

DotEx International Limited

(A wholly owned subsidiary of NSE Strategic Investment Corporation Limited)



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INDEPENDENT AUDITOR'S REPORT

To the Members of Dotex International Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Dotex International Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 3 and 4 of the said 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 18 (b) to the financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No: 100186W

Place : Mumbai
Date : April 21, 2016

Raghuvir M. Aiyar
Partner
Membership No.: 38128

ANNEXURE – A TO THE AUDITOR’S REPORT

(Referred to in paragraph 1 under the heading ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date on the financial statements for the year ended on March 31, 2016, of Dotex International Limited)

In our opinion, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the normal course of audit, which were necessary to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) A substantial portion of the fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not hold any immovable properties. Accordingly, the provisions of clause 3(ii)(c) of the Order are not applicable.
- (ii) The Company is a service Company and therefore does not maintain any inventory; the directions in this regard are therefore not applicable.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clauses 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) of the Order are not applicable.
- (iv) As informed, the Company has not advanced any loans, made any investments or given any guarantees and securities. Accordingly clause 3 (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit from the public and consequently the directives issued by the Reserve Bank of India, provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, with regard to the deposits accepted from the public are not applicable to the Company. No order has been passed by the Company Law Board, National Law Tribunal or Reserve Bank of India or any other court or any other tribunal.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of services carried out by the Company.
- (vii) (a) According to the records of the Company, Provident Fund, Employees State Insurance, Income tax, Sales tax, Value added tax, Wealth tax, Service tax, Custom duty, Excise duty, cess and other material statutory dues applicable to it have been generally regularly deposited during the year with the appropriate authorities.
According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, income-tax, wealth-tax, service tax, sales-tax, value added tax, customs duty, excise duty, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, Sales tax, Income-tax, Customs duty, Wealth tax, Service tax, Excise duty and Cess which have not been deposited on account of any dispute, are as follows:

Name of Statute (Nature of dues)	Year to which the amount relates	Forum where the dispute is pending	Amount (₹)
Income Tax Act, 1961. (Tax/ Interest)	2008-09	Income Tax Appellate Tribunal – Mumbai	5,22,473
Income Tax Act, 1961. (Tax/ Interest)	2011-12	Commissioner of Income Tax (Appeals) XVI – Mumbai	1,42,96,013
Income Tax Act, 1961. (Tax/ Interest)	2012-13	Deputy Commissioner of Income Tax Circle 9(3)(1) – Mumbai	24,080
Central Excise Act, 1944 (B.E.D and Education & Higher Education Cess)	September 2009 to March 2014	Additional Commissioner of Central Excise I - Mumbai	12,73,849 (and related interest & penalty)

- (viii) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank, Government or debenture holder, and accordingly clause 3 (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly clause 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds by the Company or on the Company by any of its employees or officers noticed or reported during the course of our audit.
- (xi) In our opinion, managerial remuneration has been paid (and)/ provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No: 100186W

Place: Mumbai
Date: April 21, 2016

Raghuvir M. Aiyar
Partner
Membership No.: 38128

ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DOTEX INTERNATIONAL LIMITED

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 Dotex International Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The 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. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and 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 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 March 31, 2016, 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 K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No: 100186W

Place : Mumbai
Date : April 21, 2016

Raghuvir M. Aiyar
Partner
Membership No.: 38128

BALANCE SHEET AS AT MARCH 31, 2016

	Notes	As at 31.03.2016 (₹)	As at 31.03.2015 (₹)
I			
1			
Equity and liabilities			
Shareholder's funds			
a	2	90,000,000.00	120,000,000.00
b	3	949,886,481.70	901,623,984.07
		<u>1,039,886,481.70</u>	<u>1,021,623,984.07</u>
2			
Current liabilities			
a	4	32,402,488.51	28,912,995.66
b	5	91,662,824.00	65,589,346.40
c	6	11,026,491.17	174,671,353.52
		<u>135,091,803.68</u>	<u>269,173,695.58</u>
TOTAL		<u><u>1,174,978,285.38</u></u>	<u><u>1,290,797,679.65</u></u>
II			
Assets			
1			
Non-current assets			
a	7		
Fixed assets			
Tangible assets		4,686,151.50	3,155,722.45
Intangible assets		<u>8,525,390.88</u>	<u>852,274.83</u>
b	8	105,782,540.00	5,000,000.00
c	10	10,368,580.93	13,706,683.92
d	11	5,684,283.50	2,681,128.73
e	13	43,927,237.55	60,049,102.25
		<u>178,974,184.36</u>	<u>85,444,912.18</u>
2			
Current assets			
a	9	731,361,167.93	1,008,152,361.10
b	12	66,295,114.76	64,155,752.22
c	14	135,985,587.18	99,730,749.61
d	11	28,742,129.00	18,446,193.00
e	13	33,620,102.15	14,867,711.54
		<u>996,004,101.02</u>	<u>1,205,352,767.47</u>
TOTAL		<u><u>1,174,978,285.38</u></u>	<u><u>1,290,797,679.65</u></u>

Summary of significant accounting policies (Note 1)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For K. S. AIYAR & CO.

Chartered Accountants

ICAI Firm Registration No: 100186W

RAGHUVIR M. AIYAR

Partner

Membership Number: 38128

Place : Mumbai

Date : April 21, 2016

For and on behalf of the Board of Directors

CHITRA RAMKRISHNA

Chairperson

J RAVICHANDRAN

Director

SUBRAMANIAN ANAND

Director

MUKESH AGARWAL

Chief Executive Officer

MADHURA SARDAR

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Notes	For the year ended 31.03.2016 (₹)	For the year ended 31.03.2015 (₹)
REVENUE			
(I) Revenue from operations	15	798,708,442.22	667,763,452.49
(II) Other Income	16	105,014,738.12	91,880,721.05
(III) Total Revenue (I + II)		903,723,180.34	759,644,173.54
EXPENDITURE			
(IV) a Revenue sharing		151,456,554.00	119,839,393.00
b Employee Benefits Expenses		11,615,348.50	-
c Deputed Personnel Cost		20,297,637.53	17,916,673.30
d Other Expenses	17	202,841,153.78	191,450,829.31
e Depreciation	7	3,555,694.90	6,631,670.64
Total Expenses		389,766,388.71	335,838,566.25
(V) Profit before prior period adjustments & tax		513,956,791.63	423,805,607.29
(VI) Prior Period Adjustments		4,800,000.00	
(VII) Profit before Tax		518,756,791.63	423,805,607.29
(VIII) Tax			
(1) Current Tax		177,700,000.00	141,000,000.00
(2) Deferred Tax		3,338,104.00	272,888.00
(3) Short Provision for tax - earlier years		1,712,000.00	-
Total tax expenses		182,750,104.00	141,272,888.00
(IX) Profit after Tax		336,006,687.63	282,532,719.29
(X) Earnings per equity share :	22		
(1) Basic		34.25	23.54
(2) Diluted		34.25	23.54

