



The Calcutta Stock Exchange Limited

Trust The Trusted

92nd Annual Report
2014 - 2015



Corporate Information

Chairman

Mr. Dipankar Chatterji
Public Interest Director

Managing Director & CEO

Mr. B.Madhav Reddy (Up to 05.06.2015)

Public Interest Directors

Mr. Prasad Ranjan Ray
Mr. Bhaskar Sen
Dr. Bhaskar Banerjee (w.e.f. 01/09/2015)
Prof. Partha Ray (w.e.f. 01/09/2015)

Shareholder Directors

Mr. Ravi Poddar
Mr. Sanjay Budhia
Mr. Mohan Goenka
Mr. Purushottam Saraf

Registered Office

7, Lyons Range
Kolkata - 700 001

Registrar & Share Transfer Agents

C B Management Services (P) Limited
P-22, Bondel Road, Kolkata - 700 019
Tel. (033) 40116726

Bankers

Axis Bank
HDFC Bank Limited
United Bank of India

Auditors

S.R. Batliboi & Co. LLP
Chartered Accountants

Internal Auditors

Singhi & Co.
Chartered Accountants

Solicitors

Victor Moses & Co.
Sinha & Co.

Ninety-two Annual General Meeting

| | | |
|--------------|---|---|
| Day | : | Saturday |
| Date | : | November 7th, 2015 |
| Venue | : | Stock Exchange Building, 7Lyons Range, Kolkata -700001 |
| Time | : | 11:00 am |
| Book-Closure | : | November 1st, 2015 to November 7th, 2015 (Both days inclusive) |

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Board of Directors
The Calcutta Stock Exchange Limited



Dipankar Chatterji
Chairman,
Public Interest Director



Prasad Ranjan Ray
Public Interest Director



Bhaskar Sen
Public Interest Director



Dr. Bhaskar Banerjee
Public Interest Director



Prof. Partha Ray
Public Interest Director



Ravi Poddar
Shareholder Director



Sanjay Budhia
Shareholder Director



Mohan Goenka
Shareholder Director



Purushottam Saraf
Shareholder Director



B. Madhav Reddy (upto 5th June 2015)
Managing Director & CEO

DIRECTORS' REPORT*Dear Shareholders,*

The Board of Directors of The Calcutta Stock Exchange Limited (the 'Exchange / Company / CSE') take great pleasure in presenting the 92nd Annual Report for the Financial Year 2014-15 together with the Audited Financial Statements for the Year ended 31st March, 2015.

1. Audited Results :

- 1.1 Financial Highlights During the year under review, the total income of the Exchange was Rs.2122.37 Lacs. During this period the Exchange has recognized income from listing fees only in respect of Companies which are paying the fees regularly. The profit after tax for the financial year 2014-2015 is Rs.399.74 lacs, which is marginally higher than the last year profit after tax of Rs.369.27 lacs.

1.2. Appropriations :**1.2.1 Dividend :**

Your Directors have recommended Rs.20/- per equity share on the face value of Re. 1/- for the financial year 2014-15, which if approved at the forthcoming Annual General Meeting, shall be paid to those members whose names appear in the Registrar of Members as on the date of Book Closure. A sum of Rs.146.63 lacs will be the outflow towards the payment of dividend including dividend distribution tax.

1.2.2 Transfer to Reserve :

The Exchange proposed to transfer Rs.40,00,000/- (Rupees Forty Lacs) to the General Reserve out of Rs.492.65 lacs available for appropriations.

2. Business Development & New Initiatives at CSE :

The Exchange has entered into a Memorandum of Understanding (MOU) with Dhaka Stock Exchange. This MOU provide for periodic interaction and sharing of best practices and envisages regular interactions

| Financial Highlights | 2014-15 Rs. in Lacs | 2013-14 Rs. in Lacs |
|---|------------------------|------------------------|
| Total Income | 2122.37 | 1877.38 |
| Total Expenses | 1504.19 | 1285.91 |
| Profit before Depreciation | 618.18 | 591.47 |
| Depreciation | 88.77 | 87.60 |
| Profit before Tax | 529.41 | 503.87 |
| Provision for Tax | 129.67 | 134.60 |
| Profit after Tax | 399.74 | 369.27 |
| Less Transfer to : | | |
| Income (net of expenses) related to pre-demutualization period transferred to General Reserve | 62.44 | 27.55 |
| Investor Service Fund | 64.84 | 57.10 |
| Settlement Guarantee Fund | 184.61 | 181.17 |
| Profit Attributable to Equity Shareholders | 87.84 | 103.45 |
| Profit brought forward from last year | 404.81 | 481.26 |
| Surplus before appropriation | 492.65 | 584.71 |
| Appropriated to: | | |
| General Reserve | 40.00 | 36.93 |
| Proposed Dividend | 122.20 | 122.20 |
| Tax on Proposed Dividend | 24.43 | 20.77 |
| Surplus carried to Balance Sheet | 306.02 | 404.81 |
| | 492.65 | 584.71 |



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between the Exchanges for sharing of knowledge, understanding, information and developments in capital market for the long term benefit of both the parties. Under this MOU, CSE proposed to share, assist and disseminate information and knowledge and hold interactive sessions time to time with Dhaka Stock Exchange to enable them to benefit from the vast experience that CSE has accumulated over the years. During the year CSE has also initiated dialogue with NISM for introduction of NISM Test Centre at CSE and the same has been operationalized from August 2015.

3. Operations :

The Exchange is continuing to provide trading opportunity to its members to trade in Capital Market and F&O segments of both BSE and NSE under Section 13 of Securities Contract (Regulation) Act, 1956. Listing at CSE has seen an inflow of companies from other RSEs. During the year 46 Companies listed with other RSEs have been listed at CSE under Direct Listing norms of CSE. Revenue collection of Listing Department during the Financial Year 2014-15 was Rs.4.93 Crore which is a record in the recent history of the Exchange. Further, CSE has approved Voluntary Delisting of 47 Companies under SEBI Voluntary Delisting Regulations. At the end of 31st March 2015 there are 2549 companies listed with the Exchange.

4. Depository Services :

As per SEBI directives, both CDSL and NSDL have restrained CSE DP for opening of fresh accounts as the Clearing House of the CSE was cease to undertake the activity of clearing and settling of trades. Accordingly, CSE Capital Markets Pvt. Ltd., the wholly owned subsidiary company of CSE has since obtained Registration of SEBI as a Depository Participant of both CDSL and NSDL. All accounts of under CSE's CDSL DP were transferred to CCML's CDSL DP. The total number of DP accounts of CDSL with CCML stood at 692. However, the NSDL accounts could not be transferred to CCML's NSDL DP due to its low net-worth and the matter is being followed up.

5. Investors' Services :

The Exchange, being a Self Regulatory Organization has taken significant strides in protecting the interest of investors and also to promote education of investors in the capital markets.

