

# Annual Report

## 2018-2019



**INDIA INX**   
INDIA INTERNATIONAL EXCHANGE

## Index

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## **Directors' Report**

**To the Members,**

### **India International Exchange (IFSC) Limited**

Your Directors have great pleasure in presenting the Third Annual Report of India International Exchange (IFSC) Ltd ('the Company'), together with the audited financials for the financial year (FY) ended 31<sup>st</sup> March, 2019.

### **FINANCIAL SUMMARY / HIGHLIGHTS**

Particulars	2018-19		2017-18	
	Rs. Lakhs	USD '000	Rs Lakhs	USD '000
Total Revenue	225.18	322.20	113.65	176.35
Total Expenses	2,023.28	2,895.01	1,849.97	2870.52
<b>Profit / (Loss) before exceptional items &amp; tax</b>	<b>(1,798.10)</b>	<b>(2,572.81)</b>	<b>(1,736.32)</b>	<b>(2,694.17)</b>
Exceptional items	1,298.05	1,857.30	213.04	330.57
<b>Profit / (Loss) before tax</b>	<b>(3,096.15)</b>	<b>(4,430.11)</b>	<b>(1,949.36)</b>	<b>(3,024.74)</b>
Provision for tax	-	-	-	-
<b>Net Loss for the year/period</b>	<b>(3,096.15)</b>	<b>(4,430.11)</b>	<b>(1,949.36)</b>	<b>(3,024.74)</b>
<b>Other comprehensive income (net of tax)</b>	<b>321.22</b>	<b>3.70</b>	<b>19.52</b>	<b>(8.95)</b>
<b>Total comprehensive income for the year</b>	<b>(2,774.93)</b>	<b>(4,426.41)</b>	<b>(1,929.84)</b>	<b>(3,033.69)</b>
Net Profit attributable to the shareholders of the Company	<b>(3,096.15)</b>	<b>(4,430.11)</b>	<b>(1,949.36)</b>	<b>(3,024.74)</b>

### **Financial Results**

The total income of the Company during the FY 2018-19 was INR 225.18 Lakhs mainly on account of membership related income and listing income and incentive from authorities. The total expenses for the year was INR 3,321.34 Lakh mainly on account of INR 1,298.05 lakhs – LES Expenditure, INR 820.52 lakhs employee cost, INR 265.30 lakhs computer technology expenses and INR 365.53 Lakhs depreciation.

### **Dividend**

In view of the loss incurred by the company during the year under review, your board of Directors do not recommend any dividend for the financial year 2018-19.

### **Transfer to Reserves**

In view of the loss, your Board of Directors do not appropriate any amount to be transferred to General Reserves during the year under review.

## Key Strategies

### India International Exchange (IFSC) Limited (INDIA INX)

The Company set up **India International Exchange (IFSC) Limited** (formerly known as BSE International Exchange (IFSC) Limited and hereinafter referred to as “**India INX**”), India’s first international exchange located at the International Financial Services Centre (“**IFSC**”) at Gujarat International Finance Tec-City (hereinafter referred to as “**GIFT IFSC**”) in January 2017. A wholly-owned subsidiary of the Company, INDIA INX was inaugurated by Hon’ble Prime Minister of India Shri Narendra Modi on January 9, 2017 and commenced operations from January 16, 2017.

**The key strategic objective of India INX is to emerge as the preferred offshore platform and become a financial gateway for both inbound and outbound investors.** Growth in its Derivatives trading volume has laid the foundation for INDIA INX to become the best offshore gateway to India through **innovative product offerings, cutting edge technology, competitive regulatory framework, attractive tax structure, easy access to markets and outstanding customer service.**

To address the requirements for Indian and foreign issuers to raise debt from global investors, India INX set up India’s first international primary markets platform, the **Global Securities Market**.

In its endeavor to align its business offerings with the above mentioned key strategic objective, India INX has innovated by offering its Members access to trade on International Exchanges from GIFT IFSC by setting up the **India INX Global Access IFSC Limited** (hereinafter referred to as “**India INX GA**” or “**Global Access**”), a pioneering venture of INDIA INX and the first of its kind from India and GIFT IFSC. India INX GA effectively and efficiently complements India INX’s business offerings through connectivity to global markets, thereby decreasing the time to access international markets from GIFT IFSC.

**India International Clearing Corporation (IFSC) Limited (“India ICC”)** is the first clearing corporation established in GIFT IFSC. India ICC provides clearing and settlement, risk management and collateral management services to India INX for Derivatives and Debt Securities listed and traded on the Exchange. India INX and India ICC are recognized by the **Securities and Exchange Board of India (“SEBI”)**.

The Company believes that GIFT IFSC in India can bring about transformational change by pursuing a globally competitive business model that synergises and complements well with offerings in the Indian domestic market. This shall strengthen the overall capital markets ecosystem in India.

### Key milestones achieved, major events and growth strategy of India INX

Following is a summary of key milestones achieved, major events along with an analysis of the growth strategy during FY 2018-19:

## Growth in the core business segment – India INX Derivatives

India INX's core business of Derivatives has achieved remarkable growth since its launch in January 2017.

- During the Financial Year FY2018-19, India INX was the largest exchange at GIFT IFSC with an overall market share<sup>1</sup> of **70.8%** based on the notional Trading Turnover for Derivatives. India INX's market share at GIFT IFSC increased to **80.7%** in March 2019
- INDIA INX is the leading Exchange at GIFT IFSC for Equity Index Futures and Options with market share of **66.7%** during FY 2018-19. INDIA INX's market share increased to **84.1%** in March 2019.
- India INX's Gold Futures market share<sup>2</sup> as compared to equivalent Gold Futures traded in Dubai was **87.5%** during FY 2018-19.
- India INX's INDIA50 Index Futures and Options market share<sup>3</sup> as compared to similar India-based equity index derivatives traded in Singapore was **24.1%** during FY 2018-19 and increased to **38.5%** in March 2019
- INDIA INX's highest daily trading turnover was **USD 2.19 billion** achieved on March 26, 2019

### 1. Growth in Listings Business – India INX Global Securities Market

India INX set up India's first international primary markets platform, the **Global Securities Market** to cater to the needs of Indian and foreign issuers to raise funds from global investors. For FY19, the platform offered issuers to raise debt from global investors. Global Securities Market offers a regulatory regime and a post-listing trading platform comparable with any other leading jurisdiction. The maiden listing of debt securities on Global Securities Market was on December 22, 2017.

As on March 31, 2019:

- India INX's Global Securities Market has cumulatively established **USD 42.5+ billion** of Medium Term Notes ("MTN") and listed **USD 13.8+ billion** of debt securities including masala bonds and green bonds
- During FY 2018-19, approx. **35.3%** of Indian issuers of Debt Securities in the international markets have listed on India INX's Global Securities Market.
- Several large Indian corporate entities, Public Sector Units (PSU), banks and financial institutions have established MTNs and/or listed debt securities on the Global Securities Market viz -
  - *Export-Import Bank of India (EXIM)*
  - *Housing and Urban Development Corporation (HUDCO)*
  - *Indian Railway Finance Corporation (IRFC)*
  - *IndusInd Bank*
  - *National Highway Authority of India (NHAI)*
  - *National Thermal Power Corporation (NTPC)*
  - *Power Finance Corporation (PFC)*

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<sup>1</sup> Market share calculated based on the notional trading turnover of the Futures and Options

<sup>2</sup> Market share for Gold Futures is based on the estimated notional trading turnover of similar contracts in Dubai-based Exchanges

<sup>3</sup> Market share for Index Futures and Options is based on the estimated notional trading turnover of similar contracts in Singapore-based Exchanges

- *Rural Electrification Corporation (REC)*
- *State Bank of India (SBI)*
- *YES Bank*

Global Securities Market has emerged as the leading primary markets platform at GIFT IFSC for raising capital through issuance, listing and trading of debt securities to foreign investors.

## 2. Growth and development of the Capital Markets ecosystem at GIFT IFSC

The capital markets ecosystem at GIFT IFSC has evolved during the last two years since the commencement of operations of INDIA INX. As of March 31, 2019, following are the key statistics of SEBI-registered Members of India INX:

- Number of Trading Members (TM): 40
- Number of Trading and Self-Clearing Members (TSM): 3
- Number of Trading and Clearing Members (TCM): 3

The capital markets ecosystem of GIFT IFSC has expanded with the establishment of IFSC Banking Units (IBU), Insurance and Re-Insurance companies and other capital market intermediaries. Some of the key statistics of GIFT IFSC<sup>4</sup> as on March 31, 2019 are as follows:

- Number of IFSC Banking Units (IBUs): 12
- Transactions by IBUs: USD 18+ billion
- Number of Insurance and Re-Insurance entities at GIFT IFSC: 17
- Sum insured by Insurance Companies at GIFT IFSC: USD 30+ billion
- Around 100+ Capital Market intermediaries have set up separate company at GIFT IFSC for providing trading and clearing services

## 3. Unified Regulatory Authority for GIFT IFSC

The Union Budget 2018 recognized the need for a coherent and integrated regulatory framework for GIFT IFSC. In this perspective, the International Financial Services Authority Bill, 2019 (hereinafter referred to as the “**IFSC Authority Bill, 2019**”) that provides the foundation for setting up the Unified Regulatory Authority at GIFT IFSC was approved by the Union Cabinet of Ministers of the Government of India. The Unified Regulatory Authority is expected to play a pivotal role in inter-regulatory coordination that shall improve the ease of doing business for foreign investors.

Following are some of the key functions of the Unified Regulatory Authority:

- Regulating financial products, financial services, and financial institutions at GIFT IFSC that have been approved by any regulator (such as SEBI, RBI, etc.) before the enactment of the IFSC Authority Bill, 2019
- Regulating any other financial products, services, or institutions at GIFT IFSC that may be notified by the central government, and
- Recommending to the central government, any other financial services, products, or institutions which may be permitted in GIFT IFSC.

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<sup>4</sup> Kindly refer to <http://www.giftgujarat.in/> and [www.giftsez.com](http://www.giftsez.com) for latest information on GIFT IFSC

All powers relating to regulation of financial products, services, and institutions in GIFT IFSC that were previously exercised by respective regulators shall be exercised by the Unified Regulatory Authority. All processes and procedures to be followed by the Unified Regulatory Authority for such regulation shall be identical to the provisions for these processes under the respective laws of the respective regulators.

#### **4. Capital Gains Tax exemption for trading on Derivatives, Depositary Receipts and Bonds in GIFT IFSC**

The Government of India announced in its Union Budget 2018 that income from trading on Derivatives, Depositary Receipts and Bonds by foreign investors at GIFT IFSC shall be exempt from Capital Gains Tax. This was implemented effective from April 01, 2018 for all trades executed on Derivatives, Depositary Receipts and Bonds at GIFT IFSC by foreign investors.

#### **5. Launch of weekly derivatives contracts on equity indices**

In its endeavor to provide foreign investors with an efficient and effective mechanism to mitigate risk by hedging their exposure to Indian equity markets, INDIA INX launched the weekly futures and options contracts on the **S&P BSE SENSEX Index** and the **INDIA50 Index Futures and Options** (which is based on the S&P BSE SENSEX 50 Index as the underlying asset). Following are some of the key benefits of weekly futures and options on equity indices:

- Weekly options can be purchased at relatively low option premium value as compared to monthly option contracts – thereby decreasing the overall cost of hedging nearer dated underlying exposures.
- Launching shorter-dated futures and options is expected to substantially improve hedge effectiveness due to better alignment of the tenor of the hedge and lower implied volatility for shorter-dated exposures as compared to longer-dated derivatives
- Increase in liquidity for Index derivatives due to opportunities for arbitrageurs and speculators
- Greater flexibility due to increase in the number of available contracts for hedging
- Weekly options provide users with increased flexibility in managing existing option positions, and new opportunities to trade high impact economic events.

#### **6. Launch of the Segregated Nominee Account Structure (SNAS) by India INX**

The broad framework for the **Segregated Nominee Account Structure** (hereinafter referred to as “**SNAS**”) was provided by SEBI through its circular ref. no. SEBI/HO/MRD/DRMNP/CIR/P/2018/83 dated May 24, 2018. India INX introduced the operating guidelines for SNAS through its circular dated June 11, 2018.

SNAS is a unique and innovative mechanism that facilitates easy access for foreign investors to trade on INDIA INX markets by routing orders through eligible **Segregated Nominee Account Providers** (hereinafter referred to as “**SNAP**”), while adhering to regulatory requirements, inter alia, relating to identification of end-client, client level order placement, margining and position limit management. SNAS enables easy and

immediate access for foreign investors to India INX markets as Provider or as end-Client of Provider.

## 7. Other key developments

- India ICC was recognised by SEBI as a **Qualified Central Counter Party (QCCP)**. India ICC has aligned its risk management practices for clearing and settlement of derivatives based on the Principles of Financial Markets Infrastructure (PFMI) guidelines published by the Committee on Payment and Settlement Systems (CPSS) of the Bank for International Settlements (BIS) and the Technical Committee of the International Organisation of Securities Commission (IOSCO).
- India ICC has also applied to European Securities and Markets Authority (ESMA) for recognition as a **Third Country Central Counterparty (TC-CCP)**.
- CARE Ratings Limited re-affirmed the **AAA rating** for India ICC in December 2018.

The above initiatives resulted in increasing participation on India INX, thereby leading to a significant increase in the trading volume of India INX Derivatives. The incessant focus on creating a comprehensive eco-system for offering universal exchange services has enabled India INX to set up a strong business foundation for the Company's international business.

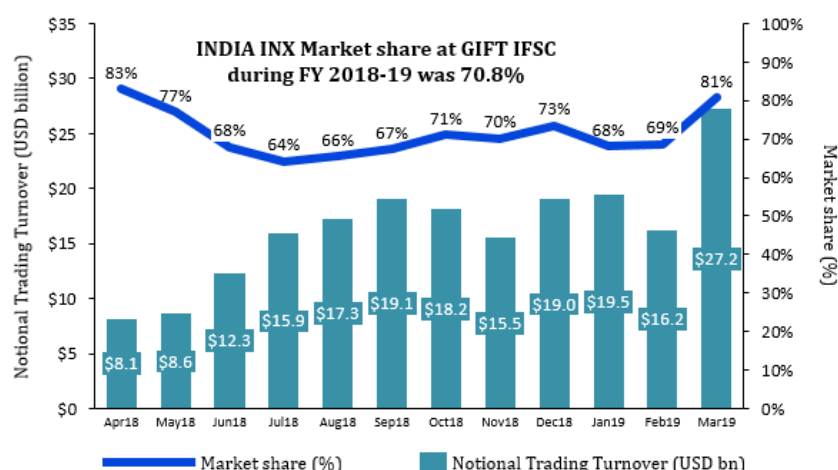
## MARKETS BUSINESS PERFORMANCE

### (A) SECONDARY MARKETS – INDIA INX's DERIVATIVES

India INX delivered an exponentially increasing growth in trading volume and trading turnover during FY 2018-19 as compared to the previous financial year. The notional trading turnover on INDIA INX's derivatives increased by 623.28% from USD 27.23 billion in the previous financial year FY 2017-18 to USD 196.93 billion in FY 2018-19. During the same period, trading volume increased from 16.77 lakh contracts (FY 2017-18) to 138.81 lakh contracts (FY 2018-19).



### Market share of India INX Derivatives at GIFT IFSC



The Average Daily Trading Value (ADTV) of India INX's Derivatives peaked at USD 1297 million per day in March 2019. The highest daily trading turnover of USD 2190 million was achieved on March 26, 2019 when 172,034 contracts (lots) were traded. Cumulative Trading Turnover of India INX Derivatives has crossed USD 224.33 billion (Rupees 15,51,769 Crores) as on March 31, 2019 with the cumulative Trading Volume at 1,55,76,679 contracts (lots).

#### India INX Derivatives – Notional Trading Turnover (in USD million)

Description	FY 2018-19	FY 2017-18	% change
India INX Futures	96,667	24,538	293.95%
India INX Options	100,267	2,690	3627.40%
<b>TOTAL</b>	<b>196,934</b>	<b>27,228</b>	<b>623.28%</b>

#### India INX Derivatives – Trading Volume (no. of contracts or lots)

Description	FY 2018-19	FY 2017-18	% change
India INX Futures	51,82,200	14,33,092	261.61%
India INX Options	86,98,771	2,44,377	3459.57%
<b>TOTAL</b>	<b>1,38,80,971</b>	<b>16,77,469</b>	<b>727.49%</b>

#### Key Statistics of India INX Derivatives by asset class – Notional Trading Turnover (USD million)

Asset class	FY 2018-19	Share (%)	FY 2017-18	Share (%)	% change
Equity Index Futures	43,319	22.00%	11,784	43.28%	267.61%
Equity Index Options	100,267	50.91%	2,690	9.88%	3627.40%
Commodities & Energy Futures	53,343	27.09%	12,254	45.01%	335.31%
Other Segments	5	0.00%	500	1.84%	-99.00%
<b>TOTAL</b>	<b>196,934</b>	<b>100%</b>	<b>27,228</b>	<b>100%</b>	<b>623.28%</b>

#### Key Statistics of India INX Derivatives by asset class – Trading Volume (No. of contracts or lots)

Segment	FY 2018-19	Share (%)	FY 2017-18	Share (%)	% change
Equity Index Futures	37,96,366	27.35%	10,98,922	65.51%	245.46%
Equity Index Options	86,98,771	62.67%	2,44,377	14.57%	3459.57%
Commodities & Energy Futures	13,85,380	9.98%	293,562	17.50%	371.92%

Other Segments	454	0.00%	40,608	2.42%	-98.88%
<b>TOTAL</b>	<b>1,38,80,971</b>	<b>100%</b>	<b>16,77,469</b>	<b>100%</b>	<b>727.49%</b>

**Key statistics for India INX Derivatives by product – Notional Trading Turnover (USD million)**

Product	FY 2018-19	Share (%)	FY 2017-18	Share (%)	% change
INDIA50 Index Futures	43,319	22.00%	11,741	43.12%	<b>268.95%</b>
INDIA50 Index Options	100,267	50.91%	2,690	9.88%	<b>3627%</b>
Gold Futures (32 tr oz)	52,409	26.61%	12,251	44.99%	<b>327.79%</b>
Other Products	939	0.48%	546	2.01%	<b>71.98%</b>
<b>TOTAL</b>	<b>196,934</b>	<b>100.00%</b>	<b>27,228</b>	<b>100%</b>	<b>623.28%</b>

**Key statistics for India INX Derivatives by product – Trading Volume  
(no. of contracts or lots)**

Product	FY 2018-19	Share (%)	FY 2017-18	Share (%)	% change
INDIA50 Index Futures	37,96,366	27.35%	10,97,489	65.43%	<b>245.91%</b>
INDIA50 Index Options	86,98,771	62.67%	2,44,377	14.57%	<b>3459.57%</b>
Gold Futures (32 tr oz)	13,05,591	9.41%	2,93,345	17.49%	<b>345.07%</b>
Other Products	80,243	0.58%	42,258	2.52%	<b>89.89%</b>
<b>TOTAL</b>	<b>1,38,80,971</b>	<b>100%</b>	<b>16,77,469</b>	<b>100%</b>	<b>727.49%</b>

**(B) INDIA INX's PRIMARY MARKET PLATFORM - GLOBAL SECURITIES MARKETS**

India INX's Global Securities Market has emerged as the leading primary markets platform at GIFT IFSC for raising capital from global investors through debt securities.

During FY 2018-19, the MTN established on Global Securities Market increased by 50.44% to USD 25.57 billion as compared to USD 17 billion in the previous financial year FY 2017-18. Listing of debt securities increased by 354.80% from USD 2.5 billion (in FY 2017-18) to USD 11.37 billion (in FY 2018-19) with the number of issuances increasing by 420% from 5 ISINs to 26 ISINs.

**Listings Business Performance (USD million)**

Description	FY 2018-19	FY 2017-18	% change
Debt Securities – Medium Term Notes (MTN) – established on Global Securities Market	25,574	17,000	<b>50.44%</b>
Debt Securities (Bonds) Listed on Global Securities Market	11,370	2,500	<b>354.80%</b>
No. of Issuers	7	3	<b>133.33%</b>
No. of Issuances (based on ISINs)	26	5	<b>420.00%</b>

**Key Issuers who have Established MTN / Listed debt securities on Global Securities Market during FY 2018-19**

*For period from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019*

S No	Name of Issuer	MTN established (USD million)	Debt Securities (Bonds) Listed (USD million)	No. of ISINs
1	Export-Import Bank of India (EXIM)	-	4,650	9
2	Housing and Urban Development Corporation (HUDCO)	729	-	-
3	Indian Railway Finance Corporation (IRFC)	2,000	500	1
4	IndusInd Bank	1,000	-	-
5	National Highway Authority of India (NHAI)	3,845	-	-
6	National Thermal Power Corporation (NTPC)	-	3,120	7
7	Power Finance Corporation (PFC)	3,000	500	2
8	Rural Electrification Corporation (REC)	5,000	700	2
9	State Bank of India (SBI)	10,000	1,900	5
<b>TOTAL</b>		<b>25,574</b>	<b>11,370</b>	<b>26</b>

**ISSUE OF SHARES, ETC.**

The Company has further issued 20,00,00,000 ( Twenty Crores ) Equity Shares of Rs. 1 each at par and 30,00,00,000 (Thirty Crores ) Equity Shares of Rs. 1 each at par to BSE Limited on Preferential Basis on May 29, 2018 and on March 20, 2019, respectively. Further, The Company has also increased its Authorized Capital from Rs.75 Crores to 125 Crore and From Rs. 125 Crores to Rs. 250 Crore vide Special Resolution dated April 30, 2018 and November 19, 2018 Respectively.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the year under review, Company has made an Initial Investment of Rs. 5,00,000 vide Circular Resolution dated April 04, 2018 and Further Investment of Rs. 9,95,00,000 vide Board Resolution dated April 23, 2018 in its Subsidiary company i.e. India INX Global Access IFSC Limited.

**SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

**India INX Global Access (IFSC) Limited (“India INX GA” or “Global Access”)**

**India INX** launched a 100% wholly-owned subsidiary **India INX Global Access IFSC Limited (“India INX GA”)** on September 18, 2018 to facilitate access to global exchange markets through a single centralized platform. India INX GA is a pioneering venture of India INX,

the first of its kind from India and GIFT IFSC. It offers India INX's members easy access to a diverse range of multi-asset class products traded on international exchanges without having the need to set up abroad.

**India INX GA's vision is to become the leading provider of financial services by offering centralized access to international financial markets for the benefit of India INX's members from GIFT IFSC.** India INX GA effectively and efficiently complements India INX's business offerings through connectivity to global markets, thereby decreasing the time to market.

As on March 31, 2019, India INX GA has regulatory approval to offer access to the following international exchanges:

- *CME Group of Exchanges*
- *London Metal Exchange (LME)*
- *Intercontinental Exchange (ICE) Futures US*
- *ICE Futures Europe*
- *Eurex*
- *Euronext N.V.*

India INX GA facilitates access to international exchanges through Marex Spectron group, which is a Futures Commission Merchant (Clearing Member) of CME Group of Exchanges. India INX GA's clients can open separate sub-accounts for trading on global exchanges. In this structure, India INX GA is classified as a Foreign Broker as per *CFTC Regulation 3(10)(c)(2)* with an Omnibus account with Marex. This would facilitate India INX GA's clients to access cash and derivatives products available on international exchanges.

