies	-----	--	-	-	-	-			
g) FIIS	----	--	-	-	-	-			
h) Foreign Venture Capital Funds	---	--	-	-	-	-			
i) Others (Specify)	---	--	-	-	-	-			
<b>SUB TOTAL (B) (1):</b>	---	--	-	-	-	-			



# Inter-Connected Enterprises Limited

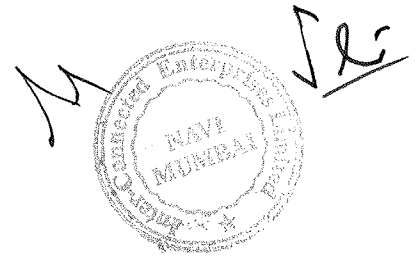
<b>(2)Non Institutions</b>	---	--	-	-	-	-			
a)Bodies Corporate	--	--	-	-	-	-			
i)Indian	1,24,11,457	-	1,24,11,457	53.49	1,24,11,457	--	1,24,11,457	53.49	0.00
ii)Overseas	----		-	-	-	-			
b)Individuals			-	-	-	-			
i)Individual shareholders holding nominal share capital up to Rs.1 Lakhs	44,777	-	44,777	0.19	44,777	--	44,777	0.19	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakhs	33,84,290	-	33,84,290	14.58	42,22,721	--	42,22,721	18.20	3.62
c)Others (Specify)	-----		-	-	-	-			
<b>SUB TOTAL (B) (2):</b>	1,58,40,524	-	1,58,40,524	68.26	1,66,78,955	--	1,66,78,955	71.88	3.62
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	1,58,40,524	-	1,58,40,524	68.26	1,66,78,955	--	1,66,78,955	71.88	3.62
C. Shares held by Custodian for GDRs & ADRs	-----		-----	-	-				
<b>Grand Total (A+B+C)</b>	2,32,05,187	-	2,32,05,187	100.00	2,32,05,187	-	2,32,05,187	100.00	-



# Inter-Connected Enterprises Limited

## iii) Shareholding of Promoters -

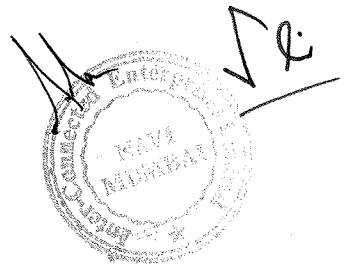
S.No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total Shares	
1.	BGSE Properties and Securities Ltd.	5,03,059	2.17	NIL	5,03,059	2.17	NIL	NIL
2.	Our Investments Enterprise Ltd.	11,60,259	5.00	NIL	11,60,259	5.00	NIL	NIL
3.	Coimbatore Enterprises and Holdings Ltd.	8,38,431	3.61	NIL	8,38,431	3.61	NIL	NIL
4.	Guwahati Real Estate Ltd	8,38,431	3.61	NIL	8,38,431	3.61	NIL	NIL
5.	Jaipur Stock Securities Limited	4,79,104	2.06	NIL	4,79,104	2.06	NIL	NIL
6.	Madras Enterprises Ltd.	6,00,000	2.59	NIL	6,00,000	2.59	NIL	NIL
7.	Mangelore Stock Exchange.	5,35,928	2.31	NIL	5,35,928	2.31	NIL	NIL
8.	Magadh Stock Exchange Ltd.	11,60,188	5.00	NIL	11,60,188	5.00	NIL	NIL
9.	Saurashtra Kutch Stock Exchange	8,38,431	3.62	NIL	NIL	NIL	NIL	(3.62)
10.	U.P. Stock and Capital Ltd.	4,10,832	1.77	NIL	4,10,832	1.77	NIL	NIL
	<b>Total</b>	<b>73,64,663</b>	<b>31.74</b>	<b>NIL</b>	<b>65,26,232</b>	<b>28.12</b>	<b>NIL</b>	<b>(3.62)</b>



# Inter-Connected Enterprises Limited

**iv) Change in Promoters Shareholding:**

Sr.No.	Name of the Shareholder	Shareholding at the beginning of the year (As on April 01, 2019)		Date	Reason	Increase/ (Decrease) in shareholding		Cumulative shareholding during the year	
		No .of Shares	% of total shares of the Company			No .of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	<b>BGSE Properties and Securities Ltd.</b>  At the end of the Year as on March 31, 2020-->	5,03,059	2.17			-----	-----	5,03,059	2.17
								5,03,059	2.17
2	<b>Our Investments Enterprise Ltd.</b>  At the end of the Year as on March 31, 2020-->	11,60,259	5.00			-----	-----	11,60,259	5.00
								11,60,259	5.00



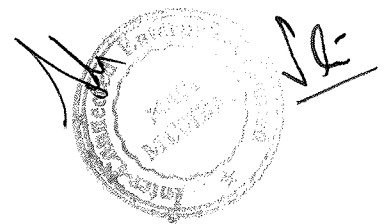
# Inter-Connected Enterprises Limited

3	<b>Coimbatore Enterprises and Holdings Ltd.</b> At the end of the Year as on March 31, 2020-->	8,38,431	3.61			-----	-----	8,38,431	3.61
								8,38,431	3.61
4	<b>Guwahati Real Estate Ltd.</b> At the end of the Year as on March 31, 2020-->	8,38,431	3.61			-----	-----	8,38,431	3.61
								8,38,431	3.61
5	<b>Jaipur Stock Securities Limited</b> At the end of the Year as on March 31, 2020-->	4,79,104	2.06			-----	-----	4,79,104	2.06
								4,79,104	2.06
6	<b>Madras Enterprises Ltd.</b> At the end of the Year as on March 31, 2020-->	6,00,000	2.59			-----	-----	6,00,000	2.59
								6,00,000	2.59



# Inter-Connected Enterprises Limited

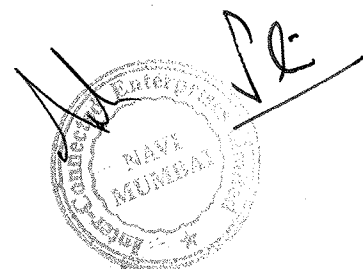
7	Mangalore Stock Exchange. At the end of the Year as on March 31, 2020 -->.	5,35,928	2.31			-----	-----	5,35,928	2.31
								5,35,928	2.31
8	Magadh Stock Exchange Ltd. At the end of the Year as on March 31, 2020 -->.	11,60,188	5.00			-----	-----	11,60,188	5.00
								11,60,188	5.00
9	Saurashtra Kutch Stock Exchange Ltd. At the end of the Year as on March 31, 2020 -->.	8,38,431	3.61	Mar ch 20, 202 0	Sale of Stack	(8,38,431)	(3.61)	NIL	NIL
								NIL	NIL
10	U.P. Stock and Capital Ltd. At the end of the Year as on March 31, 2020 -->.	4,10,832	1.77			-----	-----	4,10,832	1.77
								4,10,832	1.77



# Inter-Connected Enterprises Limited

v) Shareholding Pattern of Top 10 Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr.No.	Name of the Shareholder	Shareholding at the Beginning of the Year as on April 01, 2019		Cumulative Shareholding during the Year		Shareholding at the end of the Year as on March 31, 2020.	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Bhubaneshwar Shares & Securities Ltd.	14,00,000	6.03	14,00,000	6.03	14,00,000	6.03
2	Madhya Pradesh Stock Exchange	14,00,000	6.03	14,00,000	6.03	14,00,000	6.03
3	Acmechem Ltd.	12,48,260	5.38	12,48,260	5.38	12,48,260	5.38
4	Panoramic Universal Ltd.	12,48,260	5.38	12,48,260	5.38	12,48,260	5.38
5	Dion Global Solutions Ltd.	12,43,280	5.36	12,43,280	5.36	12,43,280	5.36
6	Anjana Fincap Pvt. Ltd.	10,47,838	4.52	10,47,838	4.52	10,47,838	4.52
7	Darashaw Keki Mehta	9,02,001	3.89	9,02,001	3.89	9,02,001	3.89
8	Atul Rajendra Kumeria	-----	-----	8,38,431	3.62	8,38,431	3.62
9	Yashodham Merchants Pvt. Ltd.	7,48,960	3.23	7,48,960	3.23	7,48,960	3.23
10	Arcadia Share and Stock Brokers Pvt. Ltd.— Proprietary A/C	7,47,557	3.22	7,47,557	3.22	7,47,557	3.22





# Inter-Connected Enterprises Limited

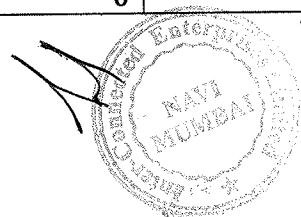
## vi) Shareholding of Directors and Key Managerial Personnel - NIL

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				

## V. 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>	0	0	0	NIL



# Inter-Connected Enterprises Limited

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

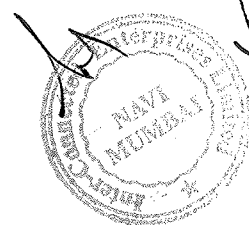
B. Remuneration to other Directors: Not Applicable

### 1. Independent Directors

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

### 2. Other Non-Executive Directors

Particulars of Remuneration	Name of Director/ Committee Member		Total Amount Rs.
Fee for attending Board Meetings	Mr. Ashok Anochand Lunia	Board Meeting	40,000/-
		Board Meeting	40,000/-
	Mr. Peter Markose	Board Meeting	40,000/-
	Mr. Shrichand Parik	Board Meeting	40,000/-
	Mr. Sanjay Sakaria	Board Meeting	40,000/-
	Mr. Rajeeb Ranjan Kumar	Board Meeting	10,000/-
	Mr. V. Nagappan	Board Meeting	
-Commission			-----
- Others, please specify			=====
<b>Total (B)(2)</b>			<b>2,10,000/-</b>
<b>Total (B)= (B)(1)+ (B)(2)</b>			<b>2,10,000/-</b>




# Inter-Connected Enterprises Limited

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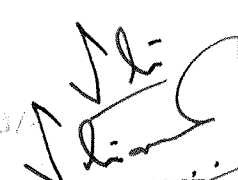

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

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					

By the order of the Board  
**For INTER-CONNECTED ENTERPRISES LIMITED**  
 (Signed as per Board Resolution Passed on 03<sup>rd</sup> November, 2020)