The Investor Services Cell of the Exchange takes care of complaints received from investors against the listed corporate entities and/or against trading members and assists in resolving complaints at the earliest. This goes

a long way in restoring Investors' confidence in the capital markets. Additionally, the Exchange also takes an active part in resolution of Investor Grievances for complaints uploaded on SEBI's online complaint resolution system called "SCORES".

The Exchange updates the action taken to resolve the Investors' Grievances in 'SCORES' regularly.

6. Investor Awareness and Education :

The Exchange continuing its efforts to reach large number of participants to create financial inclusion conducted 128 Awareness programmes that have reached more than 9000 people including students across different parts of Eastern India.

The "CU-CSE Centre of Excellence in Financial Markets" launched the "Basic Certification Course in Financial Markets" a five day programme, with a view to educate students about the basics of finance and investment. The centre continues to conduct seminars, workshops and also publishes news letters on the capital markets and the recent happenings in the financial sector.

7. Code of Conduct for Directors :

To outline the Exchange's value and principles and to set out the standards for professional and ethical behavior, the Code of Conduct for Directors, as recommended by SEBI, has been adopted by your Exchange. These are applicable to all Directors. All the Directors of the Exchange have affirmed compliance to the Code for the financial year ending March 31, 2015. A copy of the Code has been put on the Company's website: www.cse-india.com.

8. CSE Board Structure and Governance :

Pursuant to SECC Regulations 2012 notified by SEBI on June 20, 2012, the Governing Board of every recognised stock exchange shall include:

- (a) Public Interest Directors
- (b) Shareholder Directors; and
- (c) Managing Director & CEO

The number of public interest directors shall not be less than the number of shareholder directors in a recognized stock exchange. According to SECC Regulations as referred above, presently there are no Trading Members or their associates and agents on the Board of Directors of the Exchange.

Managing Director & CEO :

The tenure of Mr. B. Madhav Reddy as Managing Director and CEO of the Exchange has expired on 5th June, 2015. SEBI did not accede to the request of the Exchange for

extension of tenure of Managing Director.

Public Interest Directors :

Mr. Jayanta Mitra resigned from the office of Public Interest Director of the Company with effect from 7th January, 2015 due to his appointment as Advocate General of West Bengal.

Mr. Dipankar Chatterji, Mr. Bhaskar Sen and Mr. Prasad Ranjan Ray continue to act as Public Interest Directors of the Exchange. SEBI vide its letter No.MRD/DSA/OW/21452/2015 and letter No.MRD/DSA/OW/21453/2015 both dated 30th July, 2015 have approved the appointment of Dr. Bhaskar Banerjee and Prof. Partha Ray as Public Interest Directors on the Governing Board of the Exchange. The Board has appointed them as Public Interest Director with effect from 1st September, 2015. Public Interest Directors are not liable to retire by rotation and shareholders' approval is not required for their appointment.

Shareholder Directors :

Mr. Ravi Poddar, Mr. Sanjay Budhia and Mr. Mohan Goenka continue to act as shareholder Director of the Exchange and their tenure of appointment are subject to retirement of directors by rotation. Pursuant to Section 152 of the Companies Act, 2013 Mr. Ravi Poddar [DIN: 00031201] retires by rotation and being eligible, has offered himself for re-appointment.

The Board places on record its sincere appreciation for the valuable contributions made by the outgoing Directors during their tenure on the Board. None of the Directors of your Company are disqualified under Section 164(2) of the Companies Act, 2013.

9. Change in constitution/name of the Board Committees :

In accordance with SEBI Circular dated December 13, 2012 on procedural norms on recognition, ownership and governance for Stock Exchanges and Clearing Corporations, new Committees were constituted by the Board of CSE. The details of Committees formed, meeting details and attendance of Directors in the meetings of the various committees form part of Corporate Governance Report annexed to the Directors' Report. The Company is not required to appoint statutory committees enunciated under the provisions of Section 178 read with Rule 6 of the companies (Meetings of the Board and its Powers) Rules, 2014.

10. Meeting Details :

During the year 2014-15, nine (9) meetings of the

Board were convened and held on 6th May, 2014, 22nd May, 2014, 21st July, 2014, 22nd August, 2014, 28th August, 2014, 29th September, 2014, 8th November, 2014, 19th February, 2015 and 3rd March, 2015. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Since Section 178 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 are not applicable to the Company, details of the Committee Meetings are not given here. These have been incorporated in the Corporate Governance Report.

11. Code of Conduct for Prevention of Insider Trading pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 :

Your Directors and the Functionaries of the Exchange owe a fiduciary duty to its members and all the Corporates whose securities are listed on its trading platform to conduct their personal securities transactions in a manner that does not create any conflict of interest, the Code of Conduct for Prevention of Insider Trading has been adopted, to serve as a guiding charter for all relevant persons associated with the functioning of the Exchange. All the Directors and Functionaries of the Exchange have made requisite disclosures under the said Code of Conduct for the financial year ending March 31, 2015.

12. Corporate Governance :

Pursuant to the Securities Contracts (Stock Exchanges & Clearing Corporations) Regulations, 2012 ("SECC Regulations, 2012"), corporate governance norms as specified for listed companies mutatis mutandis applies to a recognized stock exchange. In accordance with good corporate governance practices and in order to comply with the SECC Regulations 2012, a report on Corporate Governance as on March 31, 2015 forms part of the Annual Report. A Certificate by Chairman on compliance of Clause 49 and Auditors' Certificate confirming status of compliance of Corporate Governance are annexed to the report.

13. Directors' Responsibility Statement :

The Company is in compliance with various accounting and financial reporting requirements in respect of the financial statements for the year under review. Pursuant to Section 134(5) of the Companies Act, 2013 and in respect of the Annual Accounts for the year under review, the Directors hereby confirm that:



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- i. in the preparation of the annual accounts, the applicable accounting standards had been followed with proper explanation relating to material departures, if any;
- ii. the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that year;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis; and
- v. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. Public Deposits :

The Exchange has neither accepted nor renewed any fixed deposits from public during the financial year under review and, as such, no amount of principal or interest was outstanding as on the balance sheet date.

15. Material Changes and Commitments :

There are no material change or commitments affecting the financial position of the company occurring between the date of Financial Statements and the Board's Report.

16. Note on Holding, Subsidiary, Joint Venture and Associate Companies :

The Company has a wholly-owned Subsidiary Company viz. CSE Capital Markets Private Limited. It has no other Associate or Joint Venture Company. In accordance with Section 129(3) of the Companies Act, 2013, the Exchange has prepared consolidated financial statements of the Company and its subsidiary, which form part of the Annual Report. Further, the report on the performance and financial position of the sole subsidiary and salient features of the financial statements in the prescribed Form AOC-1 is annexed to this report. In accordance with Section 136 of the

Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited financial statements of the subsidiary will be available on our website www.cse-india.com. These documents will also be available for inspection during business hours at the registered office of the Company. There are no companies which have become or ceased to be subsidiaries, joint ventures and associates during the financial year.

17. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo :

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as below:

A. Conservation of Energy :

CSE continuously strives to optimise its energy usage and efficiency and has installed an environment friendly 10.2 KWP Grid Connected Solar Power Plant.

B. Technology Absorption : Nil

C. Foreign Exchange Earnings & Outgo :

During the year, there were no Foreign Exchange earnings or outgo.

18. Particulars of Employees :

None of the employees of the Company is drawing / has drawn remuneration in excess of the limits laid down in Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

19. Statutory Auditors :

M/s. S. R. Batliboi & Co., LLP, Chartered Accountants, [FRN:301003E] Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. They have given written consent under section 139 of the Companies Act, 2013 [the Act] as to their willingness to be re-appointed as Auditors and that they satisfy the qualifications and eligibility criteria prescribed under section 141 of the Act as per Companies (Audit and Auditors) Rules, 2014.

20. Auditors' Report :

The Auditors' Report dated 23rd September, 2015 on the financial statements of the Exchange for the financial year ended March 31, 2015 has certain qualifications and the management has given its suitable reply.

21. Management/s Explanation to the qualifications made by the Statutory Auditors on the Annual Accounts of the Exchange for the year 2014-15

| | |
|--|---|
| <p>Points as per the Independent Auditor's Report :</p> <p>Note 31 (i) regarding recoverability of Rs.95,45,32,105 due from the members on account of settlement in earlier years and upon which we are unable to comment on and consequently, the impact whereof on the Company's profit for the year and year end loans and advances is not ascertainable.</p> | <p>Management's Explanation :</p> <p>As on 31.3.2015 amount recoverable from Members who have defaulted on account of settlement dues during the year 2000-01 is amounting to Rs.95,45,32,105/-. Out of the above, money recovery suits have been filed against ten defaulters for recovery to the extent of Rs.90,37,85,839/-. The Company has also filed money recovery suits against other defaulted members for an amount of Rs.3,09,27,995/- . As the matter is sub-judice, the extent of recoverability of the amount from defaulters is not ascertainable. However, long term liabilities include the same amount as contribution received from Settlement Guarantee Fund and no impact on profitability is foreseen.</p> |
| <p>Note No. 27(b) regarding the Company's annual contribution aggregating Rs.1,30,34,622 (including Rs. Nil for the year) to the Settlement Guarantee Fund for years subsequent to 2000-01 required to be made in accordance with the bye-laws of the Settlement Guarantee Fund not being recognized in these financial statements for the reason mentioned therein, and which in our opinion, should have been recognized. Had the impact of the observation above been considered, year-end balance in Settlement Guarantee Fund (under Reserve & Surplus) would have been Rs.29,70,12,930 as against reported amount of Rs.28,82,07,391 and aggregate year end balances of other Reserves & Surplus would have been Rs.129,13,80,075 as against reported Reserve & Surplus of Rs.130,01,85,614.</p> | <p>An additional contribution of Rs.19,93,55,380 has been made by the Company to the Settlement Guarantee Fund during the year 2000-01 which was charged off to the Income & Expenditure Account of the said year. Being in the nature of prepaid charges payable to the Settlement Guarantee Fund, a sum of Rs.1,30,34,622/- has been adjusted up to 31.03.2015 towards annual contribution payable by the Company to Settlement Guarantee Fund (including Rs. Nil for the year) in accordance with the decision of the erstwhile Board of Directors taken at its meeting held on 03.10.2001 and the balance of Rs.18,63,20,758/- would be adjusted in future years. However, since the aforesaid amount has already been charged-off to Income & Expenditure Account of 2000-01, the annual contribution of Rs. Nil for the year as well as the amount for earlier years has not been charged to Profit and Loss Account and no provision on above account is considered necessary.</p> |
| <p>Note No. 27(e) regarding dividend (amount not ascertained) on member's security deposits being accumulated in the Settlement Guarantee Fund under the head "Reserves and Surplus" and not being passed on to the members for the reasons mentioned therein, the appropriateness or otherwise of which, we are unable to comment on.</p> | <p>Distribution of Interest and Dividend on Members Base Minimum Deposit was discontinued with effect from 1st November 2007 as referred in Note 27 (e) is in accordance with the decision taken by erstwhile Administrator and intimated to members vide Exchange notification dated 24th December, 2007.</p> |
| <p>Note No. 31(iii) regarding the sum of Rs.3,10,92,390 received from certain members at the time of payment crisis in earlier years, which is included in the Settlement Guarantee Fund under the head "Reserves and Surplus", the appropriateness of which we are unable to comment in the absence of adequate information and explanation being made available to us.</p> | <p>During pay-in crisis in March 2001 an amount of Rs.3,10,92,390/-, in the nature of contributions to the Settlement Guarantee Fund, has been received from few members of the Exchange. The contributions were subject to the condition that the said amount should be considered for refund in the event of recovery of the dues from defaulted members and liability towards refund will arise only on receipt from defaulted members.</p> |



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Note No. 28 regarding the directions issued by The Securities Exchange Board of India ("SEBI") dated 20th June, 2012 which requires every stock exchange to credit twenty five percent of its profit to the Settlement Guarantee Fund of a recognized clearing corporation(s). As more explained in Note 28, the amount of appropriation out of profit for the period April 1, 2012 to March 31, 2013 is yet to be determined by the management and accordingly we are unable to comment on the compliance or otherwise of the aforesaid SEBI direction including consequential impact, if any, that may arise in this regard, in these financial statements.

SEBI has formed an expert committee in terms of its Press Release dated June 21, 2012 to frame norms for sourcing, including transfer of profits by exchanges to the Settlement Guarantee Fund. Pending receipt of any communication/ direction in this regard, no appropriation of profit to Settlement Guarantee Fund has been made. Moreover, the company had made an additional contribution amounting to Rs. 19,93,55,380/- in the year 2000-01 as mentioned in note 27 (b) which would be available for adjustment subject to SEBI approval if any.

22. MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion & Analysis Report forms part of this Annual Report.

23. Cost Audit :

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2013 cost audit and maintenance of cost records are not applicable to the Company.

24. Particulars of loans, guarantees or investments :

The Company has not granted any loan or made any investments covered under section 186 of the Companies Act, 2013.

25. Related Party Disclosures :

All related party transactions, entered into during the financial year were on arm's length basis in the ordinary course of business.

Transactions entered into by the Company with the related parties referred to in Section 188(1) of the Act during the year under review, which were in the ordinary course of business and on arm's length basis and the particulars of which are required to be disclosed under Section 134(1)(h) of the Act read with Rule 8(2) of Companies (Accounts) Rules, 2014 in Form AOC - 2 is attached.