As per our report of even date attached

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

RAGHUVIR M. AIYAR
Partner
Membership Number: 38128

Place : Mumbai
Date : April 21, 2016

For and on behalf of the Board of Directors

CHITRA RAMKRISHNA
Chairperson

J RAVICHANDRAN
Director

SUBRAMANIAN ANAND
Director

MUKESH AGARWAL
Chief Executive Officer

MADHURA SARDAR
Company Secretary

CASHFLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	2015-2016 (₹)	2014-2015 (₹)
A) CASHFLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	518,756,791.63	423,805,607.29
Add : Adjustments for :		
- Depreciation	3,555,694.90	6,631,670.64
- Provision for Doubtful debts	-	932,857.36
- Bad debts W/off	557,229.00	462,974.00
Less : Adjustments for :		
- Interest on Investments	(691,598.34)	(317,260.00)
- Interest income on Bank Deposits	(16,257,338.37)	(13,510,976.61)
- Profit on sale or redemption of Investments	(87,377,357.54)	(76,890,931.44)
Operating Profit Before Working Capital Changes	418,543,421.28	341,113,941.24
Adjustments for :		
Sundry Debtors	(2,696,591.54)	23,988,240.24
Loans & Advances	(24,285,979.52)	(4,012,007.30)
Current Liabilities & Provisions	29,562,970.45	(7,551,266.63)
Cash Generated From Operating Activities	421,123,820.67	353,538,907.55
Direct Taxes paid (Net of Refunds)	(183,577,187.12)	(145,965,815.32)
NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	237,546,633.55	207,573,092.23
B) CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets/ CWIP	(12,759,240.00)	(2,777,306.00)
(Increase)/Decrease in Investment	248,241,820.70	161,444,998.62
Interest received on deposits	13,203,330.98	11,752,536.45
Interest on Investments	89,139.34	17,260.00
NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	248,775,051.02	170,437,489.07

	2015-2016 (₹)	2014-2015 (₹)
C) CASHFLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(144,000,000.00)	(324,000,000.00)
Dividend Distribution Tax	(29,315,020.00)	(55,063,800.00)
Buyback of Equity Shares	(30,000,000.00)	–
Premium paid on buyback of Equity Shares	(225,000,000.00)	–
Tax on Distributed income to Shareholders	(51,912,000.00)	–
NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	(480,227,020.00)	(379,063,800.00)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	6,094,664.57	(1,053,218.70)
CASH AND CASH EQUIVALENTS : OPENING BALANCE (Note 14)	5,054,405.61	6,107,624.31
CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE (Note 14)	11,149,070.18	5,054,405.61
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	6,094,664.57	(1,053,218.70)

Notes to Cash Flow Statement :

- 1 Cash and cash equivalent represent cash, bank balances and balance in fixed deposit account as per balance sheet.
- 2 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements.
- 3 All figures in brackets are outflows.
- 4 Previous Years figures have been regrouped/restated wherever necessary to correspond with the current period classification/ disclosure.

As per our report of even date attached
the Board of Directors
For K.S.Aiyar & Co
Chartered Accountants
ICAI Firm Registration No: 100186W

For and on behalf of

CHITRA RAMKRISHNA
Chairperson

J RAVICHANDRAN
Director

Raghuvir M. Aiyar
Partner
Membership No : 38128

SUBRAMANIAN ANAND
Director

MUKESH AGARWAL
Chief Executive Officer

Place : Mumbai
Date : April 21, 2016

MADHURA SARDAR
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

1 Significant Accounting Policies :

a) Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (India GAAP). The company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

b) Revenue Recognition

- (I) Revenue is being recognised as and when there is reasonable certainty of ultimate realisation. Online Datafeed Service Fees income is recognised on a time proportion method. Other revenue is recognised as and when services are rendered.
- (II) Subscription fees received in respect of unexpired period of the contract is treated as a current liability and is recognised as income in the respective period.
- (III) Provision for Doubtful debts and Bad Debts : Overdue amounts are provided for as doubtful debts or are written off as bad debts, if the same are considered doubtful / irrecoerable in the opinion of the management.

c) Fixed Assets

- (I) Fixed Assets are stated at cost of acquisition / development less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses incurred towards acquisition and installation of fixed assets.

(II) Depreciation:

Depreciation on assets is provided, using the straight line method, pro-rata to the period of use of assets, as per the lives of the assets specified in Schedule II to the Companies Act, 2013 or based on the estimated useful life of the assets in view of internal assessment by the Management, whichever is lower. Where there is a revision of the estimated useful life of an asset, the unamortized depreciable amount is charged over the revised remaining useful life. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II. The details of the estimated useful life of the assets where the useful life of the asset is lower than the useful life specified in Schedule II of the Companies Act, 2013 are as follows:

Nature of Assets	Useful Life	Assets Description	Estimated Useful Lives
(as per Schedule II of the Companies Act, 2013)		(refer note 7)	
Computer & Data processing units - Servers and networks	6 years	Computer Systems – Others	4 years
Computer & Data processing units - Servers and networks	6 years	Telecommunication Systems	4 years
Office Equipments	5 years	Office Equipments	4-5 years

d) (I) **Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the rate of exchange in force at the date of transaction.

(II) Monetary items denominated in foreign currency at the year end are translated at the year end rate and resultant gains/losses are recognised in the profit and loss account.

