



## ISS Enterprise Limited

(Erstwhile : ISE Securities & Services Ltd.)

**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.isesec.com>, **Investor grievance e-mail :** invgrieviss@iseindia.com  
CIN : U67100MH2000PLC123707



### NOTICE OF THE 21<sup>st</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty-first Annual General Meeting of the members of ISS Enterprise Limited (Erstwhile: ISE Securities & Services Limited) will be held on Thursday, November 19, 2020 at 11.00 A.M. at Corporate Office of the company situated at 6<sup>th</sup> Floor, 601, "Dakshna", Next to Raigad Bhavan, Sector-11, CBD Belapur, Navi Mumbai- 400 614 and by way of video conference in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 14/2020, 17/2020 and 20/2020 dated 8<sup>th</sup> April, 2020 and 13<sup>th</sup> April, 2020 and 5<sup>th</sup> May, 2020 respectively, to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider, approve and adopt the audited Financial Statements of the company for the financial year ended March 31, 2020 and the Directors' report and Auditors' report thereon.

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

**"RESOLVED THAT** the audited Financial Statements for the financial year ended March 31, 2020 and the Directors' and Auditors' Report thereon be and are hereby considered, approved and adopted."

2. 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.

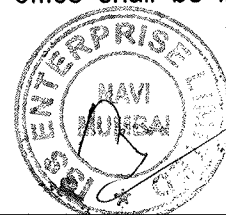
To consider and, if thought fit, to pass with or without modification(s) the following resolution, as an **ORDINARY RESOLUTION**:-

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

3. To appoint a Director in place of Mr. Peter Markose, Director (DIN: 01849369) who retires by rotation, and being eligible offers himself for re-appointment.

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

**"RESOLVED THAT,** Mr. Peter Markose (DIN: 01849369) Director, who is liable to retire by rotation and being eligible, offers himself for reappointment, be and is hereby reappointed as a Director of the company whose period of office shall be liable to determination by retirement of Directors by rotation."



**ISS Enterprise Limited**

(Erstwhile : ISE Securities & Services Ltd.)

SEBI Registration No. INZ000157633

**Registered Office :** International Infotech Park, Tower No. 7, 5th Floor, Sector - 30, Vashi, Navi Mumbai - 400 703. Tel. : (022) 2781 2056

# ISS Enterprise Limited

## NOTES:

1. In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020 and the General Circular No. 17/2020 dated April 13, 2020 (collectively referred to as "MCA Circulars"), has introduced certain measures enabling companies to convene their Annual General Meetings (AGM/ Meeting) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and also send notice of the Meeting and other correspondences related thereto, through electronic mode. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2020 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent only to those members whose e- mail ids are registered with the Company or the Registrar and Share Transfer Agent (RTA) or the Depository Participants(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member.
2. The members who have not yet registered their e-mail ids with the Company may contact Mr. P. Harikrishnan, Chief Executive Officer on hari@iseindia.com or 8928444577 for registering their e-mail ids on or before the Annual General Meeting. The Company shall send the Notice to such members whose e-mail ids get registered within the aforesaid time enabling them to participate in the meeting and cast their votes.

If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. 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.

However, in view of the conduct of the meeting through video conferencing, proxy shall not be applicable for the members attending through video conference and hence the requirement of attendance slip and proxy slip will not apply to such members as per the guidance note provided by the ICSI on 15.04.2020 (Point number 4, Paragraph number 1.2.10)

5. 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.
6. Members / proxies should bring the Attendance Slip sent herewith, duly filled in, along with the Annual Report for attending the Meeting.



# ISS Enterprise Limited

7. 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 together with all the shareholders, vide their letters dated November 03, 2020, received by the company on November 09, 2020.
8. Corporate member(s) intending to send their Authorised Representatives to attend the Meeting in person or through VC are requested to send to the Company a duly certified true copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote on their behalf at the Meeting or through VC.
9. In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members only through show of hands, during the meeting while participating at the venue of the meeting or through VC facility, unless a demand for poll is made by any member.
10. The Company has appointed M/s Bigshare Services Private Limited as its Registrar Share Transfer Agent and also entered into an agreement with Central Depository Services (India) Limited (CDSL) to enable dematerialisation of the shares of the Company. Shareholders are requested to open a demat account (if already not done) and submit your physical securities with the depository participant for dematerializing your securities enabling you to trade in electronic form.
11. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available at the venue of the meeting.
13. Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting is provided as per Secretarial Standard on General Meetings and forms part of this notice.
14. Route Map to the venue of Annual General Meeting along with the landmark is annexed and forms part of the Notice of the Annual General Meeting.



# ISS Enterprise Limited

## INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM AND VOTING PROCESS:

The members are requested to follow the following instructions in order to participate in the Meeting through VC mechanism:

- a. The login-id and password for joining the meeting has been separately provided along with this Notice;
- b. The facility for joining the Meeting shall be kept open 15 minutes before the time scheduled to start the meeting i.e. 10.45 a.m.
- c. Participation of single member shall only be allowed at a time;
- d. Queries on the accounts and operations of the Company or the businesses covered under the Notice may be sent to Mr. P. Harikrishnan, Chief Executive Officer on hari@iseindia.com in advance of the meeting so that the answers may be made readily available at the meeting;
- e. Members are requested to e-mail at hari@iseindia.com or call at 8928444577 in case of any technical assistance required at the time of log in/ assessing/ voting at the Meeting through VC;

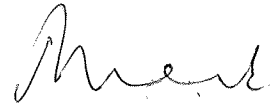
### Inspection of Documents:

All other relevant documents referred to in the accompanying notice is available for inspection by the members at the Registered Office of the Company during working hours, up to the date of the ensuing Meeting.

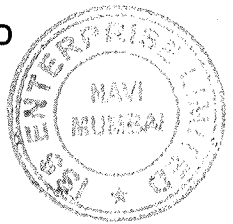
Date: November 03, 2020

Place: Mumbai

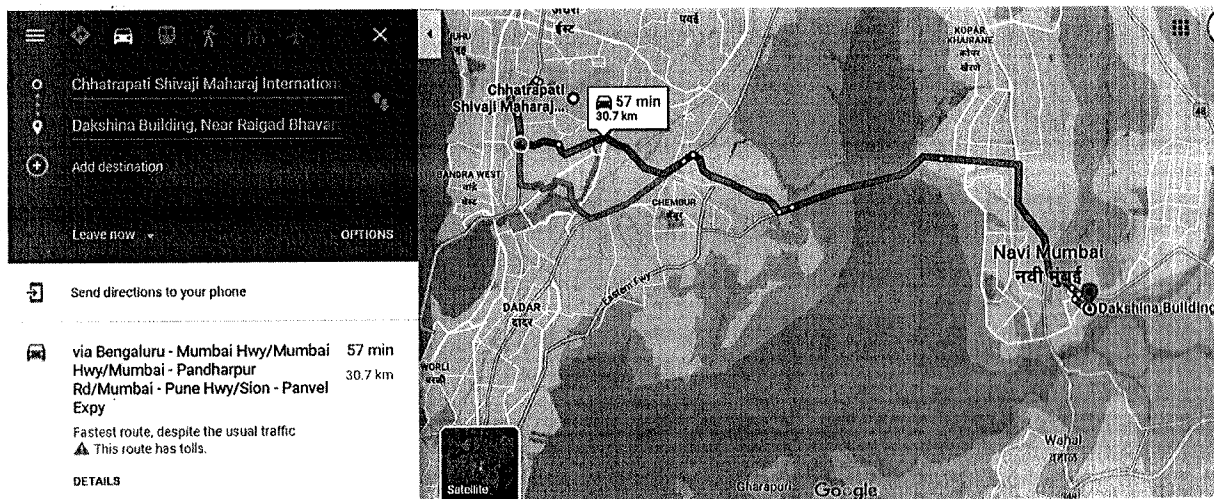
BY ORDER OF THE BOARD



Manubhai Kalidas Parekh  
Director  
(DIN: 00068992)



