



ISE Securities & Services Limited

Corporate Office : 6th Floor, 601, "Dakshna" Next to Raigad Bhavan, Sector - 11, CBD - Belapur, Navi Mumbai - 400 614, Tel : (022) 61829500, Fax : (022) 61829547, e-mail : helpdesk@iseindia.com
Internet URL : <http://www.iseindia.com>, **Investor grievance e-mail :** invgrieviss@iseindia.com
CIN : U67190MH2000PLC123707



NOTICE OF THE EIGHTEENTH ANNUAL GENERAL MEETING OF ISE SECURITIES & SERVICES LIMITED

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of ISE Securities & Services Limited will be held on Tuesday, September 12, 2017 at 4.00 p.m. at the Corporate Office of the company at 6th Floor, 601, "Dakshna", Next to Raigad Bhavan, Sector – 11, CBD Belapur, Navi Mumbai – 400614, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider approve and adopt the audited Balance Sheet as at March 31, 2017, Profit & Loss Account for the financial year ended March 31, 2017 and the Directors' and Auditors' report thereon.
2. To appoint a Director in place of Mr. Manubhai Parekh, Director, (DIN: 00068992) who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ashok Anopchand Lunia, Director, (DIN: 02225255) who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint Auditors in place of Auditors M/s. Chhajed Kedia & Associates, Chartered Accountants (Firm Registration Number: 119248W) and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s) the following resolution, as an ORDINARY RESOLUTION: -

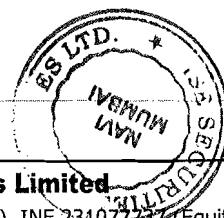
"RESOLVED THAT in conformity with the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and Rule 3,4,5,6 of The Companies (Audit and Auditors) Rules, 2014, M/s. Chhajed Kedia & Associates, Chartered Accountants (Firm Registration Number: 119248W), be and are hereby appointed as auditors of the company, who were appointed as Statutory Auditor of the Company at the Extra Ordinary General Meeting of the Company held on June 16, 2017, pursuant to provisions contained in Section 139(8) of the Companies Act, 2013, to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company, at remuneration of Rs.2,25,000/- Plus Out of Pocket Expenses (OPE) not exceeding Rs.5,000/- Plus taxes if any."

SPECIAL BUSINESS::

5. **Remuneration to Mr. Sivaraman K.M., Whole Time Director.**

To consider and if thought fit to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section:, 197, read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013,(including any statutory modification or re-enactment thereof for time being in force), subject to the provisions of the Articles of Association of the Company and such other approvals as may be necessary, consent of the members be and is hereby accorded for payment of additional Performance Link Bonus



ISE Securities & Services Limited

amounting to Rs.83,536/- to Mr. Sivaraman K.M.(Holding DIN 02961895 acting as Chief Executive Officer (CEO) of the company and also whole time Director of the company.”

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company and the Company Secretary be and are hereby severally authorized to do all such acts deeds, matter and things as it may be in its absolute discretion deem necessary, expedient usual and proper.”

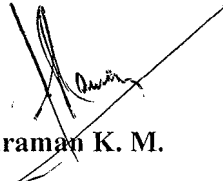
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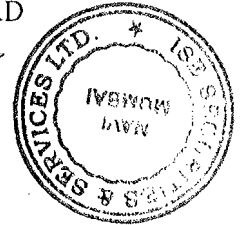
1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ONLY ON POLL AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.
2. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect Special Business at item no. 5 of the notice, is annexed hereto.
3. Members seeking any information or clarification on the Accounts are requested to send in writing queries to the Company. Replies to such written queries received, will be provided .
4. Members / proxies should bring the Attendance Slip sent herewith, duly filled in, along with the Annual Report for attending the Meeting.
5. This is the Shorter Notice issued pursuant to the consent given as per provisions of Section 101(1) of the Companies Act, 2013, by shareholder i.e. Inter-Connected Enterprises Limited holding 99.99% of paid up share capital of the Company, vide its letter dated 28 August 2017 received by the company on

Date: August 28, 2017

Place: Belapur, Navi Mumbai

BY ORDER OF THE BOARD


Sivaraman K. M.



Chief Executive Officer & Whole Time Director

(DIN: 02961895)

ISE Securities & Services Limited

Annexure to Notice

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013.

Item No.5

Pursuant to Resolution passed at the 16th Annual General Meeting of the company held on September 15, 2015, Mr. Sivaraman K.M., was re appointed as a Whole time Director of the company for the period from January 22, 2016 to January 21, 2019, as per the terms and conditions mentioned in the said Resolution.

The Board also approved payment of Performance Linked Bonus (PLB) to employees including to Mr. Sivaraman K.M. Whole Time Director for the F.Y. 2015-16, by Circulation on September 27, 2016 which was noted by the Board in the subsequent Board meeting held on November 18, 2016.. The amount paid as PLB to Mr. Sivaraman K.M. was Rs.83,536 /-

As per the provisions contained in Section 197 of the Companies Act 2013, any increase in Remuneration of whole time Director requires shareholders approval.

In view of this, the Board of Directors recommends the adoption of the resolution at item No. 5 of the Notice.

No director is in any way concerned or interested in the Resolution at item No. 5 of the Notice, except Mr. Sivaraman K.M.

Date: August 28, 2017

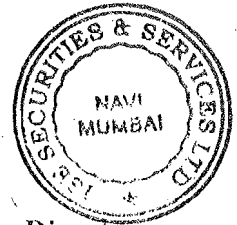
Place: Belapur, Navi Mumbai

BY ORDER OF THE BOARD


Sivaraman K. M.

Chief Executive Officer & Whole Time Director

(DIN: 02961895)





Independent Auditors' Report

To the Members of ISE SECURITIES & SERVICES LIMITED

Report on the Standalone Financial Statements:

We have audited the accompanying standalone financial statements of **ISE SECURITIES & SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

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



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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-'A'** a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we further report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.



A handwritten signature in blue ink, consisting of a stylized 'J' followed by a horizontal line.

ISE SECURITIES & SERVICES LIMITED

Independent Auditors' Report to the Members of ISE SECURITIES & SERVICES LIMITED

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in -Annexure- "B"
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- 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 Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - 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.
 - The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

**FOR CHHAJED KEDIA & ASSOCIATES
CHARTERED AACCOUNTANTS**

ICAI Firm Registration No: 119248W


Lalit Kumar Chhajed
Partner
Membership No: 071980



Place : Mumbai

Date : 28 AUG 2017

ISE SECURITIES & SERVICES LIMITED

Independent Auditors' Report to the Members of ISE SECURITIES & SERVICES LIMITED

Annexure- A

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

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



A handwritten signature in blue ink, consisting of a stylized 'J' followed by a long horizontal stroke.

ISE SECURITIES & SERVICES LIMITED**Independent Auditors' Report to the Members of ISE SECURITIES & SERVICES LIMITED**

Name of Statue	Nature of Dues	Amount (in INR)	Period to which it relates	Forum where dispute is pending
Service Tax governed by chapter V and VA [Section 64 to 96 (I)] of the Finance Act, 1994	Service Tax Liability – Wrong availment of Cenvat Credit	79,22,660	FY 2007-08 to FY 2014-15	Commissioner of Service Tax (Appeal) II
	Service Tax Liability	3,69,494	Fy 2013-14	Commissioner of Service Tax (Appeal) II
	Service Tax Liability	1,04,75,937	Oct 2004 to March 2013	High Court

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



ISE SECURITIES & SERVICES LIMITED

Independent Auditors' Report to the Members of ISE SECURITIES & SERVICES LIMITED

(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: 119248W


Lalit Kumar Chhajed
Partner
Membership No: 071980



Place: Mumbai

Date: 28 AUG 2017



Independent Auditors' Report to the Members of ISE SECURITIES & SERVICES LIMITED

Annexure – 'B' to the Auditors' Report

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

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

In conjunction with our audit of the standalone financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of **ISE SECURITIES & SERVICES LIMITED** ("the Company").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

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

provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting


Because of the inherent limitations of internal financial controls over financial reporting, including the possibilities of collusion or improper management override or 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, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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 ICAI.

**FOR CHHAJED KEDIA & ASSOCIATES
CHARTERED ACCOUNTANTS**

ICAI Firm Registration No: 119248W



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



Place: Mumbai

Date:

28 AUG 2017

Background

ISE Securities & Services Limited ("the Company") was incorporated under the Companies Act, 1956 on January 18, 2000. ISE Securities & Services Ltd. (ISS), a wholly - owned subsidiary of Inter-connected Enterprises Limited (IEL) is a trading - cum - clearing Member of National Stock Exchange of India Ltd and Bombay Stock Exchange Ltd. As at March 31, 2017, IEL 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 & active member of the equities segment of BSE.

Significant Accounting Policies and Notes forming part of the Accounts

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 and 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 recognized prospectively in current and future periods.

c Revenue recognition

- i Brokerage income, fines and penalties are recognized for all settlements completed during the year, with respect to funds pay-in and pay-out. Brokerage income received from sub-brokers is net of service tax, stamp duty and transaction charges.
- ii Interest, Networking Recoveries, Annual Fees and Other incomes are accounted for on an accrual basis based on certainty of recovery.
- iii Income from Depository Activities is recognized where there is a reasonable certainty of recovery. Maintenance charges are recognized on pro rata basis from the date of charging till the year end. Transaction charges are recognized on the execution of instruction slips.

d Fixed Assets / Intangible 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.
- iv 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.