26. Extract of the Annual Return as per section 92(3) of the Act :

Pursuant to sections 92(3) and 134(3)(a) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 an extract of the Annual Return is provided in Form MGT - 9 is attached as Annexure

27. Internal Financial Control :

As required under Section 134(3)(q) of the Companies Act 2013 read with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, the Company has Internal

Financial Controls with reference to the Financial Statements that commensurate with the size, scale, complexity and operations of the Company. The same are designed to ensure proper recording of financial and operational information and compliance of various internal control and other regulatory and statutory compliances. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically, used efficiently and adequately protected. Self-certification exercises are also conducted by which Directors and senior management level employees certify effectiveness of the internal control system, their adherence to the code of conduct and company's policies for which they are responsible in financial or commercial transactions, if any, where they have personal interest or potential conflict of interest.

28. Risk Management :

Risks are events, situations or circumstances which may lead to negative consequences on the company's businesses. Risk management is the process of identifying, quantifying and managing the risks that an organization faces. The Company has in place an Enterprise Risk Management framework, based on which the risks are identified and managed. Key business risks and the related key performance indicators, along with the mitigating action plans are reviewed on need based periodicity to assess the threats and opportunities that will impact the objectives set for the Company as a whole. The Company fulfills its legal requirements as per the Rules/Acts laid down in the statute and improving work place safety continues to be the top priority.

29. Employee Relations / Human Resource Developments:

The Company continued to maintain excellent and cordial personnel relation. The Directors express their appreciation for the dedication, commitment and sincere services rendered by the employees at all levels throughout the year.

30. Corporate Social Responsibility :

The Annual Report on CSR activities for the financial year 2014-15 is annexed.

31. Unpaid/Unclaimed Dividend :

As on 31st March, 2015, the Company is having a sum of Rs.51.23 lacs (Previous Year Rs.35.81 lacs) as unpaid/unclaimed dividend lying in its Unpaid Dividend Account with Banks. During the year under review no amount which remained unclaimed and unpaid for a period of seven years, is due for transfer to Investor's Education and Protection Fund.

32. General :

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review :

- a) No loan has been granted to any employee for purchase of Company's shares under any scheme.
- b) The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.
- c) There was no issue of shares (including sweat equity shares / ESOP / ESPS) to employees of the Company under any scheme.

d) None of the Directors / Managing Director receives any remuneration or commission from any of its subsidiaries.

e) No fraud has been committed by the Company or by any of its officers or employees and the Auditors have not reported any fraud either to the Audit Committee or to the Board of Directors or to the Central Government pursuant to section 143(12) of the companies Act, 2013.

f) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status.

g) Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

33. Acknowledgement :

Your Directors place on record their sincere appreciation for the continued assistance, co-operation and guidance provided by Government, Regulators and other Statutory Bodies during the year under review. Your Directors wish to put on record their thanks to all members of the Exchange for their unstinted support and confidence.

For and on behalf of the Board
Dipankar Chatterji
Chairman

Place: Kolkata

Date: 23rd September, 2015



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Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

| Sl. No. | Particulars | Details |
|---------|---|-------------------------------|
| | Name of the subsidiary | CSE Capital Markets Pvt. Ltd. |
| | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Year ended 31st March, 2015 |
| | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | INR (Rupees) |
| | Share capital | 3,50,00,020 |
| | Reserves & surplus | 1,03,38,606 |
| | Total assets | 4,56,40,542 |
| | Total Liabilities | 3,01,976 |
| | Investments | 54,26,465 |
| | Turnover | 45,76,647 |
| | Profit before taxation | 36,84,121 |
| | Provision for taxation | 10,59,923 |
| | Profit after taxation | 26,24,198 |
| | Proposed Dividend | Nil |
| | % of shareholding | 100% |

Notes : The following information shall be furnished at the end of the statement :

1. Names of subsidiaries which are yet to commence operations.
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures :
There are no joint venture or associate company.

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| Name of associates/Joint Ventures | | | | | | | |
| Latest audited Balance Sheet Date | | | | | | | |
| | | | | | | | |
| Shares of Associate/Joint Ventures held by the company on the year end | | | | | | | |
| No. | | | | | | | |
| Amount of Investment in Associates/Joint Venture | | | | | | | |
| Extend of Holding% | | | | | | | |
| | | | | | | | |
| Description of how there is significant influence | | | | | | | |
| | | | | | | | |
| Reason why the associate/joint venture is not consolidated | | | | | | | |
| | | | | | | | |
| Net worth attributable to shareholding as per latest audited Balance Sheet | | | | | | | |
| | | | | | | | |
| Profit/Loss for the year | | | | | | | |
| Considered in Consolidation | | | | | | | |
| Not Considered in Consolidation | | | | | | | |

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.



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Form No. AOC - 2

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

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

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

| Sl. No. | Name(s) of the related Party and nature of relationship | Nature of Contract/ arrangements/ transactions | Duration of the contracts/ arrangements/ transactions | Salient terms of the contract or arrangements or transactions, including the value, if any | Justification for entering into such contracts or arrangements or transactions | Date(s) of approval by the Board | Amount paid as advances, if any | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 |
|---------|---|--|---|--|--|----------------------------------|---------------------------------|---|
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

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

| Sl. No. | Name(s) of the related Party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts/ arrangements/ transactions | Salient features of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|---------|---|---|---|---|--|---------------------------------|
| | Stock Exchange Investors Protection Fund | As per SEBI guidelines | On-going | Not applicable. | N.A.* | NO |
| | | | | | | |
| | CSE Capital Markets Pvt. Ltd. | Reimbursement transactions | On-going | Not applicable. | | Not ascertainable |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

* No Board approval is required since Sec 188 of the Companies Act, 2013 is not applicable.



The Calcutta Stock Exchange Limited

Annual Report on CSR Activities of the Company for the financial year ended 31st March, 2015

(Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014)

| Sl. No. | Particulars | | Details | | | | |
|---------|--|--|---|---|--|---|---|
| 1. | A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs. | | The Calcutta Stock Exchange Ltd formulated its Corporate Social Responsibility as an integral part of our vision. It is the endeavor of the company to function as a responsible corporate entity and work for the communities and society at large in and around its area of operations with an objective to energize, involve and enable them to realise their potential. | | | | |
| 2. | Composition of CSR committee. | | Mr. Bhaskar Sen-Public Interest Director Mr. Prasad Ranjan Ray-Public Interest Director Mr. Ravi Poddar-Shareholder Director | | | | |
| 3. | Average net profit of Company for last 3 financial years. | | Rs. 548 lakhs | | | | |
| 4. | Prescribed CSR expenditure (2% of the amount as in item 3 above) | | Rs. 10.96 lakhs | | | | |
| 5. | a) Total amount to be spent during the financial year. | | Rs. 10.96 lakhs | | | | |
| | b) Amount unspent, if any. | | Nil | | | | |
| | c) Manner in which the amount spent during the financial year is detailed below in the prescribed format. | | | | | | |
| Sl. No. | CSR Project or activity identified | Sector in which the project is covered | Projects or programmes (i) Local area or other (ii) Specify the State and district where projects or programmes were undertaken | Amount outlay (Budget) projects or programme wise | Amount spent on the projects or programmes Sub heads : 1.Direct expenditure on projects or programmes 2.Overheads | Cumulative expenditure up to the reporting period | Amount spent: Direct or through implementing agency |
| I. | Prime Minister's National Relief Fund | — | — | Rs.5.50 lakhs | Rs.5.50 lakhs | Rs.5.50 lakhs | Direct |
| II. | Chief Minister's Relief Fund | — | West Bengal | Rs.5.50 lakhs | Rs.5.50 lakhs | Rs.5.50 lakhs | Direct |
| III. | | | | | | | |
| | Total | | | Rs.11 Lakhs | | | |
| 6. | Reasons for not spending the prescribed amount (in case the Company has failed to spend amount specified under item 4) | | Not Applicable | | | | |
| 7. | Responsibility statement of CSR Committee | | The CSR Committee has confirmed that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company. | | | | |

