gokhale & sathe
(regd.)
chartered accountants
308/309 udyog mandir no. 1,
7-c bhagoji keer marg,
mahim, mumbai 400 016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NSE INFOTECH SERVICES LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of **NSE INFOTECH SERVICES LIMITED** ("the company"), which comprise the Balance sheet as at 31 March 2017, the statement of Profit and loss, the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Standalone Ind AS 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 Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Relevant rules issued thereunder. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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 Standalone Ind AS 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 there under.

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 Ind AS Financial Statements are free from material misstatement.

GOKHALE & SATHE
FIRM No. 103264W
Chartered Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS Financial Statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An Audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's directors, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2017, 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 issued by the Central Government of India in terms of Section 143 (11) of the Companies Act 2013, we give in the Annexure A, statement on the matters specified in paragraph 3 & 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 appears from our examination of those books.

c) The Balance sheet, statement of profit and loss, and cash flow statement dealt with by this report are in agreement with the books of account.

GOKHALE & SATHE MUMBAI

d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March, 2017, 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 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 Standalone Ind AS Financial Statements– Refer Note 26 to the Standalone Ind AS Financial Statements.

ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the company.

iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 – Refer Note 34

For Gokhale & Sathe
Chartered Accountants
Firm Reg. No.: 103264W

GOKHALE & SATHE MUMBAI FIRM NO. 103264W Chartered Accountants

Atul A Kale
Partner
Membership No.109947

Place: Mumbai
Date: 24th April 2017

NSE INFOTECH SERVICES LIMITED
FINANCIAL YEAR ENDED MARCH 31, 2017
ANNEXURE A

In the Annexure, as required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of Section 143 (11) of the Companies Act 2013, on the basis of checks, as we considered appropriate, we report on the matters specified in paragraph 3 and 4 of the said order.

i) a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets for the year under audit in the soft (computerized) form.

b) We have been informed that the physical verification of fixed assets was carried out by the management during the year, which in our opinion is reasonable having regard to the nature of the assets. We have been informed that no material discrepancy was noted on such verification.

c) No immovable properties are held by the company. Hence, the clause is not applicable.

ii) Considering the nature of the business and services rendered by the company, provisions of clause 3 (ii) of the CARO relating to inventory are not applicable.

iii) 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. Therefore provisions of clause 3 (iii) of the CARO are not applicable.

iv) During the year, company has not advanced any loan to directors or to any other body corporate. Therefore, the provisions of Clause 3(iv) of the CARO are not applicable.

v) During the year, the company has not accepted any deposits from public.

vi) Central Government has not prescribed any service rendered by the company under section 148(1) of the Companies Act for maintenance of Cost records.

vii) a) The company is regular in depositing with appropriate authorities undisputed statutory dues including the Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Excise, Value Added Tax, cess and any other statutory dues applicable to it.

GOKHALE & SATHE MUMBAI

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess which have not been deposited on account of any dispute except the following:

Sr. No.	Name of the Statute	Nature of the Dues	Financial Year	Amount	Forum where dispute is pending
1.	Income Tax Act	Fringe Benefit Tax	2007-08	1,36,143	Income Tax Office – 10(1) (4)
2.	Finance Acts concerning Service Tax	Service Tax	2006-07 to 2008-09	28,06,967	Additional Commissioner of Service Tax, Worli Mumbai
			2009-10	7,81,711	
			2010-11	2,26,431	

viii) In our opinion and according to the information and explanation given to us, the company does not have any loan or borrowings from a financial institution or bank or government or debenture holders. Therefore, provisions of clause 3 (viii) of the CARO are not applicable.

ix) During the year, the company has not raised any money by way of Initial Public Offer or further public offer nor obtained any term loans. Therefore provisions of clause 3 (ix) of the CARO are not applicable.

x) According to the information and explanation given to us, no fraud on or by the company, by its officers and employees has been noticed or reported during the course of our audit.

xi) The company's managerial remuneration has been provided with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

xii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4 (xii) of the CARO are not applicable.

xiii) In our opinion and according to the information and explanation given to us, transactions with the related parties are in compliance with sections 177 and 188 of the act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Accounting standards.

GOKHALE & SATHE
FIRM No. 103264W
Chartered Accountants
Mumbai

xiv) In our opinion and according to the information and explanation given to us, during the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 4 (xiv) of the CARO are not applicable.

xv) In our opinion and according to the information and explanation given to us, during the year the company has not entered into non-cash transactions with the directors or persons connected with the directors and hence the provisions of Clause 4 (xv) of the CARO are not applicable.

xvi) The company is not required to be registered under Section 45IA of the Reserve Bank Of India Act, 1934.

For Gokhale & Sathe
Chartered Accountants
Firm Reg. No.: 103264W

AAKale

GOKHALE & SATHE MUMBAI FIRM No. 103264W Chartered Accountants

Atul A Kale
Partner
Membership No.109947

Place: Mumbai
Date: 24th April 2017

ANNEXURE B

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 NSE INFOTECH SERVICES LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the Standalone Ind AS 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.

GOKHALE & SATHE MUMBAI FIRM No. Chartered Accountants

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 Standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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.

GOKHALE & SATHE MUMBAI FIRM No. 103264W Chartered Accountants

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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Gokhale & Sathe
Chartered Accountants
Firm Reg. No.: 103264W

Atul A Kale
Partner
Membership No.109947

Place: Mumbai
Date: 24th April 2017

NSE INFOTECH SERVICES LIMITED
BALANCE SHEET AS AT 31.03.2017

(Amt in Rs.)

	NOTE	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
ASSETS				
Non-current assets				
Property, plant and equipment	2	**45,142**	37,681	86,795
Financial assets				
- Other financial assets				
Others	3	**-**	-	19,500
Deferred tax assets (net)	14 d)	**2,32,85,110**	1,15,56,850	1,05,48,647
Income tax assets (net)	15	**58,36,782**	4,81,53,829	9,53,83,040
Other non-current assets	5	**69,200**	4,000	35,163
Total non-current assets		**2,92,36,234**	5,97,52,360	10,60,73,145
Current assets				
Financial assets				
- Investments	6	**3,57,44,832**	-	2,20,23,563
-Trade receivable	7	**17,65,31,438**	8,35,89,910	1,43,02,548
- Cash and cash equivalents	8	**95,120**	35,23,762	36,47,284
- Other financial assets	4	**2,32,822**	2,31,281	3,05,414
Other current assets	9	**1,47,98,511**	1,20,74,395	80,85,686
Total current assets		**22,74,02,723**	9,94,19,347	4,83,64,496
TOTAL ASSETS		**25,66,38,957**	15,91,71,707	15,44,37,641
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	10 a)	**5,00,000**	5,00,000	5,00,000
Other equity	10 b)	**5,99,15,492**	5,36,14,359	4,47,95,666
TOTAL EQUITY		**6,04,15,492**	5,41,14,359	4,52,95,666
LIABILITIES				
Non-current liabilities				
Provisions	11	**2,76,80,249**	58,80,237	55,87,543
Total non-current liabilities		**2,76,80,249**	58,80,237	55,87,543
Current liabilities				
Financial Liabilities				
-Trade payable	13	**7,71,00,878**	4,86,59,226	4,56,10,694
Other current liabilities	17	**3,97,31,635**	1,91,65,073	2,69,06,100
Provisions	12	**4,69,79,777**	3,13,52,812	3,10,37,638
Income tax liabilities (net)		**47,30,925**	-	-
Total current liabilities		**16,85,43,215**	9,91,77,111	10,35,54,432
TOTAL LIABILITIES		**19,62,23,464**	10,50,57,348	10,91,41,975
TOTAL EQUITY AND LIABILITIES		**25,66,38,957**	15,91,71,707	15,44,37,641

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 and on behalf of the Board of Directors

For GOKHALE & SATHE
Chartered Accountants
Firm Reg. No : 103264W

NANDLAL SARDA
Chairman
(DIN : 00147782)

RAGHAVAN PUTRAN
Director
(DIN : 00473091)

ATUL KALE
Partner
Membership Number: 109947
Place : Mumbai
Date : April 24, 2017

SOWMYANARAYANAN SADAGOPAN
Director
(DIN : 00118285)

NSE INFOTECH SERVICES LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(Amt in Rs.)