(III) Any income or expense on account of exchange difference between the date of transaction and settlement or translation is recognised in the profit and loss account as income or expense.

e) **Investments**

(i) Long term investments are considered as held till maturity and are valued at cost.

(ii) Short term investments are valued at cost or fair value whichever is lower.

(iii) Premium paid/discount received at the time of acquisition of Government / Debt securities is amortised over the residual period of its maturity.

g) **Taxation**

Tax expense for the year, comprising current tax and deferred tax is included in determining the net profit / (loss) for the year.

A provision is made for the current tax based on tax liability computed in accordance with prevailing tax rates and tax laws. A provision / accrual is made for deferred tax for all timing differences arising between taxable income and accounting income at the Balance Sheet Date based on prevailing enacted or substantively enacted tax rates.

Deferred tax assets are recognised only if there is a reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

h) **Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

2 Share Capital

	As at 31.03.2016 (₹)	As at 31.03.2015 (₹)
Authorised 1,30,00,000 (Previous Year 1,30,00,000) Equity Shares of Rs 10 Each.	130,000,000.00	130,000,000.00
Issued, Subscribed and Paid-up 90,00,000 (Previous year 1,20,00,000) Equity shares of ₹10 each fully paid up.	90,000,000.00	120,000,000.00
Total	90,000,000.00	120,000,000.00

In accordance with provisions of the Companies Act, 2013 and pursuant to the letter of offer for buy back made, the Company initiated a buy back of equity shares from holding company NSE Strategic Investment Corporation Ltd. Details of the buy back are as under :

Particulars	Year Ending March 31, 2016.
Date of Offer	18-Jun-15
Number of shares purchased	3,000,000.00
Face Value of shares purchased	10.00
Shares Purchased at	85.00
Consideration paid towards buy back	255,000,000.00
Consideration payment date	8-Jul-15
Share Capital reduction	(30,000,000.00)
General Reserve utilised	225,000,000.00
Amount transferred to capital redemption reserve on extinguishment of share capital	30,000,000.00
	255,000,000.00

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of directors, in their meeting of April 21, 2016, proposed a dividend of ₹ 1/- per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend appropriation for the year ended March 31, 2016 amounted to ₹ 9,000,000/- excluding Dividend Distribution Tax.

During the year ended March 31, 2015 the amount of per share dividend recognised as distribution to equity shareholder was ₹ 12/- per share. The dividend appropriation for the year ended March 31, 2015 amounted to ₹ 144,000,000/- excluding Dividend Distribution Tax.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% share in the Company

	31.03.2016		31.03.2015	
	No.	% Holding	No.	% Holding
NSE Strategic Investment Corporation Limited.	9,000,000	100	12,000,000	100

3 Reserve and surplus

	As at 31.03.2016 (₹)		As at 31.03.2015 (₹)	
General reserve				
As per last Balance Sheet	534,208,213.00		505,954,941.00	
Less : Transferred to Capital Redemption Reserve	30,000,000.00		–	
Less : Securities Premium Used towards buy back of equity shares	225,000,000.00	279,208,213.00	28,253,272.00	534,208,213.00
Surplus/(deficit) in the statement of Profit and Loss				
As per last Balance Sheet	367,415,771.07		286,603,899.06	
Less : Depreciation	–		10,038.26	
Add : Profit for the year	336,006,687.63		282,532,719.29	
Less : Appropriations				
Corporate Social Responsibility Expenditure	–		142,517.02	
Transfer to general reserve	–		28,253,272.00	
Tax on Distributed income to Shareholders	51,912,000.00		–	
Proposed dividend	9,000,000.00		144,000,000.00	
Tax on proposed dividend	1,832,190.00	640,678,268.70	29,315,020.00	367,415,771.07
Capital Redemption Reserve				
As per last Balance Sheet	–			
Add : Transferred from General Reserve	30,000,000.00	30,000,000.00		–
Total reserves and surplus		949,886,481.70		901,623,984.07

4 Trade payables

	Long - Term As at		Short - Term As at	
	31.03.2016 (₹)	31.03.2015 (₹)	31.03.2016 (₹)	31.03.2015 (₹)
Sundry creditors	–	–	14,811,185.09	18,941,558.24
Provision For Expenses	–	–	17,591,303.42	9,971,437.42
Total	–	–	32,402,488.51	28,912,995.66

5 Other liabilities

	Long - Term As at		Short - Term As at	
	31.03.2016 (₹)	31.03.2015 (₹)	31.03.2016 (₹)	31.03.2015
Income received in advance	-	-	62,116,620.00	48,503,828.00
Tax deducted at source - payable	-	-	10,048,104.00	7,245,269.00
Service Tax on Provisions	-	-	10,355,754.00	9,054,222.00
Other liabilities	-	-	69,367.00	-
Advance received from Customers	-	-	9,072,979.00	786,027.40
Total	-	-	91,662,824.00	65,589,346.40

6 Provision

	Long - Term As at		Short - Term As at	
	31.03.2016 (₹)	31.03.2015 (₹)	31.03.2016 (₹)	31.03.2015 (₹)
Proposed dividend	-	-	9,000,000.00	144,000,000.00
Corporate dividend tax	-	-	1,832,190.00	29,315,020.00
Provision for Tax (Net of Advance Tax)	-	-	194,301.17	1,356,333.52
Total	-	-	11,026,491.17	174,671,353.52