**ASHOK ANOPCHAND LUNIA**  
**DIRECTOR**  
 DIN: 02225255  
 Place: Coimbatore  
 Date: 04<sup>th</sup> November, 2020

**PETER MARKOSE**  
**DIRECTOR**  
 DIN: 01849369  
 Place: Kochi  
 Date: 05<sup>th</sup> November, 2020



# 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.isesec.com>

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



## ANNEXURE - C

### 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

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

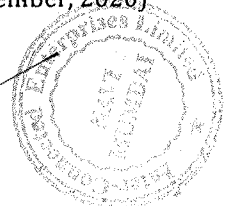
#### 2. Details of material contracts or arrangement or transactions at arm's length basis:

- Name(s) of the related party and nature of relationship: **ISS Enterprise Limited (Erstwhile: ISE Securities & Services Limited), Subsidiary Company.**
- Nature of contracts/arrangements/transactions:
  - Payment of interest @10% p.a. on amount of expenses incurred by subsidiary company on behalf of holding company.**
  - Receipt of Interest @11.50 % p.a. on loan of ₹4, 30, 00, 000/- remaining unpaid out of original loan amount of ₹ 7,00, 00, 000/- granted by holding company to subsidiary company for working capital requirements in the financial year 2017-2018.**
- Duration of the contracts/arrangements/transactions:
  - On continuous basis.**
  - The loan can be repaid in part or in full at any point of time with the consent of both lender and borrower.**
- Salient terms of the contracts or arrangements or transactions including the value, if any:
  - Not Applicable**
  - ₹ 4,30,00,000 (Four Crores Thirty Lakhs only) at the Interest @ 11.50% P.A.**
- Date(s) of approval by the Board, if any:
  - February 06, 2016**
  - June 16, 2017**
- Amount paid as advances, if any: **N.A.**

By the order of the Board  
For INTER-CONNECTED ENTERPRISES LIMITED  
(Signed as per Board Resolution Passed on 03<sup>rd</sup> November, 2020)

  
**ASHOK ANOPCHAND LUNIA**  
DIRECTOR  
DIN: 02225255  
Place: Coimbatore  
Date: 04<sup>th</sup> November, 2020

  
**PETER MARKOSE**  
DIRECTOR  
DIN: 01849369  
Place: Kochi  
Date: 05<sup>th</sup> November, 2020





**CHHAJED KEDIA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

206, Blue Moon Chambers  
25, Nagindas Master Road  
Near Welcome Restaurant  
Fort, Mumbai – 400 023.  
Tel.: 2263 3133 / 2270 1102  
email : lkchhajer@hotmail.com

## INDEPENDENT AUDITOR'S REPORT

To  
**The Members of INTER-CONNECTED ENTERPRISES LIMITED**  
(Formerly Inter - connected Stock Exchange of India Ltd.)

### Report on the audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying financial statements of **INTER-CONNECTED ENTERPRISES LIMITED (Formerly Inter - connected Stock Exchange of India Ltd.)** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('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 March 31, 2020, its profit and cash flows for the year ended on that date.

#### Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.



## **Other Matter**

Further to the continuous spreading of COVID -19 across India, the Indian Government announced a strict 21-day lockdown on March 24, 2020, which was further extended till June 30, 2020, across India to contain the spread of the virus. This has resulted in restrictions on a physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, the entire audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable, and are directly generated by the accounting system of the entity without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

With reference to the Covid-19 Pandemic Company's boards of directors are of the view that, this pandemic will not have a significant impact on the financial and/or on business activities of the company for the year ended 31st March 2020, accordingly no additional provision/disclosure are made

Our audit opinion is not modified in respect of the above.

## **Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure's to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Management's responsibility for the financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other legal and regulatory requirements**

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 Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

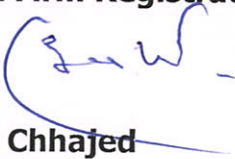


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- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) In our opinion and to the best of our information and according to the explanation given to us, we report as under 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;
- a. 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. The details of pending litigations are shown under Note No. 16 – Contingent Liability not provided for and other Commitment to the Balance sheet
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. 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.

**For CHHAJED KEDIA & ASSOCIATES**  
**Chartered Accountants**  
**ICAI Firm Registration No: 0119248W**



**Lalit Chhajed**  
**Partner**  
**Membership No: 071980**  
**UDIN: 20071980AAAADZ4515**



**Place: Mumbai**  
**Date: 06<sup>th</sup> November 2020**

## Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of **INTER-CONNECTED ENTERPRISES LIMITED (Formerly Inter - connected Stock Exchange of India Ltd.)** of even date)

i) In respect of the Company's fixed assets:

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 and on examination of the records of the company, the title deeds of immovable properties included in fixed assets are held in the name of the company.

ii) The company is has no business activity during the year and having operating income from Interest only; accordingly the company did not have any inventory during the current financial year. Hence the provision's 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 granted unsecured loan, to its subsidiary company namely ISS Enterprise Ltd., covered in the registered maintained under section 189 of the Act, in respect of which:

- a. The Terms and conditions of the grant of such loan are not prejudicial to the company's interest
- b. The schedule of repayment of principal and payment of interest has been stipulated and the repayment and receipts are regular as per stipulations
- c. There is no overdue amount remaining outstanding at the year end.

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) According to the records of the Company and the information and explanations given to us, in respect of statutory dues:
- Undisputed statutory dues including provident fund, income-tax, service tax, goods and service tax. Cess and other statutory dues as applicable have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
  - According to information and explanations given to us, there no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods & 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.

Details of Dues of Cess Tax /Income Tax which has not been deposited as at 31<sup>st</sup> March 2020 on account of dispute are stated as hereunder:-

Name of the Statue	Nature of Dues	Amount (in INR)	Period to which it relates	Forum Where dispute is pending
Navi Mumbai Municipal Corporation (NMMC)	Cess Tax	37,18,468	F.Y. 1998-1999	Bombay High Court
	Cess Tax	1,06,08,646	F.Y. 1998-1999	Bombay High Court
The Income Tax Act, 1961	Tax Deducted at Source	25,65,220	F.Y. 2007-08 to F.Y. 2014-15	Online Rectification is pending for TDS Return etc.
The Income Tax Act, 1961	Income Tax	1,00,02,760	FY 2018-19 (AY 2019-20)	CPC, Online Rectification is pending, for giving Tax Credit.

- (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 record of the company examined by us and as per the information and explanation 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 not paid / provided managerial / director remuneration, hence the provision section 197 read with schedule V to the Act are not applicable to the company.
- (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.
- (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 ACCOUNTANTS**  
**ICAI Firm Registration No: 0119248W**



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

**UDIN: 20071980AAAADZ4515**

**Place: Mumbai**  
**Date: 06<sup>th</sup> November 2020**



## **Annexure "B" to the Independent Auditor's Report**

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **INTER-CONNECTED ENTERPRISES LIMITED (Formerly Inter - connected Stock Exchange of India Ltd.)** 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 LIMITED (Formerly Inter - connected Stock Exchange of India Ltd.)** ("the Company") as at March 31, 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's responsibility for internal financial controls**

The Companies Management and Board of Directors 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. 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, 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 of the Company 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 the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 in 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 of 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.

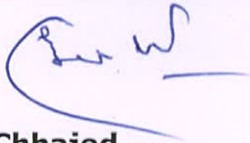


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## **Opinion**

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

**FOR CHHAJED KEDIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
ICAI Firm Registration No: 0119248W**



**Lalit Chhajed  
Partner  
Membership No: 071980  
UDIN: 20071980AAAADZ4515**



**Place: Mumbai  
Date: 06<sup>th</sup> November 2020**

**Inter-Connected Enterprises Limited**  
( Formerly Inter - connected Stock Exchange of India Ltd.)  
**BALANCE SHEET AS AT MARCH 31, 2020**

Amount in Rs.

Particulars	Note #	As at March 31, 2020	As at March 31, 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	23,205,187	23,205,187
Reserves and surplus	3	133,008,856	130,177,659
		<b>156,214,043</b>	<b>153,382,846</b>
<b>Non-current liabilities</b>			
Long-term provisions		-	-
<b>Current liabilities</b>			
Other current liabilities	4	13,931,787	35,091,976
Deferred tax liabilities (net)		-	-
Short-term provisions	5	856,515	9,011,494
		<b>14,788,302</b>	<b>44,103,470</b>
<b>Total</b>		<b>171,002,345</b>	<b>197,486,316</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant & Equipment	6	21,878,380	22,765,446
Tangible assets		-	-
Intangible assets		-	-
Capital work-in-progress		-	-
Non-current investments	7	55,000,000	55,000,000
Deferred tax assets (net)		-	-
Long -term loans and advances	8	51,468,591	50,342,787
Other non-current assets		-	-
		<b>128,346,971</b>	<b>128,108,233</b>
<b>Current assets</b>			
Trade receivables	9	3,660,103	3,664,480
Cash and cash equivalents	10	37,329,656	65,441,175
Short-term loans and advances		-	-
Other current assets	11	1,665,615	272,428
		<b>42,655,374</b>	<b>69,378,083</b>
<b>Total</b>		<b>171,002,345</b>	<b>197,486,316</b>

Significant Accounting Policies  
Notes to the Accounts

1  
2 to 24

**Auditor's Report**

"As per our separate report of even date"

Chhajed Kedia & Associates

Chartered Accountants

FRN No. 119248W

Lalit Chhajed

F. C. A. Partner

MRN: 071980

Place: Mumbai

Date: 06/11/2020



FOR AND ON BEHALF OF

Inter-Connected Enterprises Ltd.

Formerly Inter-Connected Stock Exchange of India Ltd.

Mr. Ashok Lunia

Director

DIN. 02225255

Place: Coimbatore

Date: 04/11/2020

Mr. Peter Markose

Director

DIN. 01849369

Place: Kochi

Date: 05/11/2020



**Inter-Connected Enterprises Limited**  
(Formerly Inter - connected Stock Exchange of India Ltd.)  
**Statement of Profit and Loss for the period ended on March 31, 2020**

Amount in Rs.