PARTICULARS	Notes No.	For the year ended 31.03.2017	For the year ended 31.03.2016
Income			
Revenue from operations	18	**50,43,22,842**	44,98,99,228
Other income and other gains / (losses)	19	**1,12,77,260**	1,65,28,497
Total income		**51,56,00,102**	46,64,27,725
Expenses			
Employee benefits expense	20	**44,94,86,940**	41,90,20,978
Depreciation and amortisation expense	2	**32,539**	49,114
Other expenses	21	**3,06,35,343**	2,90,28,074
Total expenses		**48,01,54,822**	44,80,98,166
Profit before tax		**3,54,45,279**	1,83,29,559
Less : Income Tax expense			
Current tax	14	**1,35,80,000**	59,15,536
Deferred tax	14	**(27,04,572)**	4,14,289
Total Income Tax expenses		**1,08,75,428**	63,29,825
Profit after tax (A)		**2,45,69,851**	1,19,99,734
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of post-employment benefit obligations	23B	**(2,72,92,406)**	(46,03,532)
Income tax relating to items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		**90,23,688**	14,22,491
Total other comprehensive income for the period, net of taxes (B)		**(1,82,68,718)**	(31,81,041)
Total comprehensive income for the year/ period (A+B)		**63,01,133**	88,18,693
Earning per equity share			
(Face value of ` 10 each)			
- Basic and Diluted	22	**491.40**	239.99

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 GOKHALE & SATHE
Chartered Accountants
Firm Reg. No : 103264W

ATUL KALE
Partner
Membership Number: 109947
Place : Mumbai
Date : April 24, 2017

For and on behalf of the Board of Directors

NANDLAL SARDA
Chairman
(DIN : 00147782)

RAGHAVAN PUTRAN
Director
(DIN : 00473091)

SOWMYANARAYANAN SADAGOPAN
Director
(DIN : 00118285)

NSE INFOTECH SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(Amt in Rs.)

Particulars			For the year ended 31.03.2017	For the year ended 31.03.2016
A)		**CASH FLOW FROM OPERATING ACTIVITIES**		
		NET PROFIT BEFORE TAX	**3,54,45,279**	1,83,29,559
	Add :	**Adjustments for :**		
		Depreciation	**32,539**	49,114
	Less	**Adjustments for :**		
		Net gain on sale of investments	**(30,25,363)**	**(1,03,03,902)**
		Net gain on financial assets mandatorily measured at fair value through profit or loss	**(19,56,424)**	26,76,563
		Operating Profit before working capital change	**3,04,96,032**	1,07,51,334
		Working Capital Adjustments :		
		(Increase)/Decrease in Trade Receivable	**(9,29,41,528)**	(7,23,22,875)
		(Increase)/Decrease in other financial assets	**(27,90,857)**	(38,63,912)
		Increase/(Decrease) in Trade Payables	**2,84,41,652**	30,48,532
		Increase/(Decrease) in Current Liabilities & provisions	**3,07,01,134**	(87,01,178)
		Cash Generated from Operating activities	**(60,93,568)**	(7,10,88,099)
		Taxes Net (Including TDS) (Paid)/ Refund	**3,34,67,972**	4,13,13,675
		Net Cash From Operating Activities - Total (A)	**2,73,74,404**	(2,97,74,424)
B)		**CASH FLOW FROM INVESTING ACTIVITIES**		
		Purchase of Fixed Assets	**(40,000)**	-
		(Investment) in /Redemption from Mutual Fund	**(3,07,63,045)**	2,96,50,903
		Cash flow from investing activity - Total (B)	**(3,08,03,045)**	2,96,50,903
C)		**CASH FLOW FROM FINANCING ACTIVITY**		
		Cash Flow from Financing Activity - Total (C)	**-**	-
		Net Increase / (Decrease) In cash & Cash Equivalent	**(34,28,641)**	(1,23,522)
		Opening balance of Cash & Cash Equivalent	**35,23,762**	36,47,284
		Closing balance of Cash & Cash Equivalent	**95,120**	35,23,762
		Net Increase / (Decrease) In cash & Cash Equivalent	**(34,28,641)**	(1,23,522)

Notes to Cash Flow Statement :

1. Cash and cash equivalent represent cash and bank balances.
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the IND AS 7 on Cash Flow Statements notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. and Companies (Indian Accounting Standards) Amendment Rules, 2016
3. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current period classification / disclosure.

As per our report of even date attached

For GOKHALE & SATHE
Chartered Accountants
Firm Reg. No : 103264W

ATUL KALE
Partner
Membership Number: 109947
Place : Mumbai
Date : April 24, 2017

For and on behalf of the Board of Directors

NANDLAL SARDA
Chairman
(DIN : 00147782)

RAGHAVAN PUTRAN
Director
(DIN : 00473091)

SOWMYANARAYANAN SADAGOPAN
Director
(DIN : 00118285)

NSE INFOTECH SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2017

(A) Equity Share Capital

(Amt in Rs.)

	31.03.2017	31.03.2016	01.04.2015
Balance as at	5,00,000	5,00,000	5,00,000

(B) Other Equity (Amt in Rs.)

Reserves and Surplus	**Amount**
Balance at 01.04.2015	**4,31,51,387**
Changes in accounting policy or prior perod errors	
Gain /(loss)Valuation of investment	18,49,505
Push Back of Provision for Tax of earlier year	(2,05,226)
Restated balance at the beginning of the reporting period	**4,47,95,666**
Total Comprehensive Income for the year	88,18,693
Balance at 31.03.2016	**5,36,14,359**
Balance at 01.04.2016	5,36,14,359
Total Comprehensive Income for the year	63,01,133
Balance at 31.03.2017	**5,99,15,492**

As per our report of even date attached

For and on behalf of the Board of Directors

For GOKHALE & SATHE
Chartered Accountants
Firm Reg. No : 103264W

NANDLAL SARDA
Chairman
(DIN : 00147782)

RAGHAVAN PUTRAN
Director
(DIN : 00473091)

ATUL KALE
Partner
Membership Number: 109947
Place : Mumbai
Date : April 24, 2017

SOWMYANARAYANAN SADAGOPAN
Director
(DIN : 00118285)

Background

Information technology has been the back bone of conceptualization, formation, running and the success of National Stock Exchange of India Limited (NSE). NSE has been at the forefront in spearheading technology changes in the securities market. It was important to give a special thrust and focus on Information Technology to retain the primacy in the market. Towards this a wholly owned subsidiary NSE Infotech Services Limited (NSETECH) was incorporated to cater the needs of NSE and all its group companies exclusively

Note 1 : Significant accounting policies

a) Basis of preparation

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 instruments which are measured at fair values, the provisions of the Companies Act , 2013 (`Act') (to the extent notified) 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 and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 34

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

certain financial assets and liabilities that is measured at fair value, and In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly, and

Level 3 inputs are unobservable inputs for the asset or liability.

b) Foreign currency translation and transactions

(i) Functional and presentation currency

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The Financial Statements are presented in Indian currency (INR), which is the Company’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers. The sources of revenue are:

(i) Revenue from IT Services – Revenue from IT Services is recognized based on the terms agreed with the customers.;

(ii) Dividend income- Dividends are recognised in profit and loss only when the shareholder's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

(iii) Interest income - Interest income is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

(iv) Others – all other revenue is recognised in the period in which the service is provided.

d) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Statement of Assets and Liabilities. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current, deferred tax and dividend distribution tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

e) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

f) Cash and cash equivalents

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

g) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

h) Investments and other financial assets

(i) Recognition

All financial assets are recognised and de-recognised on a trade date basis where the purchase or

sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned.

(ii) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Transition to Ind AS

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised in Statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

i) Financial liabilities

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(v) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Restated Statement of Assets and Liabilities where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

j) Property, plant and equipment (including CWIP)

Office equipments are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

Office equipment	4 to 5 years

Office Equipment is depreciated over the asset's useful life or the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which is higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

k) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

  Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Computer software is amortised over a period of 4 years.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at '1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets..

l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

m) Provisions

Provisions for legal claims and discounts/incentives are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

At the end of each reporting period, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at a future date. . The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

n) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the 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 the obligation or a reliable estimate of the amount cannot be made.

o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the Statement of Assets and Liabilities.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as current liabilities in the Statement of Assets and Liabilities since the company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, and

(b) defined contribution plans such as provident fund and superannuation.