Signature



Signature

e Depreciation and Amortization

- i Depreciation on tangible fixed assets except leasehold improvement is charged on the Straight Line Method over their estimated useful lives as prescribed under Schedule II to the Companies Act, 2013. However if the management's estimate of the useful life of the asset is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of useful/remaining life. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year except for Computer Equipments, Networking Equipments, Mobile Phones and Computer Software, where these assets are depreciated fully from the year of purchase/acquisition.
- ii Depreciation on Intangible assets is charged on the Straight Line Method over a period of three years from the year of purchase/acquisition.

Asset	Useful Life (in Years)
Office Equipments	5
Computer Equipments	3
Networking Equipments	2
Mobile Phones	1
Furniture & Fixtures	10
Goodwill	3
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 Leases

Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

g 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.

h 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.

i Investments

Investments are either classified as long term or current investments, based on management's intention at the time of purchase. Long-term investments are stated at cost and provision is made to recognize any decline, other than temporary, determined separately for each investment. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. Long-term investments are stated at cost after deducting provision, if any, made for decline, other than temporary, in the values.



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j **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.

k **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.

l **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.

m **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 recognized in the period in which the employee renders the related service.

Post-employment benefits:

Defined contribution plans: The Company's Provident Fund is a defined contribution plan where the contribution paid/ payable under the scheme is recognized as an expense in the period in which the employee renders the related service. The Company's contributions towards Provident Fund deposited with the Regional Provident Fund Commissioner are charged to Statement of Profit and Loss.

Defined Benefit plans: The Company's gratuity scheme is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the yearend using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, is based on market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.



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Post-employment benefits:

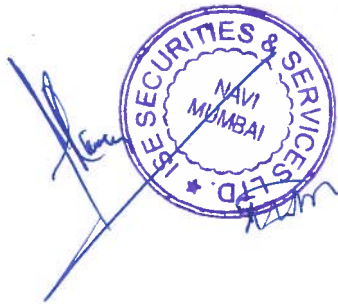
Benefits under the Company's leave encashment constitute other long term employee benefits, recognized as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. Estimated liability on account of these benefits is actuarially determined based on the projected unit credit method using the yield on government bonds, as on the date of the balance sheet, as the discounting rate. Actuarial gains and losses are charged to the Statement of Profit and Loss.

Accumulated Leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The company measures the expected cost of such expenses as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond 12 months, as long term employee benefits for measurement purpose. Such long term compensated absences are provided for based on the actuarial valuation using projected unit credit method at the year end.

n **Cash Flow Statement:**

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



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ISE SECURITIES & SERVICES LTD
Balance Sheet as at 31st March 2017

PARTICULARS	Note #	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
<u>EQUITY AND LIABILITIES</u>			
Shareholder's funds			
Shares Capital	2	55,000,000	55,000,000
Reserves & Surplus	3	102,701,682	92,779,576
NON CURRENT LIABILITIES			
Long Term Borrowing		-	-
Deferred Tax Liability (Net)		-	-
Other long Term Liabilities		-	-
Long Term Provisions	4	5,713,414	3,955,492
CURRENT LIABILITIES			
Trade Payable	5	969,165,796	403,918,191
Other Current Liabilities	6	14,197,145	8,970,284
Short Term Provisions	7	-	-
Total		1,146,778,037	564,623,543
<u>ASSETS</u>			
NON - CURRENT ASSETS			
Fixed assets	8		
(a) Tangible Assets		429,801	807,649
(b) Intangible Assets		190,200	-
(c) Capital Work In Progress		1,035,375	1,320,675
Non Current Investments	9	6,710,005	6,710,005
Deferred Tax Assets (net)	10	5,709,720	4,875,727
Other Non-current Assets	11	58,881,220	68,459,815
CURRENT ASSETS			
Current Investments		-	-
Trade Receivables	12	421,237,495	137,700,199
Cash & Bank Balances	13	645,241,559	337,815,147
Short Term Loans & Advances	14	-	-
Other current assets	15	7,342,662	6,934,326
Total		1,146,778,037	564,623,543
Notes to the Accounts		2 to 31	

Auditor's Report : As per our separate Report of even date

For Chhajed Kedia & Associates
Chartered Accountants

Firm Registration No.: 119248W

For and on behalf of the Board of
ISE Securities & Services Ltd


Lalit Kumar Chhajed
F C A Partner
MRN 071980




Sivaraman K M
Whole Time Director & CEO
DIN 02961895


Manubhai Parekh
Director
DIN 00068992

Place: Mumbai
Date: 28/08/2017




Mayank Mehta
Company Secretary
Date: 28/08/2017

ISE SECURITIES & SERVICES LTD
Statement of Profit and Loss for the period ended on 31st March 2017

Particulars	Note #	For the Year ended on 31-Mar-2017 ₹	For the Year ended on 31-Mar-2016 ₹
Incomes			
Revenue from Operations	16	45,712,451	41,962,518
Other Income	17	31,983,831	31,703,655
Total Revenue		77,696,282	73,666,173
Expenses			
Employee Benefit Expenses	18	32,187,467	33,249,034
Finance Costs	19	-	-
Depreciation/Amortization	8	587,690	3,128,182
Other Expenses	20	31,459,942	31,296,351
Total Expenses		64,235,099	67,673,567
Profit before exceptional and extraordinary items and tax		13,461,183	5,992,606
Exceptional Items		-	-
Profit before extraordinary items and tax		13,461,183	5,992,606
Extraordinary Items		-	-
Profit before tax		13,461,183	5,992,606
Tax Expenses			
(i) Current Tax		(4,975,000)	(1,560,000)
(ii) Tax adjustment for earlier years		601,931	-
(iii) Deferred Tax		833,993	(657,574)
Profit/(Loss) for the period from continuing Operations		9,922,107	3,775,032
Profit/(Loss) from discontinuing Operations		-	-
Tax expenses of Discontinuing operations		-	-
Profit/(Loss) for the period from continuing Operations (after tax)		9,922,107	3,775,032
Profit/(Loss) for the period		9,922,107	3,775,032
Earning Per Share ₹ 10 per share			
Basic		1.80	0.69
Diluted		1.80	0.69
Notes to the Accounts	2 to 31		

Auditor's Report : As per our separate Report of even date
For Chhajed Kedia & Associates
Chartered Accountants
Firm Registration No.: 119248W

Lalit Kumar Chhajed
F C A Partner
MRN 071980



Place: Mumbai
Date: 28/08/2017



For and on behalf of the Board of
ISE Securities & Services Ltd

Sivaraman K M
Whole Time Director & CEO
DIN 02961895

Manubhai Parekh
Director
DIN 00068992

Mayank Mehta
Company Secretary
Date: 28/08/2017

ISE Securities & Services Ltd.
Cash Flow Statement for the year ended on 31 March 2017

Particulars	For the Year ended on 31 March 2017		For the Year ended on 31 March 2016	
	₹		₹	
I. Cash Flow from Operating Activities:				
Net profit before tax & extra ordinary items		13,461,183		5,992,606
Adjustments for:				
Depreciation	587,690		3,128,182	
Dividend received	(845,000)		(1,105,000)	
Excess provision written back	(240,000)		(703,840)	
Provision for Bad & Doubtful debts- Debtors	1,597,561		996,635	
Interest Expenses	-		-	
Gain/(loss) on sale of Fixed Assets, (net)	-	1,100,251	-	2,315,977
Operating profit before working capital changes		14,561,434		8,308,583
Adjustments for:				
(Increase) / Decrease in Other Non Current Assets	1,395		1,000,000	
(Increase) / Decrease in Trade Receivables	(284,894,857)		(13,382,494)	
(Increase) / Decrease in Short Term Loans & Advances	-		7,663	
(Increase) / Decrease in Other Current Assets	(408,336)		1,023,832	
(Increase) / Decrease in Trade Payables	565,247,606		(47,146,162)	
(Increase) / Decrease in Long Term Provisions	1,757,922		535,661	
(Increase) / Decrease in Other Current Liabilities	5,226,861		(824,661)	
(Increase) / Decrease in Short Term Provisions	-	286,930,591	(2,574,600)	(61,360,761)
Cash generated from operations before tax & extra ordinary items		301,492,025		(53,052,178)
Less: Direct Tax Paid (net of refunds)		(5,204,130)		4,422,507
		306,696,155		(57,474,685)
Net Cash From Operating Activities (A)		306,696,155		(57,474,685)
II. Cash Flow From Investing Activities:				
Purchase of Fixed Assets	(114,742)		(86,449)	
Sale proceeds of Fixed Assets	-		-	
Dividend Income	845,000		1,105,000	
		730,258		1,018,551
Net Cash (Used in) / from Investing activities (B)		730,258		1,018,551
III. Cash Flow From Financing Activities:				
Interest Paid	-		-	
Interim Dividend Paid	-		-	
Dividend Distribution tax	-		-	
Net Cash (Used in) / from Financing activities (C)		-		-
Net Increase / decrease in cash & cash equivalents (A+B+C)		307,426,413		(56,456,134)
Cash & Cash equivalents at the beginning of the year		337,815,146		394,271,280
Cash & Cash equivalents at the end of the year		645,241,559		337,815,146