### **Key benefits for India INX GA's clients**

Some of the major benefits of trading on India INX GA are as follows:

- Single-window interface to multiple global exchanges from GIFT IFSC
- Access to multi-asset class products
- State-of-the-art technology using Marex Spectron's Neon Trader and other approved Independent Software Vendors (ISVs) such as CQG, TT, Stellar, Vela, etc.
- Server co-location facility available from ISVs
- Members can also immensely benefit from hedging and arbitrage opportunities between India INX and other international exchanges

A centralised single-window interface for trading on international exchanges decreases overall costs of accessing global markets from GIFT IFSC. Technology is a key enabler in the vastly competitive exchange marketplace and India INX GA's clients can access multiple exchange markets.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL (“KMP”)**

### **➤ Appointments**

Dr. Sudip Kumar Nanda was appointed as Independent Director of the company w.e.f. November 22, 2018.

The Composition of Director and KMPs of the company is as under:

- **Directors**

The Board of Directors of the Company comprises of Shri Ashishkumar Chauhan – Chairman, Shri Anand Sinha- Independent Director Dr. Ajit Ranade- Independent Director Dr. Sudip Kumar Nanda- Independent Director, Shri Nehal Vora- Director, Shri Balasubramaniam Venkataramani- Managing Director & CEO ),

- **Key Managerial Personnel**

Shri Balasubramaniam Venkataramani, Managing Director & CEO, Shri Mayank Jain, Chief Financial Officer and Shri Nikhil Mehta, Company Secretary are the Key Managerial Personnel of the Company pursuant to the Companies Act, 2013.

### **➤ Cessation**

No Director or KMP has been ceased to hold office during the Financial Year under review.

## **DECLARATION OF INDEPENDENCE**

The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Companies Act, 2013. They have submitted a declaration that each of them meets the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as Independent Director during the year.

## **NUMBER OF MEETINGS HELD DURING THE FINANCIAL YEAR**

During the financial period starting from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019, four Board Meetings were held on following dates:

1.) April 23, 2018	2.) June 12, 2018
3.) October 13, 2018	4.) January 09, 2019

## BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual evaluation of the performance of the Board and of Individual Directors and the Individual Directors:-

S. No.	Evaluation done by	Evaluation done for
1	Independent Directors	Non-Independent Directors
2	Independent Directors	Chairman
3	Independent Directors	Entire Board
4	Entire Board	All Individual Directors
5	Entire Board	Independent Director
6	Entire Board	Chairman
7	Entire Board	Entire Board

Criteria for performance evaluation of the Individual Directors included aspects like knowledge and competency, ability to function as a team, initiatives, fulfillment of functions etc. Further for the performance evaluation of the Board as a Whole aspects like roles and responsibilities of the Board & strategy and performance evaluation, governance and compliance, grievance redressal for investors & conflict of interest evaluation, stakeholder value and responsibility etc. formed part of the criteria.

## AUDITORS & AUDITOR'S REPORT

### Statutory Auditors

The Statutory Auditors, M/s. S. Panse & Co., Chartered Accountants (Firm Registration No. 113470W), were appointed as the Statutory Auditors of the Company at the first Annual General Meeting (AGM) of the Company held on July 21, 2017 for a period of five years till the conclusion of the sixth AGM to be held in the year 2022.

The Members are informed that M/s S. Panse & Co. had resigned from the office of the Statutory Auditor of the Company in order to undertake the proposed professional assignment of BSE group and as per the limitation laid down in Section 144 of Companies Act 2013, resulting into casual vacancy in the office of Auditors.

The Board has recommended to the Members the appointment of M/s. Dalal Doctor & Associates, (Firm Registration No. 120833W) as a Statutory Auditor of the Company:-

- To fill the casual vacancy caused by the resignation of M/s. S. Panse & Co. and to hold the office up to the conclusion of this AGM, and
- For a period of 5 years from the conclusion of this AGM till the conclusion of the 8<sup>th</sup> AGM of the Company to be held in the year 2024

A written consent from M/s. Dalal Doctor and Associates has been received along with a certificate that their appointment if made, shall be in accordance with the prescribed conditions and the said Auditors satisfy the criteria provided in Section 141 of the companies Act, 2013.

### **Secretarial Auditor**

Pursuant to provision of section 204 of the Companies Act, 2013 and rule framed thereunder, M/s. Yash Mehta & Associates, Practicing Company Secretaries firm were appointed to undertake Secretarial audit of the Company.

The Secretarial audit report is given as **Annexure I** to the Directors' Report.

### **Explanations or comments by the Board on qualification, reservation or adverse remark or disclaimer made by auditors:**

There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditor and Secretarial Auditor in their report. No instance of fraud has been reported by the Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

## **POLICY MATTERS**

### **Company's Policy On Directors' Appointment And Remuneration Including Criteria For Determining Qualifications, Positive Attributes, Independence Of A Director And Other Matters**

The provisions of section 178 of the Companies Act, 2013 are not applicable to IFSC Public Company vide exemption notification no. G.S.R. 08(E) issued by Ministry of Corporate Affairs on 04<sup>th</sup> January, 2017.

### **Corporate Social Responsibility**

The provisions of section 135 of the Companies Act, 2013 in relations to Corporate Social Responsibility are not applicable to the Company for a period of five years from the date of commencement of Business as per the exemption notification no. **G.S.R. 08(E)** dated 04<sup>th</sup> January, 2017 of Ministry of Corporate Affairs.

### **Vigil Mechanism Policy**

The provisions in relation to the Vigil Mechanism Policy are not applicable to the Company.

### **The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**

The Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has adopted a policy on Prevention of Sexual Harassment at Workplace against women employees which aims at prevention of harassment of women employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. An internal complaints committee has been set up by the senior management with one half constituting women. This committee is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

During the year ended March 31, 2019, no complaints pertaining to sexual harassment have been received.

## **RISK MANAGEMENT MECHANISM**

Risk Management is an enterprise wide function at the Company which covers major business and functional areas including strategy, operations, technology and compliance.

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Several risks can impact the achievement of a particular business objective. Similarly, a single risk can impact the achievement of several business objectives. The focus of risk management is to assess risks, deploy mitigation measures and review them, including the risk management policy on a periodic basis. This is done through periodic review meetings.

The risk in relation to internal control over financial recording and reporting is reviewed by the Board. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested and certified by Statutory as well as Internal Auditors. The Board reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's financial risk management policies and systems.

During the period, the Company initiated the periodic compliance audit with ISO 27001 Information Security Management System framework with the objective of continuous improvement. The risk management framework within ISO 27001 determines the probability and magnitude of harm that could come to an information system and ultimately the Company itself in the event of a security breach. By determining the amount of risk that exists, the Company will be in a better position to determine how much of that risk should be mitigated and what controls should be used to achieve that mitigation. The scope of ISO 27001 risk management pertains to any information system of the Company and it applies to various assets like information asset, IT assets, Business and operation's process or procedure and or legal, regulatory and contractual requirements by which these assets are administered and/or maintained.

During the period, in order to improve adherence to compliances of the various regulatory bodies governing us, Legatrix system was also rolled out. Legatrix system can keep an automatic tracking of adherence to the various compliance and trigger automatic escalations in case of delay/noncompliance. This system is a comprehensive, robust, highly-customizable legal support solution for tracking, managing and reporting on legal, regulatory and internal

compliances. Each compliance can be added to a risk vector and, based on the periodicity defined of each compliance, the adherence report can be auto generated by the system. A work flow is defined in the system where each department head receives the MIS on the compliance related to their departments.

For each risk identified, Risk reduction can be achieved through the implementation of a managed system architecture that includes the following components:

- Technical
- Financial
- Informational
- Operational
- Procedural
- Physical
- Personnel
- Cyber

The risk that the organization carries regarding the threat to its information is the result of a combination of factors. Any change to either of these factors will alter the risk profile.

Reviewing of Information Security on a regular basis is vital to ensure that the safeguards employed continue to offer the appropriate level of protection.

The Risk Assessment & Treatment Plan is reviewed at least once every year or in the event of any major changes brought about within the organization or any of its internal/external functional processes and also in the event a security incident takes place which could have an impact on the Risk Profile.

## **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

The Company has maintained adequate internal financial controls over financial reporting.

These includes policies and procedures –

- a. Pertaining to the maintenance of records that is reasonably detailed, accurately and fairly reflects the transactions and dispositions of the assets of the Company,
- b. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Indian Accounting Standards (“IAS”) notified under the Companies (IAS) Rules 2015 as amended from time to time, and that receipts and expenditures of the Exchange are being made only in accordance with authorization of management and directors of the Company, and
- c. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company’s assets that could have a material impact on the financial statements. Such internal financial controls over financial reporting were operating effectively as of March 31, 2019.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the period under review the Company has entered into the transactions with related parties at arm's length price as referred to in sub section (1) of Section 188 of the Companies Act, 2013 the details of which are provided in the financial statements of the Company.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

### **(A) Conservation of Energy**

The Company is located at Gujarat International Finance Tech City (GIFT City), which is India's model smart city. The city's air-conditioning system runs on chilled water which is also used for offices located at GIFT City. This results in significant reduction in energy consumption. The Company also takes appropriate steps for conservation of energy in its day to day operations by switching off lights, taking advantage of natural light wherever possible.

### **(B) Technology Absorption**

The Company started its operations on 16<sup>th</sup> Jan, 2017 and implemented the latest technologies for its operations. The company has not imported any technology during the year.

## **PARTICULARS OF EMPLOYEES**

None of the employees of the Company are drawing remuneration in excess of the limits as specified in sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **DEPOSITS**

Your Company did not accept any deposits within the meaning of provisions of Chapter V- Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to sub section (5) of Section 134 of the Companies Act, 2013, the Directors hereby confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

- ii) they have selected such accounting policies and applied them 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 at the end of financial year 31<sup>st</sup> March, 2019 and of the losses of the Company for that period;
- iii) they have taken proper and sufficient care 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;
- iv) they have prepared the annual accounts on a going concern basis;
- v) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **OTHER DISCLOSURES**

### **Web address where copy Annual Return referred to Section 92(3) has been placed**

The provisions of Section 92(3) of the Companies Act, 2017 regarding placing a copy of the Annual Return on the website of the company is specifically exempted by Ministry of Corporate Affairs through exemption notification dated 04<sup>th</sup> January, 2017.

### **Material Changes And Commitments, If Any, 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 The Report**

There were no material changes and commitments that took place and had affected the financial position of the Company after the end of the financial period ended 31<sup>st</sup> March, 2019.

### **Change in the Nature of Business**

The Company has not undergone any changes in the nature of the business during the financial year.

### **Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status Of The Company.**

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

## **ACKNOWLEDGMENTS**

We take the opportunity to express gratitude to the Bankers, Statutory Authorities, Service Providers and Stakeholders for the support and co-operation extended by them from time to time.

**For and on behalf of the Board of Directors**

**Ashishkumar Chauhan**

**DIN: 00898469**

**Chairman**

**Place:** Mumbai

**Date:** April 25, 2019

**Note:**

**In this report:**

- a) “Company” has been used to denote India International Exchange (IFSC) Limited

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2019  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**INDIA INTERNATIONAL EXCHANGE (IFSC) LIMITED**  
**CIN: U67190GJ2016PLC093684**  
1<sup>st</sup> Floor, Unit No. 101, The Signature Building No.13B,  
Road 1C, Zone 1, GIFT SEZ, GIFT CITY,  
Gandhinagar – 382355, Gujarat, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDIA INTERNATIONAL EXCHANGE (IFSC) LIMITED (Formerly known as BSE INTERNATIONAL EXCHANGE (IFSC) LIMITED)** a Wholly Owned Subsidiary of BSE Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company is an IFSC (International Financial Service Centre) Company which has obtained necessary approval from Central Government for setting up its centre in SEZ. The Company mainly deals with financial products and services across borders.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **March 31, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2019** according to the provisions of:

- 1) \*The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- 3) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

- (a) The Securities and Exchange Board of India (Regulatory Fees on Stock Exchanges) Regulations, 2006
  - (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (c) The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018.
  - (d) Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015.
  - (e) Rules, Regulations, Circulars, Orders, Notifications and Directives issued under the above statute to the extent applicable.
- 4) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 5) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The Company being an IFSC Company the provision related to Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder are **NOT APPLICABLE** to the Company.

- 6) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are **NOT APPLICABLE** to the Company as the Company's Securities are not listed on any Stock Exchange except those which is listed in Point No. 3 specifically applicable to IFSC Company and Stock Exchanges registered with SEBI:
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employees Benefits), Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (g) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
- (h) The Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (Came into Force w.e.f. 01.01.2019)
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015

Following Standards / Clauses / Regulations were not subject to our examinations as the same are **NOT APPLICABLE** to the Company:

- i) Secretarial Standards with respect to the Meetings of the Board of Directors and Committee Meetings of the Board (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

We have relied on the representations made by the Company, its officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under applicable Acts, Laws and Regulations to the Company.

During the year under review, the Company has **COMPLIED** with all the material aspects of the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted. The changes in the composition of Board that took place during the year under review were carried out in compliance of the provisions of Act.

Adequate notice is given to all the Directors to schedule the Board Meetings at least seven days in advance in due compliances of law. Agenda and detailed notes on agenda were also sent in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors / Committees of the Company were carried through on the basis of majority. We were informed that there were no dissenting views by any members of Board / Committee in the meetings held during the year under review that were required to be captured and recorded as part of minutes

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were following instances of:

- a) The authorized share capital of the Company increased from Rs. 75,00,00,000.00 (Rupees Seventy Five Crore Only) consisting of 75,00,00,000 (Seventy Five Crore) Equity Shares of Rs. 1.00 (Rupees One Only) each to Rs. 1,25,00,00,000.00 (Rupees One Hundred and Twenty Five Crore Only) consisting of 1,25,00,00,000 (One Hundred and Twenty Five Crore) Equity Shares of Rs. 1.00 (Rupees One Only) each by way of Resolution passed in Extra Ordinary General Meeting held on 30.04.2018. and Further the authorized share capital of the Company increased from Rs. 1,25,00,00,000.00 (Rupees One Hundred and Twenty Five Crore Only) consisting of 1,25,00,00,000 (One Hundred and Twenty Five Crore) Equity Shares of Rs. 1.00 (Rupees One Only) each to Rs. 2,50,00,00,000.00 (Rupees Two Hundred and Fifty Crore Only) consisting of 2,50,00,00,000 (Two Hundred and Fifty Crore) Equity Shares of Rs. 1.00 (Rupees One Only) each by way of Resolution passed in Extra Ordinary General Meeting held on 09.01.2019.
- b) Allotment of 20,00,00,000 (Twenty Crore) Equity Shares at Rs. 1.00 (Rupees One Only) per equity share amounting to Rs. 20,00,00,000.00 (Rupees Twenty Crore Only) on 29.05.2018 and Allotment of 30,00,00,000 (Thirty Crore) Equity Shares at Rs. 1.00 (Rupees One Only) per equity share amounting to Rs. 30,00,00,000.00 (Rupees Thirty Crore Only) on 20.03.2019 to BSE Limited on Preferential Basis in compliance of provisions of Section 42 and 62 of the Companies Act, 2013 including the Rules framed thereunder.
- c) A Wholly Owned Subsidiary Company named INDIA INX GLOBAL ACCESS IFSC LIMITED was incorporated on 05.04.2018 with Authorised Capital of Rs. 5,00,000.00 (Rupees Five Lakh Only) and Paid up Capital of Rs. 5,00,000.00 (Rupees Five Lakh Only). The Authorised Capital of INDIA INX GLOBAL ACCESS IFSC LIMITED further increased to Rs. 10,00,00,000.00 (Rupees Ten Crore Only) on 27.04.2018 and Paid Up Capital of INDIA INX GLOBAL ACCESS IFSC LIMITED further increased to Rs. 10,00,00,000.00 (Rupees Ten Crore Only) on 28.05.2018 by way of Allotment of 9,95,00,000 (Nine Crore Ninety Five Lakh) Equity shares of Rs. 1.00 (Rupees One Only) per share to INDIA INTERNATIONAL EXCHANGE (IFSC) LIMITED amounting to Rs. 9,95,00,000.00 (Rupees Nine Crore Ninety Five Only).

There were no other instances of:

- a) Public issue / Right issue of Shares / Debentures / Sweat Equity etc.
- b) Redemption / Buy – Back of Securities.
- c) Merger / amalgamation / Reconstruction etc.
- d) Foreign Technical Collaboration.

**FOR YASH MEHTA& ASSOCIATES  
COMPANY SECRETARIES**

**YASH MEHTA  
PROPRIETOR**

**Date** : April 25, 2019

**ACS : 45267**

**Place** : Ahmedabad

**COP :16535**

\*Note: The Company being an IFSC Company is exempted from complying with certain provisions of Companies Act, 2013 pursuant to the Notification issued by MCA dated January 4, 2017.

This report is to be read with our letter of even date which is annexed as “ANNEXURE A” and forms an integral part of this report.

## **“ANNEXURE A”**

To,  
The Members,  
**INDIA INTERNATIONAL EXCHANGE (IFSC) LIMITED**  
**CIN: U67190GJ2016PLC093684**  
1<sup>st</sup> Floor, Unit No. 101, The Signature Building No.13B,  
Road 1C, Zone 1, GIFT SEZ, GIFT CITY,  
Gandhinagar – 382355, Gujarat, India.

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

**FOR YASH MEHTA& ASSOCIATES**  
**COMPANY SECRETARIES**

**YASH MEHTA**  
**PROPRIETOR**  
**ACS : 45267**  
**COP :16535**

**Date** : April 25, 2019  
**Place** : Ahmedabad



# INDIA INTERNATIONAL EXCHANGE (IFSC) LIMITED

Audited Consolidated  
Financial Statement for the  
Year ended March 2019

## **Independent Auditor's Report**

### **To the Members of India International Exchange (IFSC) Limited (Formerly known as BSE International Exchange (IFSC) Limited)**

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

##### **Opinion**

We have audited the accompanying consolidated financial statements of India International Exchange (IFSC) Limited ("the Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

##### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

##### **Information Other than the Consolidated Financial Statements and Auditor's 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India . The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error..

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS 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 of the Company as on March 31, 2019 taken on record by the Board of Directors of the Company and its subsidiary incorporated in India and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group company incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by the Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 197 in respect of the remuneration paid by the Company to its directors are not applicable to the Company and its subsidiary. Hence reporting under section 197(16) of the Act is not applicable to the Company.
- g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. There are no pending litigations against the Company and its subsidiary company
- ii. There are no material foreseeable losses on long term contracts including derivative contract where provision is required to be made by the Company and its subsidiary company under any law or accounting standards
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary company.

**For S. Panse & Co.**  
**Chartered Accountants**  
(Firm Registration No: 113470W)

**Supriya Panse**  
Partner  
Membership No.: 46607  
April 25, 2019

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of India International Exchange (IFSC) Limited of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of India International Exchange (IFSC) Limited (hereinafter referred to as "Company") and its subsidiary company, which are companies incorporated in India, as of that date.

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary company, which are companies incorporated in India, 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls system over financial reporting of the Company and its subsidiary company, which are companies incorporated in India.

### **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 consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 (3) 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 consolidated financial statements.

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies 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 S. Panse & Co.**  
**Chartered Accountants**  
(Firm Registration No: 113470W)

**Supriya Panse**  
Partner  
Membership No.: 46607  
April 25, 2019

<b>India International Exchange (IFSC) Limited</b> <b>(Formerly known as BSE International Exchange (IFSC) Limited)</b> <b>Consolidated Balance Sheet as at March 31, 2019</b>						
Particulars		Note No.	As at March 31, 2019		As at March 31, 2018	
			(Rs)	(USD)	(Rs)	(USD)
			Audited	Audited	Audited	Audited
<b>ASSETS</b>						
<b>1 Non-current assets</b>						
a. Property, plant and equipment	3		20,16,52,670	29,15,265	20,22,43,376	31,09,327
b. Other Intangible assets	4		1,36,92,182	1,97,946	1,30,50,773	2,00,645
c. Intangible assets under development			-	-	24,68,098	37,945
d. Financial assets						
(i) Other Financial Assets	8		21,62,087	31,257	37,94,673	58,340
e. Non-current tax assets (net)			1,67,118	2,416	1,47,390	2,266
<b>Total</b>			<b>21,76,74,057</b>	<b>31,46,884</b>	<b>22,17,04,310</b>	<b>34,08,523</b>
<b>2 Current assets</b>						
a. Financial assets						
(i) Cash and cash equivalents	5		47,28,82,329	68,36,395	15,97,11,104	24,55,428
(ii) Bank Balance other than above (i)	6		10,59,21,943	15,31,299	17,75,25,513	27,29,310
(iii) Trade Receivables	7		18,96,124	27,412	11,50,760	17,692
(iv) Other financial assets	8		1,39,46,801	2,01,627	1,14,61,616	1,76,213
b. Other assets	9		84,70,302	1,22,454	50,85,863	78,191
<b>Total</b>			<b>60,31,17,499</b>	<b>87,19,187</b>	<b>35,49,34,856</b>	<b>54,56,834</b>
<b>Total Assets</b>			<b>82,07,91,556</b>	<b>1,18,66,071</b>	<b>57,66,39,166</b>	<b>88,65,357</b>
<b>EQUITY AND LIABILITIES</b>						
<b>1 Equity</b>						
a. Equity share capital	10		1,25,00,00,000	1,83,92,539	75,00,00,000	1,11,49,981
b. Other equity	11		(59,69,29,132)	(89,51,183)	(31,32,87,147)	(44,35,877)
<b>Total</b>			<b>65,30,70,868</b>	<b>94,41,356</b>	<b>43,67,12,853</b>	<b>67,14,104</b>
<b>LIABILITIES</b>						
<b>2 Non-current liabilities</b>						
a. Financial liabilities						
(i) Other financial liabilities	13		2,94,601	4,259	2,94,064	4,521
b. Provisions	14		21,60,012	31,227	62,20,623	95,637
c. Other liabilities	15		35,69,654	51,606	-	-
<b>Total</b>			<b>60,24,267</b>	<b>87,092</b>	<b>65,14,687</b>	<b>1,00,158</b>
<b>3 Current liabilities</b>						
a. Financial liabilities						
(i) Trade payables	12					
a. Total outstanding dues of micro enterprises and small enterprises			-	-	26,343	405
b. Total outstanding dues of creditor other than micro enterprises and small enterprises			2,21,27,136	3,19,889	1,30,93,049	2,01,295
(ii) Other financial liabilities	13		11,49,04,183	16,61,154	10,41,65,070	16,01,453
b. Provisions	14		74,79,700	1,08,133	68,76,462	1,05,720
c. Other liabilities	15		1,71,85,402	2,48,447	92,50,702	1,42,222
<b>Total</b>			<b>16,16,96,421</b>	<b>23,37,623</b>	<b>13,34,11,626</b>	<b>20,51,095</b>
<b>Total Equity and Liabilities</b>			<b>82,07,91,556</b>	<b>1,18,66,071</b>	<b>57,66,39,166</b>	<b>88,65,357</b>
See accompanying notes forming part of the consolidated financial statements			1-2			
In terms of our report attached For S. Panse & Co. Chartered Accountants Firm Reg. No.: 113470W			For and on behalf of the Board of Directors			
Supriya Panse Partner Membership No.: 46607			Ashishkumar Chauhan Chairman Balasubramaniam Venkataramani Managing Director & CEO			
Date : April 25, 2019 Place: Mumbai			Mayank Jain Chief Financial Officer Nikhil Mehta Company Secretary			