NOTE 7: FIXED ASSETS

Description	Gross Block			Depreciation			Net Block			
	As on 01/04/2015	Additions during the Year	Deduction during the Year	As on 31/03/2016	As on 01/04/2015	For the year	Deletion	Total upto 31/03/2016	As on 31/03/2016	As on 31/03/2015
TANGIBLE ASSETS										
Computer Hardware	4,605,728.82	-	-	4,605,728.82	4,041,048.64	564,680.58	-	4,605,729.22	0.00	564,684.21
Computer Sys-Others	58,066,403.13	3,597,740.00	-	61,664,143.13	57,944,947.78	507,600.04	-	58,452,547.82	3,211,595.31	121,457.05
Office Equipments	200,872.00	40,000.00	-	240,872.00	200,872.00	928.96	-	201,800.96	39,071.04	-
Telecom Installations	98,212,237.59	-	-	98,212,237.59	95,742,651.47	1,034,101.37	-	96,776,752.84	1,435,484.75	2,469,581.19
TOTAL (A)	161,085,241.54	3,637,740.00	-	164,722,981.54	157,929,519.89	2,107,310.95	-	160,036,830.84	4,686,151.10	3,155,722.45
INTANGIBLE ASSETS										
Computer Software	13,731,029.00	9,121,500.00	-	22,852,529.00	12,878,754.17	1,448,383.95	-	14,327,138.12	8,525,390.88	852,274.83
TOTAL (B)	13,731,029.00	9,121,500.00	-	22,852,529.00	12,878,754.17	1,448,383.95	-	14,327,138.12	8,525,390.88	852,274.83
TOTAL (A+B)	174,816,270.54	12,759,240.00	-	187,575,510.54	170,808,274.06	3,555,694.90	-	174,363,968.96	13,211,541.98	4,007,997.28
Previous Year	172,038,964.54	2,777,306.00	-	174,816,270.54	164,161,395.44	6,646,878.22	-	170,808,273.66	4,007,997.28	

NOTE - 8: NON CURRENT INVESTMENTS

Particulars	Maturity Date	Number of Units As at 31.3.16	Number of Units As at 31.3.15	Face Value per Unit (₹)	Face value (₹)	As at 31.3.2016 (₹)	As at 31.3.2015 (₹)
QUOTED							
EXCHANGE TRADED FUNDS							
Goldman Sachs Nifty Exchange Traded Scheme-Nifty BeES		52,500.00	-	802.10	42,110,423.00	42,110,423.00	-
Kotak Mahindra MF - Kotak Banking ETF		78,150.00	-	171.52	13,404,096.00	13,404,096.00	-
BONDS - TAXFREE							
7.35% National Highways Authority of India 11 Jan, 2031	11/Jan/31	50,000.00	-	1,000.00	50,000,000.00	50,268,021.00	-
Total A					105,514,519.00	105,782,540.00	
UNQUOTED							
BONDS							
TAXABLE							
6% National Highways Authority of India Limited - 2017	31/Mar/17	500.00	500.00	10,000.00	5,000,000.00	-	5,000,000.00
Total B					5,000,000.00	-	5,000,000.00
TOTAL A + B					110,514,519.00	105,782,540.00	5,000,000.00

Note : Aggregate Market Value of the Quoted investments is ₹ 106,597,310.00 (Previous Year : ₹ NIL)

NOTE - 9 : CURRENT INVESTMENT

Particulars	Maturity Date	Number of Units	Face Value per Unit (₹)	Face value (₹)	As at 31.03.2016 (₹)	As at 31.03.2015 (₹)
QUOTED						
MUTUAL FUNDS						
Fixed Maturity Plans						
HDFC FMP 453D FEBRUARY 2014 (1)	4/May/15	1,000,000.00	10.00	10,000,000.00	-	10,000,000.00
IDFC FIXED TERM PLAN SERIES - 75 - 406 DAYS	8/Apr/15	250,000.00	10.00	2,500,000.00	-	2,500,000.00
QUOTED (A)		1,250,000.00	20.00	12,500,000.00	-	12,500,000.00
UNQUOTED						
BONDS						
Taxable						
6% National Highways Authority of India Limited - 2017	31/Mar/17	500.00	10,000.00	5,000,000.00	5,000,000.00	-
UNQUOTED						
Liquid Growth Schemes						
AXIS LIQUID FUND -DIRECT - GROWTH		1,279.37	1,391.70	1,780,502.72	-	1,780,502.72
JPMORGAN INDIA LIQUID FUND - DIRECT - GROWTH		536,309.75	16.27	8,727,123.61	-	8,727,123.61
SBI MAGNUM INSTA CASH FUND - DIRECT - GROWTH		3,108.71	2,904.40	9,028,944.86	-	9,028,944.86
LIC NOMURA MF LIQUID FUND - DIRECT - GROWTH		400.67	2,606.79	1,044,469.57	1,044,469.57	-
ICICI PRUDENTIAL ULTRA SHORT TERM PLAN - DIRECT - GROWTH		5,144,882.68	13.52	69,553,606.75	69,553,011.10	-
RELIANCE LIQUID FUND - CASH PLAN - DIRECT - GROWTH		30,055.60	2,373.61	71,340,242.90	71,340,242.90	-
IDFC MONEY MANAGER - TREASURY PLAN - DIRECT - GROWTH		3,322,925.88	21.29	70,759,435.16	70,759,435.16	-
SUNDARAM ULTRA SHORT TERM - DIRECT PLAN - GROWTH		4,327,674.79	16.66	72,095,369.79	72,095,369.79	-
KOTAK FLOATER - SHORT TERM - DIRECT - GROWTH		7,519.98	2,409.31	18,117,935.65	18,117,935.65	-
SBI SHDF - ULTRA SHORT TERM - GROWTH - DIRECT PLAN		9,094.00	1,531.69	13,929,194.05	13,929,194.05	-
Kotak Treasury Advantage Fund – DIRECT - GROWTH		2,741,613.98	23.53	64,500,000.00	64,500,000.00	-
RELIANCE MEDIUM TERM FUND - DIRECT - GROWTH		320,920.14	31.16	10,000,000.00	10,000,000.00	-
BIRLA SUN LIFE CASH MANAGER - DIRECT - GROWTH		13,501.27	355.52	4,800,000.00	4,800,000.00	-
UTI TREASURY ADVANTAGE FUND - GROWTH		8,678.55	1,541.43	13,377,400.53	13,377,400.53	-
AXIS TREASURY ADVANTAGE FUND - IP - GROWTH		55,402.63	1,321.58	73,219,109.18	73,219,109.18	-
DSP BLACKROCK ULTRA SHORT TERM FUND - DIRECT - GROWTH		1,830,395.55	10.93	20,000,000.00	20,000,000.00	-
RELIANCE LIQUIDITY FUND - DIRECT - GROWTH		10,363.68	2,171.04	22,500,000.00	22,500,000.00	-
ICICI PRUDENTIAL FLEXIBLE INCOME PLAN - GROWTH - DIRECT		161,049.51	242.16	39,000,000.00	39,000,000.00	-
KOTAK LIQUID SCHEME - PLAN A - DIRECT - GROWTH		16,607.75	3,010.64	50,000,000.00	50,000,000.00	-
ICICI PRUDENTIAL FLEXIBLE INCOME PLAN - GROWTH		96,880.53	212.37	20,575,000.00	20,575,000.00	-
DSP BLACKROCK ULTRA SHORT TERM FUND - DIRECT - GROWTH		457,318.47	10.93	5,000,000.00	5,000,000.00	-
UTI TREASURY ADVANTAGE FUND GROWTH - DIRECT PLAN		23,569.87	2,059.83	48,550,000.00	40,550,000.00	-
UTI MONEY MARKET - DIRECT PLAN - GROWTH		27,690.47	1,661.22	46,000,000.00	46,000,000.00	-
Ultra Short Term Debt Schemes - Growth						
AXIS TREASURY ADVANTAGE FUND - IP - GROWTH		64,643.78	1,321.58	85,432,053.68	-	85,432,053.68