Gratuity obligations

The Company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the Statement of Assets and Liabilities in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to yields on government securities at the end of the reporting period that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Statement of Assets and Liabilities.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Defined contribution plans

Provident fund

The Company has established 'NSE Infotech Services Limited Employee Provident Fund Trust' to which both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary, respectively. Such contribution to the provident fund for all employees, are charged to the Statement of profit and loss. In case of any liability arising due to shortfall between the return from its investments and the administered interest rate, the same is provided for by the Company.

Superannuation

Superannuation benefits for employees designated as managers and above are covered by Company policies with the Life Insurance Corporation of India. Company's contribution payable for the year is charged to statement of profit and loss. There are no other obligations other than the annual contribution payable.

(iv) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

p) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

q) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

r) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

s) Rounding of amounts

All amounts disclosed in the Financial Statements and notes thereon have been rounded off to the nearest rupee, unless otherwise stated.

t) Reclassification

Previous year's figures have been reclassified / regrouped wherever necessary.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

Estimation of fair value of unlisted securities Note : 31

Estimation of useful life of intangible asset Note : Not Applicable

Estimation of defined benefit obligation Note : 23

Estimation of contingent liabilities refer Note : 26

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2 OFFICE EQUIPMENTS

(Amt in Rs.)

Particulars	Office equipments
Gross carrying amount as of April 01, 2016	
Cost as at the beginning	414,407
Additions	40,000
Disposals	-
Closing gross carrying amount as March 31, 2017	**454,407**
Accumulated depreciation as of April 01, 2016	
Accumulated depreciation as at the beginning	376,726
Depreciation charge during the year	32,539
Disposals	
Closing accumulated depreciation as of March 2017	**409,265**
	45,142

Particulars	Office equipments
Gross carrying amount as of April 01, 2015	
Cost as at the beginning	414,407
Additions	-
Disposals	-
Closing gross carrying amount as March 31, 2016	**414,407**
Accumulated depreciation as of April 01, 2015	
Accumulated depreciation as at the beginning	327,612
Depreciation charge during the year	49,114
Disposals	
Closing accumulated depreciation as of March 2016	**376,726**
Net carrying amount as of March 31, 2016	**37,681**
Net carrying amount as of April 01, 2015	**86,795**

Note :- Deemed cost of property plant and equipment taken as on 01.04.2011 and 01.04.2015

3 Other financial assets (Non-current)

(Amt in Rs.)

	31.03.2017	31.03.2016	01.04.2015
Others			
Security deposit for utilities	**-**	-	19,500
Total	**-**	-	19,500

4 Other financial assets (Current)

(Amt in Rs.)

	31.03.2017	31.03.2016	01.04.2015
Others			
Security deposit for utilities	**232,822**	231,281	305,414
Total	**232,822**	231,281	305,414

5 Other assets (Non-current)

(Amt in Rs.)

	31.03.2017	31.03.2016	01.04.2015
Prepaid expenses	**69,200**	4,000	35,163
Total	**69,200**	4,000	35,163

6 Current Investments

(Amt in Rs.)

Particulars	**For the year ended 31.03.2017**		For the year ended 31.03.2016		For the year ended 31.03.2015	
	Number of Units	**(Amt in Rs.)**	Number of Units	(Amt in Rs.)	Number of Units	(Amt in Rs.)
Investment in Mutual Funds						
Unquoted investments in mutual funds at FVPL						
ICICI Prudential Flexible Income Plan - Growth - Direct	114,356.4880	35,744,832	-	-	72,330.28	19,061,966
IDFC Money Manager - Treasury Plan - Direct - Growth	-	-	-	-	133,478.03	2,961,597
Total Current Investments		**35,744,832**		**-**		**22,023,563**
Aggregate amount of quoted investments and market value thereof	-	-		-	-	-
Aggregate amount of unquoted investments	-	35,744,832		-	-	22,023,563

NSE INFOTECH SERVICES LIMITED
Notes to financial statements for the year ended March 31, 2017

7 Trade receivables (Current)

(Amt in Rs.)

	31.03.2017	31.03.2016	01.04.2015
Outstanding for a period of over			
Secured, considered good*	-	-	-
Unsecured, considered good	**17,65,31,438**	8,35,89,910	1,43,02,548
includes dues from related parties (refer note 25b)	17,65,31,438	8,35,89,910	1,43,02,548
Other receivables			
Secured, considered good*	-	-	-
Unsecured, considered good			
Doubtful	-	-	-
	-	-	-
Total	**17,65,31,438**	8,35,89,910	1,43,02,548

8 Cash and cash equivalents

(Amt in Rs.)

	31.03.2017	31.03.2016	01.04.2015
Balances with banks : in current accounts	**95,120**	35,23,762	36,47,284
	95,120	35,23,762	36,47,284

There are no restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods.

9 Other assets (Current)

(Amt in Rs.)

	31.03.2017	31.03.2016	01.04.2015
Advance recoverable in cash or kind	**1,74,348**	1,75,177	1,82,595
Balances with service tax authorities	**7,52,618**	3,90,141	2,35,471
Prepaid expenses	**1,38,71,545**	1,15,09,077	76,67,620
Total	**1,47,98,511**	1,20,74,395	80,85,686

10 a) Share Capital

(Amt in Rs.)

	31.03.2017	31.03.2016	01.04.2015
i) **Authorised**	**10,00,00,000**	10,00,00,000	10,00,00,000
1,00,00,000 (Previous Year 1,00,00,000)			
Equity Shares of Rs 10 Each.			
Total	**10,00,00,000**	10,00,00,000	10,00,00,000
ii) **Issued, Subscribed and Paid-up**			
50,000 (Previous year 50,000) Equity shares of	**5,00,000**	5,00,000	5,00,000
Rs.10 each fully paid up.			
Total	**5,00,000**	5,00,000	5,00,000

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. They entitle the holder to participate in dividends. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distributional of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no change either in the number of equity shares or in amount between previous year and current period.

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

	31.03.2017 No.	31.03.2016 No.	01.04.2015 No.
'NSE Strategic Investment Corporation Limited	50,000	50,000	50,000

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

	31.03.2017 % holding	31.03.2016 % holding	01.04.2015 % holding
'NSE Strategic Investment Corporation Limited	100%	100%	100%

b) Other Equity

(Amt in Rs.)

	Reserves and surplus		
	Other Reserves (General Reserve)	Retained Earnings	Total
Balance at the beginning of the reporting period 01.04.2015	**4,13,834**	**4,27,37,553**	**4,31,51,387**
Gain /(loss)Valuation of investment	-	18,49,505	18,49,505
Push Back of Provision for Tax of earlier year	-	(2,05,226)	(2,05,226)
Changes in accounting policy or prior perod errors	-	-	-
Restated balance at the beginning of the reporting period	**4,13,834**	**4,43,81,832**	**4,47,95,666**
Total Comprehensive Income for the year	-	88,18,693	88,18,693
Balance at the end of the reporting period 31.03.2016	**4,13,834**	**5,32,00,525**	**5,36,14,359**
Balance at the beginning of the reporting period 01.04.2016	4,13,834	5,32,00,525	5,36,14,359
Total Comprehensive Income for the year	-	63,01,133	63,01,133
Balance at the end of the reporting period 31.03.2017	**4,13,834**	**5,95,01,658**	**5,99,15,492**

NSE INFOTECH SERVICES LIMITED

Notes to financial statements for the year ended March 31, 2017

11 **Provisions (Non-current)**

	31.03.2017	31.03.2016	01.04.2015
			(Amt in Rs.)
Employee benefits obligation			
Provision for gratuity	**2,76,80,249**	58,80,237	55,87,543
Total	**2,76,80,249**	58,80,237	55,87,543