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



Landmark: Near Raigad Bhavan



# ISS Enterprise Limited

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

NAME	Mr. Ashok Anopchand Lunia	Mr. Peter Markose
DIN	02225255	01849369
DATE OF BIRTH	10/07/1958	24/03/1949
AGE	62	71
QUALIFICATION	B.Com	M.A.
EXPERTISE IN SPECIFIC FUNCTIONAL AREAS AND PAST EXPERIENCE	Tax Practitioner, Stock Broker upto 2006, from 2006 till date Tax Practitioner	Proprietor, Markose & Co. engaged in business of Share Broking.
TERMS AND CONDITIONS OF APPOINTMENT	Non-executive Director, Liable to retire by rotation	Non-executive Director, Liable to retire by rotation
REMUNERATION SOUGHT TO BE PAID	Nil	Nil
LAST DRAWN REMUNERATION	Nil	Nil
DATE OF FIRST APPOINTMENT ON THE BOARD	10.08.2016	10.08.2016
SHAREHOLDING IN THE COMPANY	Nil	Nil
RELATIONSHIP WITH OTHER DIRECTOR/MANAGER/KMP, IF ANY	Nil	Nil
NO OF MEETINGS OF THE BOARD ATTENDED DURING THE FINANCIAL YEAR UNDER REVIEW	4	4
MEMBERSHIP/ CHAIRMANSHIPS OF OTHER BOARDS	Nil	Nil
DIRECTORSHIP IN OTHER COMPANIES	1. A C Securities and Services Private Limited 2. Inter-Connected Enterprises Limited 3. Coimbatore Enterprises and Holdings Limited	1. Cochin Stock Brokers Limited 2. Inter-Connected Enterprises Limited





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CIN : U67100MH2000PLC123707



### **BOARD OF DIRECTORS**

Mr. Manubhai K. Parekh, Director  
Mr. Ashok Anopchand Lunia, Director  
Mr. Peter Markose, Director  
Mr. Sanjay Sakariya, Director  
Mr. Shrichand Pareek, Director

### **SECRETARIAL AND LEGAL**

Mr. Mayank Mehta, Company Secretary & Compliance Officer (Up to July 31, 2020)

### **STATUTORY AUDITORS**

M/s. Chhajed Kedia & Associates, Chartered Accountants

### **BANKERS**

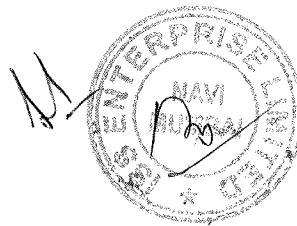
HDFC Bank Limited  
ICICI Bank Limited  
Axis Bank Limited  
IDBI Bank Limited  
State Bank of India  
Corporation Bank  
Bank of Baroda  
Vijaya Bank  
Citibank N.A.  
South Indian Bank Limited

### **REGISTERED OFFICE**

International Infotech Park,  
5<sup>th</sup> Floor, Tower No.7  
Vashi, Navi Mumbai – 400703

### **CORPORATE & CORRESPONDENCE OFFICE**

6<sup>th</sup> Floor, 601, "Dakshna",  
Next to Raigad Bhavan  
Sector – 11, CBD Belapur,  
Navi Mumbai - 400614





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CIN : U67100MH2000PLC123707



### DIRECTORS' REPORT 2019-2020

Dear Members

The Directors are pleased to present the Twenty-First Annual Report and the Company's audited financial statements for the Financial Year ended March 31, 2020.

#### 1. Financial Performance:

The company, for the year ended March 31, 2020, has posted net profit of ₹ 5.17 Lakhs. The Company earned a total income of ₹ 778.28 lakhs during the year, compared to ₹ 923.23 lakhs during the previous year. Expenditure before depreciation, interest and tax during the year under review stood at ₹ 609.46 lakhs, compared to ₹ 613.80 lakhs during the preceding year. After considering interest, finance charges and depreciation, the increase of income over expenditure for the year 2019-2020 was ₹ 32.83 lakhs as compared to ₹ 162.89 lakhs for the previous year.

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

<b>PERFORMANCE AT A GLANCE</b>		<b>Financial Performance **</b>				
(All figures Rs.in ₹ lakh)		19-20	18-19	17-18	16-17	15-16
<b>Income</b>						
Net Operational Income	287.74	346.32	449.82	327.83	285.31	
Interest	323.64	358.08	348.85	262.16	266.53	
Networking Recoveries	26.00	27.54	27.43	25.43	29.52	
Annual Fees	9.75	11.70	12.40	12.55	13.25	
Exceptional Items	0.00	0.00	0.00	0.00	0.00	
Depository Business Income	87.07	83.23	98.58	91.31	91.56	
Other Income	44.08	96.36	44.02	57.68	50.51	
<b>Total Income</b>	<b>778.28</b>	<b>923.23</b>	<b>981.10</b>	<b>776.96</b>	<b>736.66</b>	
<b>Expenditure</b>						
Others Expenses	369.33	342.02	328.80	314.60	312.96	
Employee Cost	240.13	271.78	265.61	321.87	332.49	
Finance Cost	118.36	140.92	111.80	0.00	0.00	
Depreciation / Amortization	17.63	5.62	3.90	5.88	31.28	
<b>Total Expenditure</b>	<b>745.45</b>	<b>760.34</b>	<b>710.11</b>	<b>642.35</b>	<b>676.73</b>	
<b>Profit / (Loss) before Taxation</b>	<b>32.83</b>	<b>162.89</b>	<b>271.00</b>	<b>134.61</b>	<b>59.93</b>	
<b>Excess(Short) Provisions of Taxes of earlier years</b>	<b>0.00</b>	<b>14.10</b>	<b>0.00</b>	<b>6.02</b>	<b>0.00</b>	
<b>Provision for : Current Tax</b>	<b>0.00</b>	<b>(36.07)</b>	<b>(56.00)</b>	<b>(49.75)</b>	<b>(15.60)</b>	

Deferred Tax Expenses)/Savings	(10.13)	(6.84)	(16.00)	8.34	(6.58)
<b>Net Profit / (Loss) after Taxation</b>	<b>5.17</b>	<b>134.08</b>	<b>199.01</b>	<b>99.22</b>	<b>37.75</b>
Share Capital	550.00	550.00	550.00	550.00	550.00
Reserves & Surplus	1365.28	1360.10	1226.02	1027.02	927.80
Short Term Borrowings	430.00	430.00	700.00	0	0
Net Fixed Assets	51.00	25.37	20.16	16.55	21.28
Investments	67.10	67.10	67.10	67.10	67.10
Net Current Assets		1236.24	1674.75	904.59	695.61
<b>Net worth</b>	<b>1915.28</b>	<b>1910.10</b>	<b>1776.02</b>	<b>1577.01</b>	<b>1477.80</b>
<b>Earnings per share ( in `)</b>	<b>0.09</b>	<b>2.44</b>	<b>3.62</b>	<b>1.80</b>	<b>0.69</b>

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

## 2. Share Capital:

The paid up capital of the Company as at 31<sup>st</sup> March 2020 stood at Rs. 5,50,00,000/-. There was no allotment of equity shares during the year under review.

## 3. Dividend:

No dividend was declared by the Company during the financial year 2019-20.

## 4. Reserves:

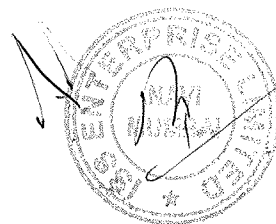
The Board of Directors has decided not to transfer any amount to General Reserves.

## 5. Brief Description of the Company's Working During The Year/State Of Company's Affairs:

### OPERATIONAL HIGHLIGHTS

During the year 2019-2020, the Company recorded a turnover of ₹ 10,65,489.77 Lakhs in the NSE Capital Market (CM) segment, ₹ 19,61,583.83 Lakhs in the NSE equity derivatives (F&O) segment, & ₹ 23,707.21 Lakhs in NSE currency derivatives (CD) segment, aggregating to ₹ 30,50,780.81 Lakhs. During the year 2019-2020, turnover of ₹ 1,28,376.86 Lakhs was recorded in BSE Equities segment. The turnover of NSE CM, F&O & CD segments and BSE Equities segment taken together was recorded at ₹ 31,79,157.67 Lakhs during the year 2019-2020.

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:



# ISS Enterprise Limited

Month	NSE Capital Market, Equity Derivatives & Currency Derivatives segments and BSE Equities Segment							
	Total Turnover (₹ Lakhs.) (Rounded off)				No. of Active Intermediaries (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-2019	79255.30	12560.31	166587.02	1612.58	145	115	52	3
May-2019	96127.59	12096.92	172889.94	1807.02	143	109	50	3
June-2019	72970.71	12207.22	276705.00	2271.35	140	113	51	3
July-2019	86993.05	10659.62	265591.73	2474.45	148	98	52	1
August-2019	73021.88	8603.30	171443.36	1193.46	148	27	53	2
September-2019	79521.77	10807.90	151870.13	1373.70	150	40	53	2
October-2019	84299.93	10122.04	145413.11	1726.28	154	4	55	2
November-2019	1,09,765.58	11,307.41	1,25,995.89	1,594.84	153	34	57	2
December-2019	80,287.30	8,760.19	1,12,350.83	1,772.57	153	14	58	2
January-2020	1,04,425.83	10,703.27	1,31,748.76	3,326.34	150	16	56	3
February-2020	1,01,614.05	9,869.62	1,20,887.87	1,792.14	152	4	55	2
March-2020	97,206.78	10,679.06	1,20,100.19	2,762.48	153	9	56	2
<b>Total 2019-20</b>	<b>1065489.77</b>	<b>128376.86</b>	<b>19,61,583.83</b>	<b>23,707.21</b>				

## # Note:

Futures Turnover = Trade Quantity \* Trade Price

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

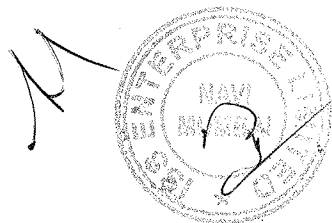
Option Turnover = Trade Quantity \* Trade Price

Exercised Strike Value = Exercised Quantity \* Strike Price

## 6. Change in the nature of business:

There was no change in the Business during the F.Y.2019-2020.