**India International Exchange (IFSC) Limited**  
**(Formerly known as BSE International Exchange (IFSC) Limited)**  
**Consolidated Statement of Profit and Loss for the Year ended March 31, 2019**

Particulars	Note No.	For the Year ended March 31, 2019		For the Year ended March 31, 2018	
		(Rs)	(USD)	(Rs)	(USD)
		Audited	Audited	Audited	Audited
1 Revenue from operations	16	1,12,14,932	1,60,468	28,02,366	43,483
2 Investment Income		25,11,528	35,936	25,33,427	39,310
3 Other income	17	1,10,58,311	1,58,227	60,29,634	93,559
<b>4 Total revenue (1+2+3)</b>		<b>2,47,84,771</b>	<b>3,54,631</b>	<b>1,13,65,427</b>	<b>1,76,352</b>
<b>5 Expenses</b>					
Employee benefits expense	18	8,20,52,224	11,74,038	7,52,30,095	11,67,310
Administration and other expenses	19	9,17,42,041	13,12,684	7,87,81,596	12,22,417
Finance costs		629	9	387	6
Depreciation and amortisation expenses		3,70,13,371	5,29,603	3,09,85,214	4,80,783
<b>Total expenses</b>		<b>21,08,08,265</b>	<b>30,16,334</b>	<b>18,49,97,292</b>	<b>28,70,516</b>
<b>6 Profit / (loss) before tax (4 - 5)</b>		<b>(18,60,23,494)</b>	<b>(26,61,703)</b>	<b>(17,36,31,865)</b>	<b>(26,94,164)</b>
<b>7 Exception Items - LES Expenditure (Refer note 32)</b>		<b>12,98,04,584</b>	<b>18,57,299</b>	<b>2,13,04,441</b>	<b>3,30,571</b>
<b>8 Tax expense:</b>					
Current tax and Deferred tax		-	-	-	-
<b>9 Profit / (loss) for the year from continuing operations (6 - 7 - 8)</b>		<b>(31,58,28,078)</b>	<b>(45,19,002)</b>	<b>(19,49,36,306)</b>	<b>(30,24,735)</b>
10 Profit from discontinuing operations		-	-	-	-
11 Tax expenses of discontinuing operations		-	-	-	-
<b>12 Profit from discontinuing operations (after tax) (10+11)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13 Profit / (loss) for the year (9+12)</b>		<b>(31,58,28,078)</b>	<b>(45,19,002)</b>	<b>(19,49,36,306)</b>	<b>(30,24,735)</b>
<b>14 Other comprehensive income</b>					
A Items that will not be reclassified to profit or loss					
(i) Remeasurement of defined benefit plan		2,58,309	3,696	(5,76,933)	(8,952)
B Items that will be reclassified to profit or loss					
(i) Foreign Currency translation reserve		3,19,27,784	-	25,29,012	-
<b>Total other comprehensive income for the year</b>		<b>3,21,86,093</b>	<b>3,696</b>	<b>19,52,079</b>	<b>(8,952)</b>
<b>15 Total comprehensive income for the year (13+14)</b>		<b>(28,36,41,985)</b>	<b>(45,15,306)</b>	<b>(19,29,84,227)</b>	<b>(30,33,687)</b>
<b>16 Earning per equity share :</b>	21				
Basic and Diluted before exceptional items		(0.200)	(0.003)	(0.265)	(0.004)
Basic and Diluted after exceptional item		(0.340)	(0.005)	(0.298)	(0.005)
Per value of share Rs		1	NA	1	NA
Weighted average number of shares (Nos.)		92,80,82,192	92,80,82,192	65,41,09,586	65,41,09,586
See accompanying notes forming part of the consolidated financial statements	1-2				
In terms of our report attached For S. Panse & Co. Chartered Accountants Firm Reg. No.: 113470W		For and on behalf of the Board of Directors			
Supriya Panse Partner Membership No.: 46607		Ashishkumar Chauhan Chairman		Balasubramaniam Venkataramani Managing Director & CEO	
Date : April 25, 2019 Place: Mumbai		Mayank Jain Chief Financial Officer		Nikhil Mehta Company Secretary	

**India International Exchange (IFSC) Limited**  
**(Formerly known as BSE International Exchange (IFSC) Limited)**  
**Consolidated Cash Flow Statement for the year ended March 31, 2019**

Particulars	For the year ended March 31, 2019		For the Year ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>A. Cash flow from operating activities</b>				
Profit / (loss) for the year	(31,58,28,078)	(45,19,002)	(19,49,36,306)	(30,24,735)
Depreciation and Amortisation Expenses	3,70,13,371	5,29,603	3,09,85,214	4,80,783
Foreign Currency translation reserve	3,19,27,784	-	25,29,012	-
Remeasurement of Defined benefit Plan	2,58,309	3,696	(5,76,933)	(8,952)
Interest income on Fixed deposits	(25,11,528)	(35,936)	(25,33,427)	(39,310)
<u>Adjustments for Changes in operating Liability and Assets</u>				
Trade payable	90,07,744	1,18,189	(1,36,15,444)	(2,10,629)
Trade Receivables	(7,45,364)	(9,720)	(11,22,166)	(17,251)
Provisions	(34,57,373)	(61,997)	39,17,301	59,778
Other Liabilities	1,15,04,354	1,57,831	69,60,019	1,06,893
Other Financial Liabilities	1,32,73,057	99,170	3,32,77,439	5,08,310
Other Financial Assets	(8,52,599)	1,669	(1,12,27,607)	(1,72,419)
Other Assets	(33,84,439)	(44,263)	(18,01,075)	(27,530)
	<b>(22,37,94,762)</b>	<b>(37,60,760)</b>	<b>(14,81,43,973)</b>	<b>(23,45,062)</b>
Taxes paid	(19,728)	(150)	(1,19,639)	(1,838)
<b>Net cash generated (Used in) operating activities</b>	<b>(22,38,14,490)</b>	<b>(37,60,910)</b>	<b>(14,82,63,612)</b>	<b>(23,46,900)</b>
<b>B. Cash flow from investing activities</b>				
Purchase of Property, Plant & Equipment and Intangible Assets	(3,71,29,383)	(3,34,628)	(8,93,37,029)	(13,70,292)
Increase in Fixed deposits with banks	7,41,15,098	12,33,947	(17,49,92,086)	(26,90,000)
<b>Net cash generated from / (Used in) investment activities</b>	<b>3,69,85,715</b>	<b>8,99,319</b>	<b>(26,43,29,115)</b>	<b>(40,60,292)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from allotment of equity share	50,00,00,000	72,42,558	20,00,00,006	31,20,611
<b>Net cash generated from financing activities</b>	<b>50,00,00,000</b>	<b>72,42,558</b>	<b>20,00,00,006</b>	<b>31,20,611</b>
<b>D. Net increase / (decrease) in cash and cash equivalents</b>	<b>31,31,71,225</b>	<b>43,80,967</b>	<b>(21,25,92,721)</b>	<b>(32,86,581)</b>
<b>Cash and cash equivalents at the end of the period/year</b>				
In current account - Owned	43,47,77,935	62,85,525	8,65,38,443	13,30,458
In current account - Member fund	3,80,44,215	5,50,000	7,21,98,951	11,10,000
In current account - Earmarked	60,179	870	9,73,710	14,970
	<b>47,28,82,329</b>	<b>68,36,395</b>	<b>15,97,11,104</b>	<b>24,55,428</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>15,97,11,104</b>	<b>24,55,428</b>	<b>37,23,03,825</b>	<b>57,42,009</b>
<b>Changes In cash and cash equivalents</b>	<b>31,31,71,225</b>	<b>43,80,967</b>	<b>(21,25,92,721)</b>	<b>(32,86,581)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>47,28,82,329</b>	<b>68,36,395</b>	<b>15,97,11,104</b>	<b>24,55,428</b>
<b>Cash and bank balance (Refer note 5)</b>	<b>47,28,82,329</b>	<b>68,36,395</b>	<b>15,97,11,104</b>	<b>24,55,428</b>

See accompanying notes forming part of the financial statements

**Notes:**

- Cash and cash equivalents comprise balances in current account with banks.
- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 "Cash Flow Statement".

In terms of our report attached

For S. Panse & Co.  
Chartered Accountants  
Firm Reg. No.: 113470W

For and on behalf of the Board of Directors

Supriya Panse  
Partner  
Membership No.: 46607

Ashishkumar Chauhan  
Chairman

Balasubramaniam  
Venkataramani  
Managing Director & CEO

Date : April 25, 2019  
Place: Mumbai

Mayank Jain  
Chief Financial Officer

Nikhil Mehta  
Company Secretary

**India International Exchange (IFSC) Limited**  
**(Formerly known as BSE International Exchange (IFSC) Limited)**  
**Consolidated Statement of changes in Equity for the year ended March 31, 2019**

**A. Equity Share Capital**

Particulars	(Rs)	(USD)
Balance at March 31, 2017	54,99,99,994	80,29,370
Changes in Equity Share Capital During the Year	20,00,00,006	31,20,611
Balance as at March 31, 2018	75,00,00,000	1,11,49,981
Changes in Equity Share Capital During the Year	50,00,00,000	72,42,558
Balance as at March 31, 2019	1,25,00,00,000	1,83,92,539

**B. Other Equity**

Particulars	Reserve & Surplus		Liquidity Enhancement Scheme (LES) Reserve (Refer note 32)	Liquidity Enhancement Scheme (LES) Reserve (Refer note 32)	Items of Other Comprehensive income	Total Other equity	Total Other equity
	Retained earning	Retained earning			Foreign Currency translation reserve		
	(Rs)	(USD)	(Rs)	(USD)	(Rs)	(Rs)	(USD)
Balance at March 31, 2017	(9,42,08,519)	(14,02,190)			(2,60,94,401)	(12,03,02,920)	(14,02,190)
Profit / (Loss) for the Year ended March 31, 2018	(19,49,36,306)	(30,24,735)			-	(19,49,36,306)	(30,24,735)
Other Comprehensive Income for the Year ended March 31, 2018	(5,76,933)	(8,952)			25,29,012	19,52,079	(8,952)
Add/(less) : Liquidity Enhancement Scheme (LES) Reserve	(4,51,52,427)	(7,06,309)	4,51,52,427	7,06,309	-	-	-
Add/(less) : LES expenditure incurred during the period ended March 31, 2018	2,13,04,441	3,30,571	(2,13,04,441)	(3,30,571)	-	-	-
Balance as at March 31, 2018	(31,35,69,744)	(48,11,615)	2,38,47,986	3,75,738	(2,35,65,389)	(31,32,87,147)	(44,35,877)
Profit / (Loss) for the year ended March 31, 2019	(31,58,28,078)	(45,19,002)			-	(31,58,28,078)	(45,19,002)
Other Comprehensive Income for the year ended March 31, 2019	2,58,309	3,696			3,19,27,784	3,21,86,093	3,696
Add/(less) : Liquidity Enhancement Scheme (LES) Reserve	(10,67,32,609)	(15,19,732)	10,67,32,609	15,19,732	-	-	-
Add/(less) : LES expenditure incurred during the year ended March 31, 2019	12,98,04,584	18,57,299	(12,98,04,584)	(18,57,299)	-	-	-
Balance as at March 31, 2019	(60,60,67,538)	(89,89,354)	7,76,011	38,171	83,62,395	(59,69,29,132)	(89,51,183)

In terms of our report attached

For S. Panse & Co.  
Chartered Accountants  
Firm Reg. No.: 113470W

For and on behalf of the Board of Directors

Supriya Panse  
Partner  
Membership No.: 46607

Ashishkumar Chauhan  
Chairman

Balasubramaniam Venkataramani  
Managing Director & CEO

Date : April 25, 2019  
Place: Mumbai

Mayank Jain  
Chief Financial Officer

Nikhil Mehta  
Company Secretary

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

*(Formerly known as BSE International Exchange (IFSC) Limited)*

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### 1. General Information

India International Exchange (IFSC) Limited (Formerly known as BSE International Exchange (IFSC) Limited ("Exchange")) was incorporated in September 2016, to carry on business as a stock exchange and to assist, regulate, control and/or otherwise associate with the business of buying, selling and dealing in debt securities, currency derivatives, index based derivatives, commodities derivatives, and such other securities/derivatives/products of any kind as may be permitted by Securities and Exchange Board of India or any other concerned authorities from time to time in primary as well as secondary market, to facilitate investment, hedging, trading and other related requirements to the community at large as may be permitted under the applicable Law, to facilitate and regulate financial services relating to securities and capital market in International Financial Services Centers, set up under Special Economic Zones Act, 2005, and to provide specialized, advanced, automated and modern facilities and mechanism for trading of securities/derivatives/products/instruments to ensure trading and to facilitate, promote, assist, regulate and manage dealings in securities, derivatives, products and instruments in accordance with the framework/business manual.

The consolidated financial statements were authorized for issuance by the Parent Company's Board of Directors on April 25, 2019.

### 2. Significant Accounting Policies

#### 2.1 *Basis of preparation of financial statement*

##### 2.1.1 *Statement of compliance*

The consolidated financial statements as at and for the year ended March 31, 2019 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

##### 2.1.2 *Basis of Consolidation*

The Company consolidate entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its subsidiary ("the Group"). Control exists when the Parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

(Formerly known as BSE International Exchange (IFSC) Limited)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars of subsidiaries and associate:

Name of the Company	Principal Activity	Country of Incorporation	Percentage of Voting Power as at March 31, 2019
India INX Global Access IFSC Limited (w.e.f. April 5, 2018)	Intermediary for trading in overseas Exchanges	India	100%

### 2.2 Functional and presentation currency

United State Dollars (USD) is the functional currency of the Group and the currency of the primary economic environment in which the Group operates. The financial statements are presented in Indian rupees. The presentation currency is different from functional currency to comply with Income tax and other statutory law.

### 2.3 Foreign exchange Translation Reserve

For the Purpose of Preparation of consolidated financial statements in Indian rupees, income and expenses are translated at average rates and the assets and liabilities except equity share capital are stated at closing rate. The net impact of such changes is presented under foreign exchange translation reserve.

### 2.4 Use of Estimates and judgment

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- a. *Income taxes:* The Group's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Group income is not taxable under income tax for initial period of five years ,50% taxable income for subsequent five years .
- b. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly,

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MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

- c. Defined employee benefit obligation determined based on the present value of future obligations using assumptions determined by the Group with advice from an independent qualified actuary.
- d. *Other estimates:* The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Group estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

### 2.5 Financial instruments

Financial assets and financial liabilities are recognised when Group becomes a party to the contractual provisions of the instruments.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payable are recognised net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: financial assets comprising amortised cost, financial assets (debt instruments) at fair value through Other Comprehensive Income (FVTOCI), equity instruments at FVTOCI and fair value through Profit and Loss account (FVTPL), financial liabilities at amortised cost or FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

#### **Financial assets**

- a. Financial assets at amortised cost: A financial asset shall be measured at amortised cost if both of the following conditions are met:
  - i. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

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- ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortised cost are represented by investment in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

### b. Equity instruments at FVTOCI and FVTPL:

All equity instruments are measured at fair value other than investment in subsidiaries, joint venture and associate. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

### c. Financial assets at FVTPL :

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL. In addition the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Group has not designated any financial asset as FVTPL. Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

## **Financial liabilities**

### (a) Financial liabilities at amortised cost:

Financial liabilities at amortised cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

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### (b) Financial liabilities at FVTPL:

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.

### 2.6 Property, plant and equipment

- a. *Recognition and measurement:* Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.
- b. *Depreciation:* The Group depreciates property, plant and equipment over the estimated useful life on a Straight Line method basis from the date the assets are ready for intended use. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life or lease term. The estimated useful lives of assets of significant items of property, plant and equipment are as follows:

Category	Useful life
Leasehold premises	30 years
Plant and Equipments	15 years
Electrical installations	10 years
Networking Equipments – Owned	6 years
Computers Hardware – Owned	3 years
Furniture, fixtures	10 years
Office equipments	5 years
Motor vehicles	8 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

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### 2.7 Other Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a "Straight Line method", from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangibles are as follows:

Category	Useful life
Computer software	6 years

### Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

### 2.8 Leases

Assets leased by the Group in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Group are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as an operating lease. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis except where the lease payments are structured to increase in line with expected general inflation.

### 2.9 Impairment

#### a. Financial assets carried at amortised cost and FVTOCI

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

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The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i. All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- ii. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a detailed analysis of trade receivable by individual departments. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

### *b. Non-financial assets*

The Group assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the

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amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

### 2.10 Employee benefit

The Group participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

#### Defined Contribution Plan

Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service.

#### Defined benefit Plan

Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Group has the following employee benefit plans:

#### a. Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The Group's obligation in respect of the gratuity plan, which is a defined benefit plan, is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

Actuarial gains or losses are recognized in full in the other comprehensive income for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

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The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unreognised past service cost.

### b. Compensated absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Group recognizes actuarial gains and losses immediately in the Other Comprehensive Income.

### 2.11 Provisions and Contingent liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract and is adjusted to the cost of such assets.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

Provisions are reviewed at each balance sheet date adjusted to reflect the current best estimates.

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### 2.12 Revenue Recognition:

The Group derives revenue primarily from Services to Corporate and Securities Services. The Group recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:

a. Time and service contracts

Revenues and costs relating to time and service contracts are recognized as the related services are rendered.

b. Annual / monthly Fee contracts

Revenue from Annual / monthly fee contracts is recognized ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight line basis over the specified period or under some other method that better represents the stage of completion.

c. Execution and clearing commissions, which are recognized on a trade date basis.

d. Desk facilities, license and software fees, and market data fees which are recognized on an accruals basis; and

The Group accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognized at the time of sale. Revenues are shown net of applicable discounts and allowances.

The Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). There was no impact on the adoption of the standard on the financial statements of the Group.

### 2.13 Dividend Income

Dividend income is recognized in the statement of profit and loss on the date that the Group's right to receive payment is established.

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### 2.14 *Finance income and expense*

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Finance expenses consist of interest expense on loans, borrowings and finance lease. Borrowing costs are recognized in the statement of profit and loss using the effective interest method.

### 2.15 *Taxation*

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

#### *a. Current income tax*

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

#### *b. Deferred income tax*

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the

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period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Group recognises interest levied and penalties related to income tax assessments in income tax expenses.

### 2.16 *Earnings per share*

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

### 2.17 *Current and Non-current classification*

The Group present assets and liabilities in the balance sheet based on current/non-current classification

**Assets:** An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the balance sheet date; or
- it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date

All other assets are classified as non-current.

**Liabilities:** A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in, the entity's normal operating cycle;

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- b. It is held primarily for the purpose of being traded; it is due to be settled within twelve months after the balance sheet date; or
- c. The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### ***Operating Cycle***

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### **2.18 Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income over the periods and in the proportions in which depreciation expense on those assets is recognised.

### **2.19 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

### **2.20 Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Group's cash management system.

### 3. Property, plant and equipment

Amount in USD								
Particulars	Leasehold Premises and Improvements	Plant and equipments	Electrical installations	Computers -Hardware and networking	Furniture & fixtures	Office equipments	Motor Vehicle	Total
<b>Gross block</b>								
Balance as at April 01, 2018	15,01,684	8,04,383	4,09,301	4,15,345	81,466	4,20,321	25,508	36,58,008
Additions during the period	40,156	2,64,443	2,808	4,246	1,791	6,382	9,509	3,29,335
Deductions / adjustments	-40,156	-	-	-	-	-	-	-40,156
Balance as at March 31, 2019	15,01,684	10,68,826	4,12,109	4,19,591	83,257	4,26,703	35,017	39,47,187
<b>Accumulated depreciation and impairment</b>								
Balance as at April 01, 2018	65,668	1,57,189	48,079	1,65,679	10,025	1,01,944	97	5,48,681
Depreciation for the period	50,006	1,55,747	40,982	1,39,126	8,249	84,718	4,413	4,83,241
Deductions / Adjustments	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	1,15,674	3,12,936	89,061	3,04,805	18,274	1,86,662	4,510	10,31,922
<b>Net book value</b>								
Balance as at March 31, 2019	13,86,010	7,55,890	3,23,048	1,14,786	64,983	2,40,041	30,507	29,15,265
Balance as at March 31, 2018	14,36,016	6,47,194	3,61,222	2,49,666	71,441	3,18,377	25,411	31,09,327

Amount in Rs								
Particulars	Leasehold Premises and Improvements	Plant and equipments	Electrical installations	Computers -Hardware and networking equipments - owned	Furniture & fixtures	Office equipments	Motor Vehicle	Total
<b>Gross block</b>								
Balance as at April 01, 2018	9,76,75,684	5,23,20,368	2,66,22,615	2,70,15,742	52,98,883	2,73,39,401	16,59,148	23,79,31,841
Additions during the year	28,06,459	1,84,81,630	1,96,248	2,96,748	1,25,171	4,46,031	6,64,574	2,30,16,861
Deductions / adjustments	-28,06,459	-	-	-	-	-	-	-28,06,459
Currency Fluctuation	61,97,750	31,30,086	16,87,252	17,11,165	3,34,941	17,30,169	98,451	1,48,89,814
Balance as at March 31, 2019	10,38,73,434	7,39,32,084	2,85,06,115	2,90,23,655	57,58,995	2,95,15,601	24,22,173	27,30,32,057
<b>Accumulated depreciation and impairment</b>								
Balance as at April 01, 2018	42,71,316	1,02,24,217	31,27,255	1,07,76,444	6,52,068	66,30,856	6,309	3,56,88,465
Depreciation for the period	34,94,864	1,08,84,987	28,64,187	97,23,363	5,76,514	59,20,848	3,08,420	3,37,73,183
Deductions / Adjustments	-	-	-	-	-	-	-	-
Currency Fluctuation	2,35,141	5,36,986	1,69,023	5,83,954	35,454	3,59,949	-2,768	19,17,739
Balance as at March 31, 2019	80,01,321	2,16,46,190	61,60,465	2,10,83,761	12,64,036	1,29,11,653	3,11,961	7,13,79,387
<b>Net book value</b>								
Balance as at March 31, 2019	9,58,72,113	5,22,85,894	2,23,45,650	79,39,894	44,94,959	1,66,03,948	21,10,212	20,16,52,670
Balance as at March 31, 2018	9,34,04,368	4,20,96,151	2,34,95,360	1,62,39,298	46,46,815	2,07,08,545	16,52,839	20,22,43,376

#### 4. Other intangible assets

(In USD)

Particulars	Software	Total
<b>Gross block</b>		
Balance as at April 01, 2018	2,41,242	2,41,242
Additions during the period	43,663	43,663
Deductions / adjustments	-	-
<b>Balance as at March 31, 2019</b>	<b>2,84,905</b>	<b>2,84,905</b>
<b>Accumulated depreciation and impairment</b>		
Balance as at April 01, 2018	40,597	40,597
Amortisation for the year	46,362	46,362
Deductions / Adjustments	-	-
<b>Balance as at March 31, 2019</b>	<b>86,959</b>	<b>86,959</b>
<b>Net book value</b>		
Balance as at March 31, 2019	1,97,946	1,97,946
Balance as at March 31, 2018	2,00,645	2,00,645

(In Rs)