Particulars	Note No.	For the period ended on March 31, 2020	For the year ended on March 31, 2019
<b>Incomes</b>			
Revenue from operations		-	-
Other Operating Income	12	7,978,668	12,906,813
<b>Total Revenue</b>		<b>7,978,668</b>	<b>12,906,813</b>
<b>Expenses</b>			
Employee benefits expense		-	-
Finance costs	13	203,302	18,300
Depreciation and amortization expense	6	887,066	974,245
Other expenses	14	3,326,923	4,274,006
<b>Total Expenses</b>		<b>4,417,291</b>	<b>5,266,551</b>
<b>Profit before exceptional and extraordinary Items and tax</b>		<b>3,561,377</b>	<b>7,640,262</b>
Exceptional Items		-	-
<b>Profit before extraordinary Items and tax</b>		<b>3,561,377</b>	<b>7,640,262</b>
Extraordinary Items		-	-
<b>Profit before tax</b>		<b>3,561,377</b>	<b>7,640,262</b>
Tax expense:			
Current tax		730,180	2,050,000
<b>Profit (Loss) for the period from continuing operations</b>		<b>2,831,197</b>	<b>5,590,262</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>2,831,197</b>	<b>5,590,262</b>
Earnings per equity share:			
Basic		0.12	0.20
Diluted		0.12	0.20

Significant Accounting Policies  
Notes to the Accounts

1  
2 to 24

Auditor's Report

"As per our separate report of even date"

Chhajer 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 Chhajer  
F. C. A. Partner  
MRN: 071980  
Place: Mumbai  
Date: 06/11/2020



*(Signature)*  
Mr. Ashok Lunia  
Director  
DIN. 02225255  
Place: Coimbatore  
Date: 04/11/2020

*(Signature)*  
Mr. Peter Markose  
Director  
DIN. 01849369  
Place: Kochi  
Date: 05/11/2020

**Inter-Connected Enterprises Limited**  
(Formerly Inter - connected Stock Exchange of India Ltd.)  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2020**

Amount in Rs.

Particulars	For the year ended on March 31, 2020	For the year ended on March 31, 2019
<b>Cash flows from operating activities</b>		
Net profit before tax and extraordinary items	3,561,377	7,640,262
<b>Adjustments for:</b>		
Depreciation	887,066	974,245
Infrastructure Development Contribution	-	-
Settlement Guarantee Fund	-	-
Interest Income/Interest expense	203,302	(54,917)
<b>Operating Profit/(Loss) before working capital changes</b>	<b>4,651,745</b>	<b>8,559,590</b>
<i>Adjustments for changes in working capital</i>		
(Increase)/Decrease in Long -term loans and advances	-	27,000,000
(Increase)/Decrease in Other Non Current Assets	-	-
(Increase)/Decrease in trade receivables	4,377	100,187
(Increase)/Decrease in short term loans & advances	-	-
(Increase)/Decrease in other current assets	(1,393,187)	352,328
Increase/(Decrease) in other current liabilities	(21,160,189)	(584,870)
Increase/(Decrease) in short term provisions	(8,154,978)	(44,600,000)
Increase/(Decrease) in long term provisions	-	-
<b>Cash generated from operations before tax &amp; extra ordinary items</b>	<b>(26,052,232)</b>	<b>(9,172,766)</b>
Less: Taxes Paid	<b>(1,855,985)</b>	<b>138,815</b>
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>(27,908,217)</b>	<b>(9,033,951)</b>
<b>Cash flows from investment activities</b>		
Purchase of fixed assets	-	-
Interest Income	-	-
Dividend Income	-	-
<b>Net cash generated from/ (used in) investing activities (B)</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Interest paid/received	(203,302)	54,917
Buyback of Share	-	(40,660,025)
<b>Net cash generated from/ (used in) financing activities (C)</b>	<b>(203,302)</b>	<b>(40,605,108)</b>
<b>Net increase/(decrease) in cash/cash equivalents (A+B+C)</b>	<b>(28,111,519)</b>	<b>(49,639,059)</b>
Cash and Cash Equivalents at beginning of the year	65,441,175	115,080,234
<b>Cash and Cash Equivalents at end of the year</b>	<b>37,329,656</b>	<b>65,441,175</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.



*[Handwritten Signature]*

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, 2020	As at March 31, 2019
Cash in Hand		735	323
Fixed Deposits		36,547,842	62,504,835
Balances with Banks		781,080	2,936,016
		<b>37,329,656</b>	<b>65,441,175</b>

Significant Accounting Policies

Notes to the Accounts

1

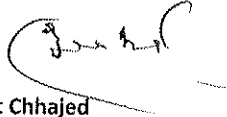
2 to 25

Auditor's Report

"As per our separate report of even date"

Chartered Accountants

FRN No. 119248W



Lalit Chhajed

F. C. A. Partner

MRN: 071980

Place: Mumbai


Date: 06/11/2020



FOR AND ON BEHALF OF

Inter-Connected Enterprises Ltd.

Formerly Inter-Connected Stock Exchange of India Ltd.



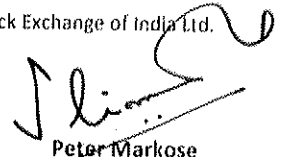
Ashok Lunia

Director

DIN. 02225255

Place: Colmbatore

Date: 04/11/2020



Peter Markose

Director

DIN. 01849369

Place: Kochi

Date: 05/11/2020

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

### Significant accounting policies and notes to the accounts for the year ended on March 31, 2020

#### 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.
- 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.

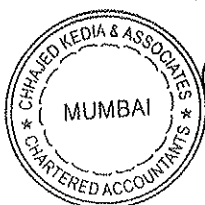
Asset	Useful life (in yrs.)
<b>Tangible Assets</b>	
Leasehold Land	60
Leasehold Premises	60
Office Equipments	5
Electrical Fittings	10
Furniture & Fixtures	10
Motor Vehicles	8
Computer Equipments & Networking Equipments	3
<b>Intangible Assets</b>	
Computer Software	3

- 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.

**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.



Notes forming part of the accounts as at March 31, 2020

2 Share Capital

a) Particulars	Amount in Rs.	
	As at March 31, 2020	As at March 31, 2019
<b>Authorized Capital</b> (1,00,00,000 Equity shares of Re 1/- each) (Previous year 100,000,000 Equity Shares of Rs1/- each)	100,000,000	10,000,000
<b>Issued, Subscribed and Paid up:</b> 23,205,187 Equity Shares of Rs 1/- each fully paid up (Previous year 2,80,00,000 Equity Shares of Rs 1/- fully paid up)	23,205,187	2,205,187
<b>Total</b>	<b>23,205,187</b>	<b>2,205,187</b>

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

Particulars	As at March 31, 2020	As at March 31, 2019
Shares outstanding at the beginning of the year	23,205,187	2,000,000
Shares Issued during the year	-	-
Shares bought back during the year	-	1,794,813
Shares outstanding at the end of the year	23,205,187	2,205,187

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 December 31, 2020.

e) The Company has not allotted fully paid up equity shares without payment being received in cash and by way of



9

## Notes forming part of the accounts as at March 31, 2020

## 3 Reserves and Surplus

Particulars	As at March 31, 2020	As at March 31, 2019
<b><u>Dealer Admission Fees :</u></b>		
As per last Balance Sheet	38,328,857	38,328,857
Total Capital Reserves	<b>38,328,857</b>	<b>38,328,857</b>
Share Premium Account (As per earlier years)	75,573,104	111,438,315
Less : Utilisation for buyback of equity share	-	(35,865,211)
<b>Closing Balance</b>	<b>75,573,104</b>	<b>75,573,104</b>
<b>General Reserves:</b>		
Opening Balance	8,092,901	8,092,901
Add: Transferred from fund created prior to 24.11.2005	-	-
Less: Transferred	-	-
<b>Closing Balance</b>	<b>8,092,901</b>	<b>8,092,901</b>
<b>Capital Redemption Reserve</b>		
Opening Balance	-	-
Less: Transferred to Security Prem A/c	-	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>
<b>Surplus/(deficit) in the statement of profit and loss :</b>		
Opening balance	8,182,797	11,604,030
Add: Surplus during the year	2,831,197	5,590,262
Less: Tax on Buyback of Shares	-	(9,011,494)
<b>Net surplus/(deficit) in the statement of profit :</b>	<b>11,013,994</b>	<b>8,182,797</b>
<b>RESERVES &amp; SURPLUS</b>	<b>133,008,856</b>	<b>130,177,659</b>



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Notes forming part of the accounts as at March 31, 2020

4 Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory Liability	7,305	30,231
Refundable Deposits	7,220,414	8,106,157
Advance received from trading member	1,015,000	1,015,000
Creditor for expenses	1,291,268	1,330,287
Defaulter account credit balances	316,372	316,372
Subsidiary Part Sale Consideration	-	20,000,000
Stale Cheque	4,048,990	4,261,490
UTI Mutual Funds 1000 Units proceeds Liability	32,439	32,439
	<b>13,931,787</b>	<b>35,091,976</b>

5 Short Term Provision

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Expenses	126,335	-
Provision for Taxation	730,180	-
DDT on Buyback of Share	-	9,011,494
	<b>856,515</b>	<b>9,011,494</b>



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Notes forming part of the accounts as at March 31, 2020

6 Property, Plant & Equipment:

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,	Additions	Deletions / Adjustments	As at Mar 31, 2020	For the period	Deletions / Adjustments	As at Mar 31, 2020	As at Mar 31, 2020
	2019		s	2020	As at April 1, 2019		2020	31, 2019
Tangible Assets								
Leasehold Land	870,626	-	-	870,626	291,546	-	306,217	564,410
Leasehold Premises	32,585,962	-	-	32,585,962	11,443,694	-	11,990,187	20,595,775
Electrical Fittings	9,922,745	-	-	9,922,745	9,021,595	-	9,261,046	661,699
Office Equipments	5,940,806	-	-	5,940,806	5,940,482	-	5,940,809	324
Furniture & Fixtures	8,536,837	-	-	8,536,837	8,394,214	-	8,480,338	56,499
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>-</b>	<b>-</b>	<b>186,635,884</b>	<b>163,870,440</b>	<b>887,066</b>	<b>164,757,506</b>	<b>21,878,380</b>
Intangible Assets								
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>-</b>	<b>-</b>	<b>41,347,000</b>	<b>41,347,000</b>	<b>-</b>	<b>41,347,000</b>	<b>-</b>
<b>Total</b>	<b>227,982,884</b>	<b>-</b>	<b>-</b>	<b>227,982,884</b>	<b>205,217,440</b>	<b>887,066</b>	<b>206,104,506</b>	<b>21,878,380</b>
Previous Year Figure	227,982,884	-	-	227,982,884	204,243,195	974,245	205,217,440	22,765,446
								23,739,691

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.