The ISS Enterprise Limited (Erstwhile: 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 Authorized Person, without requiring them to acquire membership of any Stock Exchange.



# ISS Enterprise Limited

## 7. 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.

## 8. Operations Of The Company:

The status of registration of 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 31.03.2019	119	61	137	25
No. of Authorized Persons registered during 01.04.2019 to 31.03.2020	65	107	6	2
Resignation 1.04.2019 to 31.03.2020	5	4	5	0
Position as on 31.03.2020	179	164	138	27

The status of applications pending for registration as Authorized persons at various stages is given below for all the segments.

Pending application status for Authorized persons' registration as on March 31, 2020

SR. NO.	PARTICULARS	NO. OF APPLICATIONS PENDING			
		NSE (Capital Market Segment)	BSE (Equities Segment)	NSE (Equity Derivatives Segment)	NSE (Currency Derivatives Segment)
1.	Documents pending from Authorized Person- applicants	1	0	1	0
2.	Applications under process by ISS (received recently)	0	0	0	0
3.	Applications pending at NSE	1	0	1	1
4.	Applications pending at BSE	0	0	0	0
	<b>Total</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>1</b>

The distribution of intermediaries across the different geographical regions of the country as on March 31, 2020 is as given below:



# ISS Enterprise Limited

## Geographical distribution of Registered Intermediaries

Sr. No.	Region	States	Authorised Persons (Cash Segment)		Authorised Persons (NSE F&O)	Authorised Persons (NSE – CD)
			NSE	BSE		
1.	West	Goa, Gujarat, Maharashtra	59	58	54	13
2.	North	Haryana, Jammu & Kashmir, Delhi, Punjab, Rajasthan, Uttaranchal and Uttarpradesh	19	13	12	3
3.	East	Assam, Bihar, Jharkhand, Orissa and West Bengal	73	70	56	10
4.	South	Andhra Pradesh, Karnataka, Kerala and Tamilnadu	27	22	15	1
5.	Central	Chattisgarh and Madhya Pradesh	1	1	1	0
TOTAL			179	164	138	27

### 9. Office Infrastructure

Registered office of the company is located at International Infotech Park, Tower No. 7, 5<sup>th</sup> Floor, Sector – 30, Vashi, Navi Mumbai – 400 703 whereas Corporate Office of the company is situated at 6<sup>th</sup> 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, Guwahati and Patna. At Coimbatore Branch and Kolkata Branch we have operating Trading Servers.



# ISS Enterprise Limited

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

The Company is wholly own subsidiary Company of Inter-Connected Enterprises Limited.

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

## 11. Statutory Auditors

At 20<sup>th</sup> Annual General Meeting of the Company held on September 12, 2019, the Statutory Auditors M/s Chhajer Kedia & Associates, were appointed to hold office till the conclusion of the 25<sup>th</sup> Annual General Meeting and accordingly, they are entitled to hold the office till the conclusion of Twenty-fifth Annual General meeting of the company. In view of the forgoing, the Board of Directors were authorized to fix the remuneration for the Auditors in consultation with the Auditors.

## 12. Auditors' Report:

Since there are not adverse comments, the explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor are not applicable

## 13. 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 Sakariya	Director	August 10, 2016
5.	Mr. Shrichand Pareek	Director	August 10, 2016

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

- a) 1/3 of the directors, 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. Ashok Anopchand Lunia and Mr. Peter Markose shall be liable to retire by rotation in the ensuing Annual General Meeting and eligible for reappointment.

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

Board Meeting No.	Date
140	July 03, 2019
141	September 04, 2019
142	September 27, 2019
143	January 20, 2020



# ISS Enterprise Limited

## **14. Details of Attendance of the Directors in the Board Meetings:**

During the period April 01, 2019 to March 31, 2020, the Board of Directors met 4 times. The attendance record of the Directors at each Board Meeting, and at the last Annual General Meeting held on September 12, 2019 is given below:

Sr. No.	Name of Director and Status	No. of Board Meetings held during their tenure	No. of Board Meetings attended	Status at 20 <sup>th</sup> AGM
1	Mr. Manubhai K. Parekh	4	4	Present
2	Mr. Ashok Lunia	4	4	Present
3	Mr. Peter Markose	4	4	Present
4	Mr. Sanjay Sakariya	4	4	Present
5	Mr. Shrichand Pareek	4	4	Present

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

## **15. General Body Meetings:**

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

The last three Annual General Meetings i.e., 18<sup>th</sup>, 19<sup>th</sup> and 20<sup>th</sup> Meetings of the Company were held on the following dates

18<sup>th</sup> AGM    September 12, 2017 (at the Corporate Office of the Company)

19<sup>th</sup> AGM    September 18, 2018 (At Hotel Abbott, Vashi, Navi Mumbai)

20<sup>th</sup> AGM    September 12, 2019 (At the Corporate Office of the Company)

## **16. 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.

## **17. Managerial Remuneration:**

None of the Board members are drawing any Remuneration from the Company, except sitting fees for attending the Board meetings.



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

## **19. Directors' Responsibility Statement:**

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

- (a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as at March 31, 2020, and of the profit and loss of the company for the year ended March 31, 2020;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the companies act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis;
- (e) Proper internal financial controls related to Financial Statements 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.

## **20. 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, 2020, 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 exists. 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.

## **21. Human Resources & Particulars Of Employees:**

There are in all 55 persons working for the company, out of whom 41 are on rolls, 11 are working as consultants, 1 is working on contract, 1 as a trainee and remaining 1 is 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.



# ISS Enterprise Limited

## **22. Disclosures of Particulars of Contracts/Arrangements with Related Parties:**

All transactions entered into with the related party i.e. holding company Inter-Connected Enterprises Limited with regard to payment of interest @ 11.50% p.a. on loan amounting to ₹ 4,30,00,000/- for working capital requirement is at arm's length. The original amount of loan borrowed was ₹ 7,00,00,000/- vide Board approval dated June 16, 2017. During the F.Y. 2018-2019 loan amount of ₹ 2,70,00,000/- has been repaid to holding company vide Board approval dated November 15, 2018. The same has been disclosed in the Directors' Report pertaining to that year. The form AOC-2, pursuant to Section 134 (3) (h) of the Companies Act, 2013, read with rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as Annexure B.

## **23. Particulars of loans, guarantees or investments:**

The Company has duly complied with the provisions of Section 186 of the Companies Act, 2013, with respect to the investments made by the Company

The Company has not granted any loans, given guarantees or extended any security during the financial year.

## **24. Other Disclosure 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.

## **25. Annual Return**

In terms of section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, a copy of the Annual Return is hosted on the Company's website in the following link:

<http://www.isesec.com/>

As on the date of signing this Board Report, the above link has the annual return for the year 2019. The annual return for the year 2020 shall be available on the same link upon holding of the ensuing Annual General Meeting, since, in terms of section 92(1) read with Rule 11(1) of the Companies (Management and Administration) Rules, 2014, the annual return in Form No. MGT-7 can be prepared only after the said Annual General Meeting.

## **26. Deposits:**

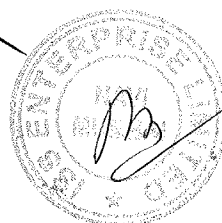
The Company has not accepted any deposits from the public, during the year under review.

## **27. Particulars of Monies accepted from Director of the Company:**

The Company has not accepted monies from Directors of the Company during the financial year 2019-20.

## **28. Extract of Annual Return:**

The extract of annual return as provided under section 92(3) of the Act, in the prescribed form MGT-9 is attached as "Annexure A" to this Report.