Refer Note- 1 Significant Accounting Policies and Notes forming part of the Accounts

Notes:

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

Cash & Cash equivalents includes cash and bank balance in current account, fixed deposit with bank Refer Note 13

Auditor's Report : As per our separate Report of even date
For Chhajed Kedia & Associates
Chartered Accountants
Firm Registration No.: 119248W

Lalit Kumar Chhajed
F C A Partner
MRN 071980



For and on behalf of the Board of
ISE Securities & Services Ltd

Sivaraman K M
Whole Time Director & CEO
DIN 02961895

Manubhai Parekh
Director
DIN 00068992

Place: Mumbai
Date: 28/08/2017



Mayank Mehta
Company Secretary
Date: 28/08/2017

ISE SECURITIES & SERVICES LTD
Notes forming part of the accounts as at 31st March 2017

2 SHARE CAPITAL

Particulars	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
Authorized Capital (6,000,000 Equity shares of ₹ 10/- each)	60,000,000	60,000,000
Issued, Subscribed and Paid Up Capital (55,00,000 Equity shares of ₹ 10/- each fully paid up)	55,000,000	55,000,000
Total	55,000,000	55,000,000

2.1 Details of shares held by Holding Company

Particulars	As at 31-Mar-2017	As at 31 March 2016
<u>Equity Shares held by</u> Interconnected Enterprises Ltd, the holding company		
No of Shares	5,500,000	5,500,000
% Holding	100	100

2.2 Reconciliation of number of shares outstanding

Particulars	As at 31-Mar-2017	As at 31 March 2016
5,500,000 Equity Shares Of ₹ 10/- each	55,000,000	55,000,000
Number of Shares at the beginning	5,500,000	5,500,000
Number of Shares issued	-	-
Number of Shares bought back	-	-
Other Adjustments	-	-
Number of Shares at the end	5,500,000	5,500,000

- 2.3 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.



3

ISE SECURITIES & SERVICES LTD
Notes forming part of the accounts as at 31st March 2017

2.4 Details of shareholders holding more than 5% shares in the company

Particulars	As at 31-Mar-2017 ₹	As at 31 March 2016 ₹
Equity Shares held by		
Interconnected Enterprises Ltd, the holding company		
No of Shares	5,500,000	5,500,000
% Holding	100	100

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

3 RESERVES & SURPLUS

Particulars	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
General Reserves		
Opening Balance	30,535,000	30,535,000
(+) Current Year Transfer	-	-
(-) Written back in current year	-	-
Closing Balance	30,535,000	30,535,000
Surplus		
Opening balance	62,244,576	58,469,544
(-) Assets charged to opening reserve	-	-
Add: Net profit/(Net Loss) for the current year	9,922,107	3,775,032
(-) Interim Dividends	-	-
(-) Tax on Interim Dividends	-	-
(-) Transfer to General Reserves	-	-
Closing Balance	72,166,682	62,244,576
Total	102,701,682	92,779,576

4 LONG TERM PROVISIONS

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



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ISE SECURITIES & SERVICES LTD
Notes forming part of the accounts as at 31st March 2017

5 Trade Payables

Particulars	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
Exchange Liability	3,103,540	1,584,973
Settlement Obligations to Sub-Brokers/Clients/Authorized person	861,825,514	302,244,812
Sub Brokers Margin-BSE	36,003,079	37,478,447
Sub Brokers Margin-NSE	65,148,313	62,609,960
DP AMC Deposit	451,500	-
Settlement Obligation to/from Clearing House	2,633,850	-
Outstanding Dues of Micro and Small Enterprises	-	-
Total	969,165,796	403,918,191

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

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

6 OTHER CURRENT LIABILITIES

Particulars	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
Clients/Corporate Benefits	67,764	39,328
Statutory Liability	2,791,276	2,789,101
Other Liability	9,630,243	4,153,997
Expenses Payable (other than Micro and Small Enterprises)	1,707,862	1,987,858
Outstanding Dues of Micro and Small Enterprises	-	-
Total	14,197,145	8,970,284

7 SHORT TERM PROVISIONS

Particulars	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
Employee's Leave Travel Allowance (LTA)	-	-
Performance Linked Bonus	-	-
Total	-	-



ISE SECURITIES & SERVICES LTD

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

8 Fixed Assets as on 31st March 2017

Particulars	Gross Block (At Cost)			Depreciation/Amortization				Net Block	
	As at 1-Apr-2016 ₹	Additions ₹	Deductions ₹	As at 31-Mar-2017 ₹	As at 1-Apr-2016 ₹	Depreciation / amortization expense for the year ₹	Deductions/ Addition ₹	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
Tangible Assets : Furniture & Fixtures	1,324,421	-	-	1,324,421	993,081	159,741	-	1,152,822	331,340
Office Equipment	4,275,100	-	-	4,275,100	3,861,793	250,152	-	4,111,945	413,307
Computers Equipment	5,382,550	114,742	-	5,497,292	5,319,548	82,697	-	5,402,245	63,002
Total - A	10,982,071	114,742	-	11,096,813	10,174,422	492,590	-	10,667,012	807,649
Intangible Assets Computer Software	17,663,565	285,300	-	17,948,865	17,663,565	95,100	-	17,758,665	-
Goodwill	7,145,168	-	-	7,145,168	7,145,168	-	-	7,145,168	-
Total - B	24,808,733	285,300	-	25,094,033	24,808,733	95,100	-	24,903,833	-
Capital Work-in-Progress	1,320,675	-	285,300	1,035,375	-	-	-	1,035,375	1,320,675
Total - A+B	37,111,479	400,042	285,300	37,226,221	34,983,155	587,690	-	35,570,845	2,128,323
Previous Year Figures	37,025,030	86,449	-	37,111,479	31,854,973	3,128,182	-	34,983,156	2,128,323

8.1 Pursuant to "AS 28- Impairment of Asset" issued by the Central Government under the companies (Accounting Standard) Rule 2006 for determining impairment in carrying amount of fixed assets, the company has concluded that since recoverable amount of fixed assets is not less than its carrying amount, therefore, no provision for impairment is required in respect of fixed assets owned by the company.

8.2 During the year company has capitalized Margin Funding Software amounting to Rs 285300/- and transferred from Capital work in Progress to Software



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ISE SECURITIES & SERVICES LTD
Notes forming part of the accounts as at 31st March 2017

9 NON CURRENT INVESTMENTS

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

9.1 During the financial year 2004-05, the Company had acquired the corporate membership of Bombay Stock Exchange Ltd. at a cost of ₹ 6,710,005/-. As per its entitlement the Company had subscribed to and was allotted 10,000 shares of face value ₹ 1/- each under the Corporatization and Demutualization of BSE. During the year 2008-09 the company has been allotted 120,000 bonus shares in the ratio 12:1. During the F Y 2016-17 BSE has changed Face value per share from Rs 1/- to Rs 2/- with this effect the total number of equity shares held by the company reduced from 130000 equity shares to 65000 equity shares. The BSE shares are listed in National Stock Exchange on 3rd Feb 2017. The value of investment is shown in the books at cost. Management is of the opinion that the Company will realize at least the stated cost in full and no provision for diminution is required.

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

10 DEFERRED TAX ASSETS

Particulars	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
Deferred Tax Assets		
Provision for doubtful debts	2,709,952	2,216,306
Provision for doubtful debts - Other Advances	106,196	106,196
Provision for compensated absences, gratuity and other employee benefits	1,765,445	1,222,247
On difference between book balance and tax balance of fixed assets	1,128,127	1,330,978
Deferred Tax Liability	-	-
Net Deferred Tax (Liability) /Asset	5,709,720	4,875,727

* Deferred Tax Charged to P/L Account

Opening DTA

Closing DTA

Amount to be charged/(credited) to P/L Account

4,875,727

5,709,720

(833,993)



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ISE SECURITIES & SERVICES LTD
Notes forming part of the accounts as at 31st March 2017

11 OTHER NON CURRENT ASSETS

Particulars	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
Unsecured Considered Good, unless otherwise stated		
Long Term Trade Receivables (Including trade receivable on deferred credit term)	-	-
Debts dues by Related Parties	-	-
Deposit with Exchanges	49,925,000	49,925,000
Advance Tax/ Income Tax Refund (Net of Provisions)	5,203,069	14,780,269
Security Deposits	3,753,151	3,754,546
Total	58,881,220	68,459,815

12 TRADE RECEIVABLES

Particulars	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
Settlement dues from Trading Members		
Debts outstanding for a period exceeding six months		
- Considered Good	8,303,607	8,279,537
- Considered Doubtful	8,496,509	6,802,152
Other Debts		
- Considered Doubtful	273,563	370,358
- Considered Good	412,933,887	129,420,662
	430,007,566	144,872,709
Less : Provision for Doubtful Debts	(8,770,071)	(7,172,510)
Total	421,237,495	137,700,199

12.1 Trade Receivable represents settlement dues, dues recoverable on account of payment of funds/ securities and other charges receivable from Sub-brokers/ Authorized Persons and the end clients as at March 31, 2017. The Trade Receivable are secured by way of base and additional trading deposits, bank guarantees, fixed deposits and securities withheld. On the basis of the same Trade Receivable has been classified as good debts and doubtful debts. Out of Total trade receivables of Rs 43,00,07,566/- the company has classified an amount of Rs 87,70,071/- as doubtful and provision is made. There is an addition in the current provision for doubtful debts by Rs 15,97,561/-.