**7 Non Current Investments**

Particulars	Amount in Rs.	
	As at March 31, 2020	As at March 31, 2019
Investment in Wholly Owned Subsidiary ISS Enterprise 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

**8 Long-term loans and advances**

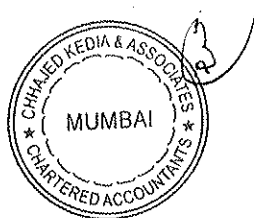
Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured - Considered Good</b>		
Security Deposits	910,589	910,589
Advance Tax/ Income Tax Refund (Net of Provisions)	7,558,002	6,432,198
Loans & Advances to related party - ISS Enterprise Limited (Subsidiary Company)	43,000,000	43,000,000
<b>Total</b>	<b>51,468,591</b>	<b>50,342,787</b>

**9 Trade Receivables**

Particulars	As at March 31, 2020	As at March 31, 2019
Settlement dues	4,732,863	4,737,241
Less : Provision for Doubtful Debts	4,732,863 (1,072,761)	4,737,241 (1,072,761)
<b>Total</b>	<b>3,660,102</b>	<b>3,664,480</b>

9.1 Trade Receivables include Trading Members, listed companies and other receivables from whom an amount of Rs. 47,32,863 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 period ended March 31, 2020. 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.



**Inter-Connected Enterprises Limited** (Formerly Inter - connected Stock Exchange of India Ltd.)  
**Notes forming part of the accounts as at March 31, 2020**

**10 Cash and Cash Equivalents**

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on Hand	735	323
<b>Balance with Banks:</b>		
Bank Current Accounts	781,080	2,936,016
Fixed Deposit with HDFC Bank	14,909,490	32,518,828
Fixed Deposit with Vijaya Bank	21,549,931	29,843,522
Fixed Deposits with Corporation Bank	48,940	45,749
Enmarked Deposit UTI Mutual Funds 1000 Units proceeds	39,481	37,558
Interest Accrued on FDR & Loan		59,179
<b>Total</b>	<b>37,329,656</b>	<b>65,441,175</b>

**11 Other Current Assets**

Particulars	As at March 31, 2020	As at March 31, 2019
Interest Accrued on FDR & Loan	125,676	
Prepaid Expenses	-	22,951
Loans & Advances to subsidiary	1,539,939	249,477
<b>Total</b>	<b>1,665,615</b>	<b>272,428</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, 2020**

**12 Other Operating Income**

Particulars	Amount in Rs.	
	Current Year	Previous Year
Interest on Fixed Deposits	2,640,120	5,241,473
Interest on Loan given to subsidiary Co.	4,958,548	7,582,123
Other non operating Income	380,000	10,000
Interest on Income Tax Refund	-	73,217
<b>Total</b>	<b>7,978,668</b>	<b>12,906,813</b>

**13 Finance Costs**

Particulars	Current Year	Previous Year
Interest	203,302	18,300
<b>Total</b>	<b>203,302</b>	<b>18,300</b>

**14 Other Expenses**

Particulars	Current Year	Previous Year
Advertising	42,900	38,055
Bank charges	1,286	1,363
Telephone expense	3,439	4,322
Courler & postage	18,928	19,044
Insurance	35,400	63,817
Legal & Professional	383,728	845,328
Lodging & Boarding	114,375	237,562
Miscellaneous Expenses	558,942	321,289
Office expense	10,469	11,699
Power, Fuel & Water Charges	30,890	360,480
Printing & Stationery	42,800	40,602
Remuneration to Auditor	103,750	103,550
Rent, Rates & Taxes	490,040	500,447
Repairs & Maintenance - Others	917,425	939,156
SGF Refunded-Incomplete Documentation	30,000	35,000
Security charges	345,264	315,888
Sitting Fees	210,000	240,000
Admission Fees Refunded-Incomplete Documentation	-	100,000
Travelling Expenses	-12,713	58,904
Trading Member Annual Fees Refunded- incomplete Documentation	-	37,500
<b>Total</b>	<b>3,326,923</b>	<b>4,274,006</b>

**14.1 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>100,000</b>	<b>100,000</b>
<b>In Other capacity</b>		
- Other Matters		85,000
- Out of pocket expense	3,750	3,550
	<b>3,750</b>	<b>88,550</b>
<b>Total</b>	<b>103,750</b>	<b>188,550</b>



15 **Contingent Liabilities and Commitments**

Claims against company lodge by Trading Members, Clients and other parties not acknowledged as debts of Rs. Nil/- (Previous Year also Rs.NIL)

The Company has received various notices from Navl Mumbai Municipal Corporation (NMMC) department pertaining to NMMC Cess Tax for the year from 1998 to 2011 for Rs. 14,327,468/- plus interest. The company has filed a writ petition before the Bombay High Court, the last hearing was done on 02.08.2018 against said orders, however Next date in the matter is awaited for final hearing.

In the opinion of the management above demands are not tenable and accordingly no provision against said demands of Rs. 14,327,114/- has been made.

The company has received Notice for recovery of outstanding demands related to TDS from Income Tax Department vide letter dated 17 July 2019. The amount of outstanding demand is Rs 25,65,220/- for various period pertaining to FY 2007-08 to FY 2014-15. The nature of demand is consist of Short deduction of TDS, short payment of TDS, Interest on Short/Non Deduction of TDS etc.

In the opinion of the management, there is no other contingent liability.



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**16 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**

ISS Enterprise Limited

Wholly owned Subsidiary

**(b) Transactions with Related Parties**

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Expense</b>		
<b><u>Subsidiary Company</u></b>		
Reimbursement of Expenses	1,044,955	1,014,832
Tax Paid on behalf of Holding Co.	9,281,839	44,285,390
Interest Paid	55,871	18,300
<b><u>Income</u></b>		
<b><u>Subsidiary Company</u></b>		
Interest Received	4,958,548	7,582,123
<b><u>Loans taken</u></b>		
Loan Taken from subsidiary company	-	-
<b><u>Loans repaid</u></b>		
Loan repayment by subsidiary company	-	27,000,000
<b><u>Loans given</u></b>		
Loan to subsidiary company	-	-
<b><u>Key Managerial Personnel</u></b>		
Managerial Remuneration	-	-
<b><u>Investment in Equity of subsidiary Company</u></b>		
ISE Securities & Services Ltd (As per Last Year)	55,000,000	55,000,000
<b><u>Balance Receivable/(Payable)</u></b>		
Receivable from Subsidiary Co.(Expenses & other)	1,539,939	249,477
Loan Receivable from Subsidiary Co.	43,000,000	43,000,000

**17 Earning Per Share**

Particulars	Reference	Current Year	Previous Year
A Net profit/ (Loss) attributable to equity shareholders (Rs.)	A	2,831,197	5,590,262
B Weighted Average Number of Equity Shares outstanding	B	23,205,187	27,789,816
C Face Value per Share (Rs.)	C	10	10
D Basic Earnings/(Loss) per equity shares (Rs.)	A/B	0.12	0.20
E Diluted Earnings/ (loss) per equity shares (Rs.)	A/B	0.12	0.20



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

Notes forming part of the accounts as at March 31, 2020

- 18 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.

- 19 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. 40,48,990/- 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 31.03.2020 as Stale Cheque.
- 20 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.

- 21 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. However the purchaser Mitesh Shah & Group expressed to withdraw from the deal and Board has taken note in 140th Board meeting held on 3rd July 2019 and approved the payment of the advance taken earlier of Rs 2 Crores along with Interest and accordingly the deal is cancelled.



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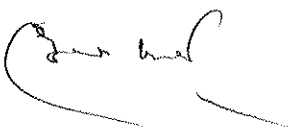
**Inter-Connected Enterprises Limited** (Formerly Inter - connected Stock Exchange of India Ltd.)  
Notes forming part of the accounts as at March 31, 2020

- 22 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, 2019 to March 31, 2020 (Previous year refers to April 01, 2018 to March 31, 2019).  
The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.
- 23 Provision for Tax is made as per the provision of the Income Tax Act, 1961. Earlier years Taxes, Provisions are transferred to Short/ Excess Provision A/c and net effect is reflected in Profit & Loss A/c
- 24 Previous years figures have been rearranged /regrouped wherever considered necessary. All Figures are in Indian Rupees.

**Auditor's Report**

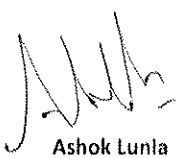
*"As per our separate report of even date"*

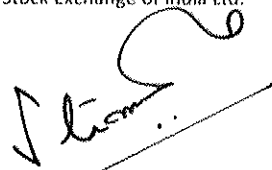
**Chhajed Kedia & Associates**  
Chartered Accountants  
FRN No. 119248W

  
Lalit Chhajed  
F. C. A. Partner  
MRN: 071980  
Place: Mumbai  
Date: 06/11/2020



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

  
Ashok Lunia  
Director  
DIN. 02225255  
Place: Coimbatore  
Date: 04/11/2020

  
Peter Markose  
Director  
DIN. 01849369  
Place: Kochi  
Date: 05/11/2020



**CHHAJED KEDIA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

206, Blue Moon Chambers  
25, Nagindas Master Road  
Near Welcome Restaurant  
Fort, Mumbai – 400 023.  
Tel.: 2263 3133 / 2270 1102  
email : lkchhajed@hotmail.com

## INDEPENDENT AUDITOR'S REPORT

To the Members of **INTER-CONNECTED ENTERPRISES LIMITED**  
(Formerly Inter - connected Stock Exchange of India Ltd.)

### Report on the Audit of the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **INTER-CONNECTED ENTERPRISES LIMITED (Formerly Inter - connected Stock Exchange of India Ltd.)** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2020, and the consolidated statement of Profit and Loss and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

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 their consolidated state of affairs of the Company as at March 31, 2020, of consolidated profit and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics issued by ICAI*, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.