# ISS Enterprise Limited

## **29. Material orders:**

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

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

### **A. Details of Conservation of Energy: NIL**

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

### **B. Technology Absorption:**

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

### **C. Foreign Exchange Earnings and Outgo: NIL**

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

## **31. Fraud reported by Auditor:**

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

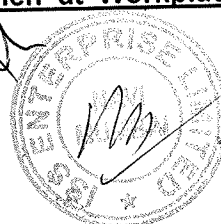
## **32. Corporate Social Responsibility:**

Corporate Social Responsibility is not applicable to the Company for the financial year 2019-20.

## **33. Maintenance of cost records and applicability of Cost Audit:**

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

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



# ISS Enterprise Limited

The Company has in place, an Anti Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

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

No. of Complaints received: NIL

No. of Complaints disposed off : NIL

## **35. Events subsequent to the date of financial statements:**


There were no material changes or commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company, to which the financial statements relate, and the date of this report.

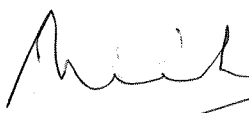
## **36. Acknowledgements**

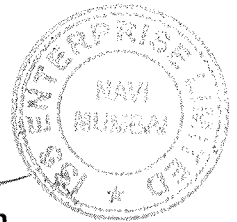
We would like to place on record our deep appreciation to our Shareholders, Customers, and Business Partners, Vendors, Bankers, and Regulatory authorities. Finally, we appreciate and value the contributions made by all our employees making ISS Enterprise Ltd what it is.

By the order of the Board  
For ISS Enterprise Limited

(Signed as per Board resolution passed on November 03, 2020)

  
Ashok Anopchand Lunia  
Director  
DIN: 02225255  
Place: Coimbatore  
Date: 5<sup>th</sup> November, 2020

  
Manubhai Parekh  
Director  
DIN: 00068992  
Place: Mumbai  
Date: 3<sup>rd</sup> November, 2020



# ISS Enterprise Limited

## ANNEXURE A

### EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2020

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

FORM NO. MGT – 9

#### I. REGISTRATION AND OTHER DETAILS

i.	CIN	U67100MH2000PLC123707
ii.	Registration Date	January 18, 2000 (Original Date of Incorporation.) January 30, 2018 (as per new Certificate of Incorporation pursuant to change in name of the company).
iii.	Name of the Company	ISS Enterprise Limited (Erstwhile: ISE Securities & Services Limited).
iv.	Category / Sub-Category of the Company	Public Limited Company (Limited by Shares).
v.	Address of the Registered office and contact details	International Infotech Park, Tower No.7, 5 <sup>th</sup> Floor, Sector-30, Vashi Navi Mumbai—400703. Contact No. 022-27812056. Email ID: helpdesk@iseindia.com Website: www.isesec.com.
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited. 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai-400059. Contact Number: 022-62638200.

#### 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.	9971	100

#### 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.	U74999MH2005PLC157556	Holding Company	100%	Section 2(87) of the Companies Act 2013



# ISS Enterprise Limited

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

### i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>										
(1) Indian										
a) Individual/HUF	--	10	10	0.01	--	10	10	0.01		
b) Central Govt. or State Govt.										
c) Bodies Corporate	54,99,990	--	54,99,990	99.99	54,99,990	--	54,99,990	99.99	NIL	NIL
d) Bank/FI										
e) Any other										
<b>SUB TOTAL:(A) (1)</b>	<b>54,99,990</b>	<b>10</b>	<b>55,00,000</b>	<b>100</b>	<b>54,99,990</b>	<b>10</b>	<b>55,00,000</b>	<b>100</b>	<b>NIL</b>	<b>NIL</b>
(2) Foreign										
a) NRI- Individuals										
b) Other Individuals										
c) Bodies Corp.										
d) Banks/FI										
e) Any other...										
<b>SUB TOTAL (A) (2)</b>										
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>54,99,990</b>	<b>10</b>	<b>55,00,000</b>	<b>100%</b>	<b>54,99,990</b>	<b>10</b>	<b>55,00,000</b>	<b>100%</b>	<b>NIL</b>	<b>NIL</b>
<b>B. PUBLIC SHAREHOLDING</b>										
(1) Institutions										
a) Mutual Funds										
b) Banks/FI										
c) Central govt										
d) State Govt.										
e) Venture Capital Fund										
f) Insurance Companies										
g) FIIS										



# ISS Enterprise Limited

h) Foreign Venture Capital Funds											
i) Others (specify)											
<b>SUB TOTAL (B)(1):</b>											
<b>(2) Non Institutions</b>											
a) Bodies corporate											
i) Indian											
ii) Overseas											
b) Individuals											
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)											
<b>SUB TOTAL (B)(2):</b>											
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>											
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>											
<b>Grand Total (A+B+C)</b>	<b>54,99,990</b>	<b>10</b>	<b>55,00,000</b>	<b>100%</b>	<b>54,99,990</b>	<b>10</b>	<b>55,00,000</b>	<b>100%</b>	<b>NIL</b>	<b>NIL</b>	

## ii) Shareholding of Promoters –

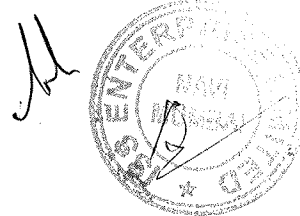
SR No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Inter Connected Enterprises Ltd. (Erstwhile:	54,99,990	99.9999%	NIL	54,99,990	99.9999%	NIL	NIL



# ISS Enterprise Limited

	Inter Connected Stock Exchange of India Limited.)							
2	Mr. Ashok Anopchand Lunia*	3	0.00005%	NIL	3	0.00005%	NIL	NIL
3	Mr. Peter Markose*	3	0.00005%	NIL	3	0.00005%	NIL	NIL
4	Mr. Sivaraman K.M.*	1	-	NIL	1	-	NIL	NIL
5	Mr. Sanjay Sakariya*	1	-	NIL	1	-	NIL	NIL
6	Mr. Shrichand Pareek*	1	-	NIL	1	-	NIL	NIL
7	Mr. Rajeeb Ranjan Kumar*	1	-	NIL	1	-	NIL	NIL
	<b>Total</b>	<b>55,00,000</b>	<b>100</b>		<b>55,00,000</b>	<b>100</b>		

\* Nominee of Inter-Connected Enterprises Limited



# ISS Enterprise Limited

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

SR. No.		Shareholding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares 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	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	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



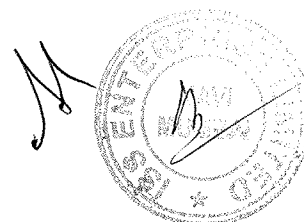
# ISS Enterprise Limited

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

## V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	7,97,51,330	4,30,00,000	--	12,27,51,330
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>79,751,330</b>	<b>4,30,00,000</b>		<b>12,27,51,330</b>
Change in Indebtedness during the financial year				
Addition	--	--	--	--
Reduction	7,97,51,330	--	--	7,97,51,330
<b>Net Change</b>	<b>(7,97,51,330)</b>	<b>--</b>	<b>--</b>	<b>(7,97,51,330)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	--	4,30,00,000	--	4,30,00,000
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>--</b>	<b>4,30,00,000</b>		<b>4,30,00,000</b>



# ISS Enterprise Limited

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. Remuneration to other Directors: Not Applicable  
1. Independent Directors

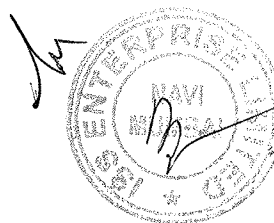
Particulars of Remuneration	Name of Director					Total Amount
Fee for attending Board/Committee Meetings						
-Commission						
- Others, please specify						
Total (B)(1)						

2. Other Non Executive Directors

Particulars of Remuneration	Name of Director		Total Amount ₹
Fee for attending Board Meetings		Board Meeting	
	Mr. Manubhai Parekh---->		40,000/-
	Mr. Ashok Lunia----->		40,000/-
	Mr. Peter Markose----->		40,000/-
	Mr. Sanjay Sakaria----->		40,000/-
	Mr. Shrichand Pareek---->		40,000/-
	Total(B) (2)		-
			2,00,000/-
-Commission			NIL
- Others, please specify			NIL
Total (B)(2)			2,00,000/-
Total (B)= (B)(1)+ (B)(2)			2,00,000/-

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	



# ISS Enterprise Limited


	(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					
	(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					

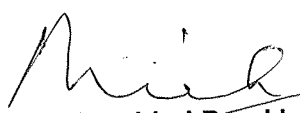
## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

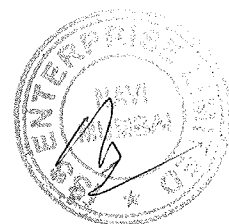
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding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

By the order of the Board  
For ISS Enterprise Limited

(Signed as per Board resolution passed on November 03, 2020)

  
Ashok Anopchand Lunia  
Director  
DIN: 02225255  
Place: Coimbatore  
Date: 5<sup>th</sup> November, 2020

  
Manubhai Parekh  
Director  
DIN: 00068992  
Place: Mumbai  
Date: 3<sup>rd</sup> November, 2020



# ISS Enterprise Limited

## ANNEXURE B Form No. AOC-2

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

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

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

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

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

(a) Name(s) of the related party and nature of relationship: Inter -Connected Enterprises Limited (Erstwhile: Inter-connected Stock Exchange of India Limited) Holding Company.