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ISE SECURITIES & SERVICES LTD
Notes forming part of the accounts as at 31st March 2017

13 CASH & BANK BALANCES

Particulars	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
A) Cash & Cash Equivalents		
In Current Accounts	288,851,559	68,265,147
Bank Deposit having Maturity <3 Months	78,800,000	169,150,000
Cash on hand	-	-
B) Other Bank Deposit		
In deposit accounts		
Bank Deposit having Maturity > 3 Months but <12 Months	255,915,000	98,100,000
Bank Deposit having Maturity >12 Months	21,675,000	2,300,000
Total	645,241,559	337,815,147

14 SHORT TERM LOANS & ADVANCES

Particulars	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
Unsecured Considered Good, unless otherwise stated		
Staff Advances	-	-
Total	-	-

15 OTHER CURRENT ASSETS

Particulars	As at 31-Mar-2017 ₹	As at 31-Mar-2016 ₹
Unsecured Considered Good, unless otherwise stated		
Advances recoverable in cash or kind or for value to be received		
Considered good	1,169,214	1,471,751
Considered doubtful	343,675	343,675
Less Provisions for Bad & Doubtful Advances	(343,675)	(343,675)
Interest Accrued on Fixed Deposit with bank	1,169,214	1,471,751
Prepaid Expenses	2,877,287	2,656,216
Balances with Government Authorities	2,656,961	1,935,556
Settlement Obligation to/from Clearing House	639,200	413,213
Other Current Assets	-	457,590
Total	7,342,662	6,934,326

15.1 As a matter of Prudence, a provision of ₹ 1,59,524/- has been made towards the SEBI Registration Fees recoverable and ₹ 1,84,151 for Insurance Claim Recoverable.



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ISE SECURITIES & SERVICES LTD
Notes forming part of the accounts as at 31st March 2017

16 REVENUE FROM OPERATIONS

Particulars	For the Year ended on 31-Mar-2017 ₹	For the Year ended on 31 March 2016 ₹
Brokerage Income	24,200,034	20,511,970
Income From Depository Services	9,130,806	9,155,859
Other Operating Revenue	12,381,611	12,294,689
Total	45,712,451	41,962,518

17 OTHER INCOME

Particulars	For the Year ended on 31-Mar-2017 ₹	For the Year ended on 31 March 2016 ₹
Interest Income from Banks on Fixed Deposit including Short Term and Long Term Fixed Deposit	26,216,193	26,652,676
Recovery of DP Charges (NET)	2,214,790	2,763,339
Dividend Income on Long Term Investment	845,000	1,105,000
Bad Debt Recovery	-	478,800
Excess Provision Written Back	240,000	703,840
Interest On Income Tax Refund	2,467,848	-
Total	31,983,831	31,703,655

18 EMPLOYEE BENEFITS EXPENSES

Particulars	For the Year ended on 31-Mar-2017 ₹	For the Year ended on 31 March 2016 ₹
Salary & Other Allowances	27,908,367	29,533,226
Provident Fund - Employer Contribution	1,979,982	2,299,229
Gratuity	1,780,351	886,124
Staff Welfare expenses	518,767	530,455
Total	32,187,467	33,249,034



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ISE SECURITIES & SERVICES LTD
Notes forming part of the accounts as at 31st March 2017

18.1 As per Accounting Standard 15 "Employees Benefits", the disclosure as defined in the Accounting Standard are given below :

Amount To Be Recognized In Balance Sheet	Current Year	Previous Year
Present Value of Funded Obligations	7,738,077	6,033,808
Fair Value of Plan Assets	(3,457,998)	(3,184,080)
Present Value of Unfunded Obligations	-	-
Unrecognized Past Service Cost	-	-
Net Liability	4,280,079	2,849,728
<u>Amount in Balance Sheet</u>		
Liability	4,280,079	2,849,728
Assets	-	-
<u>Net Liability is bifurcated as follows:</u>		
Current	-	-
Non Current	4,280,079	2,849,728
Net Liability	4,280,079	2,849,728

Amount To Be Recognized In Profit & Loss Accounts	Current Year	Previous Year
Current Service Cost	584,014	730,086
Interest on Defined Benefit Obligation	518,789	489,234
Expected Return on Plan Assets	(295,352)	(317,677)
Net Actuarial Losses / (Gains) Recognized in Year	972,900	(10,626)
Total, Included in "Employee Benefit Expense"	1,780,351	891,017
Actual Return on Plan Assets	203,593	250,019

Reconciliation Of Benefit Obligation & Plan Assets For The Year	Current Year	Previous Year
<u>Change in Defined Benefit Obligation</u>		
Opening Defined Benefit Obligation	6,033,808	5,649,580
Current Service Cost	584,014	730,086
Interest Cost	518,789	489,234
Actuarial Losses / (Gain)	881,141	(78,284)
Liabilities Assumed on Acquisition/ (Settled on divestiture)	-	160,338
Benefits Paid	(279,675)	(917,146)
Closing Defined Benefit Obligation	7,738,077	6,033,808
<u>Change in Fair Value of Assets</u>		
Opening Fair Value of Plan Assets	3,184,080	3,557,787
Expected Return on Plan Assets	295,352	317,677
Actuarial Gain/ (Losses)	(91,759)	(67,658)
Contributions by Employer	350,000	133,082
Assets Acquired on Acquisition/ (Distributed on divestiture)	-	160,338
Benefits Paid	(279,675)	(917,146)
Closing Fair Value of Plan Assets	3,457,998	3,184,080
Expected Employer Contribution next year	1,200,000	1,200,000



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ISE SECURITIES & SERVICES LTD
Notes forming part of the accounts as at 31st March 2017

Category of Assets (% Allocation)	(Amount in ₹)	%
	Year ended 31 March 2017	Year ended 31 March 2017
Government of India Securities	-	0%
Corporate Bonds	-	0%
Special Deposit Scheme	-	0%
Equity Shares of Listed Companies	-	0%
Property	-	0%
Insurer Managed Funds	3,457,998	100%
Others	-	0%
Grand Total	3,457,998	100%

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

Experience Adjustment	Current Year	Previous Year
Defined Benefit Obligation	7,738,077	6,033,808
Plan Assets	3,457,998	3,184,080
Surplus/(Deficit)	(4,280,079)	(2,849,728)
Exp.Adj on plan Liabilities	(28,182)	(40,202)
Exp.Adj on plan Assets	(91,759)	(67,658)

Financial Assumptions As The Valuation Date	Current Year	Previous Year
Discount Rate (p.a.)	7.35%	7.95%
Expected Rate of Return on Assets (p.a.)	7.50%	8.00%
Salary Escalation Rate (p.a.)	8.36%	7.77%

- 18.2 Long term Employee Benefits : Amount of ₹ 14,33,335/- (Previous Year ₹ 11,05,764/-) is recognized as an Liability towards Employee Benefits-Compensated Absences (Leave Encashment) included under the Note-7: Long Term Provisions



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ISE SECURITIES & SERVICES LTD**Notes forming part of the accounts as at 31st March 2017****19 Finance Costs**

Particulars	For the Year ended on 31-Mar-2017 ₹	For the Year ended on 31-Mar-2016 ₹
Interest - Other than Fixed Loans	-	-
Total	-	-

20 Other Expenses

Particulars	For the Year ended on 31-Mar-2017 ₹	For the Year ended on 31-Mar-2016 ₹
VSAT, Lease line and other Communication expenses	3,068,790	2,840,526
Annual Maintenance Charges for Networking System	3,583,986	3,538,294
Annual Maintenance charges	255,471	523,870
Board Meeting Expenses	141,386	240,056
Director Sitting Fees	100,000	140,000
Electricity Charges	2,864,741	2,867,598
Telephone Expenses	616,685	703,122
Security Charges	616,886	515,048
Bad Debts Written off	-	-
Less :-Provision written back	-	-
Provision for Doubtful Debts	1,597,561	996,635
Courier Charges	304,530	378,775
Insurance	14,518	3,570
Legal, Professional Charges and Contract charges	4,926,385	5,274,450
Miscellaneous Expenses	1,981,833	2,222,659
Membership charges	75,811	133,039
Printing & Stationery	489,240	488,650
Remuneration to Auditor	228,000	299,000
Rent Rates & Taxes	7,758,817	7,768,604
Demat Charges	1,230,441	1,380,695
Remiser Account- DP Incentive	493,655	652,918
Repairs & Maintenance	293,607	328,842
Transfer Fee For Change In Control	817,600	-
Total	31,459,942	31,296,351

20.1 Remuneration to Auditors

Particulars	For the Year ended on 31-Mar-2017 ₹	For the Year ended on 31-Mar-2016 ₹
As Auditors		
Audit Fees	175,000	200,000
Tax Audit Fees	50,000	75,000
In Other capacity		
Other Matters	3,000	24,000
Reimbursement of expenses	-	-
Total	228,000	299,000



21 Contingent Liability not provided for and Other Commitment :

- 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 outstanding demands from the Income Tax Department for an amount of ₹ NIL/- (Previous year: ₹ 74,54,690/-).
- iv The company has received show cause notices from Service Tax Department for availment of cenvat credit on input services and service tax demand on output services for the years 2007-08 to 2014-15. Total amount of cenvat credit disallowed including penalty and interest is ₹ 79,22,660/- (Previous year: ₹ 69,00,559/-) and total amount of demand on output services is ₹ 1,04,75,937 (Previous year: ₹ 1,08,45,431). The company has filed appeals before higher authorities against the said orders. In the management view the demand raised by Service Tax Department is not tenable & accordingly no provision has been made.