Particulars	Maturity Date	Number of Units	Face Value per Unit (₹)	Face value (₹)	As at 31.03.2016 (₹)	As at 31.03.2015 (₹)
BARODA PIONEER TREASURY ADVANTAGE FUND - PLAN B - DIRECT - GROWTH		4,498.05	1,578.46	7,100,000.00	-	7,100,000.00
BIRLA SUN LIFE SAVINGS FUND - DIRECT - GROWTH		38,172.98	261.97	10,000,000.00	-	10,000,000.00
DWS TREASURY FUND - INVESTMENT PLAN		1,842,077.50	14.31	26,357,353.56	-	26,357,353.56
ICICI PRUDENTIAL FLEXIBLE INCOME PLAN - GROWTH		96,880.53	212.37	20,575,000.00	-	20,575,000.00
ICICI PRUDENTIAL FLEXIBLE INCOME PLAN - GROWTH - DIRECT		129,690.08	231.32	30,000,000.00	-	30,000,000.00
ICICI PRUDENTIAL FLEXIBLE INCOME PLAN - PREMIUM - GROWTH		46,840.94	206.96	9,693,980.34	-	9,693,980.34
ICICI PRUDENTIAL ULTRA SHORT TERM PLAN - DIRECT - GROWTH		13,062,040.74	13.49	176,200,000.00	-	176,200,000.00
IDFC MONEY MANAGER - TREASURY PLAN - DIRECT - GROWTH		3,774,002.61	19.23	72,584,637.30	-	72,584,637.30
IDFC MONEY MANAGER - TREASURY PLAN - DIRECT - GROWTH		114.22	1,525.96	174,290.03	-	174,290.03
IDFC MONEY MANAGER - INVESTMENT PLAN - DIRECT - GROWTH		348,976.69	20.18	7,043,361.71	-	7,043,361.71
IDFC ULTRA SHORT TERM FUND - DIRECT - GROWTH		899,359.92	18.57	16,700,000.00	-	16,700,000.00
JM MONEY MANAGER FUND - SUPER PLUS PLAN - DIRECT - GROWTH		390,614.56	18.23	7,120,434.64	-	7,120,434.64
KOTAK FLEXI DEBT SCHEME - PLAN A - DIRECT - GROWTH		4,568,825.68	16.25	74,254,808.57	-	74,254,808.57
KOTAK FLOATER - LONG TERM - DIRECT - GROWTH		894,653.50	21.06	18,837,000.00	-	18,837,000.00
RELIANCE MEDIUM TERM FUND - DIRECT - GROWTH		1,931,404.17	28.48	55,000,000.00	-	55,000,000.00
RELIGARE INVESCO CREDIT OPPORTUNITIES FUND - DIRECT - GROWTH		34,888.53	1,576.45	55,000,000.00	-	55,000,000.00
SBI SHDF - ULTRA SHORT TERM - GROWTH - DIRECT PLAN		9,094.00	1,531.69	13,929,194.05	-	13,929,194.05
SUNDARAM ULTRA SHORT TERM - DIRECT PLAN - GROWTH		10,126,439.58	16.66	168,697,670.00	-	168,697,670.00
SUNDARAM ULTRA SHORT TERM - DIRECT PLAN - GROWTH		235,680.31	16.92	3,988,605.41	-	3,988,605.41
TEMPLETON INDIA ULTRA SHORT BOND FUND - DIRECT PLAN - GROWTH		2,834,693.45	17.29	49,000,000.00	-	49,000,000.00
FRANKLIN INDIA LOW DURATION FUND - DIRECT - GROWTH		1,539,922.42	14.61	22,500,000.00	-	22,500,000.00
UTI TREASURY ADVANTAGE FUND - GROWTH		8,678.55	1,541.43	13,377,400.53	-	13,377,400.62
UTI TREASURY ADVANTAGE FUND GROWTH - DIRECT PLAN		19,658.43	1,655.78	32,550,000.00	-	32,550,000.00
UNQUOTED (B)					731,361,167.93	995,652,361.10
TOTAL (A+B)					731,361,167.93	1,008,152,361.10

Note : Aggregate Market Value of the Quoted investments is ₹ nil (Previous Year : ₹ 1,38,77,450.00)

10 Deferred Tax Assets

	As at 31.03.2016 (₹)	As at 31.03.2015 (₹)
Related to depreciation	10,300,347.79	12,680,977.78
Related to disallowance u/s 43B	68,233.13	68,233.13
Related to other items	-	957,473.01
Total	10,368,580.93	13,706,683.92

11 Loans and Advances

	Long - Term		Short - Term	
	As at		As at	
	31.03.2016 (₹)	31.03.2015 (₹)	31.03.2016 (₹)	31.03.2015 (₹)
Security deposit				
Unsecured, considered good	523,863.00	523,863.00	-	-
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	-	-
Others				
Income Tax paid including TDS (Net of Provisions)	5,160,420.50	2,157,265.73	-	-
Service Tax paid on Advance Income	-	-	28,742,129.00	18,446,193.00
Total	5,684,283.50	2,681,128.73	28,742,129.00	18,446,193.00