(b) Nature of contracts/arrangements/transactions: Payment of interest @ 11.50% P.A. on loan of ₹ 4,30,00,000/- remaining unpaid out of original loan amount of ₹ 7,00,00,000/-, which was obtained for working capital requirement in the F.Y. 2017-2018.

(c) Duration of the contracts / arrangements/transactions: No specific duration. The loan can be repaid in part or in full at any point of time with the consent of both lender and borrower.


(d) Salient terms of the contracts or arrangements or transactions including the value, if any:  
₹ 4, 30, 00,000 (₹ Four Crores Thirty Lakhs only) at the Interest @ 11.50% P.A.


(e) Date(s) of approval by the Board, if any: June 16, 2017.

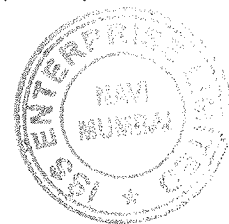
(f) Amount paid as advances, if any: N.A.

By the order of the Board  
For ISS Enterprise Limited

(Signed as per Board resolution passed on November 03, 2020)

  
Ashok Anopchand Lunia  
Director  
DIN: 02225255  
Place: Coimbatore  
Date: 5<sup>th</sup> November, 2020

  
Manubhai Parekh  
Director  
DIN: 00068992  
Place: Mumbai  
Date: 3<sup>rd</sup> November, 2020





**CHHAJED KEDIA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

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

## INDEPENDENT AUDITOR'S REPORT

To  
**The Members of ISS ENTERPRISE LIMITED**  
**(Erstwhile ISE Securities & Services Ltd)**

### Report on the audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **ISS ENTERPRISE LIMITED (Erstwhile ISE Securities & Services Ltd)** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit and cash flows for the year ended on that date.

#### Basis for opinion

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

#### Key audit matters

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

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



### **Other Matter**

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

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

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

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

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

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

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

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

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

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



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### **Management's and Board of Directors responsibility for the financial statements**

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

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

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

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

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

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

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

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



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

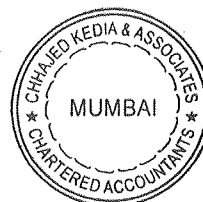
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

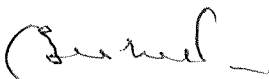
As required by Section 143(3) of the Act, we report that:



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- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) In our opinion and to the best of our information and according to the explanation given to us, we report as under with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- a. The Company has few pending litigations which are not affecting its financial position significantly/materially, as opined by the management based on the opinion given by the experts. The details of pending litigations are shown under Note No. 21 – Contingent Liability not provided for and other Commitment to the Balance sheet
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There has not been an occasion in case of the company during the year under report to transfer any sums to the investor Education and Protection Fund. The question of Delay in transferring such sums does not arise.

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



**Lalit Chhajed**  
**Partner**  
**Membership No: 071980**  
**UDIN: 20071980AAAAEB4316**  
**Place: Mumbai**  
**Date: 06<sup>th</sup> November 2020**



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

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of **ISS ENTERPRISE LIMITED (Erstwhile ISE Securities & Services Ltd)** of even date)

- i) In respect of the Company's fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on verification.
  - c) According to the information and explanation given to us, 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 to the company.
- ii) The company is providing services and having income from brokerage and Interest, accordingly the company did not have any inventory during the current financial year. Hence the provision's of clause (ii) of paragraph 3 of the order is not applicable to the company.
- iii) According to information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms or LLP or other parties covered under section 189 of the Act. Accordingly paragraph 3(iii) of the said Order are not applicable
- 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 services of the Company. Therefore, the provision of clause 3(vi) of the Order is not applicable to the Company.
- viii) According to the records of the Company and the information and explanations given to us, in respect of statutory dues:
  - a. Undisputed statutory dues including provident fund, income-tax, service tax, goods and service tax. Cess and other statutory dues as applicable have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.



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

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


Name of the Statute	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	3,69,494	F.Y. 2013-14	Commissioner of Service Tax (Appeal) II
	Service Tax Liability	1,04,75,937	Oct 2004 to March 2013	Commissioner of Service Tax (Appeal) II and High Court
Income Tax Act, 1961	Demand Raised U/s. 250 of the Income Tax Act 1961	6,110	F.Y.2010-11 (A.Y.2011-12)	Rectification is Pending at Assessing Officer Level
Income Tax Act, 1961	Demand Raised U/s. 143(1)(a) of the Income Tax Act, 1961	1,09,530	F.Y. 2017-18 (A.Y.2018-19)	Rectification is Pending at CPC

- (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 except a temporary overdraft facility taken from HDFC Bank against pledge of Fixed Deposit held with Bank.
- (ix) According to the record of the company examined by us and as per the information and explanation given to us, the company has not raised any money from any public issue/follow-on offer. Therefore the provision of clause 3 (ix) of the Order is not applicable to the company.
- (x) Bases upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that no fraud by the company or on 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 notes to the standalone financial statements as required by applicable accounting standard.
- (xiv) The Company has not made any preferential allotment or private placement of shares or partly or fully convertible debentures during the year, therefore reporting under clause 3(xiv) shall not be applicable
- (xv) According to the information and explanations given to us, we report that the Company has not entered into any non-cash transaction with directors or persons connected with him.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

  
**Lalit Chhajer**  
**Partner**  
**Membership No: 071980**

**UDIN: 20071980AAAAEB4316**

**Place: Mumbai**

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



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

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **ISS ENTERPRISE LIMITED (Erstwhile ISE Securities & Services Ltd)** of even date)

### **Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **ISS ENTERPRISE LIMITED (Erstwhile ISE Securities & Services Ltd)** ("the Company") as at March 31, 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' responsibility**

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



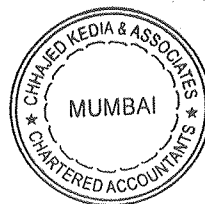
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

### **Meaning of internal financial controls over financial reporting**

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

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

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




## **Opinion**

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR CHHAJED KEDIA & ASSOCIATES  
CHARTERED ACCOUNTANTS**

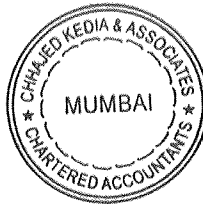
**ICAI Firm Registration No: 119248W**



**Lalit Chhajed**

**Partner**

**Membership No: 071980**



**UDIN: 20071980AAAAEB4316**

**Place: Mumbai**

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

**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)**  
**Balance Sheet as at 31st March 2020**

PARTICULARS	Note #	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholder's funds</b>			
Shares Capital	2	55,000,000	55,000,000
Reserves & Surplus	3	136,527,606	136,010,288
<b>NON CURRENT LIABILITIES</b>			
Long Term Borrowing		-	-
Deferred Tax Liability (Net)		-	-
Other long Term Liabilities		-	-
Long Term Provisions	4	1,344,325	1,000,407
<b>CURRENT LIABILITIES</b>			
Short Term Borrowings	5	43,000,000	122,751,330
Trade Payable	6	480,977,799	545,942,185
Other Current Liabilities	7	14,746,907	11,207,985
Short Term Provisions		-	-
<b>Total</b>		<b>731,596,637</b>	<b>871,912,195</b>
<b><u>ASSETS</u></b>			
<b>NON - CURRENT ASSETS</b>			
<i>Property, Plant &amp; Equipments</i>	8		
(a) Tangible Assets		1,628,942	850,123
(b) Intangible Assets		2,435,774	651,598
(c) Capital Work In Progress		1,035,375	1,035,375
Non Current Investments	9	6,710,005	6,710,005
Deferred Tax Assets (net)	10	2,411,882	3,425,221
Other Non-current Assets	11	51,636,714	55,714,507
<b>CURRENT ASSETS</b>			
Current Investments		-	-
Trade Receivables	12	51,194,584	140,611,533
Cash & Bank Balances	13	569,404,916	640,082,152
Short Term Loans & Advances	14	24,712	8,635
Other current assets	15	45,113,733	22,823,045
<b>Total</b>		<b>731,596,637</b>	<b>871,912,195</b>
<b>Notes to the Accounts</b> <span style="float:right">2 to 29</span>			

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**  
**ISS Enterprise Limited**