12 **Provision (Current)**

	31.03.2017	31.03.2016	01.04.2015
			(Amt in Rs.)
Employee benefits obligation			
Provision for gratuity	**88,02,630**	76,26,542	72,19,117
Provision for leave encashment	**3,81,77,147**	2,37,26,270	2,38,18,521
	4,69,79,777	3,13,52,812	3,10,37,638

13 **Trade payable (Current)**

	31.03.2017	31.03.2016	01.04.2015
			(Amt in Rs.)
Salaries & Allowances	**7,71,00,878**	4,86,59,226	4,56,10,694
	7,71,00,878	4,86,59,226	4,56,10,694

14 **Income Taxes**

(A) **Income tax expense**

Particulars	31.03.2017	31.03.2016	01.04.2015
			(Amt in Rs.)
Income tax expense			
Current Tax			
Current tax expense (i)	**1,35,80,000**	59,15,536	41,02,361
MAT Credit	**-**	-	(5,02,361)
Deferred Tax			
Decrease / (increase) in deferred tax assets (ii)	**(33,51,424)**	12,41,346	2,15,823
(Decrease) / increase in deferred tax liabilities (iii)	**6,46,852**	(8,27,058)	(19,008)
Total deferred tax expense/ (benefit) (v)=(ii)+(iii)+(iv)	**(27,04,572)**	4,14,289	1,96,815
Total Income tax expenses* (vi)= (i)+(v)	**1,08,75,428**	63,29,825	37,96,815

b) **Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

Particulars	31.03.2017	31.03.2016	01.04.2015
			(Amt in Rs.)
Profit before income tax expense	**3,54,45,279**	1,83,29,559	2,31,93,027
Tax rate (%)	**33.06%**	30.09%	30.09%
Tax at the Indian Tax Rate	**1,17,19,273**	56,63,834	71,66,645
Tax effect of amounts which are not deductible (taxable) in calculating taxable income			
(Profit)/ Loss on sale of investments taxed at other than Statutory rate	**1,08,229**	**-**	**-**
Others	**(9,52,073)**	6,65,991	(33,69,830)
Prior period	**17,798**	**-**	**-**
Expenses incurred on behalf of PF Trust -NSE Infotech	**6,613**	**-**	**-**
Expenses incurred on behalf of SA Trust-NSE Infotech	**4,959**	**-**	**-**
Expenses incurred on behalf of GG Trust-NSE Infotech	**4,959**	**-**	**-**
PF interest shortfall provision reversed	**(9,96,279)**	**-**	**-**
Current tax Round off	**9,877**	**-**	**-**
Income Tax Expense	**1,08,75,428**	63,29,825	37,96,815
Deferred Tax on OCI	**90,23,688**	14,22,491	42,30,839

(c) Income tax asset/(liability) at the end of the year

Particulars	31.03.2017	31.03.2016	01.04.2015
			(Amt in Rs.)
Opening balance	**4,81,53,829**	9,53,83,040	9,37,13,600
Income tax paid / (refund0	**(3,34,67,972)**	(4,13,13,675)	52,69,440
Current income tax payable for the year	**(1,35,80,000)**	(59,15,536)	(36,00,000)
Net Income tax asset/(liability) at the end of year (i)	**11,05,857**	4,81,53,829	9,53,83,040

d) Deferred tax Assest/(liabilities) (net)

The balance comprises temporary differences attributable to:

Particulars	31.03.2017	31.03.2016	01.04.2015
		(Amt in Rs.)	(Amt in Rs.)
Deferred income tax assets			
Property, plant and equipment and investment property	**45,908**	45,277	51,964
Provision for leave encashment	**1,21,15,871**	73,37,978	73,66,483
Others	**1,17,70,183**	41,73,595	39,57,258
Total deferred tax assets (a)	**2,39,31,962**	1,15,56,850	1,13,75,705
Deferred income tax liabilities			
Financial Assets at Fair Value through profit and Loss	**646852**	-	8,27,058
Contribution to Core Settlement Guarantee Fund	**-**	-	-
Others	**-**	-	-
Total deferred tax liabilities (b)	**6,46,852**	-	8,27,058
Net Deferred Tax Assets /(Liabilities) (a)-(b)	**2,32,85,110**	1,15,56,850	1,05,48,647

NSE INFOTECH SERVICES LIMITED

Notes to financial statements for the year ended March 31, 2017

e) **Movement in deferred tax assets**

	Property, plant and equipment (a)	**Provision for leave encashment (b)**	**Financial Assets at Fair Value through profit and Loss (c)**	**Financial Assets at Fair Value through OCI (c)**	Amortization of maintainance charges paid to Suzlon (2)	**Others (gratuity) (d)**
At 1 April 2015	51,964	73,66,483	-	-	-	39,57,258
Charged/(credited)						
- to profit or loss	(6,687)	(28,505)	-	-	-	(12,06,155)
- to other comprehensive income	-	-	-	-	-	14,22,492
At 31 March 2016	45,277	73,37,978	-	-	-	41,73,595
Charged/(credited)						
- to profit or loss	631	47,77,893				(14,27,100)
- to other comprehensive income	-	-	-	-	-	90,23,688
At 31 March 2017	**45,908**	**1,21,15,871**				**1,17,70,183**

f) **Movement in deferred tax liabilities**

	Property, plant and equipment (a)	**Provision for leave encashment (b)**	**Financial Assets at Fair Value through profit and Loss (c)**	**Financial Assets at Fair Value through OCI (c)**	Amortization of maintainance charges paid to Suzlon (2)	**Others (gratuity) (d)**
At 1 April 2015	-	-	8,27,057	-	-	-
Charged/(credited)						
- to profit or loss	-	-	(8,27,057)	-	-	-
- to other comprehensive income	-	-	-	-		-
At 31 March 2016	-	-	-	-	-	-
Charged/(credited)						
- to profit or loss	-	-	6,46,852	-	-	-
- to other comprehensive income	-	-	-	-	-	-
At 31 March 2017	**-**	**-**	**6,46,852**	**-**	**-**	**-**

15 Income tax assets (net)

(Amt in Rs.)

	31.03.2017	31.03.2016	01.04.2015
Income Tax paid including TDS (Net of Provisions)	**58,32,152**	4,81,49,192	9,53,78,403
Fringe Benefit Tax (Net of Provisions)	**4,630**	4,637	4,637
Current Tax Assets (Net)	**58,36,782**	4,81,53,829	9,53,83,040

16 Income tax liabilities (net)

(Amt in Rs.)

	31.03.2017	31.03.2016	01.04.2015
Income Tax paid including TDS (Net of Provisions)	**47,30,925**	-	-
Current Tax liabilities (Net)	**47,30,925**	-	-

17 **Other liabilities (Current)**

(Amt in Rs.)

	31.03.2017	31.03.2016	01.04.2015
Statutory dues payable	**3,11,77,589**	87,01,494	1,77,14,353
Advance received from customers	**-**	-	-
Other Payable	**85,54,046**	1,04,63,579	91,91,747
Total	**3,97,31,635**	1,91,65,073	2,69,06,100

18 **Revenue from operations**

(Amt in Rs.)

	31.03.2017	31.03.2016
Operating revenues		
Revenue from services :		
Income From Software Maintenance	**24,63,22,482**	21,40,08,544
Income From Facility Management & Ops	**25,80,00,360**	23,58,90,684
Total	**50,43,22,842**	44,98,99,228

19 **Other income**

(Amt in Rs.)