Particulars	Software	Total
<b>Gross block</b>		
Balance as at April 01, 2018	1,56,91,369	1,56,91,369
Additions during the period	30,51,559	30,51,559
Deductions / adjustments	-	-
Currency Fluctuation	9,64,321	9,64,321
<b>Balance as at March 31, 2019</b>	<b>1,97,07,249</b>	<b>1,97,07,249</b>
<b>Accumulated depreciation and impairment</b>		
Balance as at April 01, 2018	26,40,596	26,40,596
Amortisation for the period	32,40,189	32,40,189
Deductions / Adjustments	-	-
Currency Fluctuation	1,34,282	1,34,282
<b>Balance as at March 31, 2019</b>	<b>60,15,067</b>	<b>60,15,067</b>
<b>Net book value</b>		
Balance as at March 31, 2019	1,36,92,182	1,36,92,182
Balance as at March 31, 2018	1,30,50,773	1,30,50,773

<b>5. Cash and cash equivalents</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Balance with Banks</b>				
<b>Own Fund</b>				
In Current Accounts	43,47,77,935	62,85,525	8,65,38,443	13,30,458
<b>Member Fund</b>				
In Current Accounts	3,80,44,215	5,50,000	7,21,98,951	11,10,000
<b>Earmarked Fund - Investor protection fund</b>				
In Current Accounts	60,179	870	9,73,710	14,970
<b>Cash and cash equivalents</b>	<b>47,28,82,329</b>	<b>68,36,395</b>	<b>15,97,11,104</b>	<b>24,55,428</b>
<b>6. Bank Balances Other than above</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Balance with Banks</b>				
<b>Own Fund</b>				
In Deposit account	4,94,98,291	7,15,590	16,12,64,488	24,79,310
<b>Member Fund</b>				
In Deposit account	5,53,37,040	8,00,000	1,62,61,025	2,50,000
<b>Earmarked Fund - Investor protection fund</b>				
In Deposit Accounts	10,86,612	15,709	-	-
<b>Bank Balances Other than above</b>	<b>10,59,21,943</b>	<b>15,31,299</b>	<b>17,75,25,513</b>	<b>27,29,310</b>
<b>7. Trade Receivables</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Current</b>				
<b>Trade Receivables</b>				
- Secured, considered good	12,45,153	18,001	7,45,861	11,467
- Unsecured, considered good	6,50,971	9,411	4,04,899	6,225
<b>Total Trade receivables</b>	<b>18,96,124</b>	<b>27,412</b>	<b>11,50,760</b>	<b>17,692</b>
<b>8. Other financial assets</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Non Current</b>				
Advance to staff	5,33,034	7,706	6,12,520	9,417
Deposits with public bodies and other parties	16,29,053	23,551	31,82,153	48,923
<b>Total (A)</b>	<b>21,62,087</b>	<b>31,257</b>	<b>37,94,673</b>	<b>58,340</b>
<b>Current</b>				
Deposits with public bodies and other parties	93,105	1,346	20,683	318
Margin & Deposit with Marex spectron	1,27,02,479	1,83,638	-	-
Advances to Staff	1,09,982	1,590	1,09,990	1,691
Receivable from Group Companies	1,81,713	2,627	26,77,996	41,172
Receivable from Holding Companies	-	-	86,52,947	1,33,032
Unbilled Revenue	78,371	1,133	-	-
Receivable from Government authorities towards incentive	7,81,151	11,293	-	-
<b>Total (B)</b>	<b>1,39,46,801</b>	<b>2,01,627</b>	<b>1,14,61,616</b>	<b>1,76,213</b>
<b>Total (A+B)</b>	<b>1,61,08,888</b>	<b>2,32,884</b>	<b>1,52,56,289</b>	<b>2,34,553</b>
<b>9. Other assets</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Current</b>				
Advance to Vendors	24,210	350	7,415	114
Prepaid Expenses	68,87,801	99,576	24,44,487	37,582
Advance against lease rent	-	-	-	-
Cenvat receivable	13,11,557	18,961	12,42,342	19,100
Less : Provision for Cenvat receivable	(13,11,557)	(18,961)	-	-
<b>Net Cenvat receivable</b>	<b>-</b>	<b>-</b>	<b>12,42,342</b>	<b>19,100</b>
GST receivable	15,58,291	22,528	13,91,619	21,395
<b>Total</b>	<b>84,70,302</b>	<b>1,22,454</b>	<b>50,85,863</b>	<b>78,191</b>

<b>10. Equity Share Capital</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Equity Share Capital</b>				
<b>Authorised share capital:</b> 250,00,00,000 (Previous year - 75,00,00,000) Equity Shares of Re 1/- each with voting rights	2,50,00,00,000	Not Applicable	75,00,00,000	Not Applicable
<b>Issued Share Capital:</b> 138,73,47,392 (Previous year - 75,00,00,000) Equity Shares of Rs. 1/- each with voting rights (Refer note below)	1,38,73,47,392	Not Applicable	75,00,00,000	Not Applicable
<b>Subscribed and fully Paid - up</b> 75,00,00,000 (Previous Year - 54,99,99,994 Equity Shares of Rs 1/- each with voting rights Add: Addition during the Period/year	75,00,00,000 50,00,00,000	1,11,49,981 72,42,558	54,99,99,994 20,00,00,006	80,29,370 31,20,611
125,00,00,000 (Previous year - 75,00,00,000) Equity Shares of Re 1/- each with voting rights	<b>1,25,00,00,000</b>	<b>1,83,92,539</b>	<b>75,00,00,000</b>	<b>1,11,49,981</b>
Note : Special Resolution by Members has been passed on March 6, 2019 for preferential issue of 13,73,47,392 equity shares of Rs. 1/- each and presently, the Company has issued offer letter dated April 2, 2019, to prospective investor for 10,43,84,018 equity shares of Rs. 1/- each. However subscription and allotment has not been made till date.				
<b>Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
No. of shares at the beginning of the year	75,00,00,000	-	54,99,99,994	-
Preferential allotment	50,00,00,000	-	20,00,00,006	-
<b>No. of shares at the end of the period/year</b>	<b>1,25,00,00,000</b>	<b>-</b>	<b>75,00,00,000</b>	<b>-</b>
<b>11. Other equity</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Retained earnings</b>				
Balance at the beginning of the period	(33,71,35,133)	(48,11,615)	(12,03,02,920)	(14,02,190)
Total Comprehensive Income during the period / year	(28,36,41,985)	(45,15,306)	(19,29,84,227)	(30,33,687)
Less : Transfer to Liquidity Enhancement Scheme (LES) Reserve	(10,67,32,609)	(15,19,732)	(4,51,52,427)	(7,06,309)
Add: LES expenditure incurred during the period/year	12,98,04,584	18,57,299	2,13,04,441	3,30,571
<b>Closing Balance</b>	<b>(59,77,05,143)</b>	<b>(89,89,354)</b>	<b>(33,71,35,133)</b>	<b>(48,11,615)</b>
<b>Liquidity Enhancement Scheme (LES) Reserve (Refer note 32)</b>				
<b>Opening Balance</b>	2,38,47,986	3,75,738	-	-
Add: Transfer from Retained Earning	10,67,32,609	15,19,732	4,51,52,427	7,06,309
Less: LES expenditure incurred during the period	(12,98,04,584)	(18,57,299)	(2,13,04,441)	(3,30,571)
<b>Closing Balance</b>	<b>7,76,011</b>	<b>38,171</b>	<b>2,38,47,986</b>	<b>3,75,738</b>
<b>Total</b>	<b>(59,69,29,132)</b>	<b>(89,51,183)</b>	<b>(31,32,87,147)</b>	<b>(44,35,877)</b>
<b>12. Trade payables</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Current</b>				
<b>Total outstanding dues of micro, small and medium enterprises (A)</b>	<b>-</b>	<b>-</b>	<b>26,343</b>	<b>405</b>
Payable to service providers	2,21,27,136	3,19,889	1,30,69,503	2,00,933
Payable to Group Companies	-	-	23,546	362
<b>Total outstanding dues of creditor other than micro, small and medium enterprises (B)</b>	<b>2,21,27,136</b>	<b>3,19,889</b>	<b>1,30,93,049</b>	<b>2,01,295</b>
<b>Total</b>	<b>2,21,27,136</b>	<b>3,19,889</b>	<b>1,31,19,392</b>	<b>2,01,700</b>
<b>Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>				
(a) Principal amount and interest thereon remaining unpaid at the end of year	-	-	26,343	405
Interest paid including payment made beyond appointed day	-	-	-	-
(b) Interest due and payable for delay during the year / period	-	-	-	-
(c) Amount of interest accrued and unpaid as at year end / period end	-	-	-	-
(d) The amount of further interest due and payable even in the succeeding year / period	-	-	-	-

<b>13. Other financial liabilities</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Non Current</b>				
Finance lease obligations	2,94,601	4,259	2,94,064	4,521
<b>Total (A)</b>	<b>2,94,601</b>	<b>4,259</b>	<b>2,94,064</b>	<b>4,521</b>
<b>Current</b>				
Payable for fixed assets	5,43,756	7,861	30,62,862	47,089
Accrued employee benefits	1,19,54,737	1,72,828	1,26,13,222	1,93,918
Deposits from Members	9,33,81,255	13,50,000	8,84,59,976	13,60,000
Deposits from Clients	17,29,283	25,000	-	-
Margin from Clients	72,80,902	1,05,259	-	-
Current maturities of finance lease obligations	14,042	203	28,880	444
Accrued Interest on finance lease obligations	208	3	130	2
<b>Total (B)</b>	<b>11,49,04,183</b>	<b>16,61,154</b>	<b>10,41,65,070</b>	<b>16,01,453</b>
<b>Total (A+B)</b>	<b>11,51,98,784</b>	<b>16,65,413</b>	<b>10,44,59,134</b>	<b>16,05,974</b>
<b>14. Provisions</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Non Current</b>				
Gratuity liability	21,60,012	31,227	62,20,623	95,637
<b>Total (A)</b>	<b>21,60,012</b>	<b>31,227</b>	<b>62,20,623</b>	<b>95,637</b>
<b>Current</b>				
Gratuity liability	-	-	1,20,657	1,855
Compensated Absences	74,79,700	1,08,133	67,55,805	1,03,865
<b>Total (B)</b>	<b>74,79,700</b>	<b>1,08,133</b>	<b>68,76,462</b>	<b>1,05,720</b>
<b>Total (A+B)</b>	<b>96,39,712</b>	<b>1,39,360</b>	<b>1,30,97,085</b>	<b>2,01,357</b>
<b>15. Other liabilities</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Non-Current</b>				
Unamortised portion of Capital Subsidy	35,69,654	51,606	-	-
<b>Total (A)</b>	<b>35,69,654</b>	<b>51,606</b>	<b>-</b>	<b>-</b>
<b>Current</b>				
<b>Own</b>				
Statutory remittances	1,39,60,290	2,01,822	81,78,645	1,25,740
Advance Revenue	1,76,733	2,555	98,347	1,512
Unamortised portion of Capital Subsidy	19,01,657	27,492	-	-
<b>Total (B)</b>	<b>1,60,38,680</b>	<b>2,31,869</b>	<b>82,76,992</b>	<b>1,27,252</b>
<b>Earmarked</b>				
Contribution payable to Investor Protection Fund	11,46,722	16,578	9,73,710	14,970
<b>Total (C)</b>	<b>11,46,722</b>	<b>16,578</b>	<b>9,73,710</b>	<b>14,970</b>
<b>Total D = (B+C)</b>	<b>1,71,85,402</b>	<b>2,48,447</b>	<b>92,50,702</b>	<b>1,42,222</b>
<b>Total (A+D)</b>	<b>2,07,55,056</b>	<b>3,00,053</b>	<b>92,50,702</b>	<b>1,42,222</b>

<b>16. Income from Operations</b>				
Particulars	For the year ended March 31, 2019		For the Year ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
Annual Subscription Fees from Members	69,53,946	99,500	18,04,527	28,000
Listing Fees	17,21,084	24,626	7,68,535	11,925
Charges Recovered	3,09,957	4,435	1,00,409	1,558
Processing Fees	2,13,860	3,060	1,28,895	2,000
Commission Charges	11,18,222	16,000	-	-
Account on boarding charges	1,39,778	2,000	-	-
Trading Operation related Charges	7,58,085	10,847	-	-
<b>TOTAL</b>	<b>1,12,14,932</b>	<b>1,60,468</b>	<b>28,02,366</b>	<b>43,483</b>
<b>17. Other Income</b>				
Particulars	For the year ended March 31, 2019		For the Year ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
Incentives from Government authorities	1,02,65,981	1,46,890	-	-
Miscellaneous income	7,92,330	11,337	60,29,634	93,559
<b>TOTAL</b>	<b>1,10,58,311</b>	<b>1,58,227</b>	<b>60,29,634</b>	<b>93,559</b>
<b>18. Employee benefits expense</b>				
Particulars	For the year ended March 31, 2019		For the Year ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
Salaries, allowances and bonus	7,13,30,079	10,20,621	6,56,70,547	10,18,979
Contribution to provident and other Funds	49,53,306	70,874	44,84,766	69,588
Staff welfare expenses	1,89,748	2,715	3,64,257	5,652
Compensated absences	55,79,091	79,828	47,10,525	73,091
<b>TOTAL</b>	<b>8,20,52,224</b>	<b>11,74,038</b>	<b>7,52,30,095</b>	<b>11,67,310</b>
<b>19. Administration and other expenses</b>				
Particulars	For the year ended March 31, 2019		For the Year ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
Advertising and marketing expenses	39,48,653	56,499	31,95,947	49,590
Travelling expenses	83,62,906	1,19,660	75,92,999	1,17,817
Computer technology related expenses	2,65,30,316	3,79,607	2,68,03,029	4,15,890
Data Feed Expenses	30,36,603	43,449	26,90,163	41,742
Meeting ,seminar and event expenses	3,61,605	5,174	18,79,222	29,159
SEBI Regulatory Fees	1,02,15,032	1,46,161	49,74,437	77,186
Director Fees	2,56,702	3,673	3,00,260	4,659
Bank charges	47,385	678	72,052	1,118
Rent	1,90,797	2,730	1,98,369	3,078
Professional Fee	58,23,912	83,331	22,50,052	34,913
Legal Fees	12,46,259	17,832	43,19,523	67,024
Audit Fees	1,69,550	2,426	1,05,049	1,630
Insurane	58,008	830	72,954	1,132
Commission Charges	29,83,697	42,692	-	-
Trading Operation related Expenses	4,89,991	7,011	-	-
Loss on Trading Transaction	1,398	20	-	-
Building repair and maintenance	55,92,090	80,014	65,65,514	1,01,874
Stamp duty & registration fee	1,38,81,263	1,98,619	17,50,907	27,168
Preliminary Expenses	14,50,334	20,752	-	-
Electricity expenses	28,08,835	40,190	87,51,119	1,35,787
Printing and stationery expenses	6,75,197	9,661	10,76,852	16,709
Manpower Support Cost	50,669	725	-	-
Postage and telephone expenses	2,99,614	4,287	4,07,372	6,321
Sponsorship Charges	2,51,320	3,596	13,83,621	21,469
Provision for Cenvat receivable and Service tax expense	12,90,708	18,468	3,59,681	5,581
Miscellaneous Expenses	15,63,485	22,371	17,29,768	26,840
Foreign Exchange Loss	1,55,712	2,228	23,02,706	35,730
<b>TOTAL</b>	<b>9,17,42,041</b>	<b>13,12,684</b>	<b>7,87,81,596</b>	<b>12,22,417</b>
Note : Professional Fees includes payment to auditor Rs 36,482 (USD 522) (Previous year Rs 69,424 (USD 1,077) towards Other services and Other reimbursement of expenses.				
<b>20. Exchange Rate :-</b>				
Amounts of Balance Sheet other than shareholder funds, LES reserve in these condensed financial statements have been translated into Indian rupees at the closing rate as at March 31, 2019 which is 1 USD = Rs 69.1713 , amount of Statement Profit and Loss at the average rate from 01 April 2018 to March 31, 2019 which is 1 USD = Rs 69.8889.				

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

(Formerly known as BSE International Exchange (IFSC) Limited)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### 21. Earnings Per Share

Particulars	For the year ended March 2019		For the year ended March 2018	
	(Rs)	(USD)	(In Rs)	(USD)
Profit / (Loss) for the period / year	(31,58,28,078)	(45,19,002)	(19,49,36,306)	(30,24,735)
Weighted average number of equity shares (Nos)	92,80,82,192	92,80,82,192	65,41,09,586	65,41,09,586
Earnings per share basic and diluted before exceptional item	(0.200)	(0.003)	(0.265)	(0.004)
Earnings per share basic and diluted after exceptional item	(0.340)	(0.005)	(0.298)	(0.005)
Face value per equity share	1	NA	1	NA

### 22. Disclosure as required on “Employee Benefits” is as under:

#### 22.1.1 Defined Benefit Plan – Gratuity

The Group offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee’s compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees.

Such plan exposes the Company to actuarial risks such as: investment risk, interest rate risk, demographic risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan is managed by the insurer.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan’s debt investments.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, medical cost inflation, discount rate and vesting criteria.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan’s liability.

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

(Formerly known as BSE International Exchange (IFSC) Limited)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

- i. The following tables set out the funded/unfunded status of the gratuity benefit Scheme and the amounts recognized in the Company's financial statements :

Particulars	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018
	Funded	Funded	Unfunded	Unfunded
	(Rs)	(USD)	(Rs)	(USD)
<b>Change in benefit obligations</b>				
Benefit obligations at the beginning	63,41,280	97,492	50,19,350	77,413
Current Service Cost	12,74,357	18,234	9,53,435	14,794
Past Service Cost	-	-	2,30,719	3,579
Interest on defined benefit obligation	4,86,776	6,965	3,65,095	5,665
Actuarial loss / (gain)	(1,43,933)	(2,060)	5,76,933	8,952
Benefit Paid	(43,080)	(623)	-	-
Net Liability assumed on transfer within Group companies	(1,30,369)	(1,909)	(8,23,801)	(12,665)
Translation/ Forex impact	58	24	19,549	(246)
<b>Closing Defined Benefit Obligation (A)</b>	<b>77,85,089</b>	<b>1,18,123</b>	<b>63,41,280</b>	<b>97,492</b>
<b>Change in Plan assets</b>				
Fair value of plan assets at the beginning	-	-		
Employer Contribution	57,01,248	82,422		
Interest income	1,14,376	1,637		
Assets assumed / settled	(1,47,467)	(2,150)		
Benefits paid	(43,080)	(623)		
<b>Fair value of plan assets at the end</b>	<b>56,25,077</b>	<b>81,286</b>		
<b>Funded status (B)</b>	<b>56,25,077</b>	<b>81,286</b>		
Translation/ Forex impact (c)	-	5,610		
<b>payable gratuity benefit (A-B-C)</b>	<b>21,60,012</b>	<b>31,227</b>	<b>63,41,280</b>	<b>97,492</b>
<b>Current Provision (Refer note 14)</b>	<b>-</b>	<b>-</b>	<b>1,20,657</b>	<b>1,855</b>
<b>Non-Current Provision (Refer note 14)</b>	<b>21,60,012</b>	<b>31,227</b>	<b>62,20,623</b>	<b>95,637</b>

- ii. Amount recognised in the Statement of Profit and Loss

Particulars	For the Year Ended March 2019		For the Year Ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
Current Service Cost	12,74,357	18,234	9,53,435	14,794
Past Service Cost	-	-	2,30,719	3,579
Interest on net defined benefit obligations	4,86,776	6,965	3,65,095	5,665

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	For the Year Ended March 2019		For the Year Ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
Total Included in "Employee Benefit Expense"	17,61,133	25,199	15,49,249	24,038

### iii. Amount recognised in the Other Comprehensive Income

Particulars	For the Year Ended March 2019	For the Year Ended March 2019	For the Year Ended March 2019	For the Year Ended March 2019
	(Rs)	(USD)	(Rs)	(USD)
Actuarial loss / (gain) arising from change in financial assumptions	-	-	(2,68,488)	(4,166)
Actual return on plan assets less interest on plan asset	(1,14,376)	(1,637)	-	-
Actuarial loss / (gain) arising on account of demographic assumptions	(1,643)	(24)	-	-
Actuarial loss / (gain) arising on account of experience changes	(1,42,290)	(2,036)	8,45,421	13,118
<b>Amount recognised in the Other Comprehensive Income</b>	<b>(2,58,309)</b>	<b>(3,696)</b>	<b>5,76,933</b>	<b>8,952</b>

### iv. Principle actuarial assumption

Assumptions	March 31, 2019	March 31, 2018
Discount Rate	7.75%	7.75%
Salary escalation	7.00%	7.00%

- Discount Rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.
  - Salary Escalation Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
  - The Company has considered past service on account of benefit amendment.
- v. **Sensitivity Analysis:** The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points:-

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Particulars	For the Year ended March 31, 2019		For the Year ended March 31, 2018	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Impact of increase in 50 bps on defined benefit obligation	(5.47)%	5.89%	(5.73)%	6.19%
Impact of decrease in 50 bps on defined benefit obligation	5.88%	(5.53)%	6.18%	(5.79)%

Sensitivity for the significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 50 basis points, keeping all other actuarial assumption constant.

### vi. Composition of Plan Assets

Particulars	March 31, 2019	March 31, 2018
Insurer Managed Assets	100%	-
Others	*	-

\* Represents % below 1%

Actual return on the assets for the period ended March 31, 2019 ₹ 1,14,376.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan.

The plan assets in respect of gratuity represent funds managed by the India International Exchange (IFSC) Limited Employee's Group Gratuity Fund. The Employer's best estimate of the contributions expected to be paid to the plan during the next year is ₹ 15,00,000.

### vii. Maturity profile of defined benefit obligations

Maturity Profile	March 31, 2019	March 31, 2018
Expected benefits for year 1	1,48,879	1,20,675
Expected benefits for year 2	1,57,872	1,31,124
Expected benefits for year 3	1,65,608	1,38,450
Expected benefits for year 4	1,78,883	1,46,586
Expected benefits for year 5	1,93,189	1,57,965
Expected benefits for year 6	2,04,790	1,70,635
Expected benefits for year 7	2,22,033	1,78,746
Expected benefits for year 8	2,40,711	1,93,446

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Expected benefits for year 9	16,51,105	2,08,656
Expected benefits for year 10 and above	1,83,48,615	1,67,99,760

The weighted average duration to the payment of these cash flows is 11.34 years (previous period 11.89 years).

### 21.1.2 Defined Benefit Plan – Compensated absence

The liability for compensated absences as at the year ended March 31, 2019 is Rs 74,79,700 (USD-1,08,133) (2018 : Rs 67,55,805 (USD-1,03,865)) as shown under current other financial liabilities. During the current year, provision for compensated absence amounting to Rs 55,79,091 (USD-79,828) (2018: Rs 47,10,525 (USD-73,091)) have been charged to the Statement of Profit and Loss, under Compensated absence in note 18 “Employee benefits expense”.

For Principle actuarial assumption refer above iv table of assumption.

### 22.2 Defined Contribution Plan – Provident Fund, Pension Fund and National Pension Scheme (NPS)

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. The Company offers its employees defined contribution plan in the form of provident fund and family pension fund. Provident fund and family pension fund cover substantially all regular employees. While both, the employees and the Company pay predetermined contributions into the provident fund and National Pension Scheme, contributions into the family pension fund are made by only the Company. The contributions are based on a certain proportion of the employee’s salary.

During the current year, provident fund contributions amounting to Rs 21,12,839 (USD- 30,231) (2018: Rs 20,63,573 (USD-32,021) have been charged to the Statement of Profit and Loss, under Contributions to provident, gratuity and other funds in note 18 “Employee benefits expense”.