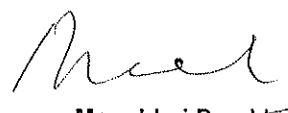
  
**Lalit Chhajed**  
**F C A Partner**  
**MRN 071980**



**Place: Mumbai**  
**Date: 06/11/2020**

  
**Ashok Lunia**  
**Director**  
**DIN # 02225255**

**Place: Coimbatore**  
**Date: 05/11/2020**

  
**Manubhai Parekh**  
**Director**  
**DIN # 00068992**

**Place: Mumbai**  
**Date: 03/11/2020**

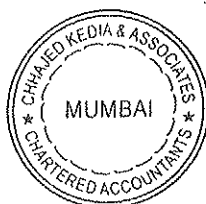
**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)**  
**Statement of Profit and Loss for the period ended on 31st March 2020**

Particulars	Note #	For the Year ended on 31-Mar-2020 ₹	For the Year ended on 31-Mar-2019 ₹
<b>Incomes</b>			
Revenue from Operations	16	41,055,243	48,761,842
Other Income	17	36,772,611	43,561,456
<b>Total Revenue</b>		<b>77,827,854</b>	<b>92,323,298</b>
<b>Expenses</b>			
Employee Benefit Expenses	18	24,012,959	27,178,230
Finance Costs	19	11,836,008	14,091,646
Depreciation/Amortization	8	1,763,564	562,475
Other Expenses	20	36,932,668	34,201,848
<b>Total Expenses</b>		<b>74,545,199</b>	<b>76,034,199</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>3,282,655</b>	<b>16,289,099</b>
Exceptional Items		-	-
<b>Profit before extraordinary items and tax</b>		<b>3,282,655</b>	<b>16,289,099</b>
Extraordinary Items		-	-
<b>Profit before Prior Period Items and tax</b>		<b>3,282,655</b>	<b>16,289,099</b>
Prior Period Item		(1,751,998)	-
<b>Profit before tax</b>		<b>1,530,657</b>	<b>16,289,099</b>
<b>Tax Expenses</b>			
(i) Current Tax		-	(3,606,736)
(ii) Tax adjustment for earlier years		-	1,410,071
(iii) Deferred Tax		(1,013,339)	(684,094)
<b>Profit/(Loss) for the period from continuing Operations</b>		<b>517,318</b>	<b>13,408,340</b>
Profit/(Loss) from discontinuing Operations		-	-
Tax expenses of Discontinuing operations		-	-
Profit/(Loss) for the period from continuing Operations (after tax)		-	-
<b>Profit/(Loss) for the period</b>		<b>517,318</b>	<b>13,408,340</b>
<b>Earning Per Share ₹ 10 per share</b>			
Basic		0.09	2.44
Diluted		0.09	2.44
<b>Notes to the Accounts</b>	<b>2 to 29</b>		

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**  
**ISS Enterprise Ltd**

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



**Ashok Lunia**  
**Director**  
**DIN # 02225255**  
**Place: Coimbatore**  
**Date: 05/11/2020**

**Manubhai Parekh**  
**Director**  
**DIN # 00068992**  
**Place: Mumbai**  
**Date: 03/11/2020**

**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)**  
**Cash Flow Statement for the year ended on 31 March 2020**

Particulars	For the Year ended on 31 March 2020		For the Year ended on 31 March 2019	
	₹		₹	
<b>I. Cash Flow from Operating Activities:</b>				
Net profit before tax & extra ordinary items		1,530,657		16,289,099
<b>Adjustments for:</b>				
Depreciation	1,763,564		562,475	
Dividend received	(1,625,000)		(2,340,000)	
Excess provision written back	(491,495)		(1,314,869)	
Provision for Bad & Doubtful debts- Debtors	-		-	
Interest Expenses	11,836,008		14,091,646	
Gain/(loss) on sale of Fixed Assets, (net)	(29,410)	11,453,667	(33,800)	10,965,452
Operating profit before working capital changes		12,984,324		27,254,551
<b>Adjustments for:</b>				
(Increase) / Decrease in Other Non Current Assets	7,660,000		9,019,166	
(Increase) / Decrease in Trade Receivables	89,908,444		112,052,763	
(Increase) / Decrease in Short Term Loans & Advances	(16,077)		(8,586)	
(Increase) / Decrease in Short Term Borrowing	(79,751,331)		(10,957,896)	
(Increase) / Decrease in Other Current Assets	(22,290,688)		(7,564,474)	
(Increase) / Decrease in Trade Payables	(64,964,386)		(71,690,884)	
(Increase) / Decrease in Long Term Provisions	343,918		965,258	
(Increase) / Decrease in Other Current Liabilities	3,538,922		1,831,897	
(Increase) / Decrease in Short Term Provisions	-	(65,571,198)	-	33,647,245
Cash generated from operations before tax & extra ordinary items		(52,586,874)		60,901,796
Less: Direct Tax Paid (net of refunds)		3,582,206		(395,772)
		(56,169,080)		61,297,568
<b>Net Cash From Operating Activities (A)</b>		(56,169,080)		61,297,568
<b>II. Cash Flow From Investing Activities:</b>				
Purchase of Fixed Assets	(4,326,558)		(1,083,228)	
Sale proceeds of Fixed Assets	29,410		33,800	
Dividend Income	1,625,000		2,340,000	
		(2,672,148)		1,290,572
<b>Net Cash (Used In) / from Investing activities (B)</b>		(2,672,148)		1,290,572
<b>III. Cash Flow From Financing Activities:</b>				
Interest Paid	(11,836,008)		(14,091,646)	
Interim Dividend Paid	-		-	
Dividend Distribution tax	-	(11,836,008)	-	(14,091,646)
<b>Net Cash (Used In) / from Financing activities (C)</b>		(11,836,008)		(14,091,646)
<b>Net Increase / decrease in cash &amp; cash equivalents (A+B+C)</b>		(70,677,236)		48,496,494
<b>Cash &amp; Cash equivalents at the beginning of the year</b>		640,082,152		591,585,658
<b>Cash &amp; Cash equivalents at the end of the year</b>		569,404,916		640,082,152

**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

**For and on behalf of the Board of**  
**ISS Enterprise Limited**

**Lalit Kumar Chhajed**  
**F C A Partner**  
**MRN 071980**



**Place: Mumbai**  
**Date: 06/11/2020**

**Ashok Lunia**  
**Director**  
**DIN # 02225255**

**Place:Colombatore**  
**Date: 05/11/2020**

**Manubhal Parekh**  
**Director**  
**DIN # 00068992**

**Place: Mumbai**  
**Date: 03/11/2020**

## **Background**

ISS Enterprise Limited ("the Company") was incorporated under the Companies Act, 1956 on January 18, 2000. ISS Enterprise 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, 2020, 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.
- iv Brokerage income is recognized at the time when client place order by the software automatically. However this income completely doesn't belong to the company, brokerage income is shared by the Company and various sub-brokers as the agreement entered with them. However in the GST return gross income is reported whereas in financials only Co.'s shares of brokerage income are reported.

#### **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.



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**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.



**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.



**2 SHARE CAPITAL**

Particulars	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
<b>Authorized Capital</b> (6,000,000 Equity shares of ₹ 10/- each)	60,000,000	60,000,000
<b>Issued, Subscribed and Paid Up Capital</b> (55,00,000 Equity shares of ₹ 10/- each fully paid up)	55,000,000	55,000,000
<b>Total</b>	<b>55,000,000</b>	<b>55,000,000</b>

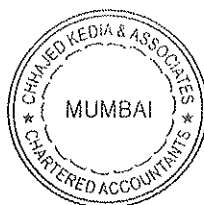
**2.1 Details of shares held by Holding Company**

Particulars	As at 31-Mar-2020	As at 31 March 2019
<b>Equity Shares held by</b> 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-2020	As at 31 March 2019
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.