22 Segment Information

Primary segment information:

The Company has two reportable segments viz. Broking & Depository Participant.

Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

Secondary segment information:

The Company provides broking and DP services all over India and therefore, there is no secondary segment in relation to geography or location of customers.

- a Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- b Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Primary Segment Information

Particulars	Broking Segment		Depository Participant		TOTAL	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Segment Revenue	67,856,331	61,124,520	9,839,951	12,541,653	77,696,282	73,666,173
Segment Expenses	(44,350,176)	(49,485,356)	(10,384,434)	(11,583,048)	(54,734,610)	(61,068,404)
Segment result	23,506,155	11,639,164	(544,483)	958,605	22,961,672	12,597,769
Unallocated expenses					(9,500,489)	(6,605,163)
Profit before Tax	-	-	-	-	13,461,183	5,992,606
(i) Current Tax	-	-	-	-	(4,373,069)	(1,560,000)
(ii) Deferred Tax	-	-	-	-	833,993	(657,574)
Profit after Tax	-	-	-	-	9,922,107	3,775,032

Other Information

Segment Assets	1,114,408,726	525,404,356	21,456,522	19,563,191	1,135,865,248	544,967,547
Unallocated Corporate Assets	-	-	-	-	10,912,789	19,655,996
Segment Liability	979,487,792	409,435,329	3,875,149	3,453,146	983,362,941	412,888,475
Unallocated Corporate Liability	-	-	-	-	5,713,414	3,955,492
Depreciation and amortization	570,537	3,059,817	17,153.00	68,365	587,630	3,128,162



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23 Earnings per share:

Particulars	Current Year	Previous Year
Net profit/ (Loss) attributable to equity shareholders (₹)	9,922,107	3,775,032
Weighted Average Number of Equity Shares	5,500,000	5,500,000
Face Value per Share (₹)	10	10
Basic Earnings/(Loss) per equity shares (₹)	1.80	0.69
Diluted Earnings/ (loss) per equity shares (₹)	1.80	0.69

24 Client Obligations and balance in the Dividend Client Account, Deposits are subject to confirmation and reconciliation. Necessary effects if any will be given upon completion of the reconciliation. In opinion of the management, effect if any on completion of reconciliation will not be material in nature.

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 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.

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.

27 Related party transactions:

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

Name of the Related Parties	Relationship	Country
Inter-Connected Enterprises Ltd.	Holding Company	India
Mr. Sivaraman K M- Chief Executive Officer & Whole Time Director	Key Managerial Personnel	India



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Transactions with related parties

Particulars	Current Year Rs	Previous Year Rs
<u>Holding Company</u>		
<u>Expenses</u>		
Reimbursement of Expenses	980,785	755,412
<u>Income</u>		
Interest Received	5,899	5,117
Purchase of Fixed Assets	31,000	-
<u>Loans Repaid</u>		
Loan repaid by Holding company	933,848	839,191
<u>Loans Repaid</u>		
Loan Given to Holding company	980,785	755,257
<u>Key Managerial Personnel</u>		
Managerial Remuneration	3,556,165	3,264,679
Reimbursement of expenses	126,938	127,454
<u>Equity</u>		
Shareholder	55,000,000	55,000,000
<u>Balance Receivable/(Payable)</u>		
Holding Company	128,225	548,937
Key Managerial Personnel	-	-

28 Operating Lease:

a Total of minimum lease payments

Particulars	Current Year Rs	Previous Year Rs
(i) Total of minimum lease payments	25,717,894	8,578,398
(ii) The total of future minimum lease		
Operating leases for period:		
Not later than one year	6,397,894	7,657,202
Later than one year and not later than five years	19,320,000	921,196
Later than five years	-	-



Particulars	Current Year Rs	Previous Year Rs
Lease payments recognized in the statement of profit & loss for the year	7,883,172	7,775,625

c Details of lease Deposit

Particulars	Current Year Rs	Previous Year Rs
Powerica Limited	2,550,000	2,550,000
CRD Sanpada Godown	100,000	100,000
Kolkata Godown	20,000	20,000
Patna Branch Deposit	34,000	34,000
Nagpur Branch	60,000	60,000
Delhi Branch	50,000	50,000
Coimbatore	90,000	90,000
Kolkata Branch	150,000	150,000

d The Company has entered into operating lease arrangements for office space and CRD godown under operating lease arrangement. The lease has an average life between 3 to 5 Years.

e The company has entered into cancellable operating lease for office premises. Lease payments amounting to ₹ 60,05,910/- (P.Y. ₹ 59,53,092/-) made under operating lease have been recognized as an expenses in the statement of profit and loss.

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

	SBNs	Other Denomination s Notes	Total
Closing cash in hand as on 08.11.2016	23,000	2,616	25,616
(+) Permitted receipts	Nil	55,086	55,086
(-) Permitted payments	Nil	(33,305)	(33,305)
(-) Amount deposited in Bank	(23,000)	Nil	(23,000)
Closing Cash in hand as on 31.12.2016	-	24,397	24,397



13

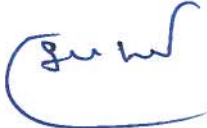
30 The Company has prepared these financial statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the schedule') issued by Ministry of Corporate Affairs. The Current Year refers to the period April 01, 2016 to March 31, 2017. (Previous year refers to April 01, 2015 to March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

The Previous year audit was conducted by a Firm other than Nangia & Co. The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

31 All Figures are in Indian Rupees.

Auditor's Report : As per our separate report of even date

For Chhajed Kedia & Associates
Chartered Accountants
Firm Registration No.: 119248W



Lalit Kumar Chhajed
F C A Partner
MRN 071980




Place: Mumbai
Date: 28/08/2017



For and on behalf of the
ISE Securities & Services Ltd



Sivaraman K M
Whole Time Director & CEO
DIN # 02961895



Manubhai Parekh
Director
DIN # 00068992



Mayank Mehta
Company Secretary
Date: 28/08/2017

BOARD OF DIRECTORS

Mr. Manubhai K. Parekh, Director
Mr. Ashok Anopchand Lunia, Director
Mr. Peter Markose, Director
Mr. Sanjay Sakaria, Director
Mr. Shrichand Pareek, Director
Mr. Rajeeb Ranjan Kumar, Director (Resigned on September 26, 2017)
Mr. Sivaraman K. M., Chief Executive Officer & Whole Time Director

SECRETARIAL AND LEGAL

Mr. Mayank Mehta, Company Secretary & Compliance Officer

STATUTORY AUDITORS

M/s. Chhajer Kedia & Associates, Chartered Accountants

INTERNAL AUDITORS

M/s. Bhandari, Dastur & Gupta Associates, Chartered Accountants

BANKERS

HDFC Bank Limited
ICICI Bank Limited
Axis Bank Limited
IDBI Bank Limited
State Bank of India
Corporation Bank
Bank of Baroda
Vijaya Bank
Citibank N.A.
South Indian Bank Limited

REGISTERED OFFICE

International Infotech Park
Sector 30
Vashi, Navi Mumbai – 400703

CORPORATE & CORRESPONDENCE OFFICE

6th Floor, 601, "Dakshna", Tower 7, 5th Floor,
Next to Raigad Bhavan
Sector – 11, CBD Belapur,
Navi Mumbai - 400614



ISE Securities & Services Limited

Corporate Office : 6th Floor, 601, "Dakshna" Next to Raigad Bhavan, Sector - 11, CBD - Belapur, Navi Mumbai - 400 614, Tel : (022) 61829500, Fax : (022) 61829547, e-mail : helpdesk@iseindia.com
Internet URL : <http://www.iseindia.com>, **Investor grievance e-mail :** invgrieviss@iseindia.com
CIN : U67190MH2000PLC123707



DIRECTORS' REPORT 2016-2017

Dear Members

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

1. FINANCIAL PERFORMANCE

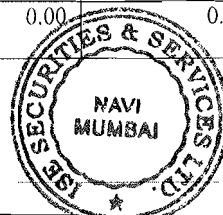
The Company's financial performance, for the year ended March 31, 2017 has posted net profit of Rs. 99.22 Lakhs. This includes Interest on Income Tax Refund amounting to Rs.24.67 Lakhs. The Company earned a total income of Rs. 776.96 lakhs during the year, compared to Rs.736.66 lakhs during the previous year. Expenditure before depreciation, interest and tax during the year under review stood at Rs. 636.47 lakhs, compared to Rs. 645.45 lakhs during the preceding year. After considering interest, finance charges and depreciation, the increase of income over expenditure for the year 2016-17 was Rs. 134.61 lakhs as compared to Rs. 59.93 lakhs for the previous year.