	31.03.2017	31.03.2016
Other income		
Interest Received On Income Tax Refund	**57,83,282**	87,04,365
Income from Short Notice Dues	**4,26,562**	1,96,793
Miscellaneous Income	**85,629**	-
	62,95,473	89,01,158
Other gains/(losses)		
Net gain / loss on sale of current Investment	**30,25,363**	1,03,03,902
Net gain on financial assets mandatorily measured at fair value through profit or loss	**19,56,424**	(26,76,563)
	49,81,787	76,27,339
Total other income	**1,12,77,260**	1,65,28,497

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Notes to financial statements for the year ended March 31, 2017

20 **Employee benefits expenses**

	31.03.2017	31.03.2016
		(Amt in Rs.)
Salaries, wages and bonus	**40,58,27,989**	37,95,79,391
Contribution to provident and other fund (Refer note 23)	**1,03,66,980**	1,23,89,189
Gratuity	**60,22,843**	57,18,187
Staff Welfare Expenses	**2,72,69,127**	2,13,34,211
Total	**44,94,86,940**	41,90,20,978

21 **Other expenses**

	31.03.2017	31.03.2016
		(Amt in Rs.)
Rent expenses (Net)	**24,55,064**	27,81,789
Insurance	**3,732**	979
Rates & Taxes	**8,690**	8,190
Professional & Consultancy Charges	**71,29,236**	92,25,158
Training Expenses	**48,97,973**	39,71,118
Auditors Remuneration		
- Audit Fees	**1,15,000**	1,15,000
- Out of Pocket Expenses	**16,163**	14,030
Other expenses	**1,60,09,486**	1,29,11,811
Total	**3,06,35,343**	2,90,28,074

22 Earning per share

	31.03.2017	31.03.2016
		(Amt in Rs.)
Profit attributable to the equity holders of the company used in calculating basic earnings per share and diluted earnings per share		
Profit for the year	**2,45,69,851**	1,19,99,734
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (No. in Crores)	**50,000**	50,000
'Earnings per equity share (basic and diluted)	**491.40**	239.99

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 Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

i) **Defined Contribution Plan :**

The Company's contribution towards superannuation during the respective period ended is as follows:	31.03.2017	31.03.2016
		(Amt in Rs.)
Company's contribution towards superannuation Charged to Profit & Loss account	**10,18,193**	8,74,781

ii) **Defined Benefit Plan :**

(a) Provident Fund :

The Company has established NSE Infotech Services Limited Employee Provident Fund Trust to which both the employee and the employer make monthly contribution equal to 12% of the employee's basic salary respectively. The Company's contribution to the provident fund for all employees is charged to revenue. In case of any liability arising due to short fall between the return from its investments and the administered interest rate, the same is required to be provided for by the Company. The Company has contributed the following amounts towards Provident Fund during the respective period ended. The Actuarial Society of India has issued the final guidance for measurement of provident fund liabilities. The actuary has accordingly provided an actuarial valuation and arrived at the interest shortfall liability as follows for the respective period ended and no provision is required to be made towards the same.

	31.03.2017	31.03.2016
		(Amt in Rs.)
Company's contribution to the provident fund Charged to Profit & Loss account	**1,23,12,061**	1,13,58,268
Interest shortfall	**-**	1,56,140

Assumptions used in determining the present value obligation of the interest rate guarantee are as follows:

	31.03.2017	31.03.2016
a. Approach used	**Deterministic Approach**	Projected Unit Credit Method
b. Increase in compensation levels	**8.00%**	5.00%
c. Discount Rate	**7.09%**	7.96%
d. Attrition Rate	**12.00%**	2.00%

(b) Gratuity :

The company provides for gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity, The amount of Gratuity is payable on retirement/termination of the emplyee's last drawn basic salary per month multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contribution to recognised funds with Life Insurance Corporation of India (LIC).

A Balance Sheet

(i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	31.03.2017	31.03.2016	
		(Amt in Rs.)	
Liability at the beginning of the year	**4,17,30,316**	3,91,98,533	
Interest cost	**33,21,733**	31,47,642	
Current Service Cost	**46,73,912**	43,65,909	
Liability transferred out			
(Benefit paid from fund)	**(55,48,607)**	(1,02,21,039)	
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	**94,32,916**	-	
Add:- Actuarial (gains) / loss on obligations (Due to Change in Financial Assumptions)	**1,34,44,955**	3,33,715	
Add:- Actuarial (gains) / loss on obligations (Due to Experience)	**49,02,174**	49,05,556	
Obligation at the end of the year	**7,19,57,399**	4,17,30,316	**-**

(Amt in Rs.)

(ii) The amounts recognised in the balance sheet and the movements in the fair value of plan assets over the year are as follows:

	31.03.2017	31.03.2016
Fair Value of plan assets at the beginning of the year	**2,82,23,537**	2,63,91,873
Interest Income	**22,46,594**	21,19,267
Contributions by the Employer	**1,00,65,357**	92,97,697
(Benefit paid from fund)	**(55,48,607)**	(1,02,21,039)
Expected return on plan assets	**4,87,639**	6,35,739
Fair Value of plan assets at the end of the year	**3,54,74,520**	2,82,23,537
Total Actuarial Gain/(Loss) to be recognised		

(iii) The net liability disclosed above relates to funded plans are as follows: (Amt in Rs.)

	31.03.2017	31.03.2016
(Present value of Benefit Obligation at the end of the period)	**(7,19,57,399)**	(4,17,30,316)
Fair value of plan assets as at the end of the year	**3,54,74,520**	2,82,23,537
Funded Status (Surplus/ (Deficit))	**(3,64,82,879)**	(1,35,06,779)
Net (liability) / asset Recognized in the Balance Sheet	**(3,64,82,879)**	(1,35,06,779)

(iv) Balance Sheet Reconciliation (Amt in Rs.)

	31.03.2017	31.03.2016
Opening Net Liability	**1,35,06,779**	1,28,06,660
Expenses Recognized in Statement of Profit or Loss	**57,49,051**	53,94,284
Expenses Recognized in OCI	**2,72,92,406**	46,03,532
(Employers Contribution)	**(1,00,65,357)**	(92,97,697)
Amount recognised in the Balance Sheet	**3,64,82,879**	1,35,06,779

B Statement of Profit & Loss

(i) Net Interest Cost for Current Period (Amt in Rs.)

	31.03.2017	31.03.2016
Present value of Benefit Obligation at the Begining of the period	**4,17,30,316**	3,91,98,533
(Fair value of plan assets as at the beginning of the year)	**(2,82,23,537)**	(2,63,91,873)
Net liability / (asset) as the Beginning	**1,35,06,779**	1,28,06,660
Interest Cost	33,21,733	31,47,642
(Interest Income)	(22,46,594)	(21,19,267)
Net Interest Cost for Current Period	10,75,139	10,28,375

(ii) Expenses recognised in the Statement of Profit & Loss (Amt in Rs.)

	31.03.2017	31.03.2016
Current Service cost	**46,73,912**	43,65,909
Net Interest Cost	**10,75,139**	10,28,375
Expenses recognised in the Statement of Profit & Loss *	**57,49,051**	53,94,284

*Includes amount of the subsidiaries.

(iii) Expenses recognised in the Other Comprehensive Income (Amt in Rs.)

	31.03.2017	31.03.2016
Re-measurement		
Acturial (gains)/ losses on Obligation For the Period	**2,77,80,045**	52,39,271
Return on Plan Assets, Exluding Interest Income	**(4,87,639)**	(6,35,739)
Net (Income)/Expense for the Period Recognized in OCI *	**2,72,92,406**	46,03,532

C Fair value of plan assets at the Balance Sheet Date for defined benefit obligations (Amt in Rs.)

	31.03.2017	31.03.2016
Insurer Managed Funds	**3,54,74,520**	2,82,23,537
Total	**3,54,74,520**	2,82,23,537

Other Details

	31.03.2017	31.03.2016
No of Active Members	**297**	277
Per Month Salary For Active members	**88,02,630**	76,26,542
Weighted Average Deuration of the projectes benefit Obligation	**7**	13
Average Expected Future Services	**7**	20
Projected Benefit Obligation (PBO)	**7,19,57,399**	4,17,30,316
Prescribed contribution for next year (12 months)	**88,02,630**	76,26,542

D Net Interest Cost for Next Year

	31.03.2017	31.03.2016
Present value of benefit obligation at the end of the period	**7,19,57,399**	4,17,30,316
(Fair value of plan assets as at the end of the year)	**(3,54,74,520)**	(2,82,23,537)
Net liability / (asset) at the end of the period	**3,64,82,879**	1,35,06,779
Interest Cost	**51,01,780**	33,21,733
(Interest Income)	**(25,15,143)**	(22,46,594)
Net Interest Cost for Current Period	**25,86,637**	10,75,139

E Expense Recognized in the Statement of profit and Loss for next year

	31.03.2017	31.03.2016
Current Service cost	**73,53,367**	46,76,912
Net Interest Cost	**25,86,637**	10,75,139
Expesne Recognised	**99,40,004**	57,52,051