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**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)****Notes forming part of the accounts as at 31st March 2020****2.4 Details of shareholders holding more than 5% shares in the company**

Particulars	As at 31-Mar-2020 ₹	As at 31 March 2019 ₹
<b>Equity Shares held by</b>		
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-2020 ₹	As at 31-Mar-2019 ₹
<b>General Reserves</b>		
Opening Balance	30,535,000	30,535,000
(+) Current Year Transfer	-	-
(-) Written back in current year	-	-
<b>Closing Balance</b>	<b>30,535,000</b>	<b>30,535,000</b>
<b>Surplus</b>		
Opening balance	105,475,288	92,066,948
(-) Assets charged to opening reserve	-	-
Add: Net profit/(Net Loss) for the current year	517,318	13,408,340
(-) Interim Dividends	-	-
(-) Tax on Interim Dividends	-	-
(-) Transfer to General Reserves	-	-
<b>Closing Balance</b>	<b>105,992,606</b>	<b>105,475,288</b>
<b>Total</b>	<b>136,527,606</b>	<b>136,010,288</b>

**4 LONG TERM PROVISIONS**

Particulars	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
Gratuity - Benefits	1,690,136	660,471
Leave Encashment	(345,811)	339,936
<b>Total</b>	<b>1,344,325</b>	<b>1,000,407</b>



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**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)****Notes forming part of the accounts as at 31st March 2020****5 Short Term Borrowings**

Particulars	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
Loan From Interconnected Enterprises Ltd (Holding Company)	43,000,000	43,000,000
Overdraft From HDFC Bank	-	79,751,330
	<b>43,000,000</b>	<b>122,751,330</b>

**6 Trade Payables**

Particulars	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
Exchange Liability	1,600,830	1,087,727
Settlement Obligations to Sub-Brokers/Clients/Authorized person	400,131,632	452,900,188
Sub Brokers Margin-BSE	26,521,160	30,076,481
Sub Brokers Margin-NSE	50,136,485	59,678,098
Sub Brokers Margin-NSEFO	-	-
DP AMC Deposit	2,587,691	2,199,691
<b>Total</b>	<b>480,977,799</b>	<b>545,942,185</b>

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

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

**7 OTHER CURRENT LIABILITIES**

Particulars	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
Clients/Corporate Benefits	767,532	2,042,501
Statutory Liability	2,542,330	1,481,832
Other Liability	7,462,748	4,777,335
Expenses Payable (other than Micro and Small Enterprises)	3,974,297	2,906,317
<b>Total</b>	<b>14,746,907</b>	<b>11,207,985</b>



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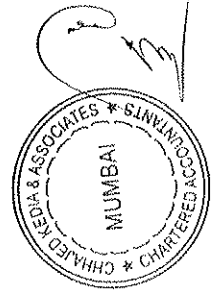
**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)**

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

**8 Property, Plant & Equipments as on 31st March 2020**

Particulars	Gross Block (At Cost)			Depreciation/Amortization				Net Block	
	As at 1-Apr-2019 ₹	Additions ₹	Deductions ₹	As at 31-Mar-2020 ₹	As at 1-Apr-2019 ₹	Depreciation / amortization expense for the year ₹	Deductions/ Addition ₹	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
<b>Tangible Assets :</b>									
Furniture & Fixtures	1,324,421	-	-	1,324,421	1,261,789	32,021	-	1,293,810	62,632
Office Equipment	4,851,281	225,358	-	5,076,639	4,432,316	173,867	-	4,606,183	418,965
Computers Equipment	6,102,745	1,387,141	-	7,489,886	5,734,219	627,791	-	6,362,010	368,526
<b>Total - A</b>	<b>12,278,447</b>	<b>1,612,498</b>	<b>-</b>	<b>13,890,945</b>	<b>11,428,324</b>	<b>833,679</b>	<b>-</b>	<b>12,262,003</b>	<b>850,123</b>
<b>Intangible Assets</b>									
Computer Software	18,601,655	2,714,060	-	21,315,715	17,950,057	929,885	-	18,879,941	651,598
Goodwill	7,145,168	-	-	7,145,168	7,145,168	-	-	7,145,168	-
<b>Total - B</b>	<b>25,746,823</b>	<b>2,714,060</b>	<b>-</b>	<b>28,460,883</b>	<b>25,095,225</b>	<b>929,885</b>	<b>-</b>	<b>26,025,110</b>	<b>651,598</b>
Capital Work-in-Progress	1,035,375	-	-	1,035,375	-	-	-	-	1,035,375
<b>Total - A+B</b>	<b>39,060,645</b>	<b>4,326,558</b>	<b>-</b>	<b>43,387,204</b>	<b>36,523,549</b>	<b>1,763,564</b>	<b>-</b>	<b>38,287,113</b>	<b>2,537,096</b>
Previous Year Figures	37,977,417	1,063,228	-	39,060,645	35,961,074	562,475	-	36,523,549	2,537,096

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.



**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)****Notes forming part of the accounts as at 31st March 2020****9 NON CURRENT INVESTMENTS**

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

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 65,000 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-2020	31-Mar-2019
Investment in Bombay Stock Exchange Limited		
Quoted /Unquoted	Quoted	Quoted
No. of Shares	65,000	65,000
Market Price per share as on 31st March on NSE	296.8	611.15
Market Value as on 29th March	19,292,000	39,724,750

**10 DEFERRED TAX ASSETS**

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

Particulars	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
<b>Deferred Tax Assets</b>		
Provision for doubtful debts	2,145,887	2,432,833
Provision for doubtful debts - Other Advances	89,355	95,610
Provision for compensated absences, gratuity and other employee benefits	349,524	278,313
On difference between book balance and tax balance of fixed assets	(172,884)	619,465
<b>Deferred Tax Liability</b>	-	-
<b>Net Deferred Tax (Liability) /Asset</b>	<b>2,411,882</b>	<b>3,425,221</b>

**\* Deferred Tax Charged to P/L Account**

Opening DTA

3,425,221

Closing DTA

2,411,882

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

1,013,339



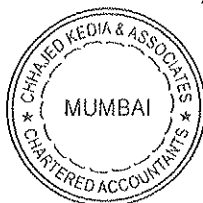
**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)****Notes forming part of the accounts as at 31st March 2020****11 OTHER NON CURRENT ASSETS**

Particulars	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
<b>Unsecured Considered Good, unless otherwise stated</b>		
Deposit with Exchanges	43,025,000	50,725,000
Advance Tax/ Income Tax Refund (Net of Provisions)	4,640,429	1,058,222
Security Deposits	3,971,285	3,931,285
<b>Total</b>	<b>51,636,714</b>	<b>55,714,507</b>

**12 TRADE RECEIVABLES**

Particulars	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
Settlement dues from Trading Members		
Debts outstanding for a period exceeding six months		
- Considered Good	9,397,767	8,562,118
- Considered Doubtful	8,378,204	8,187,869
Other Debts		
- Considered Doubtful	215,594	557,039
- Considered Good	41,456,431	132,049,415
	59,447,997	149,356,441
Less : Provision for Doubtful Debts	(8,253,413)	(8,744,908)
<b>Total</b>	<b>51,194,584</b>	<b>140,611,533</b>

- 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, 2020. The Trade Receivable are secured by way of base and additional trading deposits, 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 59,447,997/- the company has classified an amount of Rs 82,53,413/- as doubtful and provision is made.



**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)****Notes forming part of the accounts as at 31st March 2020****13 CASH & BANK BALANCES**

Particulars	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
A) Cash & Cash Equivalents		
In Current Accounts	123,506,458	73,947,636
Bank Deposit having Maturity <3 Months	245,400,000	245,400,000
Cash on hand	109,368	8,181
Balance in OD A/c with HDFC	24,862,855	
B) Other Bank Deposit		
In deposit accounts		
Bank Deposit having Maturity > 3 Months but <12 Months	135,026,630	280,226,730
Bank Deposit having Maturity >12 Months	40,499,605	40,499,605
<b>Total</b>	<b>569,404,916</b>	<b>640,082,152</b>

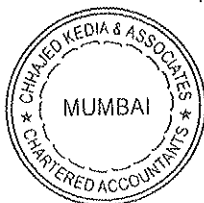
**14 SHORT TERM LOANS & ADVANCES**

Particulars	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
<b>Unsecured Considered Good, unless otherwise stated</b>		
Staff Advances	24,712	8,635
<b>Total</b>	<b>24,712</b>	<b>8,635</b>

**15 OTHER CURRENT ASSETS**

Particulars	As at 31-Mar-2020 ₹	As at 31-Mar-2019 ₹
<b>Unsecured Considered Good, unless otherwise stated</b>		
Advances recoverable in cash or kind or for value to be received		
Considered good	1,553,404	1,402,555
Considered doubtful	343,675	343,675
Less Provisions for Bad & Doubtful Advances	(343,675)	(343,675)
	1,553,404	1,402,555
Interest Accrued on Fixed Deposit with bank	5,157,232	5,140,460
Prepaid Expenses	1,651,198	2,446,280
Balances with Government Authorities	2,021,524	1,236,858
Settlement Obligation to/from Clearing House	24,982,098	6,855,277
Other Current Assets	9,748,276	5,741,615
<b>Total</b>	<b>45,113,733</b>	<b>22,823,045</b>

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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**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)****Notes forming part of the accounts as at 31st March 2020****16 REVENUE FROM OPERATIONS**