During the current year, National pension scheme contributions amounting to Rs 10,79,334 (USD15,444) (2018: Rs 8,71,944 (USD- 13,529) have been charged to the Statement of Profit and Loss, under Contributions to provident, gratuity and other funds in note 18 “Employee benefits expense”.

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### 23. Segment Reporting

The Chief Executive Officer & Managing Director of the Parent Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by industry classes. Accordingly, segment information has been presented for industry classes. The "Group" or the "Exchange" operates only in one Business Segment i.e. "Facilitating Trading in Securities and other related ancillary Services", hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments". The reportable business segments are in line with the segment wise information which is being presented to the CODM.

### 24. Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2.5 to the financial statements.

#### Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs).

The carrying value of financial instruments by categories as at balance sheet date is as follows and the directors consider that the carrying amounts of below mentioned financial assets and financial liabilities recognised in the balance sheet approximate their fair values.

Particulars	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018
	(Rs)	(USD)	(Rs)	(USD)
<b>Financial Assets carried at amortised cost</b>				
Other non-current financial assets	21,62,087	31,257	37,94,673	58,340
Cash and cash equivalents	47,28,82,329	68,36,395	15,97,11,104	24,55,428
Bank Balances	10,59,21,943	15,31,299	17,75,25,513	27,29,310

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Particulars	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018
Trade Receivables	18,96,124	27,412	11,50,760	17,692
Other current financial assets	1,39,46,801	2,01,627	1,14,61,616	1,76,213
<b>Total</b>	<b>59,68,09,284</b>	<b>86,27,990</b>	<b>35,36,43,666</b>	<b>54,36,983</b>
<b>Financial Liabilities carried at amortised cost</b>				
Other non-current financial liabilities	2,94,601	4,259	2,94,064	4,521
Trade payables	2,21,27,136	319,889	1,31,19,392	2,01,700
Other current financial liabilities	11,49,04,183	16,61,154	10,41,65,070	16,01,453
<b>Total</b>	<b>13,73,25,920</b>	<b>19,85,302</b>	<b>11,75,78,526</b>	<b>18,07,674</b>

## 25. Related Party Transactions

### 1. Names of related parties and nature of relationship

Category of related parties	Name
<b>Holding Company</b>	BSE Limited
<b>Fellow Subsidiaries:</b>	India International Clearing Corporation (IFSC) Limited
	Indian Clearing Corporation Limited
	Marketplace Technologies Private Limited
	Marketplace Tech Infra Services Private Limited
	BSE Investments Limited
	BSE Ebix Insurance Broking Private Limited
	BSE Institute Limited
	BSE CSR Integrated Foundation
	BSE Sammaan CSR Limited
	BSE Skills Limited (up to June 28, 2018)
	BFSI Sector Skill Council of India
	BIL Ryerson Technology start up Incubator Foundation
	Pranurja Solutions Limited (w.e.f April 24, 2018)
<b>Associate of Holding</b>	Central Depository Services (India) Limited (w.e.f June 30, 2017)
	CDSL Ventures Limited (w.e.f June 30, 2017)
	CDSL Insurance Repository Limited (w.e.f June 30, 2017)

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Category of related parties	Name
	CDSL Commodity Repository Limited (w.e.f June 30, 2017)
	Asia Index Private Limited
	BSE EBIX Insurance Broking Private Limited (w.e.f March 15, 2018)
	Marketplace EBIX Technology Services Private Limited (w.e.f April 03, 2018)
<b>Trust Set up by Holding Company</b>	BSE Investors Protection Fund
<b>Trust Set up by Company</b>	India International Exchange (IFSC) Limited Employees Group Gratuity Cash Accumulation Scheme (Employee Gratuity Fund)
<b>Key Management Personnel</b>	Mr. Ashishkumar Chauhan – Non Executive Chairman
	Mr. Balasubramaniam Venkataramani - Managing Director and Chief Executive Officer
	Dr. Ajit Ranade – Independent Director
	Mr. Anand Sinha – Independent Director
	Dr. SK Nanda (IAS) – Independent Director
	Mr. Nehal Vora – Director

## 2. Transactions with Related Parties

### (a) BSE Ltd (Holding Company):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
<b>Reimbursement/(Recovery) of Expenses/ Transactions</b>				
Travelling expenses	2,51,653	3,601	-	-
Salaries, allowances and bonus	1,25,792	1,800	-	-
Computer Technology related Expenses	34,77,786	49,762	26,16,445	40,598
Recovery of insurance policy	3,30,398	4,727	-	-

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Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
Advance to Staff	-	-	3,10,846	4,779
Recovery/ transfer of gratuity liabilities	1,47,467	2,150	(1,35,552)	(2,084)
Recovery of Compensated absence liabilities	1,43,271	2,089	(17,562)	(270)
Equity Share Capital	50,00,00,000	72,42,558	20,00,00,006	31,20,611

Particulars	As at March 31, 2019 (Rs)	As at March 31, 2019 (USD)	As at March 31, 2018 (Rs)	As at March 31, 2018 (USD)
<b>Assets</b>				
Receivable (net) *	-	-	86,52,947	1,33,032

\* The above receivable does not include payable provision amounting to Rs Nil as at March 2019. (2018: Rs 4,13,079 (USD 6,351))

### (b) India International Clearing Corporation (IFSC) Limited (Fellow Subsidiary):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
<b>Recovery of Expenses/Transactions</b>				
Computer Technology Related Expenses	36,43,918	52,139	21,12,326	32,776
Electricity Expenses	4,67,132	6,684	12,90,564	20,025
Staff Welfare Expenses	30,799	441	-	-
Travelling Expenses	-	-	5,41,775	8,406
Property, Plant and Equipment's	-	-	4,447	68.38
Recovery of insurance policy	10,571	151	-	-
Salaries, allowances and bonus	2,44,299	3,496	5,80,913	9,014
Professional Fees	-	-	1,18,899	1,845

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Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
<b>Recovery of Expenses/Transactions</b>				
Transfer of Electricity Incentives received from authorities	(2,45,127)	(3,508)	-	-
Building repair and maintenance	2,47,321	3,539	-	-
Gratuity liability on account of employee transfer (net)	17,098	241	9,59,353	14,749
Recovery of Compensated absence liabilities (net)	1,65,458	2,331	-	-

particulars	As at March 31, 2019 (Rs)	As at March 31, 2019 (USD)	As at March 31, 2019 (Rs)	As at March 31, 2019 (USD)
<b>Assets</b>				
Receivable (net)*	2,31,862	3,352	26,77,996	41,172

\* The above receivable does not include recovery provision amounting to Rs 4,74,202 (USD 6,855) as at March 31, 2019 (2018: Rs. 341,456 (USD 5250)).

### (c) Marketplace Technologies Private Ltd (Fellow Subsidiary):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
<b>Expenditure</b>				
Computer technology related expenses	-	-	91,386	1,418

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### (d) Indian Clearing Corporation Limited (Fellow Subsidiary):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
<b>Expenditure</b>				
Travelling Expenses	33,581	480	25,044	389
Particulars	As at March 31, 2019 (Rs)	As at March 31, 2019 (USD)	As at March 31, 2017 (Rs)	As at Mar 31, 2017 (USD)
<b>Liability</b>				
Payable*	-	-	23,546	362

\* The above payable does not include provision amounting to Rs 4,800 (USD 69) as at March 31, 2019 (2018 : Rs 4,200 (USD 65)).

### (e) BSE Investors Protection Fund (Trust set up by the Holng Company):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)
<b>Expenses</b>		
Rent	1,90,828	2,730

### (f) Central Depository Services (India) Limited (Associate of Holding Company):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)
<b>Expenses</b>		
Professional Fees	1,01,569	1,453

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### (g) Key Managerial remuneration:

Particular	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
<b>Salaries, allowances &amp; bonus and contribution to Funds</b>				
Mr. Balasubramaniam Venkataramani - Managing Director and Chief Executive Officer*	2,58,76,367	3,70,250	2,17,32,637	3,37,215

\* The Company provides long term benefits in the form of Gratuity to Key managerial person along with all employees, cost of same is not identifiable separately and not disclosed.

### 26. Contingent liabilities

There are no contingent liabilities as at March 31, 2019 (March 31, 2018: Nil).

### 27. Capital Commitment

Estimated amount of contracts remaining to be executed on capital account, not provided for amounting to Rs Nil (USD – Nil) (2018 : Rs 1,11,79,455 (USD – 1,71,875)).

### 28. Lease

**28.1 Operating Lease:** The Group has taken residential facilities and official facilities under cancellable operating lease. During the year ended March 31, 2019 rental expenses under cancellable operating lease is recorded Rs 190,797 (USD-2,730) (2018: Rs 1,98,369 (USD-3,078)).

### 28.2 Finance Lease –

Group has taken leasehold premises and improvements on lease term of 30 years. The minimum lease rentals along with their leased premium and the present value of minimum lease payments in respect of assets acquired under finance lease are as follows:

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<i>Amount in Rs</i>				
Particular	Payable not later than 1 year	Payable later than 1 year and not later than 5 year	Payable later than 5 year	Total
<b>Minimum Lease Payments</b>				
<b>March 31, 2019</b>	<b>15,955</b>	<b>60,764</b>	<b>348,857</b>	<b>4,25,576</b>
<i>March 31, 2018</i>	<i>30,382</i>	<i>60,764</i>	<i>3,49,326</i>	<i>4,40,472</i>
<b>Finance Charge</b>				
<b>March 31, 2019</b>	<b>948</b>	<b>6,442</b>	<b>1,09,543</b>	<b>1,16,933</b>
<i>March 31, 2018</i>	<i>1,501</i>	<i>6,403</i>	<i>1,09,623</i>	<i>1,17,528</i>
<b>Present value of Minimum Lease Payments</b>				
<b>March 31, 2019</b>	<b>15,007</b>	<b>54,322</b>	<b>2,39,314</b>	<b>3,08,643</b>
<i>March 31, 2018</i>	<i>28,881</i>	<i>54,361</i>	<i>2,39,703</i>	<i>3,22,944</i>

<i>Amount in USD</i>				
Particular	Payable not later than 1 year	Payable later than 1 year and not later than 5 year	Payable later than 5 year	Total
<b>Minimum Lease Payments</b>				
<b>March 31, 2019</b>	<b>231</b>	<b>878</b>	<b>5,043</b>	<b>6,152</b>
<i>March 31, 2018</i>	<i>467</i>	<i>934</i>	<i>5,371</i>	<i>6,772</i>
<b>Finance Charge</b>				
<b>March 31, 2019</b>	<b>14</b>	<b>93</b>	<b>1,583</b>	<b>1,690</b>
<i>March 31, 2018</i>	<i>23</i>	<i>98</i>	<i>1,685</i>	<i>1,807</i>
<b>Present value of Minimum Lease Payments</b>				
<b>March 31, 2019</b>	<b>217</b>	<b>785</b>	<b>3,460</b>	<b>4,462</b>
<i>March 31, 2018</i>	<i>444</i>	<i>836</i>	<i>3,685</i>	<i>4,965</i>

### 29. Financial Risk Management:

The Group's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to support its operations. The Group's principal financial assets includes Cash and cash equivalents.

The Group's activities expose it to a variety of risks: Regulatory risk, Liquidity risk, Foreign Currencies risk.

#### Regulatory risk:

The Group requires a number of regulatory approvals, licenses, registrations and permissions to operate our business, including at a corporate level as well as at the level of each of its components. For example, the Company have licenses from SEBI in relation to, among others, introducing derivatives contracts on various indices of the exchange, introduction of futures and

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options contracts on various indices of the exchange. Some of these approvals are required to be renewed from time to time. The Company's operations are subject to continued review and the governing regulations may change. The Company's regulatory team constantly monitors the compliance with these rules and regulations.

### Foreign currency risk

United State Dollars (USD) is the functional currency of the Group, thus the Group's exchange risk arises from its foreign currency expenses. Currency other than USD is considered as foreign currency. Company is using Special Non-Resident Rupee account for discharging the liability of INR.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the contractual maturities of significant financial liabilities as follows.

<i>Amount in Rs</i>					
Particulars	On Demand	Payable within 1 year	Payable more than 1 year and less than 5 year	Payable more than 5 year	Total
<b>Finance lease obligation</b>					
<b>March 31, 2019</b>	-	<b>15,955</b>	<b>60,764</b>	<b>348,857</b>	<b>4,25,576</b>
<i>March 31, 2018</i>	-	<i>30,382</i>	<i>60,764</i>	<i>3,49,326</i>	<i>4,40,472</i>
<b>Deposits &amp; Margin from Members and Client</b>					
<b>March 31, 2019</b>	<b>10,23,91,440</b>	-	-	-	<b>10,23,91,440</b>
<i>March 31, 2018</i>	<i>8,84,59,976</i>	-	-	-	<i>8,84,59,976</i>
<b>Trade Payables</b>					
<b>March 31, 2019</b>	-	<b>2,22,56,486</b>	-	-	<b>2,22,56,486</b>
<i>March 31, 2018</i>	-	<i>1,31,19,392</i>	-	-	<i>1,31,19,392</i>
<b>Other Financial liabilities</b>					
<b>March 31, 2019</b>	-	<b>1,24,98,493</b>	-	-	<b>1,24,98,493</b>
<i>March 31, 2018</i>	-	<i>1,56,76,084</i>	-	-	<i>1,56,76,084</i>

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Amount in USD					
Particulars	On Demand	Payable within 1 year	Payable more than 1 year and less than 5 year	Payable more than 5 year	Total
<b>Finance lease obligation</b>					
<b>March 31, 2019</b>		<b>231</b>	<b>878</b>	<b>5,043</b>	<b>6,152</b>
<i>March 31, 2018</i>	-	<i>467</i>	<i>934</i>	<i>5,371</i>	<i>6,772</i>
<b>Deposits &amp; Margin from Members and Client</b>					
<b>March 31, 2019</b>	<b>14,80,259</b>				<b>14,80,259</b>
<i>March 31, 2018</i>	<i>13,60,000</i>				<i>13,60,000</i>
<b>Trade Payables</b>					
<b>March 31, 2019</b>		<b>3,21,759</b>			<b>3,21,759</b>
<i>March 31, 2018</i>		<i>2,01,700</i>			<i>2,01,700</i>
<b>Other Financial liabilities</b>					
<b>March 31, 2019</b>	-	<b>1,80,688</b>	-	-	<b>1,80,688</b>
<i>March 31, 2018</i>	-	<i>2,41,007</i>	-	-	<i>2,41,007</i>

### 30. Capital management:

The group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company is predominantly equity financed which is evident from the capital structure table. Further, the company has always been a net cash company with cash and bank balances along with investment which is predominantly investment in fixed deposit being far in excess of financial liabilities.

#### Compliance with externally imposed capital requirements:

In accordance with SEBI (International Financial Services Centre) Guidelines, 2015, The India International Exchange (IFSC) Limited shall have a minimum net worth equivalent of twenty five crore rupees initially and it shall enhance its net worth to a minimum equivalent of one hundred crore rupees over the period of three years from the date of approval.

31. The Group has not created any deferred tax provision. Deferred tax provision will be recognised based on the reasonable certainty.

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

*(Formerly known as BSE International Exchange (IFSC) Limited)*

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

- 32.** Pursuant to SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2017/95 dated August 10, 2017 (INDIA INX Circular no-20171017-1, dated October 17, 2017), the Company had launched Liquidity Enhancement Scheme (LES) to enhance liquidity in INDIA INX's Futures & Options Segment. LES was launched on November 01, 2017 and which was further extended and amended from time to time. An expense of USD 551.18 thousand (Rs 387.88 Lakhs) and USD 1,857.30 thousand (Rs 1,298.05 Lakhs) (Previous year: USD 330.57 thousand (Rs 213.04 Lakhs)) has been incurred towards the Scheme for the quarter and year ended March 31, 2019 respectively considering the special nature of this expense and its impact on the Loss of the Company, the same has been recognised as an exceptional item.

Further Pursuant to SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2017/95 dated August 10, 2017, during the year ended March 31, 2019, The Company has created additional LES reserve of USD 1,519.73 thousand (Rs 1,067.32 lakhs) and incurred an expense of USD 551.18 thousand (Rs 387.88 Lakhs) and USD 1,857.30 thousand (Rs 1,298.05 Lakhs) during the quarter and year ended March 31, 2019 respectively, accordingly LES reserve balance as on March 31, 2019 is USD 38.17 thousand (Rs 7.76 Lakhs) (Previous year: USD 375.74 thousand (Rs 238.48 Lakhs)). The LES reserve as on March 31, 2019 will not form part of net worth of the Exchange.

- 33.** During the current period, Exchange has made investment in India INX Global Access IFSC Limited which was incorporated on April 05, 2018 being wholly owned subsidiary of the Exchange. Accordingly, consolidated financial statements of Exchange is prepared for the current year. Hence previous year figure not comparable with the current year to extent applicable.

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

(Formerly known as BSE International Exchange (IFSC) Limited)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

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

Name of the entity	March 31, 2019		March 31, 2019	
	Rs in Lakhs		USD (000)	
	%	Amount	%	Amount
<b>As % of consolidated net assets Net assets, i.e., total assets minus total liabilities</b>				
Parent Company	101%	6588.87	101%	9,525.45
Subsidiary - India INX Global Access IFSC Limited	(1)%	(58.16)	(1)%	(84.09)
<b>As % of consolidated net Profit and Loss</b>				
Parent Company	98%	(3,099.52)	98%	(4,425.26)
Subsidiary - India INX Global Access IFSC Limited	2%	(58.76)	2%	(93.74)
<b>As % of consolidated net Other Comprehensive Income</b>				
Parent Company	100%	321.26	100%	3.70
Subsidiary - India INX Global Access IFSC Limited	@	0.60	-	-
<b>As % of consolidated net Total Comprehensive Income</b>				
Parent Company	98%	(2,778.26)	98%	(4,431.22)
Subsidiary - India INX Global Access IFSC Limited	2%	(58.16)	2%	(84.09)
@ represents % less than 1%				

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

*(Formerly known as BSE International Exchange (IFSC) Limited)*

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

35. Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report of even date attached

**For S. Panse & Co.**  
**Chartered Accountants**  
**Firm Reg. No.: 113470W**

**For and on behalf of the Board of Directors**

**Supriya Panse**  
**Partner**  
**Membership No.: 46607**

**Ashishkumar Chauhan**  
**Chairman**

**Balasubramaniam**  
**Venkataramani**  
**Managing Director & CEO**

**Date: April 25, 2019**  
**Place : Mumbai**

**Mayank Jain**  
**Chief Financial Officer**

**Nikhil Mehta**  
**Company Secretary**



# INDIA INTERNATIONAL EXCHANGE (IFSC) LIMITED

Audited Standalone  
Financial Statement for the  
Year ended March 2019

## **Independent Auditor's Report**

**To the Members of India International Exchange (IFSC) Limited  
(Formerly known as BSE International Exchange (IFSC) Limited)**

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

#### **Opinion**

We have audited the accompanying standalone financial statements of India International Exchange (IFSC) Limited (herein after referred to as 'the Company' which comprise the balance sheet as at 31 March 2019, the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as 'the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the Financial position of the Company as at 31 March 2019 and its financial performance including other comprehensive income, its cash flows and the changes in equity 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 Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement. 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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.

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

The Company's Board of Directors is responsible for the preparation and presentation of the standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the ability of the Company 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 responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, the statement of cash flow and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
  - (e) on the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the director is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by the Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 197 in respect of the remuneration paid by the Company to its directors are not applicable to the Company. Hence reporting under section 197(16) of the Act is not applicable to the Company
- (g) 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; and
- (h) 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, to the best of our information and according to the explanations given to us we state that:
  - (i) there is no pending litigation against the Company
  - (ii) there are no material foreseeable losses on long term contracts including derivative contract where provision is required to be made by the Company under any law or accounting standards
  - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For S. Panse & Co.**  
**Chartered Accountants**  
(Firm Registration No: 113470W)

**Supriya Panse**  
Partner  
Membership No.: 46607  
April 25, 2019

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

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year March 31, 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) The Company has a programme of physical verification of its fixed assets by which fixed assets are verified once every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its asset. Pursuant to the program, the fixed assets were verified during the year. In our opinion and according to information and explanation given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and based on the examination of registered lease deed provided to us in respect of immovable property of office premise that has been taken on lease and disclosed as fixed asset, the lease agreement is in the name of the Company.
- (ii) The Company is a service company, primarily in the business of stock exchange. Accordingly, it does not hold any physical inventories. Hence reporting under paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) To the best of our knowledge and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- (iv) To the best of our knowledge and according to the information and explanations given to us, the Company has not made any investment or provided any guarantee or security in terms of provisions of section 185 and 186 of the Act. Hence reporting under paragraph 3 (iv) of the Order is not applicable
- (v) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted deposits from public and therefore, reporting under paragraph 3 (v) of the Order is not applicable.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under

section 148(1) of the Act in respect of rendered by the Company. Hence reporting under clause 3(vi) of the order is not applicable to the Company.

(vii) To the best of our knowledge and according to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise duty, Cess and other material statutory dues as applicable with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise duty, Cess and other material statutory dues as applicable in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) There were no material dues of Income Tax, Sales tax, Service Tax, Goods and Service Tax, Duty of customs, Duty of Excise, Value Added tax as applicable that were not deposited by the Company on account of dispute.

(viii) To the best of our knowledge and according to the explanations given to us, the Company has not taken any loans or borrowings from any financial institution, banks, government or has not issued any debentures. Hence reporting under paragraph 3 (viii) of the Order is not applicable to the Company.

(ix) To the best of our knowledge and according to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) and term loans and hence reporting under clause paragraph 3 (ix) of the Order is not applicable to the Company.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by the Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 197 in respect of payment of managerial remuneration are not applicable to the Company. Hence reporting under clause paragraph 3 (xi) of the Order is not applicable to the Company.

- (xii) To the best of our knowledge and according to the information and explanations given to us, the Company is not a nidhi company. Hence reporting under the paragraph 3(xii) of the Order is not applicable.
- (xiii) In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by the Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 177 are not applicable to the Company. To the best of our knowledge and according to the information and explanations given to us, the Company is in compliance with Section 188 of the Act, as applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) The Company made preferential allotment of shares during the period as mentioned in Note 10 to the standalone financial statements and to the best of our knowledge and according to the information and explanations given to us, the amounts raised were used for the purpose for which they were raised.
- (xv) To the best of our knowledge and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and thus provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. Hence reporting under paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45 -IA of the Reserve Bank of India Act 1934.