The Comparative Statement of the Financials of the Company for the last Five Years:

PERFORMANCE AT A GLANCE

(All figures Rs.in ' lakh)					
Financial Performance **					
	16-17	15-16	14-15	13-14	12-13
Income					
Net Operational Income	327.83	285.31	298.45	324.23	241.00
Interest	262.16	266.53	333.87	503.30	545.95
Networking Recoveries	25.43	29.50	29.52	46.41	56.57
Annual Fees	12.55	13.25	13.60	20.95	23.45
Exceptional Items	0.00	0.00	0.00	00.00	51.24
Depository Business Income	91.31	91.56	120.80	44.94	-
Other Income	57.68	50.51	92.54	108.48	84.93
Total Income	776.96	736.66	888.78	1048.31	1003.14
Expenditure					
Others Expenses	314.60	312.96	326.54	323.40	325.31
Employee Cost	321.87	332.49	363.37	333.63	275.92
Finance Cost	0.00	0.00	0.02	-	0.03
Reimbursement of actual Expenses- ISE	0.00	0.00	1.69	20.02	23.33
Management Fees to ISE	0.00	0.00	40.00	60.00	60.00
Depreciation / Amortization	5.88	31.28	42.08	38.03	37.16
Total Expenditure	642.35	676.73	773.70	775.08	721.75
Profit / (Loss) before Taxation	134.61	59.93	115.08	273.23	281.39
Excess(Short) Provisions of Taxes of earlier years	6.02	0.00	0.00	(10.32)	(4.26)

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ISE Securities & Services Limited

Provision for : Current Tax	(49.75)	(15.60)	(38.00)	(99.00)	(92.00)
Deferred Tax Expenses)/Savings	8.34	(6.58)	2.55	2.28	2.62
Net Profit / (Loss) after Taxation	99.22	37.75	79.36	166.19	187.75
Capital Structure					
Share Capital	550.00	550.00	550.00	550.00	550.00
Reserves & Surplus	1027.02	927.80	890.04	815.86	778.36
Net Fixed Assets	16.55	21.28	51.70	98.79	47.55
Investments	67.10	67.10	67.10	67.10	67.10
Net Current Assets	904.59	695.61	596.14	511.14	561.46
Net worth	1577.01	1477.80	1440.04	1365.86	1328.36
Earning per share (in `)	1.80	0.69	1.50	3.02	3.41

Note: ** Previous year amount have been re-grouped/re-classified and recast wherever necessary to confirm to current year's classifications.

2. Dividend

The Board of Directors at their meeting held on, August 28, 2017, not recommended the payment of dividend, for the year ended March 31, 2017, on 55,00,000 equity shares of Rs.10/- each.

3. Reserves

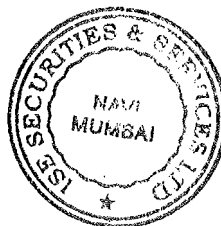
The Board of Directors have decided not to transfer any amount to General Reserves.

4. Brief description of the Company's working during the year/State of Company's affair

OPERATIONAL HIGHLIGHTS

During the year 2016-2017, the Company recorded a turnover of Rs. 11614.75 Crores in the NSE Capital Market (CM) segment, Rs. 13716.35 crores in the NSE equity derivatives (F&O) segment, & Rs.129.59 crores in NSE currency derivatives (CD) segment, aggregating to Rs. 25460.69 crores. During the year 2016-2017, turnover of Rs 3603.54 crores was recorded in BSE Equities segment. The turnover of NSE CM, F&O & CD segments and BSE Equities segment taken together was recorded at Rs. 29064.23 crores during the year 2016-2017.

The month-wise turnover of the Company for the financial year in the Capital Market, Equity Derivatives & Currency Derivatives segments of NSE & Equities Segment of BSE is given below and the same are also represented below diagrammatically:



NSE Capital Market, Equity Derivatives & Currency Derivatives segments and BSE Equities Segment								
Month	Total Turnover Rs. (Cr.) (Rounded off)				No. of Active Intermediaries (sub-brokers/ Authorized Persons)			
	NSE Capital Market	BSE Equities	NSE Equity Derivatives #	NSE Currency Derivatives #	NSE Capital Market	BSE Equities	NSE Equity Derivatives	NSE Currency Derivatives
April-2016	702.190487	215.886640	786.408791	11.395263	115	106	84	16
May-2016	881.511735	275.691923	804.026726	1.904197	115	106	84	17
June-2016	911.814898	313.575504	906.125464	5.611548	115	106	84	18
July-2016	960.870509	312.099683	1160.596537	14.494550	116	107	84	18
August-2016	1167.541729	330.412380	1543.915713	12.268957	117	108	85	18
September-2016	1039.268935	297.349597	1367.771728	19.298226	119	109	87	19
October-2016	920.177324	288.238088	1184.952864	18.785801	119	109	87	19
November-2016	937.320952	271.923646	1408.590997	11.068420	119	109	87	19
December-2016	735.678131	204.812933	1027.317141	11.334392	119	109	87	19
January-2017	923.354974	243.670370	954.081980	5.503387	119	109	87	19
February-2017	1015.261245	321.015926	1311.326251	7.554879	119	109	87	19
March-2017	1419.759620	528.867869	1261.242596	10.375780	120	111	87	19
Total 2016-17	11614.7505539	3603.544559	13716.356788	129.595400				

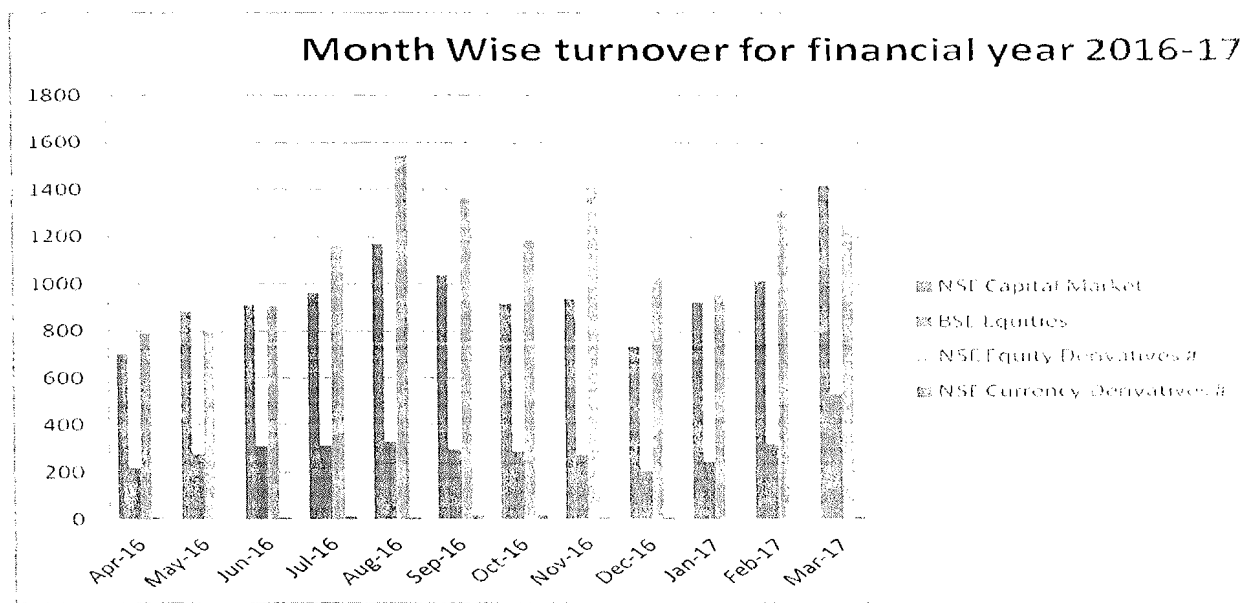
Note:

Futures Turnover = Trade Quantity * Trade Price

Futures Final Settlement = Futures Final Long Settlement Value + Futures Final Short Settlement Value

Option Turnover = Trade Quantity * Trade Price

Exercised Strike Value = Exercised Quantity * Strike Price

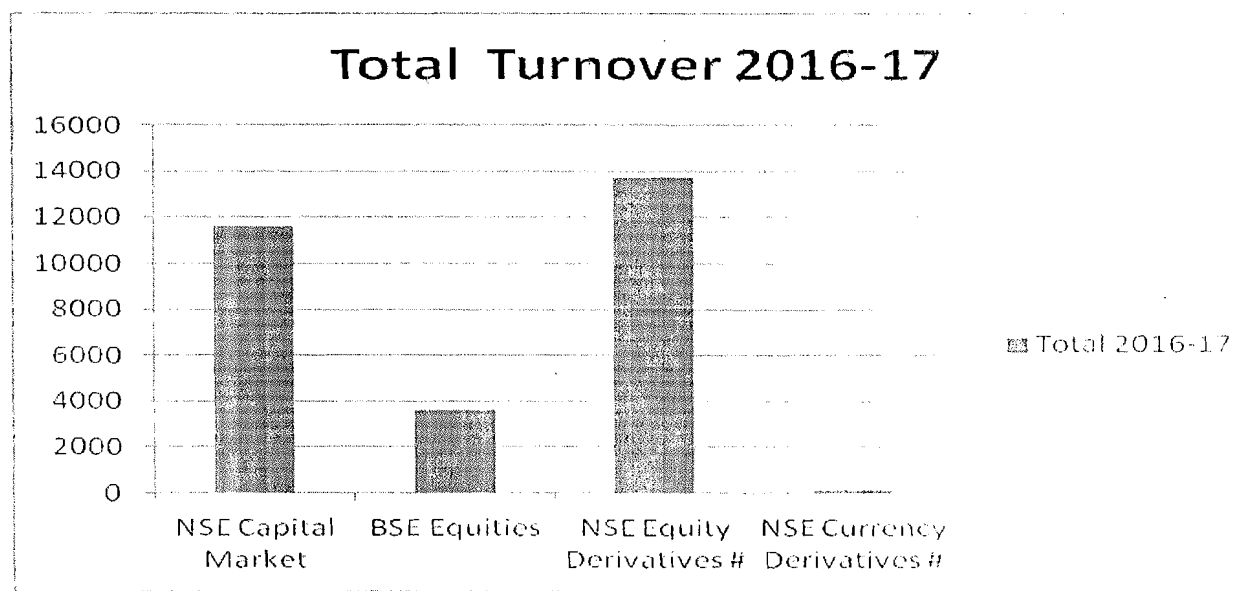


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SEGMENT WISE TURNOVER FIN YEAR 2016-17



5. Change in the nature of business.

There was no change in the Business during the F.Y.2016-17.