Particulars	For the Year ended on 31-Mar-2020 ₹	For the Year ended on 31 March 2019 ₹
Brokerage Income	19,938,158	24,125,399
Income From Depository Services	8,707,247	8,322,854
Other Operating Revenue	12,409,837	16,313,589
<b>Total</b>	<b>41,055,243</b>	<b>48,761,842</b>

**17 OTHER INCOME**

Particulars	For the Year ended on 31-Mar-2020 ₹	For the Year ended on 31 March 2019 ₹
Interest Income from Banks on Fixed Deposit including Short Term and Long Term Fixed Deposit	32,364,314	35,807,777
Recovery of DP Charges (NET)	2,262,073	2,478,469
Dividend Income on Long Term Investment	1,625,000	2,340,000
Excess Provision Written Back	491,495	1,314,869
Profit / Loss On Sale of Fixed Assets/Scrap	29,410	33,800
Sundry Balance written Back	318	25,026
Interest on Income Tax Refund	-	1,561,515
<b>Total</b>	<b>36,772,611</b>	<b>43,561,456</b>

**18 EMPLOYEE BENEFITS EXPENSES**

Particulars	For the Year ended on 31-Mar-2020 ₹	For the Year ended on 31 March 2019 ₹
Salary & Other Allowances	20,994,193	24,156,815
Provident Fund - Employer Contribution	1,490,161	1,659,210
Gratuity	1,029,665	861,417
Staff Welfare expenses	498,940	500,788
<b>Total</b>	<b>24,012,959</b>	<b>27,178,230</b>



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**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)**

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

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

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

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



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**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)****Notes forming part of the accounts as at 31st March 2020**

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

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

Experience Adjustment	Current Year	Previous Year
Defined Benefit Obligation	5,093,101	4,252,106
Plan Assets	3,403,324	5,603,144
Surplus/(Deficit)	(1,690,136)	(660,471)
Exp.Adj on plan Liabilities	130,320	(197,298)
Exp.Adj on plan Assets	(53,816)	33,509

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

- 18.2 Long term Employee Benefits : Amount of ₹ 3,45,811/- (Previous Year ₹ 3,39,936/- as Liability) is recognized as an Asset towards Employee Benefits-Compensated Absences (Leave Encashment) included under the Note-4: Long Term Provisions



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**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)****Notes forming part of the accounts as at 31st March 2019****19 Finance Costs**

Particulars	For the Year ended on 31-Mar-2020 ₹	For the Year ended on 31-Mar-2019 ₹
Interest - Other than Fixed Loans	6,877,460	6,509,523
Interest on Fixed Loan	4,958,548	7,582,123
<b>Total</b>	<b>11,836,008</b>	<b>14,091,646</b>

**20 Other Expenses**

Particulars	For the Year ended on 31-Mar-2020 ₹	For the Year ended on 31-Mar-2019 ₹
VSAT, Lease line and other Communication expenses	2,737,683	3,410,899
Annual Maintenance Charges for Networking System	4,311,122	3,882,354
Annual Maintenance charges	386,860	333,053
Board Meeting Expenses	252,748	167,348
Director Sitting Fees	200,000	242,000
Electricity Charges	3,199,154	2,780,819
Telephone Expenses	434,938	462,249
Security Charges	720,000	632,976
Bad Debts Written off	-	25,266
Courier Charges	287,333	371,713
Insurance	16,056	10,165
Legal, Professional Charges and Contract charges	5,100,367	5,547,168
Miscellaneous Expenses	7,440,078	5,531,219
Membership charges	658,598	332,800
Printing & Stationery	843,309	671,575
Remuneration to Auditor	225,000	225,000
Rent Rates & Taxes	7,507,534	7,470,931
Demat Charges	1,643,089	1,352,399
Remiser Account- DP Incentive	441,066	499,450
Repairs & Maintenance	527,732	252,466
<b>Total</b>	<b>36,932,668</b>	<b>34,201,848</b>

**20.1 Remuneration to Auditors**

Particulars	For the Year ended on 31-Mar-2020 ₹	For the Year ended on 31-Mar-2019 ₹
<b>As Auditors</b>		
Audit Fees	265,000	265,000
Tax Audit Fees	50,000	50,000
<b>In Other capacity</b>		
Other Matters	103,500	126,000
Reimbursement of expenses	3,950	3,775
<b>Total</b>	<b>422,450</b>	<b>444,775</b>



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**Post-employment benefits:**

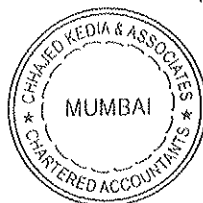
Benefits under the Company's leave encashment constitute other long term employee benefits, recognized as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. Estimated liability on account of these benefits is actuarially determined based on the 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.

**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/-).
- iv The company has received show cause notices from Service Tax Department for avallment of Cenvat credit on input services and Service tax demand on output services for the years 2004-05 to 2014-15. Total amount of Cenvat credit disallowed including penalty and interest is Rs 3,69,494/- (Previous year: Rs 3,69,494/- ) and total amount of demand on output services is Rs 1,04,75,937/- (Previous year: Rs 1,04,75,937/- ). The company has filed appeals before CESTAT against the said orders, wherein it was held that Order passed by Commissioner of Service Tax is Impugned & hence was set aside. On being aggrieved by the above Order of CESTAT, department had filed an Appeal before Bombay Hon'ble High Court to quash & set aside the Order of CESTAT. In the management view the demand raised by Service Tax Department is not tenable & accordingly no provision has been made.



**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)**

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

**22 Earnings per share:**

Particulars	Current Year	Previous Year
Net profit/ (Loss) attributable to equity shareholders (₹)	517,318	13,144,183
Weighted Average Number of Equity Shares	5,500,000	5,500,000
Face Value per Share (₹)	10	10
Basic Earnings/(Loss) per equity shares (₹)	0.09	2.39
Diluted Earnings/ (loss) per equity shares (₹)	0.09	2.39

23 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.

## 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

## In few cases, where recovery of the amount was doubtful, adequate provision in the books has been already provided by the management, further management actively taking all the necessary efforts to recover the outstanding due from the respective clients/sub-brokers etc. In few cases Legal action is also taken and the matter is pending at Judicial level.

25 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.

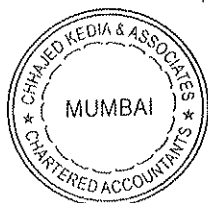
No principal amount or interest amount are due at the end of this accounting year which is payable to any Micro, Small or Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

**26 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. P Harikrishnan- Chief Executive Officer (From Period 01/09/2019)	Key Managerial Personnel	India



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**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)**

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

**Transactions with related parties**

Particulars	Current Year Rs	Previous Year Rs
<b><u>Holding Company</u></b>		
<b><u>Expenses</u></b>		
Reimbursement of Expenses	1,044,965	1,014,832
Tax Paid on behalf of Holding Co.	9,281,839	44,285,390
<b><u>Income</u></b>		
Interest Received	55,871	18,300
<b><u>Expense</u></b>		
Interest Paid	4,958,548	7,582,123
<b><u>Loan Received</u></b>		
Loan Taken from Holding Company	-	-
<b><u>Loan Repaid</u></b>		
Loan Repaid to Holding Company	-	27,000,000
<b><u>Key Managerial Personnel</u></b>		
Managerial Remuneration	815,635	3,315,360
Reimbursement of expenses	172,500	118,044
<b><u>Equity</u></b>		
Shareholder	55,000,000	55,000,000
<b><u>Balance Receivable/(Payable)</u></b>		
Holding Company	-1,539,939	-249,477
Loan from Holding Co.	43,000,000	43,000,000
Key Managerial Personnel	-	-

**27 Operating Lease:**

**a Total of minimum lease payments**

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

**b**

Particulars	Current Year Rs	Previous Year Rs
Lease payments recognized in the statement of profit & loss for the year	7,001,400	6,930,400



**ISS ENTERPRISE LIMITED (Formerly ISE Securities & Services Ltd)**

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

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.

The company has entered into cancellable operating lease for office premises. Lease payments amounting to ₹ 50,40,000/- (P.Y. ₹ 50,40,000/-) made under operating lease have been recognized as an expenses in the statement of profit and loss.

The Company has prepared these financial statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the schedule') issued by Ministry of Corporate Affairs. The Current Year refers to the period April 01, 2019 to March 31, 2020. (Previous year refers to April 01, 2018 to March 31, 2019).

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

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 Chhajed  
F C A Partner  
MRN 071980


Place: Mumbai  
Date: 06/11/2020



**For and on behalf of the**  
**ISS Enterprise Limited**

  
Ashok Lunia  
Director  
DIN # 02225255

Place: Coimbatore  
Date: 05/11/2020

  
Manubhai Parekh  
Director  
DIN # 00066992

Place: Mumbai  
Date: 03/11/2020