12 Trade receivables

	Non-current As at		Current As at	
	31.03.2016 (₹)	31.03.2015 (₹)	31.03.2016 (₹)	31.03.2015 (₹)
Outstanding for a period of over six months from the date they are due for payment				
Unsecured, considered good	-	-	4,717,553.91	4,373,225.36
Doubtful	-	-	-	2,766,623.36
Provision for doubtful receivables	-	-	4,717,553.91	7,139,848.72
	-	-	-	(2,766,623.36)
	-	-	4,717,553.91	4,373,225.36
Other debts				
Unsecured, considered good	-	-	61,577,560.85	59,782,526.86
Total	-	-	66,295,114.76	64,155,752.22

13 Other assets

	Non-current As at		Current As at	
	31.03.2016 (₹)	31.03.2015 (₹)	31.03.2016 (₹)	31.03.2015 (₹)
Non-current bank balances	40,900,000.00	55,915,984.00	-	-
Other receivable	-	-	22,172,057.49	8,182,013.97
	40,900,000.00	55,915,984.00	22,172,057.49	8,182,013.97
Others				
Interest accrued on Investments	300,000.00	-	602,459.00	300,000.00
Interest accrued on Bank deposits	2,727,237.55	4,133,118.25	10,845,585.66	6,385,697.57
	3,027,237.55	4,133,118.25	11,448,044.66	6,685,697.57
Total	43,927,237.55	60,049,102.25	33,620,102.15	14,867,711.54

14 Cash and Bank balances

	Non-current As at		Current As at	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	(₹)	(₹)	(₹)	(₹)
Cash and cash equivalents				
Balances with banks :				
On current accounts	–	–	11,131,404.18	5,036,739.61
Deposits with original maturity of less than three months	–	–		
Cash on hand	–	–	17,666.00	17,666.00
	–	–	11,149,070.18	5,054,405.61
Other bank balances				
Deposits with original maturity for more than 12 months (Against Bank Guarantee-Current)	–	–	61,154,834.00	55,376,111.00
Deposits with original maturity for more than 12 months (Other)	40,900,000.00	55,915,984.00	50,415,984.00	18,834,363.00
Deposits with original maturity for more than 3 months but less than 12 months	–	–	13,265,699.00	20,465,870.00
	40,900,000.00	55,915,984.00	124,836,517.00	94,676,344.00
Amount disclosed under other non-current assets	(40,900,000.00)	(55,915,984.00)	–	–
Total	–	–	135,985,587.18	99,730,749.61

NOTE	PARTICULARS	For the year ended 31.03.2016 (₹)	For the year ended 31.03.2015 (₹)
15	Revenue from operations		
	Sale of services		
	Online Datafeed Service Fees	595,341,766.00	472,281,989.00
	Sale of Data	8,770,651.00	7,075,582.00
	Recovery of expenses from NSEIL	170,866,354.22	169,725,092.49
	Dealer Access Charges	13,296,071.00	11,078,760.00
	KYC Registration Agency fees	10,433,600.00	7,602,029.00
	TOTAL	798,708,442.22	667,763,452.49
16	Other income		
	Interest Income on Long Term Investments	691,598.34	317,260.00
	Interest Income on Bank Deposits	16,257,338.37	13,510,976.61
	Net gain / loss on sale of Current Investment	87,377,357.54	76,890,931.44
	Penalty income	447,424.00	731,368.00
	Miscellaneous Income	198,151.87	242,050.00
	Interest on Dealer Access Charges	42,868.00	118,142.00
	Insurance Claim Received	–	69,993.00
	TOTAL	105,014,738.12	91,880,721.05

NOTE	PARTICULARS	For the year ended 31.03.2016 (₹)	For the year ended 31.03.2015 (₹)
17	Other Expenses		
	Licence Fees	87,239,685.00	86,845,538.00
	Repairs & Maintenance - Computers	25,368,392.49	26,292,587.11
	Helpdesk Charges	21,916,786.10	21,494,920.00
	Internet Charges	33,338,046.03	28,580,078.22
	IT Management & Consultancy Charges	5,455,650.00	-
	Managed Datacenter Hosting Service Charges	1,949,770.00	-
	Space and Infrastructure usage charges	7,504,549.00	6,595,200.00
	Professional Charges	3,002,934.25	2,023,935.10
	Data Subscription Fees	3,486,305.00	2,522,656.66
	Electricity Charges	1,261,454.57	1,001,294.70
	Empanellement Charges	750,000.00	1,300,000.00
	Telephone Expenses	615,046.44	498,838.26
	Profit/Loss on Exchange fluctuation (Net)	1,165,086.97	874,703.07
	Software Expenses	318,450.28	272,986.67
	Bank Charges	411,863.95	416,079.17
	Outsourcing Charges	320,623.02	349,967.00
	Processing charges	1,857,661.92	1,201,924.75
	Web Hosting Charges	2,869,078.31	6,270,271.02
	Meeting & Conference	323,622.50	-
	<u>Auditors' Remuneration</u>		
	Audit Fees	150,000.00	125,000.00
	Out of Pocket Expense	-	10,535.25
	For Other Services	45,875.00	35,000.00
	Provision for Doubtful debts	-	932,857.36
	Bad debts W/off	557,229.00	462,974.00
	Business Promotion Expenses	32,100.00	-
	Travelling Expenses	648,943.00	103,965.38
	Training Cost	33,105.00	-
	Corporate Social Responsibility Expenditure	551,134.21	-
	Other Expenses	1,667,761.74	3,239,517.59
	TOTAL	202,841,153.78	191,450,829.31

18 Contingent Liabilities and commitments (to the extent not provided for):

(i) Contingent liabilities:

- Claims against the company not acknowledged as debts: ₹ Nil (Previous Year : ₹ 3,976,879/-)
- Contingent liability on account of disputed matters of Income Tax ₹ 16,470,032/- (Previous Year ₹ 20,169,444/-) and on account of show-cause cum demand notice on disputed matter of Central Excise for ₹ 1,273,849/- alongwith interest and penalty (Previous Year ₹ 1,273,849/-). Accordingly, based on the tax consultants opinion, the company is of the view that the above matters are not likely to have any impact on the financial position of the company.