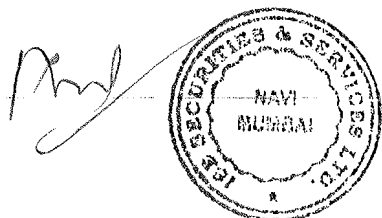
6. Change in the status of the company:

Your Company was incorporated on 18.01.2000 as a wholly owned subsidiary of a Recognized Stock Exchange i.e. Inter-connected Stock Exchange of India Limited. (ISE). Now on account of Exit route of the Exchange approved by SEBI, the name of the said company changed to Inter-Connected Enterprises Limited.

The ISE Securities & Services Ltd shall continue to provide trading and DP facility as a corporate Broker to the investors without any interruption. Your company has not trading on its own account i.e Proprietary Trading. At the same time, it has not yet started soliciting direct clients for trading. Any person or entity can directly become sub-broker or Authorized Person, without requiring them to acquire membership of any Stock Exchange.

7. Proposal for sale of stake in the company by holding company Inter-Connected Enterprises Limited.

The Board of Directors of Inter-Connected Enterprises Limited (Holding Company) vide its letter date 02/02/2017, informed the Board of Directors of our company that the share holders of holding company on January 13, 2017, accorded the approval to the Board of holding company to dispose-off 55,00,000 Equity shares of Rs.10/- each held by the said company including the shares held by Nominee for total consideration of Rs.15,00,00,000/-. It was stated in the letter that the shareholders have also approved the terms & Conditions mentioned in the share purchase agreement. It was also informed that approval was obtained from Shareholders of Inter – Connected Enterprises Ltd. through Resolution of Postal Ballot by 89.13% Majority.



8.Proposal for Change in Name of the Company:

As our company is no longer subsidiary of any Stock Exchange, as per the Regulatory requirement, the Company is required to change its name so that it should not contain the word "ISE". In view of this, the company has applied to the Registrar of Companies, for Name availability, and in turn, Registrar of Companies made the name available ISS Enterprise Limited. The company will go for change in name after receipt of prior approval for change in control from concerned regulatory Authority.

9.Status of Prior approval for change in control.

As per the regulatory requirement, the company has received prior approval for change in its share holding pattern tantamount to change in control from BSE, NSE and Metropolitan Stock Exchange of India Ltd. (MCX-SX). The approval from CDSL and SEBI is under process.

10. TECHNOLOGY AND SYSTEMS

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

11 .OPERATIONS OF THE COMPANY

The status of registration of sub-brokers & authorized persons on the Company is as given in the following table.

PARTICULARS	NSE	BSE	NSE Equity Derivatives	NSE Currency Derivatives
No. of sub-brokers / Authorized persons registered in ISS as on 31.03.2016	321	220	19	26
No. of Sub brokers / Authorized Persons registered during 01.04.2016 to 31.03.2017	5	5	3	1
Resignation 1.04.2016 to 31.03.2017	NO	NO	NO	NO
Position as on 31.03.2017	326	225	22	27
Change (+/-)	+5	+5	+3	+1

The status of applications pending for registration as sub-brokers and authorized persons at various stages is given below for all the segments.

Pending application status for sub-brokers & authorized persons registration as on March 31, 2017

SR. NO.	Particulars	No. of applications pending				
		NSE (Capital Segment)	Market	BSE (Equities Segment)	NSE (Equity Derivatives Segment)	NSE (Currency Derivatives Segment)
1.	Documents pending from sub-broker applicants	NIL		NIL	NIL	NIL
2.	Applications under process by ISS (received recently)	NIL		NIL	NIL	NIL



3.	Applications pending at NSE	NIL	NIL	NIL	NIL
4.	Applications pending at BSE	NIL	NIL	NIL	NIL
5.	Applications pending at SEBI	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

The distribution of intermediaries across the different geographical regions of the country as on March 31, 2017 is as given below.

Geographical distribution of Registered Intermediaries

Sr. No.	Region	States	Trading Members		Authorised Persons (NSE – F&O)	Authorised Persons (NSE – CD)
			NSE	BSE		
1.	West	GOA, GUJARAT, MAHARASHTRA	114	78	7	15
2.	North	Haryana, Jammu & Kashmir, Delhi, Punjab, Rajasthan, Uttaranchal and Uttarpradesh	47	25	2	3
3.	East	Assam, Bihar, Jharkhand, Orissa and West Bengal	109	87	9	7
4.	South	Andhra Pradesh, Karnataka, Kerala and Tamilnadu	48	29	4	2
5.	Central	Chattisgarh and Madhya Pradesh	8	6	0	0
TOTAL			326	225	22	27

12. OFFICE INFRASTRUCTURE

Registered office of the company is located at International Infotech Park, Tower No. 7, 5th Floor, Sector – 30, Vashi, Navi Mumbai – 400 703 whereas Corporate Office of the company is situated at 6th Floor, 601, “Dakshna”, Next to Raigad Bhavan, Sector – 11, CBD Belapur, Navi Mumbai – 400614

Apart from the registered office located at Vashi and Corporate Office at CBD Belapur, for the purpose of Depository Participant and trading business operations, branches are located at Delhi, Kolkata, Nagpur, Coimbatore, Gauhati and Patna. At Coimbatore and Kolkata Branch we have operating trading servers.

13. Statutory Auditors

During the F.Y. 2016-17, the Statutory Auditor M/s Chhajed Kedia & Associates, was appointed to hold office till the conclusion of next Annual General Meeting and accordingly, they are entitled to hold the office till the conclusion of Eighteenth Annual General meeting of the company.

14. Auditors' Report

The explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report shall be given. - Not Applicable as no adverse comments.



ISE Securities & Services Limited

15. 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. Manubhai K. Parekh	Director	October 21, 2008
2.	Mr. Ashok Anopchand Lunia	Director	August 10, 2016
3.	Mr. Peter Markose	Director	August 10, 2016
4.	Mr. Sanjay Sakaria	Director	August 10, 2016
5.	Mr. Shrichand Pareek	Director	August 10, 2016
6.	Shri Sivaraman K. M.	Chief Executive Officer & Whole Time Director	January 22, 2010

During the year Director Mr. Rajeeb Ranjan Kumar resigned on September 26, 2016.

This year the status of Directors liable to retire by rotation is as follows:

- Shri Sivaraman K.M., Whole-time Directors, is not liable to retire by rotation.
- 1/3 of the directors, except the foregoing, are eligible to retire by rotation. Accordingly two directors will have to retire. Therefore, in terms of provisions of Section 152(6) of the Companies Act, 2013, Mr. Manubhai Parekh and Mr. Ashok Anopchand Lunia shall be liable to retire by rotation in the ensuing Annual General Meeting and eligible for reappointment

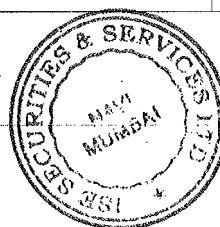
During the period April 01, 2016 to March 31, 2017, the following Board Meetings were held:

Board Meeting No.	Date
127	May 18, 2016
128	August 12, 2016
129	November 18, 2016
130	March 15, 2017

16. DETAILS OF ATTENDANCE OF THE DIRECTORS IN THE BOARD MEETINGS

During the period April 01, 2016 to March 31, 2017, the Board of Directors met 4 times. The attendance record of the Directors at each Board Meeting, and at the last Annual General Meeting held on August 10, 2016 is given below:

Sr. No.	Name of Director and Status	No. of Board Meetings held during their tenure	No. of Board Meetings attended	Status at 17 th AGM
1	Mr. Manubhai K. Parekh	4	4	Present
2.	Mr. George Joseph	1	1	N.A.
3	Ms. Minu Mathew	1	1	N.A.
4	Mr. Ashok Lunia	3	3	Present
5	Mr. Peter Markose	3	3	Present
6	Mr. Sanjay Sakaria	3	3	Present
7	Mr. Shrichand Pareek	3	3	Present
8	Mr. Rajeeb Ranjan Kumar	1	1	Present



ISE Securities & Services Limited

Sr. No.	Name of Director and Status	No. of Board Meetings held during their tenure	No. of Board Meetings attended	Status at 17 th AGM
9	Mr. Sivaraman K. M., Chief Executive Officer / Whole Time Director	4	4	Present

17. GENERAL BODY MEETINGS

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

The last three Annual General Meetings i.e, 15th 16th and 17th Meetings of the Company were held on the following dates

15th AGM: August 18, 2014 (at the Registered Office of the Company)

16th AGM: September 15, 2015 (at the Corporate Office of the Company)

17th AGM: August 10, 2016 (at the Corporate Office of the Company)

Extra-ordinary General Meetings (EGMs):

No Extra Ordinary General Meeting was held during the period under review.