## **Other Matter**

Further to the continuous spreading of COVID -19 across India, the Indian Government announced a strict 21-day lockdown on March 24, 2020, which was further extended till June 30, 2020, across India to contain the spread of the virus. This has resulted in restrictions on a physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, the entire audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable, and are directly generated by the accounting system of the entity without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

With reference to the Covid-19 Pandemic Company's boards of directors are of the view that, this pandemic will not have a significant impact on the financial and/or on business activities of the company for the year ended 31st March 2020, accordingly no additional provision/disclosure are made

Our audit opinion is not modified in respect of the above.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, of 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 Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



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The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.



A handwritten signature in black ink, appearing to be "S. Kedia", written over a faint circular stamp.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

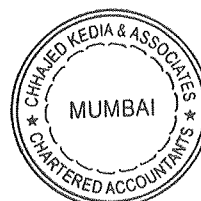
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

As required by Section 143(3) 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.
- 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 aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies none of the directors of the Group companies, is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

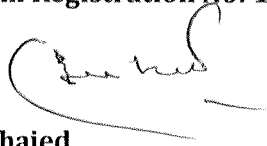


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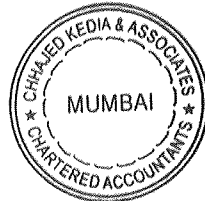
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has few pending litigations which are not affecting its financial position significantly/materially, as opined by the management based on the opinion given by the experts. The details of pending litigations are shown under Note No. 21 Contingent Liability and commitments.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts, the question of commenting on any material foreseeable losses thereon does not arise.
  - iii. There has been not been an occasion in case of the company during the year under report to transfer any sum to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies. The question of delay in transferring such sums does not arise.
  - iv.

**FOR CHHAJED KEDIA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**ICAI Firm Registration No: 119248W**

Sd/-



**Lalit Chhajed**  
**Partner**  
**Membership No: 071980**  
**UDIN: 20071980AAAAEA2726**



**Place: Mumbai**

**Date: 06<sup>th</sup> November 2020**

## **Annexure "A" to the Independent Auditor's Report**

(Referred to in paragraph (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **INTER-CONNECTED ENTERPRISES LIMITED (Formerly Inter - connected Stock Exchange of India Ltd.)** 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 LIMITED (Formerly Inter - connected Stock Exchange of India Ltd.)** ("the Company") and its subsidiary company incorporated in india as at March 31, 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's responsibility for internal financial controls**

The respective Companies Management and Board of Directors and its subsidiary company incorporated in India are responsible for establishing and maintaining internal financial controls 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 Institute of Chartered Accountants of India. 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, 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 of the Company 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 the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 in 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 control system over financial reporting.



A handwritten signature in black ink, appearing to be "R. Kedia", written over a faint circular stamp.

### **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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

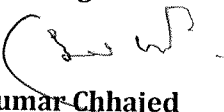
### **Inherent Limitations of internal financial controls over financial reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of 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.

### **Opinion**

In our opinion and according to the information and explanations given to us, the Company and its subsidiary company incorporated in India have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 Institute of Chartered Accountants of India.

**FOR CHHAJED KEDIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
ICAI Firm Registration No: 119248W**

  
**Lalit Kumar Chhajed**

**Partner**

**Membership No: 071980**

**UDIN: 20071980AAAAEA2726**



**Place: Mumbai**

**Date: 06<sup>th</sup> November 2020**



**Inter-Connected Enterprises Limited**  
( Formerly Inter - connected Stock Exchange of India Ltd.)  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020**

Amount in Rs

Particulars	Note #	As at March 31, 2020	As at March 31, 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	23,205,187	23,205,187
Reserves and surplus	3	269,536,462	266,187,947
		<b>292,741,649</b>	<b>289,393,134</b>
<b>Non-current liabilities</b>			
Long-term provisions	4	1,344,325	1,000,407
		<b>1,344,325</b>	<b>1,000,407</b>
<b>Current liabilities</b>			
Short Term Borrowing	5	-	79,751,330
Trade Payable	6	480,977,799	545,942,185
Other current liabilities	7	27,138,753	46,050,484
Short-term provisions	8	856,515	9,011,494
		<b>508,973,067</b>	<b>680,755,493</b>
<b>Total</b>		<b>803,059,040</b>	<b>971,149,034</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Property, Plant &amp; Equipments</i>	9		
Tangible assets		23,507,322	23,615,569
Intangible assets		2,435,774	651,598
Capital work-in-progress		1,035,375	1,035,375
Non-current investments	10	6,710,005	6,710,005
Deferred tax assets (net)	11	2,411,882	3,425,221
Long -term loans and advances	12	60,105,305	63,057,294
Other non-current assets		-	-
		<b>96,205,663</b>	<b>98,495,062</b>
<b>Current assets</b>			
Trade receivables	13	54,854,684	144,276,014
Cash and cash equivalents	14	606,734,572	705,523,327
Other current assets	15	45,264,121	22,854,631
		<b>706,853,377</b>	<b>872,653,972</b>
<b>Total</b>		<b>803,059,040</b>	<b>971,149,034</b>

Significant Accounting Policies

1

Notes to the Accounts

2 to 33

**Auditor's Report**

"As per our separate report of even date"

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.



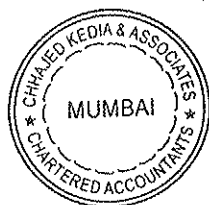
Lalit Kumar Chhajed

F. C. A. Partner

MRN: 071980

Place: Mumbai

Date: 06/11/2020



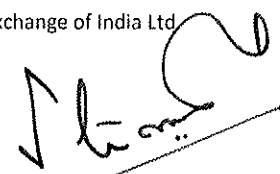

Ashok Lunia

Director

DIN. 02225255

Place: Coimbatore

Date: 04/11/2020



Peter Markose

Director

DIN. 01849369

Place: Kochi

Date: 05/11/2020

**Inter-Connected Enterprises Limited**  
(Formerly Inter - connected Stock Exchange of India Ltd.)  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31,2020**

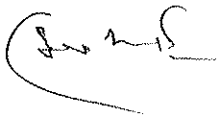
Amount in Rs

Particulars	Note No.	For the year ended on March 31, 2020	For the year ended on March 31, 2019
<b>Incomes</b>			
Revenue from operations	16	40,999,372	48,761,842
Other Operating Income	17	39,792,731	48,867,845
<b>Total Revenue</b>		<b>80,792,103</b>	<b>97,629,687</b>
<b>Expenses</b>			
Employee benefits expense	18	24,012,959	27,178,230
Finance costs	19	7,024,891	6,509,523
Depreciation and amortization expense	9	2,650,630	1,536,720
Other expenses	20	40,259,591	38,475,855
<b>Total Expenses</b>		<b>73,948,071</b>	<b>73,700,328</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>6,844,032</b>	<b>23,929,359</b>
Exceptional Items		-	-
<b>Profit before extraordinary items and tax</b>		<b>6,844,032</b>	<b>23,929,359</b>
Extraordinary Items		-	-
<b>Profit before Prior Period Items &amp; tax</b>		<b>6,844,032</b>	<b>23,929,359</b>
Prior Period Item		1,751,998	-
<b>Profit before tax</b>		<b>5,092,034</b>	<b>23,929,359</b>
Tax expense:			
Current tax		730,180	5,656,736
Tax related to previous years		-	1,410,071
Deferred tax		1,013,339	684,094
<b>Profit (Loss) for the period from continuing operations</b>		<b>3,348,515</b>	<b>18,998,600</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>3,348,515</b>	<b>18,998,600</b>
Earnings per equity share:			
Basic		0.14	0.82
Diluted		0.14	0.82
<b>Significant Accounting Policies</b>	<b>1</b>		
<b>Notes to the Accounts</b>	<b>2 to 33</b>		

Auditor's Report

"As per our separate report of even date"

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



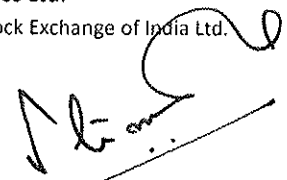
Lalit Kumar Chhajed  
F. C. A. Partner  
MRN: 071980  
Place: Mumbai  
Date: 06/11/2020



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



Ashok Lunia  
Director  
DIN. 02225255  
Place: Coimbatore  
Date: 04/11/2020



Peter Markose  
Director  
DIN. 01849369  
Place: Kochi  
Date: 05/11/2020

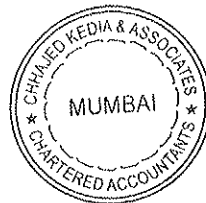
**Inter-Connected Enterprises Limited**  
( Formerly Inter - connected Stock Exchange of India Ltd.)  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2020**

Amount in Rs

Particulars	For the year ended on March 31, 2020	For the year ended on March 31, 2019
<b>Cash flows from operating activities</b>		
Net profit before tax and extraordinary items	5,092,034	23,929,359
<b>Adjustments for:</b>		
-Depreciation	2,650,630	1,536,720
-Infrastructure Development Contribution	-	-
-Settlement Guarantee Fund	-	-
-Dividend Received	(1,625,000)	(2,340,000)
-Provision for Bad & Doubtful debts- Debtors	-	-
-Interest income/Interest expense	7,024,891	6,509,523
<b>Operating Profit/(Loss) before working capital changes</b>	<b>13,142,554</b>	<b>29,635,602</b>
<i>Adjustments for changes in working capital</i>		
(Increase)/Decrease in Long -term loans and advances	7,660,000	9,019,166
(Increase)/Decrease in Other Non Current Assets	-	-
(Increase)/Decrease in trade receivables	89,421,330	110,838,081
(Increase)/Decrease in short term loans & advances	-	-
(Increase)/Decrease in other current assets	(22,409,491)	(7,233,488)
(Increase)/Decrease in Short Term Borrowing	(79,751,330)	16,042,105
(Increase)/Decrease in Trade Payable	(64,964,386)	(71,690,882)
Increase/(Decrease) in other current liabilities	(18,911,731)	1,259,781
Increase/(Decrease) in short term provisions	(8,154,979)	(35,588,506)
Increase/(Decrease) in long term provisions	343,918	965,258
<b>Cash generated from operations before tax &amp; extra ordinary Items</b>	<b>(83,624,114)</b>	<b>53,247,117</b>
<b>Less: Taxes Paid</b>	<b>(5,438,191)</b>	<b>534,587</b>
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>(89,062,305)</b>	<b>53,781,704</b>
<b>Cash flows from Investment activities</b>		
-Purchase of fixed assets	(4,326,558)	(1,083,228)
-Interest Income	-	-
-Dividend Income	1,625,000	2,340,000
<b>Net cash generated from/ (used in) Investing activities (B)</b>	<b>(2,701,558)</b>	<b>1,256,772</b>
<b>Cash flows from financing activities</b>		
-Interest paid/received	(7,024,891)	(6,509,523)
-Amount received/paid in S G F and interest earned thereon	-	-
-Amount received/paid in Investor Service Fund and interest earned thereon	-	-
-Buyback of Share including DDT	-	(49,671,518)
<b>Net cash generated from/ (used in) financing activities (C)</b>	<b>(7,024,891)</b>	<b>(56,181,041)</b>
<b>Net increase/(decrease) in cash/cash equivalents (A+B+C)</b>	<b>(98,788,755)</b>	<b>(1,142,565)</b>
Cash and Cash Equivalents at beginning of the year	705,523,327	706,665,892
<b>Cash and Cash Equivalents at end of the year</b>	<b>606,734,572</b>	<b>705,523,327</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.