(ii) Commitments:

Estimated amounts of contracts remaining to be executed on capital account and not provided for ₹ 1,761,721/- (Previous Year ₹ 13,000,000/-).

- 19 The Company is primarily engaged in the business of dissemination of data. Additionally it provides a facility to the members of various Stock Exchanges / Commodity Exchanges to access respective markets and also acts as SEBI registered KYC registration agency. Segmental information on the basis of above mentioned operations as per Accounting Standard 17 'Segment Reporting' is as below :

Particulars	DataFeed (₹)	Others (₹)	Unallocated (₹)	Total (₹)
Segment Revenue.	604,559,841.00	194,685,262.22	104,478,077.12	903,723,180.34
	(480,330,989.00)	(188,524,023.49)	(90,789,161.05)	(759,644,173.54)
Segment Result.	422,339,892.42	-5,401,578.36	101,818,477.57	518,756,791.63
	(343,324,369.03)	(-7085351.43)	(87,566,589.69)	(423,805,607.29)
Taxes	-	-	-	182,750,104.00
	-	-	-	(141,272,888.00)
Net Profit After Taxes	-	-	-	336,006,687.63
	-	-	-	(282,532,719.29)
Segment assets.	60,772,641.10	60,526,375.04	1,053,679,269.24	1,174,978,285.38
	(43,030,894.27)	(43,579,047.83)	(1,204,187,737.15)	(1,290,797,679.25)
Segment liabilities.	81,294,365.00	22,919,863.20	20,045,385.48	124,259,613.68
	(57,817,540.28)	(28,863,327.18)	(9,177,808.12)	(95,858,675.58)
Capital Expenditure	40,000.00	12,719,240.00	-	12,759,240.00
	(2,495,690.00)	(281,616.00)	-	(2,777,306.00)
Depreciation	1,262,124.12	2,293,488.81	-	3,555,612.93
	(1,398,312.44)	(5,233,358.20)	-	(6,631,670.64)

Note: Previous year figures are given in bracket.

- 20 In compliance with Accounting Standard 18 - "Related Party Disclosures", the required disclosures are given in the table below:

- (a) Names of the related parties and nature of their relationship

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	The Ultimate Holding Company
2	NSE Strategic Investment Corporation Limited	Holding Company
3	National Securities Clearing Corporation Limited	Subsidiary of Ultimate Holding Company
4	India Index Services & Products Ltd.	Fellow Subsidiary
5	NSE Infotech Services Limited	Fellow Subsidiary
6	NSE.IT Limited	Fellow Subsidiary
7	NSE.IT (US) Limited	Subsidiary of Fellow Subsidiary
8	National Securities Depository Limited (new)	Associate of the Ultimate Holding Company
9	BFSI Sector Skill Council of India	Associate of the Ultimate Holding Company
10	Power Exchange India Limited	Associate of the Holding Company
11	NSDL e-Governance Infrastructure Limited (formerly known as National Securities Depository Limited)	Associate of the Holding Company
12	Market Simplified India Limited (formerly known as INXS Technologies Limited)	Associate of the Holding Company
13	Computer Age Management Services Private Limited	Associate of the Holding Company
14	CAMS Investor Services Pvt Ltd.	Subsidiary of the Associate of the Holding Company
15	Receivables Exchange Of India Limited	Holding Company's Joint Venture (w.e.f. 25.02.2016)

Sr. No.	Related Party	Nature of Relationship
16	NSE Educational Facilities Limited	Fellow Subsidiary (w.e.f. 12.03.2016)
17	Mr. Mukesh Agarwal	Chief Executive Officer
18	Mr. Virag Shah	Chief Financial Officer
19	Ms. Madhura Sardar	Company Secretary

(b) Names of the related parties and transactions with them.

Name of the Related Party	Nature of Transactions	Year ended 31.03.2016 (₹)	Year ended 31.03.2015 (₹)
National Stock Exchange of India Limited	Reimbursement of expenses for staff on deputation paid/ payable	23,758,834.53	20,196,724.30
	Space and Infrastructure usage charges paid / payable	8,526,209.00	7,410,366.00
	Amount paid / payable towards revenue sharing	172,469,787.00	134,651,539.00
	Amount paid / payable towards CTCL Empanellment charges	570,000.00	617,980.00
	Reimbursement for other expenses (including taxes)	44,394,598.17	20,377,553.46
	Recovery of Web Trading expenses incurred	195,120,624.22	190,703,114.49
	Outstanding balance included in Current Assets (Net)	–	8,643,416.96
	Outstanding balance included in Current Liabilities (Net)	1,528,176.47	–
NSEIT Limited	Amount payable towards Sale & Technical Support charges, Scripting support for Web Trading testing automation products and reimbursement of other expenses.	25,733,831.10	24,151,712.00
	IT Management & Consultancy Charges	6,112,474.00	–
	Outstanding balance included in Current liabilities	8,392,583.00	4,976,156.00
India Index Services & Products Limited	Receipt of fees for right to create indices (incl advance)	3,625,907.00	3,431,533.00
	Service Tax paid on Advance Income	238,271.00	191,130.00
	Data Subscription Fees Payable	3,971,959.00	2,834,456.66
	Recovery of 50% salary cost paid to CEO (KMP)	11,915,594.00	–
	Reimbursement of training expenses	13,622.00	–
	Outstanding balance included in Current Assets	6,300,891.00	1,737,488.00
	Outstanding balance included in Current Liabilities	3,625,059.00	2,582,186.66
NSE Strategic Investment Corporation Ltd.	Dividend Paid	144,000,000.00	324,000,000.00
	Director deposit received / refunded	400,000.00	–
	Buy back of shares (refer note 2)	255,000,000.00	–
Market Simplified India Limited	License Fees paid / payable	6,836,100.00	6,741,600.00
	Outstanding balance included in Current Liabilities	–	561,800.00

Name of the Related Party	Nature of Transactions	Year ended 31.03.2016 (₹)	Year ended 31.03.2015 (₹)
CAMS Investor Services Pvt Ltd.	KRA fees received / receivable	1,280,116.00	642,647.50
	KRA fees Paid / payable	22,756.00	10,345.00
	Outstanding balance included in Current Assets	303,948.50	463,081.00
	Outstanding balance included in Current Liabilities	5,225.00	1,286.00
Key Management Personnel	Gross Remuneration including allowances, non-cash perquisites and contribution to Provident Fund and Superannuation Fund etc.	7,582,945.00	–