For The Calcutta Stock Exchange Limited

Place: Kolkata

Dated: 23rd September, 2015

Bhaskar Sen

Name & Designation of Chairman of CSR Committee

FORM NO. : MGT-9
EXTRACT OF ANNUAL RETURN

I. REGISTRATION AND OTHER DETAILS :

| | | |
|------|--|---|
| i) | CIN | U67120WB1923PLC004707 |
| ii) | Registration Date | 06/07/1923 |
| iii) | Name of the Company | The Calcutta Stock Exchange Limited |
| iv) | Category/Sub-Category of the Company | Public Company Limited by Shares |
| v) | Address of the Registered Office and Contact details | 7, Lyons Range, Kolkata-700001 Tel. : 033-4025-3000, Fax : 033-4025-3030 |
| vi) | Whether listed company Yes/No | No |
| vii) | Name, Address and Contact Details of Register and Transfer Agent, if any | C. B. Management Services (P) Ltd. P-22, Bondel Road, Kolkata-700 019 Ph. :+ 91 33 4011 6700/6729 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

| Sl. No. | Name and Description of main products/services | NIC Code of the Product/service | % to total turnover of the company |
|---------|--|---------------------------------|------------------------------------|
| 1. | Stock Exchange operations | 6611 | |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

| Sl. No. | Name and Address of the Company | CIN/GLN | Holding/Subsidiaries /Associate | % of shares held |
|---------|---------------------------------|-----------------------|---------------------------------|------------------|
| 1 | CSE Capital Markets Pvt. Ltd. | U74900WB2009PTC134753 | Subsidiary | 100% |

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY) :

| Category of Shareholder | Number of shares held at the beginning of the year 01.04.2014 | | | | Number of shares held at the end of the year 31.03.2015 | | | | % change during the year |
|-------------------------|---|----------|----------|------------------|---|----------|----------|------------------|--------------------------|
| | Demat | Physical | Total | % of totalshares | Demat | Physical | Total | % of totalshares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| (a) Individual/HUF | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (b) Central Government | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (c) State Government(s) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (d) Bodies Corporate | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (e) Banks/FI | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (f) Any Other | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| Sub Total(A)(1) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |



The Calcutta Stock Exchange Limited

| | Number of shares held at the beginning of the year 01.04.2014 | | | | Number of shares held at the end of the year 31.03.2015 | | | | |
|---|--|--------------|--------------|------------------|--|--------------|--------------|------------------|--------------------------|
| Category of Shareholder | Demat | Physical | Total | % of totalshares | Demat | Physical | Total | % of totalshares | % change during the year |
| (2) Foreign | | | | | | | | | |
| (a) NRIs-Individuals | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (b) Other -Individuals | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (c) Bodies Corporate | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (d) Banks/FI | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (e) Any Other | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | | | | 0.0000 | | | | 0.0000 | |
| Sub Total(A)(2) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | | | | | | | | | |
| Total Share-holding of Promoter (A)= (A)(1)+(A)(2) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | | | | | | | | | |
| B. Public shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| (a) Mutual Funds | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (b) Banks/FI | 0 | 20907 | 20907 | 3.3789 | 0 | 20907 | 20907 | 3.3789 | 0.0000 |
| (c) Central Government | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (d) State Government(s) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (e) Venture Capital Funds | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (f) Insurance Companies | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (g) FIIs | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (i) Qualified Foreign Investor | | | | 0.0000 | | | | 0.0000 | |
| (j) Other (specify) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | | | | | | | | | |
| Sub-Total (B)(1) | 0 | 20907 | 20907 | 3.3789 | 0 | 20907 | 20907 | 3.3789 | 0.0000 |

| | Number of shares held at the beginning of the year 01.04.2014 | | | | Number of shares held at the end of the year 31.03.2015 | | | | |
|---|--|--------------|---------------|------------------|--|--------------|---------------|------------------|--------------------------|
| Category of Shareholder | Demat | Physical | Total | % of totalshares | Demat | Physical | Total | % of totalshares | % change during the year |
| 2. Non-institutions | | | | | | | | | |
| (a) Bodies Corporate | | | | | | | | | |
| (i) Indian | 262782 | 25478 | 288260 | 46.5875 | 263282 | 25478 | 288760 | 46.6683 | 0.0808 |
| (ii) Overseas | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (b) Individuals | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (i) Individual shareholders holding nominal share capital up to Rs 1 lakh | 81783 | 52500 | 134283 | 21.7023 | 86587 | 51000 | 137587 | 22.2363 | 0.5340 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh. | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (c) Others (specify) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (i) Director | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (ii) Trust | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (iii) Non-Resident Individuals-Rep. | 5 | 0 | 5 | 0.0008 | 5 | 0 | 5 | 0.0008 | 0.0000 |
| (iv) Non-Resident Individuals - Non Rep. | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | | | | | | | | | |
| Sub-Total (B)(2) | 344570 | 77978 | 422548 | 68.2906 | 349874 | 76478 | 426352 | 68.9054 | 0.6148 |
| | | | | | | | | | |
| Total Public Shareholding (B) = (B)(1)+(B)(2) | 344570 | 98885 | 443455 | 71.6695 | 349874 | 97385 | 447259 | 72.2843 | 0.6148 |