NSE INFOTECH SERVICES LIMITED

Notes to financial statements for the year ended March 31, 2017

F Matuiry Analysis of projected Benefit Obligation : From the Fund

	31.03.2017	31.03.2016
projected benefits payavle in Future Years From the date of Reporting	**25,86,637**	10,75,139
1st Following Year	**82,37,683**	18,52,643
2nd Following Year	**76,07,045**	16,21,843
3rd Following Year	**76,53,033**	18,85,240
4th Following Year	**1,04,90,110**	81,43,672
5th Following Year	**68,02,927**	23,55,053
Sum of Years 6 to 10	**3,03,98,620**	2,23,02,253

G Sensitivity Analysis

	31.03.2017	31.03.2016
projected Benefit Obligation on Current Assumptions	**7,19,57,399**	4,17,30,316
Delta Effect of +1% Change in rate of Discounting	**(39,66,195)**	(44,13,199)
Delta Effect of -1% Change in rate of Discounting	**44,55,603**	52,34,723
Delta Effect of +1% Change in rate of Salary Increase	**43,72,852**	53,40,372
Delta Effect of -1% Change in rate of Salary Increase	**(39,63,360)**	(45,67,130)
Delta Effect of +1% Change in rate of Employee Turnover	**(3,58,110)**	14,46,569
Delta Effect of -1% Change in rate of Employee Turnover	**3,87,509**	(16,53,279)

H Significant actuarial assumptions are as follows:

Assumptions:

		31.03.2017	31.03.2016
i)	Methodology adopted for ALM	**Projected Unit Credit Method**	Projected Unit Credit Method
ii)_	Discount Rate	**7.09%**	7.96%
iii)	Expected Rate of Return on Plan Assets	**7.09%**	7.96%
iv)	Rate of Salary Increase	**8.00%**	5.00%
v)	Rate of Employee Turnover	**12.00%**	2.00%

24 In the opinion of the management, the company has only one reportable business segment viz. offering “IT related services”. the disclosures required in terms of Ind AS 108 - “Operating Segments” prescribed under the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 are not applicable.

This takes into consideration the commonality in the risks and rewards of the services offered, nature of service, type / class of customers for the services, management structure and system of financial reporting. Accordingly, the results of the said segment have been disclosed in the financial statements. Further, the company has no reportable geographical segments and on that basis, no secondary segment information is furnished.

25 In compliance with Ind AS 24 - “Related Party Disclosures”, as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Names of the related parties and related party relationships

Sr. No.	Related Party	Nature of Relationship	
		31.03.2017	31.03.2016
1	National Stock Exchange of India Limited	Ultimate Holding Company	Ultimate Holding Company
2	NSE Strategic Investment Corporation Limited	Holding Company	Holding Company
3	National Securities Clearing Corporation Limited	Subsidiary of Ultimate Holding Company	Subsidiary of Ultimate Holding Company
4	NSE.IT Limited	Fellow Subsidiary of Holding Company	Fellow Subsidiary of Holding Company
5	NSE.IT (US) Inc.	Subsidiary of Fellow Subsidiary of Holding Company	Subsidiary of Fellow Subsidiary of Holding Company
6	DotEx International Limited	Fellow Subsidiary of Holding Company	Fellow Subsidiary of Holding Company
7	India Index Services & Products Limited	Fellow Subsidiary of Holding Company	Fellow Subsidiary of Holding Company
8	Power Exchange India Limited	Associate Company of Holding Company	Associate Company of Holding Company
9	Market Simplified India Limited	Associate Company of Fellow Subsidiary of Holding Company	Associate Company of Fellow Subsidiary of Holding Company
10	National Securities Depository Limited	Associate Company of Ultimate Holding Company	Associate Company of Ultimate Holding Company
11	NSDL e-Goveranance Infrastructure Ltd. (splited from National Securities Depository Limited)	Associate Company of Holding Company	Associate Company of Holding Company
12	Computer Age Management Services Pvt. Ltd.	Associate Company of Holding Company	Associate Company of Holding Company
13	BFSI Sector Skill Council of India	Associate Company of Ultimate Holding Company	Associate Company of Ultimate Holding Company
14	Receivables Exchange of India Limited	Joint Venture of Holding Company	Joint Venture of Holding Company (w.e.f. 25.02.2016)
15	NSE Academy Ltd (Formerly Known as NSE Education Facilities Ltd) (w.e.f 12/03/2016)	Fellow Subsidiary of Holding Company	Fellow Subsidiary of Holding Company (wef12.03.2016)
16	NSE IFSC Ltd	Subsidiary of Ultimate Holding Company (w.e.f. 29.11.2016)	N/A
17	NSE IFSC Clearing Corporation Ltd	Subsidiary Company of NSCCL (w.e.f. 02.12.2016)	N/A

NSE INFOTECH SERVICES LIMITED

Notes to financial statements for the year ended March 31, 2017

b) Details of transactions with related

(Amt in Rs.)

Particulars	31.03.2017	31.03.2016
National Stock Exchange of India Limited		
Nature of transaction		
Income from IT Services (Net)	**43,77,24,328**	39,61,22,595
Service Tax recoverable on above services	**6,57,79,191**	5,44,40,418
Expenses incurred by NSETECH	**82,35,432**	-
Advance against Services	**-**	-
Rent Paid	**52,56,526**	45,42,357
Expenses incurred by NSEIL reimbursed	**12,32,39,343**	13,69,86,650
Closing Balance Debit / (Credit)	**15,10,53,081**	7,23,04,763
National Securities Clearing Corporation Limited		
Nature of transaction		
Income from IT Services (Net)	**6,65,98,514**	5,37,76,633
Expenses incurred by NSETECH	**1,41,670**	-
Service Tax recoverable on above services	**99,91,007**	75,32,216
Closing Balance Debit / (Credit)	**2,54,78,357**	1,12,85,147
NSE.IT Limited		
Nature of transaction		
Bill raised for services rendered by NSEIT	**1,65,083**	3,00,666
Closing Balance Debit / (Credit)	-	**(2,74,406)**
NSE Strategic Investment Corporation Limited		
Nature of transaction		
Deposite for directors appointment	**2,00,000**	-
Closing Balance Debit / (Credit)	-	**-**

26 **Contingent liability:**

(Amt in Rs.)

	31.03.2017	31.03.2016
Income tax matters	**59,71,678**	59,71,678
Fringe Benefit Tax matters	**1,40,780**	1,40,780
Serivces tax matters	**38,15,109**	38,15,109

27 **Details of dues to micro and small,**

a) As on the Balance Sheet date, the amounts due to Small-Scale Industrial undertaking are not outstanding for more than 30 days

b) There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance Sheet date, computed on

28 **Expenditure in foreign currency:**

(Amt in Rs.)

	31.03.2017	31.03.2016
Travelling expenses	**15,74,301**	6,26,041
Training Expense	**2,42,646**	-
Recruitment Expense	**3,37,858**	-

29 **Earnings in foreign exchange :**

	31.03.2017	31.03.2016
Earnings in foreign exchange :	**Nil**	Nil

30 In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.

31 A Fair value measurements

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explaination of each level follows underneath the table.

(Amt in Rs.)

Financial assets and liabilities measured at fair value - recurring fair value measurements at 01.04.2015		**Notes**	**Level 1**	**Total**
Financial Assets ***Financial Investments at FVPL*** Mutual Fund - Growth Plan			2,20,23,563	2,20,23,563
Total Financial Assets			**2,20,23,563**	**2,20,23,563**
Financial Liabilities			-	-
Total Financial Liabilities			-	-

(Amt in Rs.)

Financial assets and liabilities measured at fair value - recurring fair value measurements at 31.03.2016		Notes	Level 1	Total
Financial Assets ***Financial Investments at FVPL*** Mutual Fund - Growth Plan			-	-
Total Financial Assets			**-**	**-**
Financial Liabilities			-	-
Total Financial Liabilities			-	-

(Amt in Rs.)