**For S. Panse & Co.**  
**Chartered Accountants**  
(Firm Registration No: 113470W)

**Supriya Panse**  
Partner  
Membership No.: 46607  
April 25, 2019

## **Annexure - B to the Auditors' Report**

### **Report on the Internal Financial Controls 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 India International Exchange (IFSC) Limited (Formerly known as BSE International Exchange (IFSC) Limited) ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

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

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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 S. Panse & Co.**  
**Chartered Accountants**  
(Firm Registration No: 113470W)

**Supriya Panse**  
Partner  
Membership No.: 46607  
April 25, 2019

<b>India International Exchange (IFSC) Limited</b> <b>(Formerly known as BSE International Exchange (IFSC) Limited)</b> <b>Balance Sheet as at March 31,2019</b>						
Particulars		Note No.	As at March 31,2019		As at March 31, 2018	
			(Rs)	(USD)	(Rs)	(USD)
			Audited	Audited	Audited	Audited
<b>1 ASSETS</b>						
<b>Non-current assets</b>						
a. Property, plant and equipment	3		19,26,51,824	27,85,141	20,22,43,376	31,09,327
b. Other Intangible assets	4		1,36,92,182	1,97,946	1,30,50,773	2,00,645
c. Intangible assets under development			-	-	24,68,098	37,945
d. Financial assets						
(i) Investment in Subsidiary	8		10,13,36,300	14,65,005	-	-
(ii) Other Financial Assets	9		21,62,087	31,257	37,94,673	58,340
e. Non-current tax assets (net)			1,67,118	2,416	1,47,390	2,266
<b>Total</b>			<b>31,00,09,511</b>	<b>44,81,765</b>	<b>22,17,04,310</b>	<b>34,08,523</b>
<b>2 Current assets</b>						
a. Financial assets						
(i) Cash and cash equivalents	5		39,26,55,173	56,76,562	15,97,11,104	24,55,428
(ii) Bank Balance other than above (i)	6		10,59,21,943	15,31,299	17,75,25,513	27,29,310
(iii) Trade Receivables	7		18,96,124	27,412	11,50,760	17,692
(iv) Other financial assets	9		12,90,666	18,659	1,14,61,616	1,76,213
b. Other assets	10		59,62,911	86,205	50,85,863	78,191
<b>Total</b>			<b>50,77,26,817</b>	<b>73,40,137</b>	<b>35,49,34,856</b>	<b>54,56,834</b>
<b>Total Assets</b>			<b>81,77,36,328</b>	<b>1,18,21,902</b>	<b>57,66,39,166</b>	<b>88,65,357</b>
<b>1 EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
a. Equity share capital	11		1,25,00,00,000	1,83,92,539	75,00,00,000	1,11,49,981
b. Other equity	12		(59,07,80,218)	(88,62,289)	(31,32,87,147)	(44,35,877)
<b>Total</b>			<b>65,92,19,782</b>	<b>95,30,250</b>	<b>43,67,12,853</b>	<b>67,14,104</b>
<b>LIABILITIES</b>						
<b>2 Non-current liabilities</b>						
a. Financial liabilities						
(i) Other financial liabilities	14		2,84,156	4,108	2,94,064	4,521
b. Provisions	15		21,60,012	31,227	62,20,623	95,637
c. Other liabilities	16		35,69,654	51,606	-	-
<b>Total</b>			<b>60,13,822</b>	<b>86,941</b>	<b>65,14,687</b>	<b>1,00,158</b>
<b>3 Current liabilities</b>						
a. Financial liabilities						
(i) Trade payables						
a. Total outstanding dues of micro enterprises and small enterprises	13		-	-	26,343	405
b. Total outstanding dues of creditor other than micro enterprises and small enterprises	13		2,19,47,844	3,17,297	1,30,93,049	2,01,295
(ii) Other financial liabilities	14		10,58,93,306	15,30,885	10,41,65,070	16,01,453
b. Provisions	15		74,79,700	1,08,133	68,76,462	1,05,720
c. Other liabilities	16		1,71,81,874	2,48,396	92,50,702	1,42,222
<b>Total</b>			<b>15,25,02,724</b>	<b>22,04,711</b>	<b>13,34,11,626</b>	<b>20,51,095</b>
<b>Total Equity and Liabilities</b>			<b>81,77,36,328</b>	<b>1,18,21,902</b>	<b>57,66,39,166</b>	<b>88,65,357</b>
See accompanying notes forming part of the financial statements			1-2			
<b>In terms of our report attached</b> <b>For S. Panse &amp; Co.</b> <b>Chartered Accountants</b> <b>Firm Reg. No.: 113470W</b>			<b>For and on behalf of the Board of Directors</b>			
<b>Supriya Panse</b> <b>Partner</b> <b>Membership No.: 46607</b>			<b>Ashishkumar Chauhan</b> <b>Chairman</b>		<b>Balasubramaniam Venkataramani</b> <b>Managing Director &amp; CEO</b>	
<b>Date: April 25, 2019</b> <b>Place : Mumbai</b>			<b>Mayank Jain</b> <b>Chief Financial Officer</b>		<b>Nikhil Mehta</b> <b>Company Secretary</b>	

**India International Exchange (IFSC) Limited**  
**(Formerly known as BSE International Exchange (IFSC) Limited)**  
**Statement of Profit and Loss for the Year ended March 31,2019**

Particulars	Note No.	For the Year ended March 31,2019		For the Year ended March 31, 2018	
		(Rs)	(USD)	(Rs)	(USD)
		Audited	Audited	Audited	Audited
1 Revenue from operations	17	91,94,654	1,31,561	28,02,366	43,483
2 Investment Income		25,11,528	35,936	25,33,427	39,310
3 Other income	18	1,08,12,023	1,54,703	60,29,634	93,559
<b>4 Total revenue (1+2+3)</b>		<b>2,25,18,205</b>	<b>3,22,200</b>	<b>1,13,65,427</b>	<b>1,76,352</b>
<b>5 Expenses</b>					
Employee benefits expense	19	8,20,52,224	11,74,038	7,52,30,095	11,67,310
Administration and other expenses	20	8,37,22,850	11,97,942	7,87,81,596	12,22,417
Finance costs		629	9	387	6
Depreciation and amortisation expenses		3,65,53,292	5,23,020	3,09,85,214	4,80,783
<b>Total expenses</b>		<b>20,23,28,995</b>	<b>28,95,009</b>	<b>18,49,97,292</b>	<b>28,70,516</b>
<b>6 Profit / (loss) before tax (4 - 5)</b>		<b>(17,98,10,790)</b>	<b>(25,72,809)</b>	<b>(17,36,31,865)</b>	<b>(26,94,164)</b>
<b>7 Exception Items - LES Expenditure (Refer note 33)</b>		<b>12,98,04,584</b>	<b>18,57,299</b>	<b>2,13,04,441</b>	<b>3,30,571</b>
<b>8 Tax expense:</b>					
Current tax and Deferred tax		-	-	-	-
<b>9 Profit / (loss) for the year from continuing operations (6 - 7 - 8)</b>		<b>(30,96,15,374)</b>	<b>(44,30,108)</b>	<b>(19,49,36,306)</b>	<b>(30,24,735)</b>
10 Profit from discontinuing operations		-	-	-	-
11 Tax expenses of discontinuing operations		-	-	-	-
<b>12 Profit from discontinuing operations (after tax) (10+11)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13 Profit / (loss) for the year (9+12)</b>		<b>(30,96,15,374)</b>	<b>(44,30,108)</b>	<b>(19,49,36,306)</b>	<b>(30,24,735)</b>
<b>14 Other comprehensive income</b>					
A Items that will not be reclassified to profit or loss					
(i) Remeasurement of defined benefit plan		2,58,309	3,696	(5,76,933)	(8,952)
B Items that will be reclassified to profit or loss					
(i) Foreign Currency translation reserve		3,18,63,994	-	25,29,012	-
<b>Total other comprehensive income for the year</b>		<b>3,21,22,303</b>	<b>3,696</b>	<b>19,52,079</b>	<b>(8,952)</b>
<b>15 Total comprehensive income for the year (13+14)</b>		<b>(27,74,93,071)</b>	<b>(44,26,412)</b>	<b>(19,29,84,227)</b>	<b>(30,33,687)</b>
<b>16 Earning per equity share :</b>	22				
Basic and Diluted before exceptional items		(0.194)	(0.003)	(0.265)	(0.004)
Basic and Diluted after exceptional item		(0.334)	(0.005)	(0.298)	(0.005)
Per value of share Rs		1	NA	1	NA
Weighted average number of shares (Nos.)		92,80,82,192	92,80,82,192	65,41,09,586	65,41,09,586
<b>See accompanying notes forming part of the financial statements</b>	1-2				

In terms of our report attached  
For S. Panse & Co.  
Chartered Accountants  
Firm Reg. No.: 113470W

For and on behalf of the Board of Directors

Supriya Panse  
Partner  
Membership No.: 46607

Ashishkumar Chauhan  
Chairman

Balasubramaniam Venkataramani  
Managing Director & CEO

Date: April 25, 2019  
Place : Mumbai

Mayank Jain  
Chief Financial Officer

Nikhil Mehta  
Company Secretary

India International Exchange (IFSC) Limited (Formerly known as BSE International Exchange (IFSC) Limited) Cash Flow Statement for the year ended March 31,2019					
Particulars		For the year ended March 31,2019		For the Year ended March 2018	
		(Rs)	(USD)	(Rs)	(USD)
		Audited	Audited	Audited	Audited
A.	Cash flow from operating activities				
	Profit / (loss) for the year	(30,96,15,374)	(44,30,108)	(19,49,36,306)	(30,24,735)
	Depreciation and Amortisation Expenses	3,65,53,292	5,23,020	3,09,85,214	4,80,783
	Foreign Currency translation reserve	3,18,63,994	-	25,29,012	-
	Remeasurement of Defined benefit Plan	2,58,309	3,696	(5,76,933)	(8,952)
	Interest income on Fixed deposits	(25,11,528)	(35,936)	(25,33,427)	(39,310)
	Adjustments for Changes in operating Liability and Assets				
	Trade payable	88,28,452	1,15,597	(1,36,15,444)	(2,10,629)
	Trade Receivables	(7,45,364)	(9,720)	(11,22,166)	(17,251)
	Provisions	(34,57,373)	(61,997)	39,17,301	59,778
	Other Liabilities	1,15,00,826	1,57,780	69,60,019	1,06,893
	Other Financial Liabilities	42,62,794	(31,089)	3,32,77,439	5,08,310
	Other Financial Assets	1,18,03,536	1,84,637	(1,12,27,607)	(1,72,419)
	Other Assets	(8,77,048)	(8,014)	(18,01,075)	(27,530)
		(21,21,35,484)	(35,92,134)	(14,81,43,973)	(23,45,062)
	Taxes paid	(19,728)	(150)	(1,19,639)	(1,838)
	Net cash generated (Used in) operating activities	(21,21,55,212)	(35,92,284)	(14,82,63,612)	(23,46,900)
B.	Cash flow from investing activities				
	Purchase of Property, Plant & Equipment and Intangible Assets	(2,76,79,517)	(1,98,082)	(8,93,37,029)	(13,70,292)
	Decrease / (Increase) in Fixed deposits with banks	7,41,15,098	12,33,947	(17,49,92,086)	(26,90,000)
	Investment in Subsidiary	(10,13,36,300)	(14,65,005)	-	-
	Net cash generated (Used in) / from investment activities	(5,49,00,719)	(4,29,140)	(26,43,29,115)	(40,60,292)
C.	Cash flow from financing activities				
	Proceeds from allotment of equity share	50,00,00,000	72,42,558	20,00,00,006	31,20,611
	Net cash generated from financing activities	50,00,00,000	72,42,558	20,00,00,006	31,20,611
D.	Net increase / (decrease) in cash and cash equivalents	23,29,44,069	32,21,134	(21,25,92,721)	(32,86,581)
	Cash and cash equivalents at the end of the year				
	In current account - Owned	35,45,50,779	51,25,692	8,65,38,443	13,30,458
	In current account - Member fund	3,80,44,215	5,50,000	7,21,98,951	11,10,000
	In current account - Earmarked	60,179	870	9,73,710	14,970
		39,26,55,173	56,76,562	15,97,11,104	24,55,428
	Cash and cash equivalents at the beginning of the year	15,97,11,104	24,55,428	37,23,03,825	57,42,009
	Changes In cash and cash equivalents	23,29,44,069	32,21,134	(21,25,92,721)	(32,86,581)
	Cash and cash equivalents at the end of the year	39,26,55,173	56,76,562	15,97,11,104	24,55,428
	Cash and bank balance (Refer note 5)	39,26,55,173	56,76,562	15,97,11,104	24,55,428
See accompanying notes forming part of the financial statements					
Notes: 1 Cash and cash equivalents comprise balances in current account with banks. 2 The Cash Flow Statement has been prepared under the “Indirect Method” as set out in Indian Accounting Standard - 7 “Cash Flow Statement”.					
In terms of our report attached					
For S. Panse & Co. Chartered Accountants Firm Reg. No.: 113470W		For and on behalf of the Board of Directors			
Supriya Panse Partner Membership No.: 46607		Ashishkumar Chauhan Chairman		Balasubramaniam Venkataramani Managing Director & CEO	
Date: April 25, 2019 Place : Mumbai		Mayank Jain Chief Financial Officer		Nikhil Mehta Company Secretary	

**India International Exchange (IFSC) Limited**  
(Formerly known as BSE International Exchange (IFSC) Limited)  
Statement of changes in Equity for the year ended March 31,2019

**A. Equity Share Capital**

Particulars	(Rs)	(USD)
<b>Balance at March 31, 2017</b>	54,99,99,994	80,29,370
Changes in Equity Share Capital During the Year	20,00,00,006	31,20,611
<b>Balance as at March 31,2018</b>	<b>75,00,00,000</b>	<b>1,11,49,981</b>
Changes in Equity Share Capital During the Year	50,00,00,000	72,42,558
<b>Balance as at March 31,2019</b>	<b>1,25,00,00,000</b>	<b>1,83,92,539</b>

**B. Other Equity**

Particulars	Reserve & Surplus		Liquidity Enhancement Scheme (LES) Reserve (Refer note 33)	Liquidity Enhancement Scheme (LES) Reserve (Refer note 33)	Items of Other Comprehensive income	Total Other equity	Total Other equity
	Retained earning	Retained earning			Foreign Currency translation reserve		
	(Rs)	(USD)	(Rs)	(USD)	(Rs)	(Rs)	(USD)
<b>Balance at March 31, 2017</b>	(9,42,08,519)	(14,02,190)			(2,60,94,401)	(12,03,02,920)	(14,02,190)
Profit / (Loss) for the Year ended March 2018	(19,49,36,306)	(30,24,735)			-	(19,49,36,306)	(30,24,735)
Other Comprehensive Income for the Year ended March 2018	(5,76,933)	(8,952)			25,29,012	19,52,079	(8,952)
Add/(less) : Liquidity Enhancement Scheme (LES) Reserve	(4,51,52,427)	(7,06,309)	4,51,52,427	7,06,309	-	-	-
Add/(less) : LES expenditure incurred during the Year ended March 2018	2,13,04,441	3,30,571	(2,13,04,441)	(3,30,571)	-	-	-
<b>Balance as at March 31,2018</b>	<b>(31,35,69,744)</b>	<b>(48,11,615)</b>	<b>2,38,47,986</b>	<b>3,75,738</b>	<b>(2,35,65,389)</b>	<b>(31,32,87,147)</b>	<b>(44,35,877)</b>
Profit / (Loss) for the year ended March 31,2019	(30,96,15,374)	(44,30,108)			-	(30,96,15,374)	(44,30,108)
Other Comprehensive Income for the Year ended March 31,2019	2,58,309	3,696			3,18,63,994	3,21,22,303	3,696
Add/(less) : Liquidity Enhancement Scheme (LES) Reserve	(10,67,32,609)	(15,19,732)	10,67,32,609	15,19,732	-	-	-
Add/(less) : LES expenditure incurred during the Year ended March 31,2019	12,98,04,584	18,57,299	(12,98,04,584)	(18,57,299)	-	-	-
<b>Balance as at March 31,2019</b>	<b>(59,98,54,834)</b>	<b>(89,00,460)</b>	<b>7,76,011</b>	<b>38,171</b>	<b>82,98,605</b>	<b>(59,07,80,218)</b>	<b>(88,62,289)</b>

In terms of our report attached

For S. Panse & Co.  
Chartered Accountants  
Firm Reg. No.: 113470W

For and on behalf of the Board of Directors

Supriya Panse  
Partner  
Membership No.: 46607

Ashishkumar Chauhan  
Chairman

Balasubramaniam Venkataramani  
Managing Director & CEO

Date: April 25, 2019  
Place : Mumbai

Mayank Jain  
Chief Financial Officer

Nikhil Mehta  
Company Secretary

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

*(Formerly known as BSE International Exchange (IFSC) Limited)*

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### 1. General Information

India International Exchange (IFSC) Limited (Formerly known as BSE International Exchange (IFSC) Limited ("Exchange")) was incorporated in September 2016, to carry on business as a stock exchange and to assist, regulate, control and/or otherwise associate with the business of buying, selling and dealing in debt securities, currency derivatives, index based derivatives, commodities derivatives, and such other securities/derivatives/products of any kind as may be permitted by Securities and Exchange Board of India or any other concerned authorities from time to time in primary as well as secondary market, to facilitate investment, hedging, trading and other related requirements to the community at large as may be permitted under the applicable Law, to facilitate and regulate financial services relating to securities and capital market in International Financial Services Centres, set up under Special Economic Zones Act, 2005, and to provide specialized, advanced, automated and modern facilities and mechanism for trading of securities/derivatives/products/instruments to ensure trading and to facilitate, promote, assist, regulate and manage dealings in securities, derivatives, products and instruments in accordance with the framework/business manual.

The financial statements were authorized for issuance by the Company's Board of Directors on April 25, 2019.

### 2. Significant Accounting Policies

#### 2.1 *Basis of preparation of financial statement*

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company has adopted all the Ind AS standards on date of incorporation i.e. September 12, 2016. The company has commenced its operation from January 16, 2017.

#### 2.2 *Functional and presentation currency*

United State Dollars (USD) is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. The financial statements are presented in Indian rupees. The presentation currency is different from functional currency to comply with Income tax and other statutory law.

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

*(Formerly known as BSE International Exchange (IFSC) Limited)*

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### 2.3 *Foreign exchange Translation Reserve*

For the Purpose of Preparation of financial statements in Indian rupees, income and expenses are translated at average rates and the assets and liabilities except equity share capital are stated at closing rate. The net impact of such changes is presented under foreign exchange translation reserve.

### 2.4 *Use of Estimates and judgment*

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- a. *Income taxes:* The Company's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Company income is not taxable under income tax for initial period of five years, 50% taxable income for subsequent five years.
- b. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.
- c. Defined employee benefit obligation determined based on the present value of future obligations using assumptions determined by the Company with advice from an independent qualified actuary.
- d. *Other estimates:* The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

*(Formerly known as BSE International Exchange (IFSC) Limited)*

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### 2.5 *Financial instruments*

Financial assets and financial liabilities are recognised when company becomes a party to the contractual provisions of the instruments.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payable are recognised net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: financial assets comprising amortised cost, financial assets (debt instruments) at fair value through Other Comprehensive Income (FVTOCI), equity instruments at FVTOCI and fair value through Profit and Loss account (FVTPL), financial liabilities at amortised cost or FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

#### ***Financial assets***

- a. Financial assets at amortised cost: A financial asset shall be measured at amortised cost if both of the following conditions are met:
  - i. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
  - ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortised cost are represented by investment in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

*(Formerly known as BSE International Exchange (IFSC) Limited)*

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### b. Equity instruments at FVTOCI and FVTPL:

All equity instruments are measured at fair value other than investment in subsidiaries, joint venture and associate. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

### c. Equity investments in Subsidiary:

All equity investment in subsidiary is measured at cost.

### d. Financial assets at FVTPL:

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL. In addition the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL. Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

## **Financial liabilities**

### (a) Financial liabilities at amortised cost:

Financial liabilities at amortised cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

### (b) Financial liabilities at FVTPL:

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.

## **2.6 Property, plant and equipment**

- a. *Recognition and measurement:* Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

(Formerly known as BSE International Exchange (IFSC) Limited)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

- b. Depreciation: The Company depreciates property, plant and equipment over the estimated useful lives on a Straight Line method basis from the date the assets are ready for intended use. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life or lease term. The estimated useful lives of assets of significant items of property, plant and equipment are as follows:

Category	Useful lives
Leasehold premises	30 years
Plant and Equipments	15 years
Electrical installations	10 years
Networking Equipments – Owned	6 years
Computers Hardware – Owned	3 years
Furniture, fixtures	10 years
Office equipments	5 years
Motor vehicles	8 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

### 2.7 Other Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a "Straight Line method", from the date that they are available for use. The estimated useful lives of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangibles are as follows:

Category	Useful lives
Computer software	6 years

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

(Formerly known as BSE International Exchange (IFSC) Limited)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

### 2.8 Leases

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as an operating lease. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis except where the lease payments are structured to increase in line with expected general inflation.

### 2.9 Impairment

#### a. Financial assets carried at amortised cost and FVTOCI

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

*(Formerly known as BSE International Exchange (IFSC) Limited)*

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

- i. All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- ii. Cash flows from the sale of collateral held or other credit enhancements that are integral - to the contractual terms.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a detailed analysis of trade receivable by individual departments. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

### *b. Non-financial assets*

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

*(Formerly known as BSE International Exchange (IFSC) Limited)*

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### 2.10 Employee benefit

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

#### Defined Contribution Plan

Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service.

#### Defined benefit Plan

Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Company has the following employee benefit plans:

#### a. Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

Actuarial gains or losses are recognized in full in the other comprehensive income for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

#### b. Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation. Non-

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accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the Other Comprehensive Income.

### 2.11 Provisions and Contingent liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract and is adjusted to the cost of such assets.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

Provisions are reviewed at each balance sheet date adjusted to reflect the current best estimates.

### 2.12 Revenue Recognition:

The Company derives revenue primarily from Services to Corporate and Securities Services. The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:

#### a. Time and service contracts

Revenues and costs relating to time and service contracts are recognized as the related services are rendered.

#### b. Annual / monthly Fee contracts

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Revenue from Annual / monthly fee contracts is recognized ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight line basis over the specified period or under some other method that better represents the stage of completion.

The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognized at the time of sale. Revenues are shown net of applicable discounts and allowances.

The Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). There was no impact on the adoption of the standard on the financial statements of the Company.

### **2.13 Dividend Income**

Dividend income is recognized in the statement of profit and loss on the date that the Company's right to receive payment is established.

### **2.14 Finance income and expense**

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Finance expenses consist of interest expense on loans, borrowings and finance lease. Borrowing costs are recognized in the statement of profit and loss using the effective interest method.

### **2.15 Taxation**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

#### **a. Current income tax**

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally

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enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

### **b. Deferred income tax**

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

### **2.16 Earnings per share**

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit/loss after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

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### 2.17 *Current and Non-current classification*

The company present assets and liabilities in the balance sheet based on current/non-current classification

**Assets:** An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within twelve months after the balance sheet date; or
- d. it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date

All other assets are classified as non-current.