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| | Number of shares held at the beginning of the year 01.04.2014 | | | | Number of shares held at the end of the year 31.03.2015 | | | | |
|---|--|---------------|---------------|------------------|--|---------------|---------------|------------------|--------------------------|
| Category of Shareholder | Demat | Physical | Total | % of totalshares | Demat | Physical | Total | % of totalshares | % change during the year |
| C. Shares held by Custodians for GDRs & ADRs | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| D. Trading Members and Associated of Trading Members | | | | | | | | | |
| 1. Corporate Trading Member | 17450 | 24250 | 41700 | 6.7394 | 17850 | 23000 | 40850 | 6.6020 | -0.1374 |
| 2. Individual Trading Member | 57095 | 76250 | 133345 | 21.5507 | 55391 | 75000 | 130391 | 21.0733 | -0.4774 |
| 3. Associate Trading Members - FI/Banks | 0 | 250 | 250 | 0.0404 | 0 | 250 | 250 | 0.0404 | 0.0000 |
| 4. Associate Trading Members - INDIVIDUAL | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| 5. Associate Trading Members - HUF | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| 6. Associate Trading Member - Venture Capital | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| Sub-Total (D) | 74545 | 100750 | 175295 | 28.3305 | 73241 | 98250 | 171491 | 27.7157 | -0.6148 |
| GRAND TOTAL (A)+(B) + (C)+(D) | 419115 | 199635 | 618750 | 100.0000 | 423115 | 195635 | 618750 | 100.0000 | 0.0000 |

V. Shareholding pattern of top 10 Shareholders :

| Sl. No. | For each of top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the company | No. of Shares | % of total shares of the company |
| 1 | BSE Limited | 30875 | 4.99 | 30875 | 4.99 |
| 2 | West Bengal Infrastructure Development Financial Corporation Limited | 20907 | 3.37 | 20907 | 3.37 |
| 3 | Kirtivardhan Finvest Services Ltd | 20907 | 3.37 | 20907 | 3.37 |
| 4 | East India Securities Ltd. | 20907 | 3.37 | 20907 | 3.37 |
| 5 | Mannakrishna Investments Pvt Ltd | 20907 | 3.37 | 20907 | 3.37 |
| 6 | Patton International Ltd | 20907 | 3.37 | 20907 | 3.37 |
| 7 | Deevee Commercials Limited | 20607 | 3.33 | 20607 | 3.33 |
| 8 | Aradhana Investments Ltd | 19907 | 3.22 | 19907 | 3.22 |
| 9 | Mani Square Limited | 10544 | 1.70 | 10544 | 1.70 |
| 10 | Kesoram Industries Limited | 10455 | 1.69 | 10455 | 1.69 |

VI. Shareholding of Directors and Key Management Personnel :

| Sl. No. | For each of Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|-------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the company | No. of Shares | % of total shares of the company |
| 1 | Ravi Poddar | 1000 | 0.16 | 1000 | 0.16 |

VII. Indebtedness : Indebtedness of the company including interest outstanding/accrued but not due for payment (Rs. in lac): Nil

VI. REMUNERATION OF DIRECTORS & KMPs**A. Remuneration to Managing Director, Wholtime Director and/or Manager**

| Name of the Directors | Gross Salary Amount |
|-----------------------|---------------------|
| B. Madhav Reddy | 61,86,478 |

B. Remuneration to other Directors :

| Sl.No. | Particulars of Remuneration | Name of Director | | | | | |
|--------|---|------------------|-------------------|--------------|-----------------------------|--------------------|---------------------------|
| 1 | Independent Directors | D. Chatterji | Prasad Ranjan Ray | Sudev C. Das | Jayanta Mitra | Bhaskar Sen | |
| | Fee for attending board/committee meeting | 187500 | 157500 | 7500 | 70000 | 202500 | |
| 2 | Other Non-Executive Director | Ravi Poddar | Sanjay Budhia | Mohan Goenka | Purushottam Saraf (BSE Ltd) | Dr. Abhirup Sarkar | Jagadish Prasad Chowdhury |
| | Fee for attending board/committee meeting | 102500 | 40000 | 10000 | 62500 | 17500 | 27500 |



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C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel |
|---------|-----------------------------|--------------------------|
| NIL | | |

VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES :

A. COMPANY :- Nil

B. DIRECTORS :- Nil

C. OTHER OFFICERS IN DEFAULT : NIL

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENTS :

The industry CSE operates includes listing of securities and facilitation of trading in securities - from pre-trade order management and risk management, through trading of various securities on its electronic trading platforms and post-trade clearing, settlement and record-keeping services. The Indian exchange space potentially spans many asset classes - Equities, Equity Derivatives, Currency Derivatives, ETFs, Mutual Funds, Debt, Interest Rate Derivatives, Power Trading and Commodity Derivatives. Designated regulators like Securities and Exchange Board of India (SEBI), Forward Market Commission (FMC), Central Electricity Regulatory Commission (CERC) etc. regulate Exchanges and other intermediaries in India. India has competing exchanges in most asset classes. Stock Exchanges are primarily regulated by the Securities and Exchange Board of India (SEBI), with the Reserve Bank of India (RBI) acting as a secondary regulator for certain products. Product classes - equity, equity derivatives, debt products, interest rate derivatives and currency derivatives - are traded on the recognized stock exchanges. Along with the stock exchanges, other Market Infrastructure Institutions (MII) comprise depositories and clearing corporations that conduct the function of holding the traded securities in dematerialized form and providing clearing & settlement services, respectively. In India, there are 3 Clearing Corporations that exist in exchange clearing space, promoted by three of the Pan India stock exchanges and one clearing corporation in OTC clearing space. There are two depositories, which operate on an inter-operable basis, BSE and NSE hold equity stakes in depositories promoted by each of them. SEBI has set up a committee to discuss the issue of interoperability of Clearing Corporations vis-à-vis establishing a single Clearing Corporation and to submit their recommendation on the functional details for the same.

2. OUTLOOK :

Despite a number of years of declining equity volumes globally, the outlook for the Indian capital market is still quite positive. If India continues to develop as a

resilient growth economy and one of the most attractive emerging markets for investments, then over the medium to long term, investors and higher volume levels will return to the market. In the long term, given the outlook for continued growth and wealth-creation in India, we continue to believe corporate profits and equity market performance will warrant continued interest from Indian Institutional Investors and Foreign Investors also. Last year was a good year for the Equities Market. A new Government was voted in with a strong mandate to power, which resulted in a buoyant capital market. The outlook for the Indian Equity market looks positive going forward. Average Daily Turnover (ADTV) in equity segment was up from Rs. 2,078 Crores in 2013-14 to Rs. 3,518 Crores in FY 2014-15. There is significant scope to increase ownership of ETFs and Mutual Funds in India. The securities market would continue to be driven by introduction of newer products and services for investment and risk mitigation through better technology

3. COMPETITIVE STRENGTHS AND OPPORTUNITIES :

CSE is one of the Asia's oldest stock exchanges, established in 1908. It was one of the recognizable brand names in this part of Eastern India.

As a stock exchange, we are subject to a high level of regulatory oversight. We are committed to working with regulators, exchanges, clearing corporations, depositories and market participants to ensure an orderly, informed and fair market for the benefit of investors.

We are also committed to strong and effective internal controls and regulation and believe that regulatory integrity benefit its investors, strengthens our brand and attracts companies seeking to list securities on our markets.