Financial assets and liabilities measured at fair value - recurring fair value measurements at 31.03.2017		Notes	Level 1	Total
Financial Assets ***Financial Investments at FVPL*** Mutual Fund - Growth Plan			3,57,44,832	3,57,44,832
Total Financial Assets			**3,57,44,832**	**3,57,44,832**
Financial Liabilities			-	-
Total Financial Liabilities			-	-

The fair value of financial instruments referred above have been classified into three categories depending on the inputs used in the valuation technique. The hierarachy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :
- Level 1:

This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Valve (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

ii) Valuation processes :

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO).

B) Fair Value Measurements (Amt in Rs.)

		FVPL		
		31.03.2017	31.03.2016	01.04.2015
Financial Assets Investments Mutual Funds		3,57,44,832	-	2,20,23,563
Total Financial Assets		**3,57,44,832**	**-**	2,20,23,563

32 FINANCIAL RISK MANAGEMENT

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management Committee of the Company is supported by the Treasury department that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Treasury department activities are designed to:
- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally genereted funds.

A MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

The Company maintained a cautious funding strategy, with a positive cash balance throughout the year ended 31st March, 2017 and 31st March, 2016. This was the result of cash delivery from the business. Cash flow from operating activities provides the funds to service the financing of financial liabilities on a day-to-day basis.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments including the government securities with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

	Carrying amount	Payable on demand	Less than 3 months	3-6 months	6-12 months	More than 12 months	Total
As at March 31, 2017							
Other liablities	3,97,31,635	3,97,31,635	-	-	-	-	3,97,31,635
As at March 31, 2016							
Other liablities	1,91,65,073	1,91,65,073	-	-	-	-	1,91,65,073
As at April 01, 2015							
Other liablities	2,69,06,100	2,69,06,100	-	-	-	-	2,69,06,100

B **MANAGEMENT OF MARKET RISK**

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

• price risk; and

• interest rate risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Company is mainly exposed to the price risk due to its investment in mutual funds and exchange traded funds. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2017, the exposure to price risk due to investment in mutual funds amounted to Rs. 3.57 crores (March 31, 2016: Rs. NIL crores, March 31, 2015 : Rs. 2.20 crores).	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds and exchange traded funds , the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 0.02 crores gain in the Statement of Profit and Loss (2015-16: Rs. NIL crores gain). A 0.25% decrease in prices would have led to an equal but opposite effect.

C **MANAGEMENT OF CREDIT RISK**

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse and also on account of member's deposits kept by the company as collatrel which can be utilised in case of member default. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low and so trade receivables are considered to be a single class of financial assets.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in commercial papers, government securities, investments in mutual funds and exchange traded funds. The Company has difersified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

The Company's maximum exposure to credit risk as at March 31, 2017, 2016 and April 01, 2015 is the carrying value of each class of financial assets as disclosed in note XX and XX except for derivative financial instruments.

33 **CAPITAL MANAGEMENT**

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity (as shown in the balance sheet). – retained profit, other reserves, share capital, share premium

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods.

Statement of Reconciliation between Indian GAAP and Ind AS

34 First time adoption of Ind AS

The accounting policies set out in Note 1 have been applied in preparing the Financial statements for the year ended March 31, 2017. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1 ,2015 while preparing Financial Statements for the years ended March 31, 2017 and the comparative information. Accordingly, suitable restatement adjustments in the accounting heads are made to the financial statements as of and for the years ended March 31, 2016, and April 1, 2015.

An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's Financial Statement is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and Investment Property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their Previous GAAP carrying value.

A.1.2 Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated instead have been accounted as per previous GAAP. The Group has applied same exemption for investment in associates and joint ventures.

A.1.3 Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made in for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP:

- Investment in mutual funds / ETFs carried at FVPL

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly, classification and measurement of bonds, debentures, government securities, commercial papers, certificate of deposits has been based on the facts and circumstances that exist at the date of transition to Ind AS.

A.2.3 Non-Controlling Interest

Ind AS 101 permits a first-time adopter to apply the following requirements of Ind AS 110 prospectively from the date of transition to Ind AS:

a) the requirement that total comprehensive income should be attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
b) the requirement that do not result in a loss of control, i.e., considering such a change as an equity transaction (transaction with owners in their capacity as owners) to be accounted for accordingly.
c) the requirements under Ind AS 110 for accounting for a loss of control over a subsidiary, and the related requirements under Ind AS 105.

The Group has applied the requirement of Ind AS 110 prospectively.

A. Reconciliation of Equity as at April 1, 2015, and as at March 31, 2016.

B. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

C. Summarized statement of cash flows for the year ended March 31, 2016.

NSE Infotech Services Limited

Notes to the Financial Statement for the year ended March 31, 2017

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

A: Reconciliation of Equity as previously reported under IGAAP to Ind AS

(Amt in Rs.)

Particulars	Notes to first-time adoption	As at 31.03.2016			As at 01.04.2015		
		Previous GAAP*	Effects of transition to Ind- AS	Restated Ind AS	Previous GAAP*	Effects of transition to Ind- AS	Restated Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment		37,681	-	37,681	86,795	-	86,795
Financial assets			-			-	
- Investments	2		-			-	
- Other financial assets			-			-	
Others			-	-	19,500	-	19,500
Deferred tax assets (net)	3	1,15,56,850	-	1,15,56,850	1,13,75,704	(8,27,057)	1,05,48,647
Income tax assets (net)	7	4,85,84,591	(4,30,762)	4,81,53,829	9,55,88,266	(2,05,226)	9,53,83,040
Other non-current assets		4,000	-	4,000	35,163	-	35,163
Total non-current assets		**6,01,83,122**	**(4,30,762)**	**5,97,52,360**	**10,71,05,428**	**(10,32,283)**	**10,60,73,145**
Current assets							
Financial assets							
- Investments	2	-	-	-	1,93,47,001	26,76,563	2,20,23,563
- Trade receivables		8,35,89,910	-	8,35,89,910	1,43,02,548	-	1,43,02,548
- Cash and cash equivalents		35,23,762	-	35,23,762	36,47,284	-	36,47,284
- Other financial assets		2,31,281	-	2,31,281	3,05,414	-	3,05,414
Other current assets		1,20,74,395	-	1,20,74,395	80,85,686	-	80,85,686
Total current assets		**9,94,19,347**	**-**	**9,94,19,347**	**4,56,87,933**	**26,76,563**	**4,83,64,496**
			-			-	
TOTAL ASSETS		**15,96,02,469**	**(4,30,762)**	**15,91,71,707**	**15,27,93,361**	**16,44,279**	**15,44,37,641**
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital		5,00,000	-	5,00,000	5,00,000	-	5,00,000
Other equity	7	5,40,45,121	(4,30,762)	5,36,14,359	4,31,51,387	16,44,279	4,47,95,666
TOTAL EQUITY		**5,45,45,121**	**(4,30,762)**	**5,41,14,359**	**4,36,51,387**	**16,44,279**	**4,52,95,666**
LIABILITIES							
Non-current liabilities							
Provisions		58,80,237	-	58,80,237	55,87,543	-	55,87,543
Total non-current liabilities		**58,80,237**	**-**	**58,80,237**	**55,87,543**	**-**	**55,87,543**
Current liabilities							
Financial liabilities							
Trade Payable		4,86,59,226	-	4,86,59,226	4,56,10,694	-	4,56,10,694
Other current liabilities		1,91,65,073	-	1,91,65,073	2,69,06,100	-	2,69,06,100
Provisions	4	3,13,52,812	-	3,13,52,812	3,10,37,638	-	3,10,37,638
Total current liabilities		**9,91,77,111**	**-**	**9,91,77,111**	**10,35,54,432**	**-**	**10,35,54,432**
TOTAL LIABILITIES		**10,50,57,348**	**-**	**10,50,57,348**	**10,91,41,975**	**-**	**10,91,41,975**
TOTAL EQUITY AND LIABILITIES		**15,96,02,469**	**(4,30,762)**	**15,91,71,707**	**15,27,93,361**	**16,44,279**	**15,44,37,641**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Financial Statement for the year ended March 31, 2017

A. Investment

a) Tax free bonds are carried at amortized cost under Ind AS and IGAAP. Investment in equity instruments are carried at fair value through OCI in Ind AS compared to being carried at cost under IGAAP.
b) Investments include discounted value of contingent consideration payable on acquisition of business under IndAS as compared to undiscounted value of contingent consideration under IGAAP

B. Other financial liabilities

Adjustments includes impact of discounting the deferred and contingent consideration payable for acquisitions under Ind AS

C. Other liabilities -

Adjustments that reflect unamortised negative past service cost arising on modification of the gratuity plan in an earlier period. Ind AS 19 requires such gains and losses to be adjusted to retained earnings.