**Inter-Connected Enterprises Limited**  
( Formerly Inter - connected Stock Exchange of India Ltd.)  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2020**

*Amount in Rs*

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, 2020	As at March 31, 2019
Cash in Hand		110,103	8,504
Fixed Deposits		457,474,077	628,631,170
Balances with Banks		149,150,393	76,883,652
		<b>606,734,572</b>	<b>705,523,327</b>

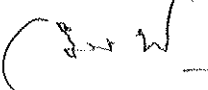
**Significant Accounting Policies**  
**Notes to the Accounts**

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2 to 33

**Auditor's Report**

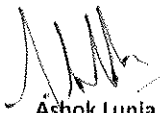
*"As per our separate report of even date"*

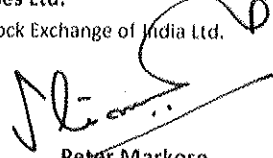
**Chhajed Kedia & Associates**  
Chartered Accountants  
FRN No. 119248W

  
**Lalit Kumar Chhajed**  
F. C. A. Partner  
MRN: 071980  
Place: Mumbai  
Date: 06/11/2020



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

  
**Ashok Lunia**  
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DIN. 02225255  
Place: Colmbatore  
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**Peter Markose**  
Director  
DIN. 01849369  
Place: Kochi  
Date: 05/11/2020

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

**1 Consolidated Significant accounting policies and notes to the accounts for the year ended on March 31, 2020**

**I General Information**

- a Inter - Connected Enterprises Ltd. (ICE) ( 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, ICE 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 Enterprises Ltd as a Stock Exchange. The Company is having one wholly owned subsidiary Company namely ISS Enterprise Ltd. (IEL) (Formerly ISS Enterprise Limited)
- b ISS Enterprise Ltd. ("IEL") was incorporated under the Companies Act, 1956 on January 18, 2000. ISS Enterprise Ltd. is a wholly owned subsidiary of Inter-connected Enterprises Limited (ICE) ( 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 ICE, the said entity is no longer a stock exchange and therefore IEL 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, 2018, ICE 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.
- c The Consolidated Financial Statements relate to Inter Connected Enterprises Limited ( Formerly Inter - Connected Stock Exchange of India Ltd.) ("the Holding Company") and its subsidiary ISS Enterprise 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.

- a 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, 2020.
- b 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.
- III 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.

IV Indian Rupee is the reporting currency for the Group.

**V Other significant accounting policies**

These are set out under "Significant Accounting Policies" as given in the standalone Financial Statements of holding Company i.e. Inter-connected Enterprise Ltd.



2 Share Capital

a) Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorized Capital</b> (1,00,00,000 Equity shares of Re 1/- each) (Previous year 100,00,000 Equity Shares of Rs1/- each)	100,000,000	100,000,000
<b>Issued, Subscribed and Paid up:</b> 23,205,187 Equity Shares of Rs 1/- each fully paid up (Previous year 2,80,00,000 Equity Shares of Rs 1/- fully paid up)	23,205,187	23,205,187
<b>Total</b>	<b>23,205,187</b>	<b>23,205,187</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, 2020	As at March 31, 2019
Shares outstanding at the beginning of the year	23,205,187	28,000,000
Shares Issued during the year	-	-
Shares bought back during the year	-	4,794,813
Shares outstanding at the end of the year	23,205,187	23,205,187

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, 2020.

e) The Company has not allotted fully paid up equity shares without payment being received in cash and by way of bonus shares.



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

Consolidated Notes forming part of the accounts as at March 31, 2020

3 Reserves and Surplus

Particulars	As at March 31, 2020	As at March 31, 2020
<b>PART A : RESERVES &amp; SURPLUS (before November 24, 2005)*</b>		
<b>Capital Reserves</b>		
Infrastructure Development Contribution:	-	-
Less: Transferred to P&L A/c during the year	-	0
Closing Balance	-	0
<b>Dealer Admission Fees :</b>		
As per last Balance Sheet	38,328,857	38,328,857
Total Capital Reserves	38,328,857	38,328,857
<b>Total of PART A : RESERVES &amp; SURPLUS</b>	<b>38,328,857</b>	<b>38,328,857</b>
<b>PART B : RESERVES &amp; SURPLUS (after November 24, 2005)</b>		
Share Premium Account (As per earlier years)	111,438,315	111,438,315
Less : Utilisation for buyback of equity share	0	(35,865,211)
Closing Balance	75,573,104	75,573,104
<b>General Reserves:</b>		
Opening Balance	38,627,901	38,627,901
Add: Transferred from fund created prior to 24.11.2005	-	-
Less: Transferred	-	-
Closing Balance	38,627,901	38,627,901
<b>Surplus/(deficit) in the statement of profit and loss :</b>		
Opening balance	113,658,085	103,670,978
Add: Surplus during the year	3,348,515	18,998,601
Less: Tax on Buyback of Shares	0	-9,011,494.00
Add: Transferred from fund created prior to 24.11.2005	-	0
<b>Net surplus/(deficit) in the statement of profit and loss account</b>	<b>117,006,600</b>	<b>113,658,085</b>
<b>Settlement Guarantee Fund:</b>		
Less: Liability Paid/payable during the year	-	-
Less: Transferred to P&L A/c during the year	-	-
Closing Balance	-	-
<b>Total of PART B : RESERVES &amp; SURPLUS</b>	<b>231,207,605</b>	<b>227,859,090</b>
<b>Reserves and Surplus (Total of Part A+B)</b>	<b>269,536,462</b>	<b>266,187,947</b>
<b>4 Long Term Provision</b>		
<b>Particulars</b>		
Gratuity - Benefits	1,690,136	660,471
Leave Encashment	-345,811	339,936
	<b>1,344,325</b>	<b>1,000,407</b>



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

Consolidated Notes forming part of the accounts as at March 31, 2020

4.1 Employee Benefits

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

Amount To Be Recognized in Balance Sheet	Current Year	Previous Year
Present Value of Funded Obligations	5,093,460	4,252,106
Fair Value of Plan Assets	-3,403,324	(3,591,635)
Present Value of Unfunded Obligations	-	-
Unrecognized Past Service Cost	-	-
Amount not Recognized as an Assets	-	-
<b>Net Liability</b>	<b>1,690,136</b>	<b>660,471</b>
<u>Amount in Balance Sheet</u>		
Liability	1,690,136	660,471
Assets	-	-
<u>Net Liability is bifurcated as follows:</u>		
Current	-	-
Non Current	1,690,136	660,471
<b>Net Liability</b>	<b>1,690,136</b>	<b>660,471</b>

Amount To Be Recognized in Profit & Loss Accounts	Current Year	Previous Year
Current Service Cost	376,603	507,574
Interest on Defined Benefit Obligation	332,581	453,207
Expected Return on Plan Assets	(273,551)	(412,603)
Net Actuarial Losses / (Gains) Recognized in Year	594,032	313,238
Past Services Cost	-	-
Losses/(Gains) on "Curtailements & Settlements"	-	-
Losses/(Gains) on "Acquisition/Divestiture"	-	-
Effect of the limit in para 49(b)	-	-
Total, included in "Employee Benefits Expenses"	1,029,665	861,416
Actual Returns on Plan Assets	219,735	329,929

Reconciliation Of Benefit Obligation & Plan Assets For The Year	Current Year	Previous Year
<u>Change in Defined Benefit Obligation</u>		
Opening Defined Benefit Obligation	4,252,106	5,442,028
Current Service Cost	376,603	507,574
Interest Cost	332,581	453,207
Actuarial Losses / (Gain)	540,216	230,564
Past service Cost	-	-
Liabilities Assumed on Acquisition/ (Settled on divestiture)	-	-
Benefits Paid	(408,406)	(2,381,268)
<b>Closing Defined Benefit Obligation</b>	<b>5,093,101</b>	<b>4,252,106</b>
Change in Fair Value of Assets		
Opening Fair Value of Plan Assets	3,591,635	5,603,144
Expected Return on Plan Assets	273,551	412,603
Actuarial Gain/ (Losses)	(53,816)	(82,674)
Contributions by Employer	-	39,830
Assets Acquired on Acquisition/ (Distributed on divestiture)	-	-
Benefits Paid	(408,046)	(2,381,268)
<b>Closing Fair Value of Plan Assets</b>	<b>3,403,324</b>	<b>3,591,635</b>
Expected Employer Contribution next year	500,000	500,000



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

Consolidated Notes forming part of the accounts as at March 31, 2020

Category of Assets (% Allocation)	(Amount in ₹)		%	
	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019
Government of India Securities	-	-	-	0%
Corporate Bonds	-	-	-	0%
Special Deposit Scheme	-	-	-	0%
Equity Shares of Listed Companies	-	-	-	0%
Property	-	-	-	0%
Insurer Managed Funds	-	-	-	0%
Others	3,403,324	-	100%	-
Grand Total	3,403,324	-	100%	-

Experience Adjustment	31 March 2020	31 March 2019
Defined Benefit Obligation	5,093,460	4,252,106
Plan Assets	3,403,324	3,591,635
Surplus/(Deficit)	(1,690,136)	(660,471)
Exp.Adj on plan Liabilities	(297,674)	130,320
Exp.Adj on plan Assets	(53,816)	(82,674)