Since the demutualization, we have maintained a strong financial profile and our financial policy seeks to maintain sufficient financial resources and capabilities to finance the growth of our business and ensure financial flexibility while maintaining strong creditworthiness and liquidity.

4. THREATS :

The Exchange's performance is dependent upon SEBI's policy on Regional Stock Exchanges. CSE could not



The Calcutta Stock Exchange Limited

restart the trading in its own trading platform since 4th April 2013 as it was not able to transfer its function relating to clearing and settlement of trades to a recognized clearing corporation.

Hence, presently, the Exchange's performance is dependent upon the volume and value of trades executed by its trading members in both BSE & NSE trading platform under Section 13 of the SCRA, the number of new/further listings and the amount of capital raised through such new/further issues, the number of active traders in the market, etc. While CSE's efforts can influence these activity levels, many factors that can have an impact on these are outside the control of the CSE. In particular, adverse macroeconomic developments and political uncertainty may dampen the sentiments of the capital markets and negatively affect our business.

5. KEY STRATEGIES :

In addition to our ongoing efforts to restart trading in CSE's online trading platform namely C-STAR, efforts are also made to increase the reach of CSE. For example, CSE along with United Bank of India (UBI) has introduced Internet Based Trading for the benefit of all the account holders of UBI. CSE is touch with the West Bengal State Government officials for taking up the task of collection of Stamp Duty and constant touch with NISM officials for introducing a NISM Test Centre at CSE.

6. RISKS AND CONCERNS :

At this juncture our performance is dependent upon the volume and value of trades executed on the trading platform of BSE and NSE, the number of active traders in the market and the number of new/further listings and the amount of capital raised through such listings. Adverse macro economic conditions and regulatory actions could negatively affect our business, financial condition and results of operations.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

CSE identifies a risk based internal audit scope and assesses the inherent risk in the processes and activities of the department within the company and ensures that appropriate risk management limits, control mechanisms and mitigation strategies are in place.

The Exchange constituted the Audit Committee, which is responsible for the transparency and integrity of the financial statements and also oversees the compliance with legal and regulatory requirements of the Exchange. The Audit Committee meets the company's statutory auditors and the internal auditors at reasonable intervals to ascertain the adequacy of internal control systems prevailing in the Exchange.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED :

There have been no new recruitments since the suspension of trading in the CSE's online trading system. Based on identified needs, training and development of all employees is undertaken to increase effectiveness. We have an internal union representing clerical and sub-staff.

9. MATERIAL DEVELOPMENTS AFTER BALANCE SHEET DATE :

CSE has filed a Writ Petition before the Hon.ble High Court, Calcutta against SEBI. The matter is still pending at the High Court.

10. FORWARD LOOKING STATEMENT :

The Statements in this report describing the Company's Policy, strategy, projections estimation and expectations may appear forward looking statements within the meaning of applicable securities laws of regulations. These statements are based on certain assumptions and expectations of future events and the actual results could materially differ from those expressly mentioned in this Report or implied for various factors including those mentioned in the paragraph "Risk and Concern" hereinabove and subsequent developments, information or events.

11. ACKNOWLEDGEMENT :

Your Directors place on record their appreciation for co-operation and support extended by the Government, Regulators and other Statutory Bodies.

For and on behalf of the Board

Dipankar Chatterji

Chairman

Place: Kolkata

Date: 23rd September, 2015

REPORT ON CORPORATE GOVERNANCE :

Regulation 35 of The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 ("SECC Regulations 2012") provides that disclosure on Corporate Governance norms as specified for listed companies shall mutatis mutandis apply to a recognised stock exchange. The Calcutta Stock Exchange Limited (CSE) is a Public Limited Company whose securities are not listed on any Stock Exchange. However, pursuant to the aforesaid regulations, the Corporate Governance norms are applicable to The Calcutta Stock Exchange Limited.

1. The Company's philosophy on Code of Governance

The philosophy of CSE in relation to Corporate Governance is to ensure transparency, disclosures and reporting that conforms fully with the laws and regulations of the country.

2. Board of Directors

The Exchange is controlled and managed by its Governing Board comprised of:

- Managing Director & CEO
- Public Interest Directors

– Shareholder Directors

The Chairman of the Exchange is a Public Interest Director. As on 31st March 2015, the Board comprises of Seven Directors. The Chairman is non-executive. The Company's day to day affairs are being managed by the Managing Director & CEO. Public Interest Directors are Mr. Dipankar Chatterji-Chairman, Mr. Prasad Ranjan Ray and Mr. Bhaskar Sen. Shareholders Directors are Mr. Ravi Poddar, Mr. Sanjay Budhia, Mr. Purushottam Saraf and Mr. Mohan Goenka.

2.1 Details of Board and Annual General Meetings held during FY 2014-15

During the financial year nine Board Meetings were held on 6th May, 2014, 22nd May, 2014, 21st July, 2014, 22nd August, 2014, 28th August, 2014, 29th September, 2014, 8th January, 2014, 19th February, 2015 and 3rd March, 2015 respectively. The previous Annual General Meeting was held on 29th September, 2014.

2.2 Board Composition and attendance at Board meetings and last Annual General Meeting and particulars of other Directorships, Chairmanships / Memberships

| Sl. No. | Name and designation of Director | Status / Category | Board Meetings in 2014-15 | | Attendance in last AGM | Other Indian public companies (number) | | |
|---------|----------------------------------|-------------------|---------------------------|----------|------------------------|--|------------------------|---|
| | | | Held | Attended | | Directorship | Committee Chairmanship | Committee Membership (including Chairmanship) |
| 1 | Dipankar Chatterji | PID | 9 | 9 | Yes | 8 | 4 | 13 |
| 2 | Prasad Ranjan Raj | PID | 9 | 6 | No | – | – | – |
| 3 | Jayanta Kr. Mitra* | PID | 7 | 4 | Yes | – | – | – |
| 4 | Bhaskar Sen | PID | 9 | 9 | Yes | 1 | – | – |
| 5 | Sudev C. Das\$ | PID | – | – | NO | – | – | – |
| 6 | J. P. Chowdhury** | SHD | 2 | 2 | NO | 6 | 3 | – |
| 7 | Dr Abhirup Sarkar*** | SHD | 2 | 1 | NO | 2 | 1 | – |
| 8 | Ravi Poddar | SHD | 7 | 5 | YES | 2 | – | – |
| 9 | V. Balasubramaniam**** | SHD | 5 | Nil | NO | 6 | – | – |
| 10 | Pursuhottam Saraf# | SHD | 4 | 4 | YES | – | – | – |
| 11 | Sanjay Budhia# | SHD | 4 | 4 | NO | 3 | – | – |
| 12 | Mohan Goenka# | SHD | 4 | 1 | NO | 1 | – | – |
| 13 | B.Madhav Reddy | MD & CEO | 9 | 9 | YES | – | – | – |

*Mr. Jayanta Kr. Mitra Resigned on 19.2.15

** Mr. J.P. Chowdhury resigned on 23.5.14

****Mr. V. Balasubramaniam resigned on 25.11.14

\$Mr. Sudev C. Das - Resigned on 4.4.14

*** Dr. Abhirup Sarkar resigned on 22.5.14

Mr. Saraf, Mr. Budhia and Mr. Goenka joined on 29.09.14



The Calcutta Stock Exchange Limited

2.3 Code of Conduct and Code of Ethics :

To outline the Exchange's value and principles and to set out the standards for professional and ethical behaviour, Code of Conduct for Directors' as recommended by SEBI, has been adopted by your Exchange. This is applicable to all Directors and all the Directors of the Exchange have affirmed compliance to the Code for the financial year ending March 31, 2015. A copy of the Code has been put on the Company's website: www.cse-india.com.