18. 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.

The matter which relates to Audit committee are, now being looked after by the Board.

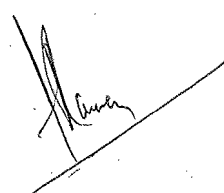
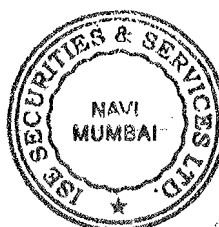
19. Managerial Remuneration:

Pursuant to Resolution passed at the 16th Annual General Meeting of the company held on September 15, 2015, Mr. Sivaraman K.M., was re appointed as a Whole time Director of the company for the period from January 22, 2016 to January 21, 2019, as per the terms and conditions mentioned in the said Resolution.

The Board approved payment of Performance Linked Bonus (PLB) to employees including to Mr. Sivaraman K.M. Whole Time Director for the F.Y. 2015-16, by Circulation of Note on September 27, 2016, 2015, which was noted by the Board in the subsequent Board meeting held on November 18, 2016. The amount paid as PLB to Mr. Sivaraman K.M. was Rs.83,536/- /-

20. Risk management policy

The Company has implemented Risk Management policy and there is no threat with regard to Existence of the Company, as company has set up internal control systems commensurate with the size and nature of business. These systems ensure optimum use of resources and compliance with multiple regulatory authorities. The Company is also being guided by the internal auditors in constantly upgrading



ISE Securities & Services Limited

the control procedures and systems. The Internal Auditors reviews the adequacy of the internal control procedures. The company is guided by the Board and Board reviews the adequacy of the internal control procedures.

21. 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, 2017 and of the profit and loss of the company for the year ended March 31, 2017;
- (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 internal financial controls were followed by the company and such internal financial controls are adequate and were operating effectively;
- (f) Proper Systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. ADEQUACY OF INTERNAL FINANCIAL CONTROL

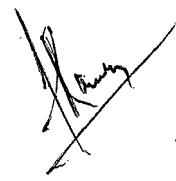
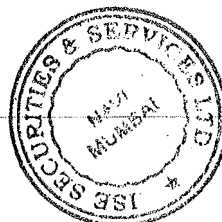
Within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013, for the year ended March 31, 2017, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weakness exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the company's operations.

23 DISCLOSURES OF PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES.

All the transactions entered into with the related parties i.e. holding company Inter-Connected Enterprises Ltd. is on arm's length.

24. HUMAN RESOURCES AND PARTICULARS OF EMPLOYEES

There are in all 67 persons working for the Company, out of whom 50 are on rolls, 10 are working as consultants, 5 are working on contract, and remaining 2 are on temporary basis. Further, the Company follows a policy of outsourcing certain labor-intensive activities to outside processing agencies. The particulars of employees as required under the provisions of Rule (2) and Rule (3), of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, are not applicable to the Company, since no employee draws amount of salary prescribed under the said Rule..



ISE Securities & Services Limited

25 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.

EXTRACT OF ANNUAL RETURN:

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

26. 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. Finally, we appreciate and value the contributions made by all our employees making ISE Securities & Services Ltd what it is.

For and on behalf of the Board of Directors

Place: Navi Mumbai


Sivaraman K.M.

Whole Time Director


Manubhai Parekh

Director

& Chief Executive Officer

DIN: 02961895

DIN: 00068992



Date: August 28, 2017

signing as per Board resolution passed on August 28, 2017

Registered Office:
International Infotech Park,
Tower No.7, 5th Floor,
Sector—30A, Vashi,
Navi Mumbai—400703

Corporate Office:
Dakshna Building, 6th Floor,
Next to Raigad Bhavan,
Sector—11, Belapur CBD,
Navi Mumbai—400614

ANNEXURE A

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2017

[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

ISE Securities & Services Limited

i.	CIN	U67190MH2000PLC123707
ii.	Registration Date	January 18, 2000
iii.	Name of the Company	ISE Securities & Services Limited
iv.	Category / Sub-Category of the Company	Public Limited Company
v.	Address of the Registered office and contact details	International Infotech Park, Tower No.7, 5 th Floor, Sector-30, Vashi Navi Mumbai--400703
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company:-

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Stock Broking, Equity, Equity Derivatives, Currency Derivatives.	N.A.	
2.	Depository Participant (DP)	N.A.	

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.	Inter-Connected Enterprises Limited.	U67120MH2005PLC157556	Holding Company	99.99%	Section 2(87) of The Companies Act 2013

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

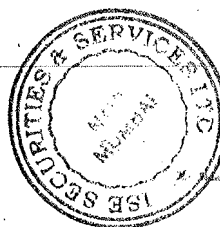
i) Category-wise Shareholding

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
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ISE Securities & Services Limited

	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.										
c) Bodies Corporate		55,00,000	55,00,000	100%		55,00,000	55,00,000	100%	NIL	NIL
d) Bank/FI										
e) Any other										
SUB TOTAL:(A) (1)										
(2) Foreign										
a) NRI- Individuals										
b) Other Individuals										
c) Bodies Corp.										
d) Banks/FI										
e) Any other...										
SUB TOTAL (A) (2)										
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)		55,00,000	55,00,000	100%		55,00,000	55,00,000	100%	NIL	NIL
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds										
b) Banks/FI										
c) Central govt										
d) State Govt.										
e) Venture Capital Fund										
f) Insurance Companies										
g) FIIS										
h) Foreign Venture Capital Funds										
i) Others (specify)										
SUB TOTAL (B)(1):										
(2) Non Institutions										
a) Bodies corporate										
i) Indian										
ii) Overseas										
b) Individuals										



ISE Securities & Services Limited

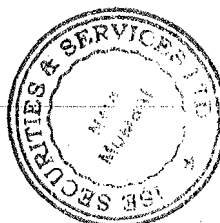
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs										
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs										
c) Others (specify)										
SUB TOTAL (B)(2):										
Total Public Shareholding (B)=(B)(1)+(B)(2)										
C. Shares held by Custodian for GDRs & ADRs										
Grand Total (A+B+C)		55,00,000	55,00,000	100%		55,00,000	55,00,000	100%	NIL	N

ii) Shareholding of Promoters –

SR No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	Inter Connected Enterprises Ltd. (Erstwhile Inter Connected Stock Exchange of India Limited.)	55,00,000	100%	NIL	55,00,000	100%	NIL	NIL

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

SR. No.	Shareholding at the beginning of the Year	Cumulative Share holding during the year
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ISE Securities & Services Limited

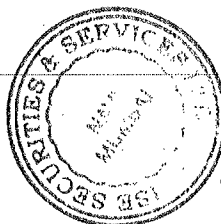
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	NO CHANGE DURING THE YEAR			

- iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) - **Not applicable**

SR. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	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 (or on the date of separation, if separated during the year)				

- v) Shareholding of Directors and Key Managerial Personnel - **NIL**

SR. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
	For Each of the Directors & KMP	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				



ISE Securities & Services Limited

	equity etc)	
	At the end of the year	

V. INDEBTEDNESS : NIL

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SR NO	Particulars of Remuneration	Mr. Sivaraman K.M.
1	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	30,59,354/-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-----
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-----
2	Stock Options	-----
3	Sweat Equity	-----
4	Commission	-----
	- as % of profit	-----
	- others, specify....	-----
5	Others, please specify	-----



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Total (A)	30,59,354/-
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B. Remuneration to other Directors: Not Applicable

1. Independent Directors

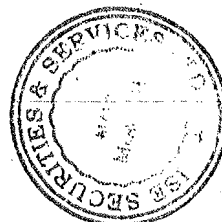
Particulars of Remuneration	Name of Director					Total Amount
Fee for attending Board/Committee Meetings						
-Commission						
- Others, please specify						
Total (B)(1)						

2. Other Non Executive Directors

Particulars of Remuneration	Name of Director		Total Amount Rs.
Fee for attending Board/Committee Meetings	Mr. George Joseph-----	Board Meeting 10,000/-	10,000/-
	Mr. Manubhai Parekh-----	22,000/-	22,000/-
	Ms. Minu Mathew----->	10,000/-	10,000/-
	Mr. Ashok Lunia----->	12,000/-	12,000/-
	Mr. Peter Markose----->	12,000/-	12,000/-
	Mr. Sanjay Sakaria----->	12,000/-	12,000/-
	Mr. Shrichand Pareek--->	12,000/-	12,000/-
	Mr. Rajeeb Ranjan Kumar>	10,000/-	10,000/-
-Commission			NIL
- Others, please specify			NIL
Total (B)(2)			1,00,000/-
Total (B)= (B)(1)+ (B)(2)			1,00,000/-

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

C.	REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER /WTD					
SR. No.	Particulars of Remuneration	Key Managerial Personnel				Total
1	Gross Salary	CEO	Company Secretary	CFO	Total	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.					
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961					



ISE Securities & Services Limited

	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission					
	as % of profit					
	others, specify					
5	Others, please specify					
	Total					

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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