Experience Adjustment	Current Year	Previous Year
Defined Benefit Obligation	5,093,460	4,252,106
Plan Assets	3,403,324	3,591,635
Surplus/(Deficit)	(1,690,136)	(660,471)
Exp.Adj on plan Liabilities	(297,674)	130,320
Exp.Adj on plan Assets	(53,816)	(82,674)

Financial Assumptions As The Valuation Date	Current Year	Previous Year
Discount Rate (p.a.)	6.95%	7.50%
Expected Rate of Return on Assets (p.a.)	7.50%	7.50%
Salary Escalation Rate (p.a.)	6.50%	5.00%

5 Short Term Borrowings

Particulars	As at March 31, 2020	As at March 31, 2020
Overdraft From HDFC Bank	-	79,751,330
		79,751,330



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

Consolidated Notes forming part of the accounts as at March 31, 2020

**6 Trade Payables**

Particulars	As at March 31, 2020	As at March 31, 2020
Exchange Liability	1,600,830	1,087,127
Settlement Obligations to Sub-Brokers/Clients/Authorized person	400,131,632	452,900,188
Sub Brokers Margin-BSE	26,521,160	30,076,481
Sub Brokers Margin-NSE	50,136,485	59,674,098
DP AMC Deposit	2,587,691	2,199,691
	<b>480,977,799</b>	<b>545,942,185</b>

**7 Other current liabilities**

Particulars	As at March 31, 2020	As at March 31, 2020
Statutory Liability	2,549,635	1,512,063
Refundable Deposits	7,220,414	8,106,157
Advance received from trading member	1,015,000	1,015,000
Creditor for expenses	3,725,624	3,987,127
Defaulter account credit balances	316,372	316,372
Subsidiary Part Sale Consideration	-	20,000,000
Stale Cheque	4,048,990	4,261,490
UTI Mutual Funds 1000 Units proceeds Liability	32,439	32,439
Other Liability	8,230,280	6,819,836
	<b>27,138,753</b>	<b>46,050,484</b>

**8 Short Term Provision**

Particulars	As at March 31, 2020	As at March 31, 2020
Provision for Income Tax A.Y. 2020-21	730,180	-
Provision for Expenses	126,335	-
DDT on Buyback of Share	-	9,011,494
	<b>856,515</b>	<b>9,011,494</b>



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9 Property, Plant & Equipments

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, 2019	Additions	Deletions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the year	Deletions / Adjustments	As at March 31, 2020	As at March 31, 2019
Tangible Assets									
Leasehold Land	870,626	-	-	870,626	291,546	14,671	-	306,217	579,081
Leasehold Premises	32,585,962	-	-	32,585,962	11,443,694	546,493	-	11,990,187	21,142,268
Electrical Fittings	9,922,745	-	-	9,922,745	9,021,595	239,451	-	9,261,046	901,150
Office Equipments	10,792,087	225,358	-	11,017,445	10,372,798	374,194	-	10,546,992	419,289
Furniture & Fixtures	9,861,258	-	-	9,861,258	9,656,003	208,145	-	9,774,148	205,255
Computer Equipments including networking equipments	134,881,654	1,387,141	-	136,268,795	134,513,128	637,791	-	135,140,919	368,326,000
<b>TOTAL</b>	<b>198,914,331</b>	<b>1,612,498</b>	<b>-</b>	<b>200,526,830</b>	<b>175,298,764</b>	<b>1,720,745</b>	<b>-</b>	<b>177,019,509</b>	<b>23,615,569</b>
Intangible Assets									
Computer Software	59,948,655	2,714,060	-	62,662,715	59,297,057	925,885	-	60,226,942	651,598.00
<b>Total Intangible Assets</b>	<b>59,948,655</b>	<b>2,714,060</b>	<b>-</b>	<b>62,662,715</b>	<b>59,297,057</b>	<b>925,885</b>	<b>-</b>	<b>60,226,942</b>	<b>651,598</b>
Capital Work-in-Progress	1,035,375	-	-	1,035,375	-	-	-	-	1,035,375
<b>Total</b>	<b>259,898,361</b>	<b>4,326,558</b>	<b>-</b>	<b>264,224,920</b>	<b>234,595,820</b>	<b>2,650,630</b>	<b>-</b>	<b>237,246,450</b>	<b>25,302,542</b>
Previous Year Figure	258,815,133	1,083,228	-	259,898,361	233,059,100	1,556,720	-	234,595,820	-

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.



**Inter-Connected Enterprises Limited** (Formerly Inter - connected Stock Exchange of India Ltd.)  
Consolidated Notes forming part of the accounts as at March 31, 2020

10 Non Current Investments

Particulars	As at March 31, 2020	As at March 31, 2019
<i>Bombay Stock Exchange Limited (Trade, quoted &amp; at cost):</i> <i>65000 Equity shares of Face value of ₹ 2/- Fully paid of Bombay Stock Exchange Ltd - BSE</i>	6,710,005	6,710,005
<b>Total</b>	<b>6,710,005</b>	<b>6,710,005</b>

10.1

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in Bombay Stock Exchange Limited Quoted /Unquoted		
No. of Shares	Quoted 65,000	Quoted 65,000
Market Price per share as on 31st March on NSE	297	611.13
Market Value as on 31st March	19,292,000	39,724,760

11 DEFERRED TAX ASSETS

As per the requirement of the Accounting Standard 22 on "Accounting for Taxes On Income" issued by the Institute of Chartered Accountants of India notified under companies (Accounting Standard) Rules 2006, the net deferred tax assets debited to profit during the year is Rs 10,13,339/- (Previous Year Deferred tax assets credited Rs 6,84,094/-). The year end position of Deferred Tax Assets & Liability given below:

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Deferred Tax Assets</b>		
<i>Provision for doubtful debts</i>	2,145,887	2,432,833
<i>Provision for doubtful debts - Other Advances</i>	89,355	95,610
<i>Provision for compensated absences, gratuity and other employee benefits</i>	349,524	278,313
<i>On difference between book balance and tax balance of fixed assets</i>	-172,884	618,465
<b>Deferred Tax Liability</b>		
<b>Net Deferred Tax (Liability) /Asset</b>	<b>2,411,882</b>	<b>3,425,221</b>

12 Long -term loans and advances

Particulars	As at March 31, 2020	As at March 31, 2019
<i>Unsecured - Considered Good</i>		
Security Deposits	4,881,874	4,841,874
Advance Tax/ Income Tax Refund (Net of Provisions)	12,198,431	7,490,420
Deposit with Exchanges	43,025,000	50,725,000
<b>Total</b>	<b>60,105,305</b>	<b>63,057,294</b>



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**Inter-Connected Enterprises Limited** (Formerly Inter - connected Stock Exchange of India Ltd.)  
Consolidated Notes forming part of the accounts as at March 31, 2020

13 Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Settlement dues from Trading Members		
Debts outstanding for a period exceeding six months		
- Considered Good	13,057,868	12,226,599
- Considered Doubtful	8,378,204	8,187,869
Other Debts		
- Considered Doubtful	1,288,355	1,629,800
- Considered Good	41,456,431	132,049,415
Less : Provision for Doubtful Debts	64,180,859 (9,326,174)	154,093,633 (9,817,669)
<b>Total</b>	<b>54,854,685</b>	<b>144,276,014</b>

14 Cash and Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
<b>A) Cash &amp; Cash Equivalents</b>		
<u>Balance with Banks:</u>		
Bank Current Accounts	124,287,538	76,883,652
Bank Deposit having Maturity <3 Months	245,400,000	245,400,000
Cash on Hand	110,103	8,504
Balance in OD A/c with HDFC	24,862,855	-
<b>B) Other Bank Deposit</b>		
<u>In deposit accounts</u>		
Bank Deposit having Maturity > 3 Months but <12 Months	171,574,472	342,731,565
Bank Deposit having Maturity: >12 Months	40,499,605	40,499,605
<b>Total</b>	<b>606,734,572</b>	<b>705,523,327</b>

15 Other Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid Expenses	1,651,198	2,469,231
Advances recoverable in cash or kind or for value to be received	1,578,116	1,411,190
Interest Accrued on Fixed Deposit with bank	5,282,908	5,140,460
Balances with Government Authorities	2,021,524	1,236,858
Settlement Obligation to/from Clearing House	24,982,098	6,855,277
Other Current Assets	9,748,276	5,741,615
<b>Total</b>	<b>45,264,121</b>	<b>22,854,631</b>



**Inter-Connected Enterprises Limited** (Formerly Inter - connected Stock Exchange of India Ltd.)  
 Consolidated Notes forming part of the accounts as at March 31, 2020

16	Particulars	Current Year	Previous Year
	Brokerage income	19,938,158	24,125,399
	Income From Depository Services	8,707,247	8,322,854
	Other Operating Revenue	12,353,966	16,313,589
		<b>40,999,372</b>	<b>48,761,842</b>

**17 Other Operating Income**

Particulars	Current Year	Previous Year
Interest on Fixed Deposits	35,004,434	41,030,949
Other non operating income	380,000	10,000
Interest on Income Tax Refund	-	1,634,732
Recovery of DP Charges (NET)	2,262,073	2,478,469
Dividend Income on Long Term Investment	1,625,000	2,340,000
Excess Provision Written Back	491,495	1,314,869
Profit / Loss On Sale- Fixed Assets	29,410	33,800
Sundry Balance written Back	318	25,026
<b>Total</b>	<b>39,792,731</b>	<b>48,867,845</b>

**18 Employee Benefits Expenses**

Particulars	Current Year	Previous Year
Salary & Other Allowances	20,994,193	24,156,815
Provident Fund - Employer Contribution	1,490,161	1,659,210
Gratuity	1,029,665	861,417
Staff Welfare expenses	498,940	500,788
	<b>24,012,959</b>	<b>27,178,230</b>

**19 Finance Costs**

Particulars	Current Year	Previous Year
Interest	7,024,891	6,509,523
<b>Total</b>	<b>7,024,891</b>	<b>6,509,523</b>