D. Provisions

Adjustments reflect dividend (including corporate dividend tax), declared and approved post reporting period.

E. Other equity

a) Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

b) In addition, as per Ind-AS 19, actuarial gain and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit and loss under IGAAP.

c) Profit on transfer of business between entities under common control which were earlier recognized in statement of profit and loss under IGAAP are adjusted to reserves on transition to Ind AS.

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Notes to the Financial Statement for the year ended March 31, 2017

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

B : Reconciliation Statement of Profit and loss as previously reported under IGAAP to Ind AS

Particulars	Notes to first-time adoption	For The Year Ended 31.03.2016		
		Previous GAAP*	Effects of transition to Ind- AS	Restated Ind AS
Income				
Revenue from operations		44,98,99,228	-	44,98,99,228
Other income and other gains / (losses)	2	1,92,05,060	(26,76,563)	1,65,28,497
Total income		**46,91,04,288**	**(26,76,563)**	**46,64,27,725**
Expenses				
Employee benefits expense	6	42,36,24,510	(46,03,532)	41,90,20,978
Depreciation and amortisation expense		49,114	-	49,114
Other expenses		2,90,28,074	-	2,90,28,074
Total expenses		**45,27,01,698**	**(46,03,532)**	**44,80,98,166**
Profit before tax		**1,64,02,589**	**19,26,969**	**1,83,29,559**
Less : Tax expense				
Current tax		56,90,000	2,25,536	59,15,536
MAT Credit Adjusted		-	-	-
Adjustment of tax relating to earlier periods	7	-	-	
Deferred tax	3	(1,81,145)	5,95,434	4,14,289
Total tax expenses		**55,08,855**	**8,20,970**	**63,29,825**
Profit for the period (A)		**1,08,93,734**	**11,06,000**	**1,19,99,734**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of post-employment benefit obligations	6	-	(46,03,532)	(46,03,532)
Income tax relating to items that will not be reclassified to profit or loss			-	
Remeasurements of post-employment benefit obligations		-	14,22,491	14,22,491
			-	
Total other comprehensive income for the period, net of taxes (B)		-	(31,81,041)	(31,81,041)
			-	
Total comprehensive income for the year (A+B)		**1,08,93,734**	**(20,75,041)**	**88,18,693**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

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Notes to the Financial Statement for the year ended March 31, 2017

Explanations for reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

F. Employee Benefit expenses

a) As per Ind-AS 19, actuarial gain and losses are recognized in other comprehensive income and not reclassified to profit and loss in a subsequent period.

b) Adjustments reflect unamortised negative past service cost arising on modification of the gratuity plan in an earlier period. Ind AS 19 requires such gains and losses to be adjusted to retained earnings.

G.. Deferred and contingent consideration pertaining to acquisition

Adjustments reflect impact of discounting pertaining to deferred consideration and contingent consideration payable for business combinations

H. Reversal of exceptional item

Profit on transfer of business between entities under common control has been reversed and taken to business transfer reserve on account of transition to Ind AS

I. Current tax

Tax component on actuarial gains and losses which is transferred to other comprehensive income under Ind AS

Cash Flow Statement

There were no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

C : Reconciliation of Cash Flow Statement as previously reported under IGAAP to Ind AS

Impact of Ind AS adoption on the statement of cash flows for the year ended 31 March 2016

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(2,97,74,424)	-	(2,97,74,424)
Net cash flow from investing activities	2,96,50,903	-	2,96,50,903
Net cash flow from financing activities	-	-	-
Net increase/(decrease) in cash and cash equivalents	**(1,23,522)**	**-**	**(1,23,522)**
Cash and cash equivalents as at 1 April 2015	36,47,284	-	36,47,284
Effects of exchange rate changes on cash and cash equivalents	-	-	-
Cash and cash equivalents as at 31 March 2016	**35,23,762**	**-**	**35,23,762**

Investments

Mutual funds and equity instruments (other than investments in subsidiaries, associates and joint venture):

Under the Previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in other equity as at the date of transition i.e. April 1, 2015 for the purpose of restatement of the financial statements the years ended March 31, 2016, and April 1, 2015.

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI equity instruments reserve as at the date of transition and subsequently in the other comprehensive income.

(Amt In Rs.)

Mutual funds and equity instruments:	Balance Sheet Impact - Increase/(Decrease)	
	As at March 31, 2016	As at April 01,2015
Investments (Current)	-	26,76,563
Investments (Non - Current)	-	-
Other Equity (Retained earnings)	-	26,76,563
Other Equity instruments at FVOCI)	-	-

(Amt In Rs.)

Mutual funds and equity instruments:	Total Comprehensive Income Impact - Increase/(Decrease)
	For the year 31.03.2016
Other income (Profit and loss)	(26,76,563)
Profit Re-class from P&L to OCI	-
Other comprehensive income (net of tax)	-
Total	(26,76,563)

Deferred tax

Under Previous GAAP, deferred taxes are recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. Also deferred tax asset shall be recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

Proposed dividend

Under the Previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend including dividend distribution tax was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend including dividend distribution tax included under provisions has been reversed with corresponding adjustment to in other equity. Consequent to the above, Total equity has increased for each of the respective years as follows:

(Amt In Rs.)

Particulars	For the year 31.03.2016	For the year 31.03.2015
Total Equity	-	-

Re-measurement of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the Previous GAAP, these re-measurements were forming part of the profit or loss for the year. Consequent to the above, following is the impact on the Total comprehensive income for each of the respective years:

(Amt In Rs.)

Particulars	For the year 31.03.2016
Total Comprehensive income (Increase/ (Decrease))	(46,03,532)

Push Back of Provision for Tax for earlier year:

Under Indian GAAP changes in accounting policies, correction of errors and omissions will be recorded through the current period income statements, under Ind AS changes in accounting policies and correction of errors and omissions will be accounted retrospectively by restating the comparative period. Consequent to the above, following is the impact on the total comprehensive income and total equity for each of the respective years:

*(*Amt In Rs.)

(Increase/(Decrease)	**Impact on Total equity and Total comprehensive income - Increase/(Decrease)**	
	For the year 31.03.2016	**For the year 31.03.2015**
Current Tax	2,25,536	2,05,226
Adjustment of tax relating to earlier periods	2,05,226	-
Total Comprehensive income	4,30,762	2,05,226
	As at March 31, 2016	**As at March 31, 2015**
Total Equity	(4,30,762)	(2,05,226)
Income Tax Assets	(4,30,762)	(2,05,226)

Retained Earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss includes re-measurements of defined benefit plans, and fair value gains or (losses) on FVOCI equity instruments and debt instruments. The concept of other comprehensive income did not exist under Previous GAAP.

35 Disclosure on Specified Bank Notes (SBN):

Particulars	SBNs	Other Denominations	Total
Closing Cash in hand as on 8 Nov 16 with entity/ entity branches	-	-	-
Add: Permitted Reciepts	-	-	-
Less: Permitted Payments	-	-	-
Less: Amount Deposited in Bank	-	-	-
Closing Cash in hand as on 30 Dec 16	-	-	-

36 Previous years'/ period figures are regrouped, reclassified and rearranged wherever necessary.

As per our report of even date attached

For GOKHALE & SATHE
Chartered Accountants
Firm Reg. No : 103264W

ATUL KALE
Partner
Membership Number: 109947

Place : Mumbai
Date : April 24, 2017

For and on behalf of the Board of Directors

NANDLAL SARDA
Chairman
(DIN : 00147782)

RAGHAVAN PUTRAN
Director
(DIN : 00473091)

SOWMYANARAYANAN SADAGOPAN
Director
(DIN : 00118285)