21 Prior Period Adjustment

	Year ended 31.03.2016	Year ended 31.03.2015
Expenses		
Web Hosting Charges	(4,800,000.00)	–

22 In accordance with Accounting Standard 20 - "Earning per Share", the required disclosure is given below.

	Year ended 31.03.2016	Year ended 31.03.2015
Net Profit attributable to Shareholders (₹)	336,006,687.63	282,532,719.29
Weighted Average number of equity shares issued (refer note 2)	9,811,476.00	12,000,000.00
Basic earnings per share of ₹ 10/- each (₹)	34.25	23.54
Basic earnings (excluding exceptional item) per share of ₹ 10/- each (₹)	34.25	23.54

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

23 Foreign Exchange Transactions (accrual basis):

Particulars	(₹)	
	Current Year	Previous Year
Expenditure in foreign currency	730,808.00	–
Earnings in foreign exchange	446,815,055.00	344,428,887.00

Particulars of un-hedged foreign currency exposure as at Balance Sheet date is as follow :

Particulars	FY 2015-16				FY 2014-15		
	Currency	Foreign Currency	Exchange Rate	(₹)	Foreign Currency	Exchange Rate	(₹)
Trade Receivables	USD	412,589.18	64.68	26,686,268.00	319,102.00	62.59	19,972,849.00

24 Disclosure under Revised Accounting Standard 15 on Employee Benefits notified under Rule 7 of the Companies (Accounts) Rules, 2014.

Defined Benefit Plan :

Provident Fund: Company has contributed ₹ 5,22,823/- towards Provident Fund during the year ended March 31, 2016 to Employee Provident Fund Organisation.

Gratuity: Company has charged the Gratuity expense to Profit & Loss account based on the actuarial valuation of gratuity liability at the end of the year. The projected unit credit method used to show the position as at March 31, 2016 is as under.

(i) Assumptions:

	Current Year	Previous Year
Discount Rate	7.56%	–
Rate of Return on Plan Assets	N.A.	–
Salary Escalation	5.00%	–
Attrition Rate	2.00%	–

(ii) Table showing change in benefit obligation:

	(₹)	
	Current Year	Previous Year
Liability at the beginning of the year	–	–
Interest cost	–	–
Current Service Cost	240,498	–
Liability transferred IN	–	–
Benefits Paid	–	–
Actuarial (gains) / loss on obligations - Due to change in Financial Assumptions	10,097	–
Actuarial (gains) / loss on obligations - Due to Experience	28,126	–
Liability at the end of the year	278,721	–

(iii) Table of recognition of Actuarial Gain / Loss:

	(₹)	
	Current Year	Previous Year
Actuarial (Gain)/Loss on obligation for the period	38,223	–
Actuarial (Gain)/Loss on asset for the period	–	–
Actuarial (Gain)/Loss recognized in income statement	38,223	–

(iv) Tables of Fair value of plan assets:

	(₹)	
	Current Year	Previous Year
Fair Value of plan assets at the beginning of the year	–	–
Expected return on plan assets	–	–
Contributions	–	–
Transfer from other company	–	–
Benefits paid	–	–
Actuarial gain / (loss) on Plan Assets	–	–
Fair Value of plan assets at the end of the year	–	–

(v) Actual Return on Plan Assets:

	(₹)	
	Current Year	Previous Year
Expected return on plan assets	–	–
Actuarial gain/(loss) on plan assets	–	–
Actual Return on plan assets	–	–

(vi) Amount recognised in the balance sheet

	(₹)	
	Current Year	Previous Year
Fair value of plan assets as at the end of the year	–	–
Liability as at the end of the year	(278,721)	–
Net liability / (asset) disclosed in the Balance Sheet	(278,721)	–

(vii) Expenses recognised in the profit & loss account

	(₹)	
	Current Year	Previous Year
Current Service cost	240,498	–
Interest Cost	–	–
Expected return on plan assets	–	–
Actuarial (Gain) or Loss	38,223	–
Expenses recognised in the profit & loss account	278,721	–

(viii) Balance Sheet Reconciliation

	(₹)	
	Current Year	Previous Year
Opening Net Liability	–	–
Expense as above	278,721	–
Net Liability/(Asset) Transfer out	–	–
Employers Contribution	–	–
Amount recognised in the Balance Sheet	278,721	–

(ix) Category of Assets

	(₹)	
	Current Year	Previous Year
Insurer Managed Funds	–	–
Total	–	–

(x) Experience Adjustment

	(₹)	
	Current Year	Previous Year
On Plan Liability (Gain) / Loss	28,126	–
On Plan asset (Loss) / Gain	–	–

- 25 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. This information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

26 In respect of dissemination of data, the Company has a Revenue sharing agreement with National Stock Exchange of India Limited (NSEIL).

27 **Corporate Social Responsibility (CSR) :-**

a) Gross amount required to be spent by the Company on Corporate Social Responsibility activities during the financial year 2015-16 is Rs 56,18,548.23

b) Amount spent during the year towards Primary Education, Elder Care, etc :

Particulars	In cash	Yet to be paid in cash	Total
Construction / acquiring of any asset	-	-	-
On purposes other than above *	5,51,134.21	-	5,51,134.21
	(142,517.02)	-	(142,517.02)

Figure in brackets pertain to year ended March 31, 2015

* excludes ₹ 29,829.66 on capacity building of personnel and implementing agencies etc., which is in excess of 5 % of total CSR expenditure.

28 Previous years' figures are regrouped, reclassified and rearranged wherever necessary.

As per our report of even date attached

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

RAGHUVIR M. AIYAR
Partner
Membership Number: 38128
Place : Mumbai
Date : April 21, 2016

For and on behalf of the Board of Directors

CHITRA RAMKRISHNA J RAVICHANDRAN
Chairperson Director

SUBRAMANIAN ANAND MUKESH AGRAWAL
Director Chief Executive Officer

MADHURA SARDAR
Company Secretary