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

Consolidated Notes forming part of the accounts as at **March 31, 2020**

20 Other Expenses

Particulars	Current Year	Previous Year
Advertising	42,900	38,055
Bank charges	1,286	1,363
Telephone expense	438,377	466,571
Courier & postage	306,261	390,757
Insurance	51,456	73,982
Legal & Professional	5,484,095	6,392,496
Lodging & Boarding	367,123	404,910
Miscellaneous Expenses	7,999,020	5,852,508
Membership & Subscription	658,598	332,800
Office expense	10,469	11,699
Power, Fuel & Water Charges	3,230,044	3,141,299
Printing & Stationery	886,109	712,177
Remuneration to Auditor	328,750	328,550
Rent, Rates & Taxes	7,997,574	7,971,378
Repairs & Maintenance - Others	1,445,157	1,191,621
SGF Refunded-Incomplete Documentation	30,000	35,000
Security charges	1,065,264	948,864
Sitting Fees	410,000	482,000
Admission Fees Refunded-Incomplete Documentation	-	100,000
Travelling Expenses	-12,713	58,904
Trading Member Annual Fees Refunded- Incomplete Documentation	-	37,500
VSAT, Lease line and other Communication expenses	2,737,683	3,410,899
Annual Maintenance Charges for Networking System	4,311,122	3,882,354
Annual Maintenance charges	386,860	333,053
Bad Debts Written off	-	25,266
Demat Charges	1,643,089	1,352,399
Remiser Account- DP Incentive	441,066	499,450
Expenses Written off	-	-
<b>Total</b>	<b>40,259,591</b>	<b>38,475,855</b>



**20.1 Payment to Auditors**

Particulars	Current Year	Previous Year
<b>As Auditors</b>		
- Audit Fees	335,000	335,000
- Tax Audit Fees	80,000	80,000
	<b>415,000</b>	<b>415,000</b>
<b>In Other capacity</b>		
- Other Matters	103,500	211,000
- Out of pocket expense	7,325	3,775
	<b>110,825</b>	<b>214,775</b>
<b>Total</b>	<b>525,825</b>	<b>629,775</b>

**21 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. Nil/- (Previous Year also Rs.Nil)

ii) The Company has received various notices from Navi Mumbai Municipal Corporation (NMMC) department pertaining to NMMC Cess Tax for the year from 1998 to 2011 for Rs. 14,327,468/- plus interest. The company has filed a writ petition before the Bombay High Court, the last hearing was done on 02.08.2018 against said orders, however Next date in the matter is awaited for final hearing.

In the opinion of the management above demands are not tenable and accordingly no provision against said demands of Rs. 14,327,114/- has been made.

iii) The company has received Notice for recovery of outstanding demands related to TDS from Income Tax Department vide letter dated 17 July 2019. The amount of outstanding demand is Rs 25,65,220/- for various period pertaining to FY 2007-08 to FY 2014-15. The nature of demand is consist of Short deduction of TDS, short payment of TDS, Interest on Short/Non Deduction of TDS etc.

In the opinion of the management, there is no other contingent liability.

**b Subsidiary Company**

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

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

iii) 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 2004-05 to 2014-15. Total amount of Cenvat credit disallowed including penalty and interest is Rs 3,69,494/- (Previous year: Rs 3,69,494/- ) and total amount of demand on output services is Rs 1,04,75,937/- (Previous year: Rs 1,04,75,937/- ). The company has filed appeals before CESTAT against the said orders, wherein it was held that Order passed by Commissioner of Service Tax is Impugned & hence was set aside. On being aggrieved by the above Order of CESTAT, department had filed an Appeal before Bombay Hon'ble High Court to quash & set aside the Order of CESTAT. In



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**Inter-Connected Enterprises Limited** (Formerly Inter - connected Stock Exchange of India Ltd.)  
**Consolidated Notes forming part of the accounts as at March 31, 2020**

**22 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**

Name of the Related Parties	Relationship	Country
ISS Enterprise Limited	Subsidiary Company	India
Mr. P. Hanikrishnan - Chief Executive Officer (From Period 01/09/2019)	Key Managerial Personnel	India

**(b) Transactions with Related Parties**

Particulars	As at March 31, 2020	As at 31 March 2019
Remuneration paid to Managing Director - Holding Company	-	-
Remuneration paid to Chief Executive Director/WTD - Subsidiary Company	815,635	9,315,360
Reimbursement of expenses	172,500	1,18,044

**23 Operating Lease: Company as Lessee**

(a) The Company has entered into operating lease arrangements for office space and CRD godown under operating lease arrangement.

(b) Total of minimum lease payments

Particulars	Current Year	Previous Year
(i) Total of minimum lease payments The total of future minimum lease payments under non-cancellable	14,280,000	14,280,000
<b>Operating leases for period:</b>		
Not later than one year	5,040,000	5,040,000
Later than one year and not later than five years	9,240,000	9,240,000
Later than five years	-	-

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

<b>6,930,400</b>	<b>6,924,211</b>
------------------	------------------

(d) Details of lease Deposit

Particulars	Amount in Rs	
	Current Year	Previous Year
Powerica Limited	2,550,000	2,550,000
CRD Sanpada Godown	100,000	100,000
Patna Branch Deposit	20,000	20,000
Nagpur Branch	34,000	34,000
Delhi Branch	60,000	60,000
Coimbatore	50,000	50,000
Kolkata Branch	290,000	290,000
Kolkata Godown	150,000	150,000



*[Handwritten signature]*

**Inter-Connected Enterprises Limited** (Formerly Inter - connected Stock Exchange of India Ltd.)  
Consolidated Notes forming part of the accounts as at March 31, 2020

24 Earning Per Share

Particulars	Reference	Current Year	Previous Year
A Net profit/ (Loss) attributable to equity shareholders (Rs.)	A	3,348,515	18,998,600
B Weighted Average Number of Equity Shares outstanding	B	23,205,187	23,205,187
C Face Value per Share (Rs.)	C	10	10
D Basic Earnings/(Loss) per equity shares (Rs.)	A/B	0.14	0.82
E Diluted Earnings/ (loss) per equity shares (Rs.)	A/B	0.14	0.82

- 25 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.

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

List of subsidiary forming part of Group Consolidated Financial Statements			As at March 31, 2020	As at March 31, 2019
Name of the Company	Relationship	Country of Incorporation	Ownership in % either directly or through Subsidiaries	Ownership in % either directly or through Subsidiaries
ISS Enterprise Limited	Subsidiary	India	100%	100%

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

- 27 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		As % of Consolidated	Share in Profit or (Loss) Amount(Rs)
	As % of Consolidated Net	Amount(Rs)		
Parent Inter-connected Enterprises Ltd.	49.35	133,008,856	86.22	2,887,068
Subsidiaries ISS Enterprise Limited	50.65	136,527,606	13.78	461,447
<b>TOTAL</b>	<b>100</b>	<b>269,536,462</b>	<b>100</b>	<b>3,348,515</b>

- 28 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.



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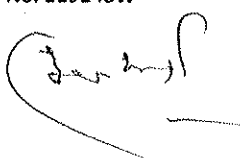
**Inter-Connected Enterprises Limited** (Formerly Inter - connected Stock Exchange of India Ltd.)  
Consolidated Notes forming part of the accounts as at **March 31, 2020**

- 29 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. 40,48,989.86/- 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 31.03.2020 as Stale Cheque.
- 30 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. However the purchaser Mitesh Shah & Group expressed to withdraw from the deal and Board has taken note in 140th Board meeting held on 3rd July 2019 and approved the payment of the advance taken earlier of Rs 2 Crores along with Interest and accordingly the deal is cancelled.
- 31 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, 2019 to March 31, 2020 (Previous year refers to April 01, 2018 to March 31, 2019).  
The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.
- 32 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.
- 33 Previous years figures have been rearranged /regrouped wherever considered necessary. All Figures are in Indian Rupees.

**Auditor's Report**

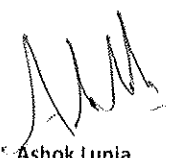
"As per our separate report of even date"

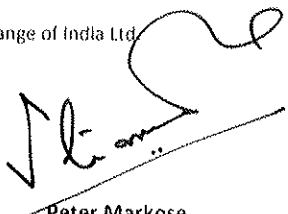
Chhajed Kedia & Associates  
Chartered Accountants  
FRN No. 119248W

  
Lalit Kumar Chhajed  
F. C. A. Partner  
MRN: 071980  
Place: Mumbai  
Date: 06/11/2020



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

  
Ashok Lunia  
Director  
DIN. 02225255  
Place:Coimbatore  
Date: 04/11/2020

  
Peter Markose  
Director  
DIN. 01849369  
Place: Kochi  
Date: 05/11/2020



# 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)



## ANNEXURE - B

### 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 ₹)


Sl. No	Particulars	Details
1	Name of the subsidiary	ISS Enterprise Limited (Erstwhile: ISE Securities & Services Limited).
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 2019 to March 2020
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	13,65,27,606
6	Total assets(Including Investments)	70,67,33,782
7	Total Liabilities	51,52,06,176
8	Investments	67,10,005
9	Turnover (Total Income)	7,78,27,854
10	Profit before taxation	15,30,657
11	Provision for taxation	10,13,339
12	Profit after taxation	5,17,318
13	Proposed Dividend	0.00
14	% of shareholding	100




# Inter-Connected Enterprises Limited

By the order of the Board  
For **INTER-CONNECTED ENTERPRISES LIMITED**  
(Signed as per Board Resolution Passed on 03<sup>rd</sup> November, 2020)

8/1/-

  
**ASHOK ANOPCHAND LUNIA**  
**DIRECTOR**  
**DIN: 02225255**  
Place: Coimbatore  
Date: 04<sup>th</sup> November, 2020

  
**PETER MARKOSE**  
**DIRECTOR**  
**DIN: 01849369**  
Place: Kochi  
Date: 05<sup>th</sup> November, 2020



# Inter-Connected Enterprises Limited


## Part "B": Associates and Joint Ventures

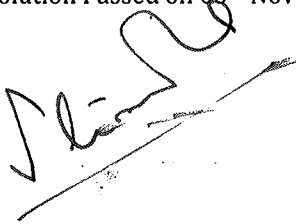
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

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.

By the order of the Board  
For INTER-CONNECTED ENTERPRISES LIMITED  
(Signed as per Board Resolution Passed on 03<sup>rd</sup> November, 2020)

  
**ASHOK ANOPCHAND LUNIA**  
DIRECTOR  
DIN: 02225255  
Place: Coimbatore  
Date: 04<sup>th</sup> November, 2020

  
**PETER MARKOSE**  
DIRECTOR  
DIN: 01849369  
Place: Kochi  
Date: 05<sup>th</sup> November, 2020