**Liabilities:** A liability is classified as current when it satisfies any of the following criteria:

- (a) It is expected to be settled in, the entity's normal operating cycle;
- (b) It is held primarily for the purpose of being traded; it is due to be settled within twelve months after the balance sheet date; or
- (c) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### ***Operating Cycle***

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 2.18 *Government grants*

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

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### **2.19 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **2.20 Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

### 3. Property, plant and equipment

Amount in USD								
Particulars	Leasehold Premises and Improvements	Plant and equipments	Electrical installations	Computers -Hardware and networking equipments - owned	Furniture & fixtures	Office equipments	Motor Vehicle	Total
Gross block								
Balance as at April 01, 2018	15,01,684	8,04,383	4,09,301	4,15,345	81,466	4,20,321	25,508	36,58,008
Additions during the year	-	1,74,137	-	809	1,791	6,382	9,509	1,92,628
Deductions / adjustments	-40,156	-	-	-	-	-	-	-40,156
Balance as at March 31,2019	14,61,528	9,78,520	4,09,301	4,16,154	83,257	4,26,703	35,017	38,10,480
Accumulated depreciation and impairment								
Balance as at April 01, 2018	65,668	1,57,189	48,079	1,65,679	10,025	1,01,944	97	5,48,681
Depreciation for the year	49,065	1,50,773	40,930	1,38,510	8,249	84,718	4,413	4,76,658
Deductions / Adjustments	-	-	-	-	-	-	-	-
Balance as at March 31,2019	1,14,733	3,07,962	89,009	3,04,189	18,274	1,86,662	4,510	10,25,339
Net book value								
Balance as at March 31,2019	13,46,795	6,70,558	3,20,292	1,11,965	64,983	2,40,041	30,507	27,85,141
Balance as at March 31, 2018	14,36,016	6,47,194	3,61,222	2,49,666	71,441	3,18,377	25,411	31,09,327

Amount in Rs								
Particulars	Leasehold Premises and Improvements	Plant and equipments	Electrical installations	Computers -Hardware and networking equipments - owned	Furniture & fixtures	Office equipments	Motor Vehicle	Total
Gross block								
Balance as at April 01, 2018	9,76,75,684	5,23,20,368	2,66,22,615	2,70,15,742	52,98,883	2,73,39,401	16,59,148	23,79,31,841
Additions during the year	-	1,21,70,243	-	56,540	1,25,171	4,46,031	6,64,574	1,34,62,559
Deductions / adjustments	-28,06,459	-	-	-	-	-	-	-28,06,459
Currency Fluctuation	62,26,567	31,94,889	16,89,267	17,13,631	3,34,941	17,30,169	98,453	1,49,87,917
Balance as at March 31,2019	10,10,95,792	6,76,85,500	2,83,11,882	2,87,85,913	57,58,995	2,95,15,601	24,22,175	26,35,75,858
Accumulated depreciation and impairment								
Balance as at April 01, 2018	42,71,316	1,02,24,217	31,27,255	1,07,76,444	6,52,068	66,30,856	6,309	3,56,88,465
Depreciation for the year	34,29,099	1,05,37,359	28,60,553	96,80,312	5,76,514	59,20,848	3,08,420	3,33,13,105
Deductions / Adjustments	-	-	-	-	-	-	-	-
Currency Fluctuation	2,35,816	5,40,556	1,69,060	5,84,396	35,454	3,59,949	-2,767	19,22,464
Balance as at March 31,2019	79,36,231	2,13,02,132	61,56,868	2,10,41,152	12,64,036	1,29,11,653	3,11,962	7,09,24,034
Net book value								
Balance as at March 31,2019	9,31,59,561	4,63,83,368	2,21,55,014	77,44,761	44,94,959	1,66,03,948	21,10,213	19,26,51,824
Balance as at March 31, 2018	9,34,04,368	4,20,96,151	2,34,95,360	1,62,39,298	46,46,815	2,07,08,545	16,52,839	20,22,43,376

#### 4. Other intangible assets

(In USD)

Particulars	Software	Total
<b>Gross block</b>		
Balance as at April 01, 2018	2,41,242	2,41,242
Additions during the year	43,663	43,663
Deductions / adjustments	-	-
<b>Balance as at March 31,2019</b>	<b>2,84,905</b>	<b>2,84,905</b>
<b>Accumulated depreciation and impairment</b>		
Balance as at April 01, 2018	40,597	40,597
Amortisation for the year	46,362	46,362
Deductions / Adjustments	-	-
<b>Balance as at March 31,2019</b>	<b>86,959</b>	<b>86,959</b>
<b>Net book value</b>		
Balance as at March 31,2019	1,97,946	1,97,946
Balance as at March 31, 2018	2,00,645	2,00,645

(In Rs)

Particulars	Software	Total
<b>Gross block</b>		
Balance as at April 01, 2018	1,56,91,369	1,56,91,369
Additions during the year	30,51,559	30,51,559
Deductions / adjustments	-	-
Currency Fluctuation	9,64,321	9,64,321
<b>Balance as at March 31,2019</b>	<b>1,97,07,249</b>	<b>1,97,07,249</b>
<b>Accumulated depreciation and impairment</b>		
Balance as at April 01, 2018	26,40,596	26,40,596
Amortisation for the year	32,40,189	32,40,189
Deductions / Adjustments	-	-
Currency Fluctuation	1,34,282	1,34,282
<b>Balance as at March 31,2019</b>	<b>60,15,067</b>	<b>60,15,067</b>
<b>Net book value</b>		
Balance as at March 31,2019	1,36,92,182	1,36,92,182
Balance as at March 31, 2018	1,30,50,773	1,30,50,773

<b>5. Cash and cash equivalents</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Balance with Banks</b>				
<b>Own Fund</b>				
In Current Accounts	35,45,50,779	51,25,692	8,65,38,443	13,30,458
<b>Member Fund</b>				
In Current Accounts	3,80,44,215	5,50,000	7,21,98,951	11,10,000
<b>Earmarked Fund - Investor protection fund</b>				
In Current Accounts	60,179	870	9,73,710	14,970
<b>Cash and cash equivalents</b>	<b>39,26,55,173</b>	<b>56,76,562</b>	<b>15,97,11,104</b>	<b>24,55,428</b>
<b>6. Bank Balances Other than above</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Balance with Banks</b>				
<b>Own Fund</b>				
In Deposit account	4,94,98,291	7,15,590	16,12,64,488	24,79,310
<b>Member Fund</b>				
In Deposit account	5,53,37,040	8,00,000	1,62,61,025	2,50,000
<b>Earmarked Fund - Investor protection fund</b>				
In Deposit account	10,86,612	15,709	-	-
<b>Bank Balances Other than above</b>	<b>10,59,21,943</b>	<b>15,31,299</b>	<b>17,75,25,513</b>	<b>27,29,310</b>
<b>7. Trade Receivables</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Current</b>				
<b>Trade Receivables</b>				
- Secured, considered good	12,45,153	18,001	7,45,861	11,467
- Unsecured, considered good	6,50,971	9,411	4,04,899	6,225
<b>Total Trade receivables</b>	<b>18,96,124</b>	<b>27,412</b>	<b>11,50,760</b>	<b>17,692</b>
<b>8. Investment in Subsidiary</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Non Current Investment</b>				
<b>Investment in Equity Instrument (unquoted)</b>				
India INX Global Access IFSC Limited (Fully paid equity share of Rs 1 each)	10,00,00,000	14,65,005	-	-
Add: Conversion Impact	13,36,300	-	-	-
<b>Total Investment in Equity Instruments</b>	<b>10,13,36,300</b>	<b>14,65,005</b>	<b>-</b>	<b>-</b>
<b>Aggregate amount of unquoted investment</b>	<b>10,13,36,300</b>	<b>14,65,005</b>		
<b>9. Other financial assets</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Non Current</b>				
Advance to staff	5,33,034	7,706	6,12,520	9,417
Deposits with public bodies and other parties	16,29,053	23,551	31,82,153	48,923
<b>Total (A)</b>	<b>21,62,087</b>	<b>31,257</b>	<b>37,94,673</b>	<b>58,340</b>
<b>Current</b>				
Deposits with public bodies and other parties	48,904	707	20,683	318
Advances to Staff	1,09,982	1,590	1,09,990	1,691
Receivable from Group Companies	3,50,629	5,069	26,77,996	41,172
Receivable from Holding Companies	-	-	86,52,947	1,33,032
Receivable from Government authorities towards incentive	7,81,151	11,293	-	-
<b>Total (B)</b>	<b>12,90,666</b>	<b>18,659</b>	<b>1,14,61,616</b>	<b>1,76,213</b>
<b>Total (A+B)</b>	<b>34,52,753</b>	<b>49,916</b>	<b>1,52,56,289</b>	<b>2,34,553</b>

<b>10. Other assets</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Current</b>				
Advance to Vendors	24,210	350	7,415	114
Prepaid Expenses	43,81,448	63,342	24,44,487	37,582
Cenvat receivable	13,11,557	18,961	12,42,342	19,100
Less : Provision for Cenvat Receivable	(13,11,557)	(18,961)	-	-
<b>Net Cenvat receivable</b>	-	-	<b>12,42,342</b>	<b>19,100</b>
GST receivable	15,57,253	22,513	13,91,619	21,395
<b>Total</b>	<b>59,62,911</b>	<b>86,205</b>	<b>50,85,863</b>	<b>78,191</b>
<b>11. Equity Share Capital</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Equity Share Capital</b>				
<b>Authorised share capital:</b>				
250,00,00,000 (Previous year - 75,00,00,000) Equity Shares of Rs. 1/- each with voting rights	2,50,00,00,000	Not Applicable	75,00,00,000	Not Applicable
<b>Issued Share Capital:</b>				
138,73,47,392 (Previous year - 75,00,00,000) Equity Shares of Rs. 1/- each with voting rights (Refer note below)	1,38,73,47,392	Not Applicable	75,00,00,000	Not Applicable
<b>Subscribed and fully Paid - up</b>				
75,00,00,000 Equity Shares (Previous year - 54,99,99,994 Equity Shares) of Rs 1/- each with voting rights	75,00,00,000	1,11,49,981	54,99,99,994	80,29,370
Add: Addition during the year	50,00,00,000	72,42,558	20,00,00,006	31,20,611
125,00,00,000 (Previous year - 75,00,00,000) Equity Shares of Rs. 1/- each with voting rights	<b>1,25,00,00,000</b>	<b>1,83,92,539</b>	<b>75,00,00,000</b>	<b>1,11,49,981</b>
Note : Special Resolution by Members has been passed on March 6, 2019 for preferential issue of 13,73,47,392 equity shares of Rs. 1/- each and presently, the Company has issued offer letter dated April 2, 2019, to prospective investor for 10,43,84,018 equity shares of Rs. 1/- each. However subscription and allotment has not been made till date.				
<b>Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
No. of shares at the beginning of the year	75,00,00,000	-	54,99,99,994	-
Preferential allotment	50,00,00,000	-	20,00,00,006	-
<b>No. of shares at the end of the period / year</b>	<b>1,25,00,00,000</b>	<b>-</b>	<b>75,00,00,000</b>	<b>-</b>
<b>12. Other equity</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Retained earnings</b>				
Balance at the beginning of the year	(33,71,35,133)	(48,11,615)	(12,03,02,920)	(14,02,190)
Total Comprehensive Income during the year	(27,74,93,071)	(44,26,412)	(19,29,84,227)	(30,33,687)
Less : Transfer to Liquidity Enhancement Scheme (LES) Reserve	(10,67,32,609)	(15,19,732)	(4,51,52,427)	(7,06,309)
Add: LES expenditure incurred during the year	12,98,04,584	18,57,299	2,13,04,441	3,30,571
<b>Closing Balance (A)</b>	<b>(59,15,56,229)</b>	<b>(89,00,460)</b>	<b>(33,71,35,133)</b>	<b>(48,11,615)</b>
<b>Liquidity Enhancement Scheme (LES) Reserve (Refer note 33)</b>				
<b>Opening Balance</b>	2,38,47,986	3,75,738	-	-
Add: Transfer from Retained Earning	10,67,32,609	15,19,732	4,51,52,427	7,06,309
Less: LES expenditure incurred during the year	(12,98,04,584)	(18,57,299)	(2,13,04,441)	(3,30,571)
<b>Closing Balance (B)</b>	<b>7,76,011</b>	<b>38,171</b>	<b>2,38,47,986</b>	<b>3,75,738</b>
<b>Total (A+B)</b>	<b>(59,07,80,218)</b>	<b>(88,62,289)</b>	<b>(31,32,87,147)</b>	<b>(44,35,877)</b>

<b>13. Trade payables</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Current</b>				
<b>Total outstanding dues of micro, small and medium enterprises (A)</b>	-	-	26,343	405
Payable to service providers	2,19,47,844	3,17,297	1,30,69,503	2,00,933
Payable to Group Companies	-	-	23,546	362
<b>Total outstanding dues of creditor other than micro, small and medium enterprises (B)</b>	<b>2,19,47,844</b>	<b>3,17,297</b>	<b>1,30,93,049</b>	<b>2,01,295</b>
<b>Total</b>	<b>2,19,47,844</b>	<b>3,17,297</b>	<b>1,31,19,392</b>	<b>2,01,700</b>
<b>Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>				
(a) Principal amount and interest thereon remaining unpaid at the end of year interest paid including payment made beyond appointed day	-	-	26,343	405
(b) Interest due and payable for delay during the year / period	-	-	-	-
(c) Amount of interest accrued and unpaid as at year end / period end	-	-	-	-
(d) The amount of further interest due and payable even in the succeeding year / period	-	-	-	-
<b>14. Other financial liabilities</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Non Current</b>				
Finance lease obligations	2,84,156	4,108	2,94,064	4,521
<b>Total (A)</b>	<b>2,84,156</b>	<b>4,108</b>	<b>2,94,064</b>	<b>4,521</b>
<b>Current</b>				
Payable for fixed assets	5,43,756	7,861	30,62,862	47,089
Accrued employee benefits	1,19,54,737	1,72,828	1,26,13,222	1,93,918
Deposits from Members	9,33,81,255	13,50,000	8,84,59,976	13,60,000
Current maturities of finance lease obligations	13,350	193	28,880	444
Accrued Interest on finance lease obligations	208	3	130	2
<b>Total (B)</b>	<b>10,58,93,306</b>	<b>15,30,885</b>	<b>10,41,65,070</b>	<b>16,01,453</b>
<b>Total (A+B)</b>	<b>10,61,77,462</b>	<b>15,34,993</b>	<b>10,44,59,134</b>	<b>16,05,974</b>
<b>15. Provisions</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Non Current</b>				
Gratuity liability (Refer note 23.1.1)	21,60,012	31,227	62,20,623	95,637
<b>Total (A)</b>	<b>21,60,012</b>	<b>31,227</b>	<b>62,20,623</b>	<b>95,637</b>
<b>Current</b>				
Gratuity liability (Refer note 23.1.1)	-	-	1,20,657	1,855
Compensated Absences (Refer note 23.1.2)	74,79,700	1,08,133	67,55,805	1,03,865
<b>Total (B)</b>	<b>74,79,700</b>	<b>1,08,133</b>	<b>68,76,462</b>	<b>1,05,720</b>
<b>Total (A+B)</b>	<b>96,39,712</b>	<b>1,39,360</b>	<b>1,30,97,085</b>	<b>2,01,357</b>
<b>16. Other liabilities</b>				
Particulars	As at March 31, 2019		As at March 31, 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
<b>Non-Current</b>				
Unamortised portion of Capital Subsidy	35,69,654	51,606	-	-
<b>Total (A)</b>	<b>35,69,654</b>	<b>51,606</b>	<b>-</b>	<b>-</b>
<b>Current</b>				
<b>Own</b>				
Statutory remittances	1,39,56,762	2,01,771	81,78,645	1,25,740
Advance Revenue	1,76,733	2,555	98,347	1,512
Unamortised portion of Capital Subsidy	19,01,657	27,492	-	-
<b>Total (B)</b>	<b>1,60,35,152</b>	<b>2,31,818</b>	<b>82,76,992</b>	<b>1,27,252</b>
<b>Earmarked</b>				
Contribution payable to Investor Protection Fund	11,46,722	16,578	9,73,710	14,970
<b>Total (C)</b>	<b>11,46,722</b>	<b>16,578</b>	<b>9,73,710</b>	<b>14,970</b>
<b>Total D = (B+C)</b>	<b>1,71,81,874</b>	<b>2,48,396</b>	<b>92,50,702</b>	<b>1,42,222</b>
<b>Total (A+D)</b>	<b>2,07,51,528</b>	<b>3,00,002</b>	<b>92,50,702</b>	<b>1,42,222</b>

<b>17. Income From Operations</b>				
Particulars	For the year ended March 31, 2019		For the Year ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
Annual Subscription Fees from Members	69,53,946	99,500	18,04,527	28,000
Listing Fees	17,21,084	24,626	7,68,535	11,925
Charges Recovered	3,09,957	4,435	1,00,409	1,558
Processing Fees	2,09,667	3,000	1,28,895	2,000
<b>TOTAL</b>	<b>91,94,654</b>	<b>1,31,561</b>	<b>28,02,366</b>	<b>43,483</b>
<b>18. Other Income</b>				
Particulars	For the year ended March 31, 2019		For the Year ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
Incentives from Government authorities	1,02,55,218	1,46,736	-	-
Miscellaneous income	5,56,805	7,967	60,29,634	93,559
<b>TOTAL</b>	<b>1,08,12,023</b>	<b>1,54,703</b>	<b>60,29,634</b>	<b>93,559</b>
<b>19. Employee benefits expense</b>				
Particulars	For the year ended ended March 31, 2019		For the Year ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
Salaries, allowances and bonus	7,13,30,079	10,20,621	6,56,70,547	10,18,979
Contribution to provident and other Funds	49,53,306	70,874	44,84,766	69,588
Staff welfare expenses	1,89,748	2,715	3,64,257	5,652
Compensated absences	55,79,091	79,828	47,10,525	73,091
<b>TOTAL</b>	<b>8,20,52,224</b>	<b>11,74,038</b>	<b>7,52,30,095</b>	<b>11,67,310</b>
<b>20. Administration and other expenses</b>				
Particulars	For the year ended March 31, 2019		For the Year ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
	Audited	Audited	Audited	Audited
Advertising and marketing expenses	39,48,653	56,499	31,95,947	49,590
Travelling expenses	83,45,853	1,19,416	75,93,000	1,17,817
Computer technology related expenses	2,65,30,316	3,79,607	2,68,03,029	4,15,890
Data Feed Expenses	30,36,603	43,449	26,90,163	41,742
Meeting ,seminar and event expenses	3,61,605	5,174	18,79,222	29,159
SEBI Regulatory Fees	1,02,15,032	1,46,161	49,74,437	77,186
Contribution to Investors Protection Fund	-	-	-	-
Director Fees	2,56,702	3,673	3,00,260	4,659
Bank charges	42,283	605	72,052	1,118
Rent	1,90,797	2,730	1,98,369	3,078
Professional Fee (Refer note below)	32,09,438	45,922	22,50,052	34,913
Legal Fees	12,21,309	17,475	43,19,523	67,024
Audit Fees	1,44,321	2,065	1,05,049	1,630
Insurane	56,051	802	72,954	1,132
Building repair and maintenance	55,08,294	78,815	65,65,514	1,01,874
Stamp duty & registration fee	1,37,00,181	1,96,028	17,50,907	27,168
Electricity expenses	27,37,339	39,167	87,51,119	1,35,787
Printing and stationery expenses	6,71,842	9,613	10,76,852	16,709
Postage and telephone expenses	2,99,614	4,287	4,07,372	6,321
Sponsorship Charges	2,51,320	3,596	13,83,621	21,469
Provision for Cenvat receivable and Service tax expense	12,90,708	18,468	3,59,681	5,581
Miscellaneous Expenses	15,48,597	22,158	17,29,767	26,840
Foreign Exchange Loss	1,55,992	2,232	23,02,706	35,730
<b>TOTAL</b>	<b>8,37,22,850</b>	<b>11,97,942</b>	<b>7,87,81,596</b>	<b>12,22,417</b>
Note : Professional Fees includes payment to auditor Rs 36,482 (USD 522) (Previous year Rs 69,424 (USD 1,077) towards Other services and Other reimbursement of expenses.				
<b>21. Exchange Rate :-</b>				
Amounts of Balance Sheet other than shareholder funds, LES reserve in these financial statements have been translated into Indian rupees at the closing rate as at 31 March 2019 which is 1 USD = Rs 69.1713 , amount of Statement Profit and Loss at the average rate from 01 April 2018 to 31 March 2019 which is 1 USD = Rs 69.8889.				

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### 22. Earnings Per Share

Particulars	For the Year Ended March 2019		For the Year Ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
Profit / (Loss) for the year	(30,96,15,374)	(44,30,108)	(19,49,36,306)	(30,24,735)
Weighted average number of equity shares (Nos)	92,80,82,192	92,80,82,192	65,41,09,586	65,41,09,586
Earnings per share basic and diluted before exceptional item	(0.194)	(0.003)	(0.265)	(0.004)
Earnings per share basic and diluted after exceptional item	(0.334)	(0.005)	(0.298)	(0.005)
Face value per equity share	1	NA	1	NA

### 23. Disclosure as required on “Employee Benefits” is as under:

#### 23.1.1 Defined Benefit Plan – Gratuity

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee’s compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees.

Such plan exposes the Company to actuarial risks such as: investment risk, interest rate risk, demographic risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan is managed by the insurer.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan’s debt investments.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, medical cost inflation, discount rate and vesting criteria.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan’s liability.

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- i. The following tables set out the funded status of the gratuity benefit Scheme and the amounts recognized in the Company's financial statements :

Particulars	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018
	Funded	Funded	Unfunded	Unfunded
	(Rs)	(USD)	(Rs)	(USD)
<b>Change in benefit obligations</b>				
Benefit obligations at the beginning	63,41,280	97,492	50,19,350	77,413
Current Service Cost	12,74,357	18,234	9,53,435	14,794
Past Service Cost	-	-	2,30,719	3,579
Interest on defined benefit obligation	4,86,776	6,965	3,65,095	5,665
Actuarial loss / (gain)	(1,43,933)	(2,060)	5,76,933	8,952
Benefit Paid	(43,080)	(623)	-	-
Net Liability assumed on transfer within Group companies	(1,30,369)	(1,909)	(8,23,801)	(12,665)
Translation/ Forex impact	58	24	19,549	(246)
<b>Closing Defined Benefit Obligation (A)</b>	<b>77,85,089</b>	<b>1,18,123</b>	<b>63,41,280</b>	<b>97,492</b>
<b>Change in Plan assets</b>				
Fair value of plan assets at the beginning	-	-		
Employer Contribution	57,01,248	82,422		
Interest income	1,14,376	1,637		
Assets assumed / settled	(1,47,467)	(2,150)		
Benefits paid	(43,080)	(623)		
<b>Fair value of plan assets at the end</b>	<b>56,25,077</b>	<b>81,286</b>		
<b>Funded status (B)</b>	<b>56,25,077</b>	<b>81,286</b>		
Translation/ Forex impact (c)	-	5,610		
<b>payable gratuity benefit (A-B-c)</b>	<b>21,60,012</b>	<b>31,227</b>	<b>63,41,280</b>	<b>97,492</b>
<b>Current Provision (Refer note 15)</b>	<b>-</b>	<b>-</b>	<b>1,20,657</b>	<b>1,855</b>
<b>Non-Current Provision (Refer note 15)</b>	<b>21,60,012</b>	<b>31,227</b>	<b>62,20,623</b>	<b>95,637</b>

- ii. Amount recognised in the Statement of Profit and Loss

Particulars	For the Year Ended March 2019		For the Year Ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
Current Service Cost	12,74,357	18,234	9,53,435	14,794
Past Service Cost			2,30,719	3,579
Interest on net defined benefit obligations	4,86,776	6,965	3,65,095	5,665

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Particulars	For the Year Ended March 2019		For the Year Ended March 2018	
	(Rs)	(USD)	(Rs)	(USD)
Total Included in "Employee Benefit Expense"	17,61,133	25,199	15,49,249	24,038

### iii. Amount recognised in the Other Comprehensive Income

Particulars	For the Year Ended March 2019	For the Year Ended March 2019	For the Year Ended March 2019	For the Year Ended March 2019
	(Rs)	(USD)	(Rs)	(USD)
Actuarial loss / (gain) arising from change in financial assumptions	-	-	(2,68,488)	(4,166)
Actual return on plan assets less interest on plan asset	(1,14,376)	(1,637)	-	-
Actuarial loss / (gain) arising on account of demographic assumptions	(1,643)	(24)	-	-
Actuarial loss / (gain) arising on account of experience changes	(1,42,290)	(2,036)	8,45,421	13,118
<b>Amount recognised in the Other Comprehensive Income</b>	<b>(2,58,309)</b>	<b>(3,696)</b>	<b>5,76,933</b>	<b>8,952</b>

### iv. Principle actuarial assumption

Assumptions	March 31, 2019	March 31, 2018
Discount Rate	7.75%	7.75%
Salary escalation	7.00%	7.00%

- Discount Rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.
  - Salary Escalation Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
  - The Company has considered past service on account of benefit amendment.
- v. **Sensitivity Analysis:** The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points:-

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Particulars	For the Year ended March 31, 2019		For the Year ended March 31, 2018	
	Discount rate	Salary escalation rate	Discount rate	Salary escalatio n rate
Impact of increase in 50 bps on defined benefit obligation	(5.47)%	5.89%	(5.73)%	6.19%
Impact of decrease in 50 bps on defined benefit obligation	5.88%	(5.53)%	6.18%	(5.79)%

Sensitivity for the significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 50 basis points, keeping all other actuarial assumption constant.

### vi. Composition of Plan Assets

Particulars	March 31, 2019	March 31, 2018
Insurer Managed Assets	100%	-
Others	@	-

@ represents % below 1%

Actual return on the assets for the period ended March 31, 2019 ₹ 1,14,376.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan.

The plan assets in respect of gratuity represent funds managed by the India International Exchange (IFSC) Limited Employee's Group Gratuity Fund. The Employer's best estimate of the contributions expected to be paid to the plan during the next year is ₹ 15,00,000.

### vii. Maturity profile of defined benefit obligations

Maturity Profile	March 31, 2019	March 31, 2018
Expected benefits for year 1	1,48,879	1,20,675
Expected benefits for year 2	1,57,872	1,31,124
Expected benefits for year 3	1,65,608	1,38,450
Expected benefits for year 4	1,78,883	1,46,586
Expected benefits for year 5	1,93,189	1,57,965
Expected benefits for year 6	2,04,790	1,70,635
Expected benefits for year 7	2,22,033	1,78,746

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Expected benefits for year 8	2,40,711	1,93,446
Expected benefits for year 9	16,51,105	2,08,656
Expected benefits for year 10 and above	1,83,48,615	1,67,99,760

The weighted average duration to the payment of these cash flows is 11.34 years (previous period 11.89 years).

### 23.1.2 Defined Benefit Plan – Compensated absence

The liability for compensated absences as at the year ended March 31, 2019 is Rs 74,79,700 (USD-1,08,133) (2018 : Rs 67,55,805 (USD-1,03,865)) as shown under current other financial liabilities. During the current year, provision for compensated absence amounting to Rs 55,79,091 (USD-79,828) (2018: Rs 47,10,525 (USD-73,091)) have been charged to the Statement of Profit and Loss, under Compensated absence in note 19 “Employee benefits expense”.

For Principle actuarial assumption refer above iv table of assumption.

### 23.2 Defined Contribution Plan – Provident Fund, Pension Fund and National Pension Scheme (NPS)

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. The Company offers its employees defined contribution plan in the form of provident fund and family pension fund. Provident fund and family pension fund cover substantially all regular employees. While both, the employees and the Company pay predetermined contributions into the provident fund and National Pension Scheme, contributions into the family pension fund are made by only the Company. The contributions are based on a certain proportion of the employee’s salary.

During the current year, provident fund contributions amounting to Rs 21,12,839 (USD- 30,231) (2018: Rs 20,63,573 (USD-32,021) have been charged to the Statement of Profit and Loss, under Contributions to provident, gratuity and other funds in note 19 “Employee benefits expense”.

During the current year, National pension scheme contributions amounting to Rs 10,79,334 (USD15,444) (2018: Rs 8,71,944 (USD- 13,529) have been charged to the Statement of Profit and Loss, under Contributions to provident, gratuity and other funds in note 19 “Employee benefits expense”.

## 24. Segment Reporting

The Chief Executive Officer & Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company’s performance and allocates resources based on an analysis of various

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performance indicators by industry classes. Accordingly, segment information has been presented for industry classes. The "Company" or the "Exchange" operates only in one Business Segment i.e. "Facilitating Trading in Securities and other related ancillary Services", hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments". The reportable business segments are in line with the segment wise information which is being presented to the CODM.

## 25. Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2.5 to the financial statements.

### Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs).

The carrying value of financial instruments by categories as at balance sheet date is as follows and the directors consider that the carrying amounts of below mentioned financial assets and financial liabilities recognised in the balance sheet approximate their fair values.

Particulars	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018
	(Rs)	(USD)	(Rs)	(USD)
<b>Financial Assets carried at amortised cost</b>				
Investment in Subsidiary	10,13,36,300	14,65,005	-	-
Other non-current financial assets	21,62,087	31,257	37,94,673	58,340
Cash and cash equivalents	39,26,55,173	56,76,562	15,97,11,104	24,55,428
Bank Balances	10,59,21,943	15,31,299	17,75,25,513	27,29,310
Trade Receivables	18,96,124	27,412	11,50,760	17,692
Other current financial assets	12,90,666	18,659	1,14,61,616	1,76,213
<b>Total</b>	<b>60,52,62,293</b>	<b>87,50,194</b>	<b>35,36,43,666</b>	<b>54,36,983</b>
<b>Financial Liabilities carried at amortised cost</b>				
Other non-current financial liabilities	2,84,156	4,108	2,94,064	4,521

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Particulars	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018
Trade payables	2,19,47,844	3,17,297	1,31,19,392	2,01,700
Other current financial liabilities	10,58,93,306	15,30,885	10,41,65,070	16,01,453
<b>Total</b>	<b>12,81,25,306</b>	<b>18,52,290</b>	<b>11,75,78,526</b>	<b>18,07,674</b>

## 26. Related Party Transactions

### 1. Names of related parties and nature of relationship

Category of related parties	Name
<b>Holding Company</b>	BSE Limited
<b>Subsidiary</b>	Indian INX Global Access IFSC Limited (w.e.f April 05, 2018)
<b>Fellow Subsidiaries:</b>	India International Clearing Corporation (IFSC) Limited
	Indian Clearing Corporation Limited
	Marketplace Technologies Private Limited
	Marketplace Tech Infra Services Private Limited
	BSE Investments Limited
	BSE Ebix Insurance Broking Private Limited
	BSE Institute Limited
	BSE CSR Integrated Foundation
	BSE Sammaan CSR Limited
	BSE Skills Limited (up to June 28, 2018)
	BFSI Sector Skill Council of India
	BIL Ryerson Technology start up Incubator Foundation
	Pranurja Solutions Limited (w.e.f April 24, 2018)
<b>Associate of Holding</b>	Central Depository Services (India) Limited (w.e.f June 30, 2017)
	CDSL Ventures Limited (w.e.f June 30, 2017)
	CDSL Insurance Repository Limited (w.e.f June 30, 2017)
	CDSL Commodity Repository Limited (w.e.f June 30, 2017)
	Asia Index Private Limited
	BSE EBIX Insurance Broking Private Limited (w.e.f March 15, 2018)

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Category of related parties	Name
	Marketplace EBIX Technology Services Private Limited (w.e.f April 03, 2018)
Trust Set up by Holding Company	BSE Investors Protection Fund
Trust Set up by Company	India International Exchange (IFSC) Limited Employees Group Gratuity Cash Accumulation Scheme (Employee Gratuity Fund)
Key Management Personnel	Mr. Ashishkumar Chauhan – Non Executive Chairman
	Mr. Balasubramaniam Venkataramani - Managing Director and Chief Executive Officer
	Dr. Ajit Ranade – Independent Director
	Mr. Anand Sinha – Independent Director
	Dr. SK Nanda (IAS) – Independent Director
	Mr. Nehal Vora – Director

## 2. Transactions with Related Parties

### (a) BSE Ltd (Holding Company):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
<b>Reimbursement/(Recovery) of Expenses/ Transactions</b>				
Travelling expenses	2,51,653	3,601	-	-
Salaries, allowances and bonus	1,25,792	1,800	-	-
Computer Technology related Expenses	34,77,786	49,762	26,16,445	40,598
Recovery of insurance policy	3,30,398	4,727	-	-
Advance to Staff	-	-	3,10,846	4,779
Recovery/ transfer of gratuity liabilities	1,47,467	2,150	(1,35,552)	(2,084)
transfer of Compensated absence liabilities	1,43,271	2,089	(17,562)	(270)
Equity Share Capital	50,00,00,000	72,42,558	20,00,00,006	31,20,611

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

(Formerly known as BSE International Exchange (IFSC) Limited)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	As at March 31, 2019 (Rs)	As at March 31, 2019 (USD)	As at March 31, 2018 (Rs)	As at March 31, 2018 (USD)
<b>Assets</b>				
Receivable (net)*	-	-	86,52,947	1,33,032

\* The above receivable does not include payable provision amounting to Rs Nil as at March 2019.  
(2018: Rs 4,13,079 (USD 6,351))

### (b) India International Clearing Corporation (IFSC) Limited (Fellow Subsidiary):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
<b>Recovery of Expenses/Transactions</b>				
Computer Technology Related Expenses	36,43,918	52,139	21,12,326	32,776
Electricity Expenses	4,67,132	6,684	12,90,564	20,025
Staff Welfare Expenses	30,799	441	-	-
Travelling Expenses	-	-	5,41,775	8,406
Property, Plant and Equipment's	-	-	4,447	68.38
Recovery of insurance policy	10,571	151	-	-
Salaries, allowances and bonus	2,44,299	3,496	5,80,913	9,014
Professional Fees	-	-	1,18,899	1,845
Transfer of Electricity Incentives received from authorities	(2,45,127)	(3,508)	-	-
Building repair and maintenance	2,47,321	3,539	-	-
Gratuity liability on account of employee transfer (net)	17,098	241	9,59,353	14,749
Recovery of Compensated absence liabilities (net)	1,65,458	2,331	-	-

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

particulars	As at March 31, 2019 (Rs)	As at March 31, 2019 (USD)	As at March 31, 2019 (Rs)	As at March 31, 2019 (USD)
<b>Assets</b>				
Receivable (net)*	2,31,862	3,352	26,77,996	41,172

\* The above receivable does not include recovery provision amounting to Rs 4,74,202 (USD 6,855) as at March 31, 2019 (2018: Rs. 341,456 (USD 5250)).

### (c) Marketplace Technologies Private Ltd (Fellow Subsidiary):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
<b>Expenditure</b>				
Computer technology related expenses	-	-	91,386	1,418

### (d) Indian Clearing Corporation Limited (Fellow Subsidiary):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
<b>Expenditure</b>				
Travelling Expenses	33,581	480	25,044	389
<b>Particulars</b>	<b>As at March 31, 2019 (Rs)</b>	<b>As at March 31, 2019 (USD)</b>	<b>As at March 31, 2017 (Rs)</b>	<b>As at Mar 31, 2017 (USD)</b>
<b>Liability</b>				
Payable*	-	-	23,546	362

\* The above payable does not include provision amounting to Rs 4,800 (USD 69) as at March 31, 2019 (2018 : Rs 4,200 (USD 65)).

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### (e) India INX Global Access IFSC Limited (Subsidiary):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)
<b>Recovery of Expenses/Transactions</b>		
Recovery of Preliminary expenses	14,50,327	20,752
Recovery of other expenditure	31,167	446
Electricity Expenses	71,479	1,023
Building repair and maintenance	60,287	863
Rate & taxes	7,667	110
Travelling Expenses	17,053	244
Recovery of Insurance	505	7
Transfer of Electricity Incentives received from authorities	(10,712)	(153)
<b>Income</b>		
Other Income (Recovery of Fit out charges and Manpower Cost)	2,14,674	3,072
Investment (Refer note 8)	10,13,36,300	14,65,005
<b>Particulars</b>	<b>As at March 31, 2019 (Rs)</b>	<b>As at March 31, 2019 (USD)</b>
Receivable*	1,18,767	1,717

\*The above receivable does not include recovery provision amounting to Rs 21,512 (USD 311) as at March 31, 2019

### (f) BSE Investors Protection Fund (Trust set up by the Holding Company):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)
<b>Expenses</b>		
Rent	1,90,828	2,730

### (g) Central Depository Services (India) Limited (Associate of Holding Company):

Particulars	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)
<b>Expenses</b>		
Professional Fees	1,01,569	1,453

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### (h) Key Managerial remuneration:

Particular	For the Year ended March 31, 2019 (Rs)	For the Year ended March 31, 2019 (USD)	For the Year ended March 31, 2018 (Rs)	For the Year ended March 31, 2018 (USD)
<b>Salaries, allowances &amp; bonus and contribution to Funds</b>				
Mr. Balasubramaniam Venkataramani - Managing Director and Chief Executive Officer*	2,58,76,367	3,70,250	2,17,32,637	3,37,215

\* The Company provides long term benefits in the form of Gratuity to Key managerial person along with all employees, cost of same is not identifiable separately and not disclosed.

### 27. Contingent liabilities

There are no contingent liabilities as at March 31, 2019 (March 31, 2018: Nil).

### 28. Capital Commitment

Estimated amount of contracts remaining to be executed on capital account, not provided for amounting to Rs Nil (USD – Nil) (2018 : Rs 1,11,79,455 (USD – 1,71,875)).

### 29. Lease

**29.1 Operating Lease:** The Company has taken residential facilities and official facilities under cancellable operating lease. During the year ended March 31, 2019 rental expenses under cancellable operating lease is recorded Rs 190,797 (USD-2,730) (2018: Rs 1,98,369 (USD-3,078)).

### 29.2 Finance Lease –

During the previous period, Company has taken leasehold premises and improvements on lease term of 30 years. The minimum lease rentals along with their leased premium and the present value of minimum lease payments in respect of assets acquired under finance lease are as follows:

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

*Amount in Rs*

Particular	Payable not later than 1 year	Payable later than 1 year and not later than 5 year	Payable later than 5 year	Total
<b>Minimum Lease Payments</b>				
<b>March 31, 2019</b>	<b>14,653</b>	<b>58,612</b>	<b>3,37,023</b>	<b>4,10,288</b>
<i>March 31, 2018</i>	<i>30,382</i>	<i>60,764</i>	<i>3,49,326</i>	<i>4,40,472</i>
<b>Finance Charge</b>				
<b>March 31, 2019</b>	<b>865</b>	<b>6,176</b>	<b>1,05,741</b>	<b>1,12,782</b>
<i>March 31, 2018</i>	<i>1,501</i>	<i>6,403</i>	<i>1,09,623</i>	<i>1,17,528</i>
<b>Present value of Minimum Lease Payments</b>				
<b>March 31, 2019</b>	<b>13,788</b>	<b>52,436</b>	<b>2,31,282</b>	<b>2,97,506</b>
<i>March 31, 2018</i>	<i>28,881</i>	<i>54,361</i>	<i>2,39,703</i>	<i>3,22,944</i>

*Amount in USD*

Particular	Payable not later than 1 year	Payable later than 1 year and not later than 5 year	Payable later than 5 year	Total
<b>Minimum Lease Payments</b>				
<b>March 31, 2019</b>	<b>212</b>	<b>847</b>	<b>4,872</b>	<b>5,931</b>
<i>March 31, 2018</i>	<i>467</i>	<i>934</i>	<i>5,371</i>	<i>6,772</i>
<b>Finance Charge</b>				
<b>March 31, 2019</b>	<b>13</b>	<b>89</b>	<b>1,528</b>	<b>1,630</b>
<i>March 31, 2018</i>	<i>23</i>	<i>98</i>	<i>1,685</i>	<i>1,807</i>
<b>Present value of Minimum Lease Payments</b>				
<b>March 31, 2019</b>	<b>199</b>	<b>758</b>	<b>3,344</b>	<b>4,301</b>
<i>March 31, 2018</i>	<i>444</i>	<i>836</i>	<i>3,685</i>	<i>4,965</i>

### 30. Financial Risk Management:

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to support its operations. The Company's principal financial assets includes Cash and cash equivalents.

The Company's activities expose it to a variety of risks: Regulatory risk, Liquidity risk, Foreign Currencies risk.

#### Regulatory risk:

The Company requires a number of regulatory approvals, licenses, registrations and permissions to operate our business, including at a corporate level as well as at the level of each of its components. For example, the Company have licenses from SEBI in relation to, among others, introducing derivatives contracts on various indices of the exchange, introduction of futures and options contracts on various indices of the exchange. Some of these approvals are required to be

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

(Formerly known as BSE International Exchange (IFSC) Limited)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

renewed from time to time. The Company's operations are subject to continued review and the governing regulations may change. The Company's regulatory team constantly monitors the compliance with these rules and regulations.

### Foreign currency risk

United State Dollars (USD) is the functional currency of the Company, thus the Company's exchange risk arises from its foreign currency expenses. Currency other than USD is considered as foreign currency. Company is using Special Non-Resident Rupee account for discharging the liability of INR.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the contractual maturities of significant financial liabilities as follows.

<b>Amount in Rs</b>					
Particulars	On Demand	Payable within 1 year	Payable more than 1 year and less than 5 year	Payable more than 5 year	Total
<b>Finance lease obligation</b>					
<b>March 31, 2019</b>	-	<b>14,653</b>	<b>58,612</b>	<b>3,37,023</b>	<b>4,10,288</b>
<i>March 31, 2018</i>	-	<i>30,382</i>	<i>60,764</i>	<i>3,49,326</i>	<i>4,40,472</i>
<b>Deposits from Members</b>					
<b>March 31, 2019</b>	<b>9,33,81,255</b>	-	-	-	<b>9,33,81,255</b>
<i>March 31, 2018</i>	<i>8,84,59,976</i>	-	-	-	<i>8,84,59,976</i>
<b>Trade Payables</b>					
<b>March 31, 2019</b>	-	<b>2,19,47,844</b>	-	-	<b>2,19,47,844</b>
<i>March 31, 2018</i>	-	<i>1,31,19,392</i>	-	-	<i>1,31,19,392</i>
<b>Other Financial liabilities</b>					
<b>March 31, 2019</b>	-	<b>1,24,98,493</b>	-	-	<b>1,24,98,493</b>
<i>March 31, 2018</i>	-	<i>1,56,76,084</i>	-	-	<i>1,56,76,084</i>

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

(Formerly known as BSE International Exchange (IFSC) Limited)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Amount in USD

Particulars	On Demand	Payable within 1 year	Payable more than 1 year and less than 5 year	Payable more than 5 year	Total
<b>Finance lease obligation</b>					
<b>March 31, 2019</b>		<b>212</b>	<b>847</b>	<b>4,872</b>	<b>5,931</b>
<i>March 31, 2018</i>	-	<i>467</i>	<i>934</i>	<i>5,371</i>	<i>6,772</i>
<b>Deposits from Members</b>					
<b>March 31, 2019</b>	<b>13,50,000</b>				<b>13,50,000</b>
<i>March 31, 2018</i>	<i>13,60,000</i>				<i>13,60,000</i>
<b>Trade Payables</b>					
<b>March 31, 2019</b>		<b>3,17,297</b>			<b>3,17,297</b>
<i>March 31, 2018</i>		<i>2,01,700</i>			<i>2,01,700</i>
<b>Other Financial liabilities</b>					
<b>March 31, 2019</b>	-	<b>1,80,689</b>	-	-	<b>1,80,689</b>
<i>March 31, 2018</i>	-	<i>2,41,007</i>	-	-	<i>2,41,007</i>

### 31. Capital management:

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company is predominantly equity financed which is evident from the capital structure table. Further, the company has always been a net cash company with cash and bank balances along with investment which is predominantly investment in fixed deposit being far in excess of financial liabilities.

### Compliance with externally imposed capital requirements:

In accordance with SEBI (International Financial Services Centre) Guidelines, 2015, The Company shall have a minimum net worth equivalent of twenty five crore rupees initially and it shall enhance its net worth to a minimum equivalent of one hundred crore rupees over the period of three years from the date of approval.

# INDIA INTERNATIONAL EXCHANGE (IFSC) Limited

*(Formerly known as BSE International Exchange (IFSC) Limited)*

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

- 32.** The Company has not created any deferred tax provision. Deferred tax provision will be recognised based on the reasonable certainty.
- 33.** Pursuant to SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2017/95 dated August 10, 2017 (INDIA INX Circular no-20171017-1, dated October 17, 2017), the Company had launched Liquidity Enhancement Scheme (LES) to enhance liquidity in INDIA INX's Futures & Options Segment. LES was launched on November 01, 2017 and which was further extended and amended from time to time. An expense of USD 551.18 thousand (Rs 387.88 Lakhs) and USD 1,857.30 thousand (Rs 1,298.05 Lakhs) (Previous year: USD 330.57 thousand (Rs 213.04 Lakhs)) has been incurred towards the Scheme for the quarter and year ended March 31, 2019 respectively considering the special nature of this expense and its impact on the Loss of the Company, the same has been recognised as an exceptional item.
- Further Pursuant to SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2017/95 dated August 10, 2017, during the year ended March 31, 2019, The Company has created additional LES reserve of USD 1,519.73 thousand (Rs 1,067.32 lakhs) and incurred an expense of USD 551.18 thousand (Rs 387.88 Lakhs) and USD 1,857.30 thousand (Rs 1,298.05 Lakhs) during the quarter and year ended March 31, 2019 respectively, accordingly LES reserve balance as on March 31, 2019 is USD 38.17 thousand (Rs 7.76 Lakhs) (Previous year: USD 375.74 thousand (Rs 238.48 Lakhs)). The LES reserve as on March 31, 2019 will not form part of net worth of the Exchange.
- 34.** Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification / disclosure.

### In terms of our report of even date attached

**For S. Panse & Co.**

**Chartered Accountants**

**Firm Reg. No.: 113470W**

**For and on behalf of the Board of Directors**

**Supriya Panse**  
Partner  
Membership No.: 46607

**Ashishkumar Chauhan**  
Chairman

**Balasubramaniam Venkataramani**  
Managing Director & CEO

**Date: April 25, 2019**  
**Place : Mumbai**

**Mayank Jain**  
Chief Financial Officer

**Nikhil Mehta**  
Company Secretary

**Form AOC-I**

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

**Part "A": Subsidiaries - Statement containing salient features of the financial statement of subsidiary**

Sr. No.	Name of the subsidiary	India INX Global Access IFSC Limited	
		(Rs)	(USD)
1	The date since when subsidiary was acquired	05-Apr-18	
2	Share capital	10,00,00,000	14,65,005
3	Reserves & surplus	(48,12,617)	(88,894)
4	Total assets	10,45,60,374	15,11,615
5	Total Liabilities	10,45,60,374	15,11,615
6	Investments	-	-
7	Turnover	24,82,633	35,502
8	Profit/(Loss) before taxation	(62,16,306)	(88,894)
9	Provision for taxation	-	-
10	Profit/(Loss) after taxation	(62,16,306)	(88,894)
11	Proposed Dividend	-	-
12	% of shareholding	100%	100%

**For and on behalf of the Board of Directors**
**Ashishkumar Chauhan**  
**Chairman**
**Balasubramaniam Venkataramani**  
**Managing Director & CEO**

Date : April 25, 2019

Place: Mumbai

**Mayank Jain**  
**Chief Financial Officer**
**Nikhil Mehta**  
**Company Secretary**