3. Audit Committee :

The present terms of reference of Audit Committee includes the power as laid down in Clause 49(III)(C) and whole as stipulated in Clause-49(III)(D) of the standard Listing Agreement with the Stock Exchanges. The Audit Committee also reviews information as per the requirement of Clause 49(III)(E) of the Listing Agreement.

3.1 Composition of Audit Committee and attendance of members :

The composition of the Audit Committee is in accordance with the requirements of Clause 49(III)(A) of the Listing Agreement. As on 31st March 2015, the Committee comprises of four Directors [two Public Interest Director, one Shareholder Director and Managing Director & CEO]. The Chairman of the Committee is a Public Interest Director. All the members of the Audit Committee are financially literate and have relevant finance or audit exposure. The Audit Committee Meetings were held on 16.05.14, 28.08.14, 19.02.15 and 31.03.15 respectively.

3.2 Attendance Details of Audit Committee is as under :-

| Sl. No. | Name of the Director | No. of Meetings Attended |
|---------|----------------------|--------------------------|
| 1 | Bhaskar Sen | 4 |
| 2 | Dipankar Chatterji | 3 |
| 3 | J. P. Chowdhury | Nil |
| 4 | V. Balasubramaniam | Nil |
| 5 | Purushottam Saraf | 1 |
| 6 | B. Madhav Reddy | 4 |

Representatives of Statutory Auditors and Internal Auditors attended time to time.

3.3 Terms of Reference :

During the year the terms of reference of the Audit Committee were revised by the Board of Directors of the Company with a view to align them with the terms

laid down in the Companies Act, 2013 and Clause-49 of the Listing Agreement. The terms of reference of Audit Committee are as follows :-

1. Review and monitor the auditors' independence and performance and effectiveness of audit process.
2. Approval or any subsequent modification of transactions of the company with related parties.
3. Scrutiny of inter-corporate loans and investments.
4. Valuation of undertakings or assets of the company wherever it is necessary.
5. Evaluation of internal financial control and risk management system.
6. Monitoring the end use of the funds raised through public offer and related matters.

The Audit Committee shall also have authority to investigate into any matter in relation to the items above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information containing the records of the company.

4. Compensation and HR Committee (CHRC) :

4.1 Composition of Compensation and HR Committee and attendance of members:

As at 31st March, 2015, the Committee consisted of four Directors (two Public Interest Directors) viz. Mr. Dipankar Chatterji and Mr. Bhaskar Sen and one Shareholder Director viz. Mr. Ravi Poddar and Mr. B. Madhav Reddy, MD & CEO. During the financial year 2014-15, three meetings of the Compensation & HR Committee were held on 3.4.14, 19.2.15 and 3.3.15. The attendance of various members of the Compensation & HR Committee as the then constituted are given below :-

| Name of the Members | Status | No. of Meeting Attended |
|---------------------|--------------------------|-------------------------|
| Dipankar Chatterji | Public Interest Director | 3 |
| Prasad Ranjan Ray | Public Interest Director | 1 |
| Sudev C. Das | Public Interest Director | 1 |
| J. P. Choudhury | Shareholder Director | Nil |
| Ravi Poddar | Shareholder Director | 2 |
| Bhaskar Sen | Public Interest Director | 2 |
| B. Madhav Reddy | MD & CEO | 2 |

4.2 Details of remuneration and sitting fees of Directors & KMPs:-

None of the Non-Executive received any remuneration from the Company except the sitting fees. The remuneration paid during the year 2014-15 to Mr. B. Madhav Reddy, Managing Director & CEO given below

A. Remuneration to Managing Director, Wholetime Director and/or Manager

| Name of the Directors | Gross Salary Amount |
|-----------------------|---|
| B. Madhav Reddy | 61,86,478 including contribution to retirement benefit funds of Rs.5,61,600/- |

B. Remuneration to other Directors :

| Sl.No. | Particulars of Remuneration | Name of Director | | | | | |
|--------|---|------------------|-------------------|--------------|-----------------------------|--------------------|---------------------------|
| 1 | Independent Directors | D. Chatterji | Prasad Ranjan Ray | Sudev C. Das | Jayanta Mitra | Bhaskar Sen | |
| | Fee for attending board/committee meeting | 187500 | 157500 | 7500 | 70000 | 202500 | |
| 2 | Other Non-Executive Director | Ravi Poddar | Sanjay Budhia | Mohan Goenka | Purushottam Saraf (BSE Ltd) | Dr. Abhirup Sarkar | Jagadish Prasad Chowdhury |
| | Fee for attending board/committee meeting | 102500 | 40000 | 10000 | 62500 | 17500 | 27500 |

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel |
|---------|-----------------------------|--------------------------|
| | | NIL |

4.3 Terms of Reference of Compensation & HR Committee:

The terms of the Compensation and HR Committee has also been revised.

The Committee is vested with powers to :

- Lay down the policy for employee compensation
- Determine the tenure of Managing Director & CEO and operational heads
- Deal with HR issue of selection, recruitment, promotion, termination and training of employees
- Finalise and amend service manual
- Deal with and approve employees' governing rules
- To frame suitable policy and system to ensure that there is no violation of SEBI regulations

4.4 Details of shareholding of Directors :

| Name of the Directors | No. of Equity Shares | No. of convertible instrument |
|-----------------------|----------------------|-------------------------------|
| Ravi Poddar | 1000 | Not applicable |

5. Investor Grievance & Redressal Committee :

The terms of the Investor Grievance & Redressal Committee had been constituted to resolve and oversee the investors related problems and improvement of the quality of investor services.

5.1 Composition of Investor Grievance & Redressal Committee and attendance of members :

As at 31st March, 2015 ,the committee consisted of four

directors (Consisting of One Public Interest Directors, namely Mr Bhaskar Sen, Two Shareholder Directors Namely Mr Purushottam Saraf and Mr Mohan Goenka and One Managing Director Mr B Madhav Reddy). Two meetings of the Investor Grievance & Redressal Committee were held on 11th April, 2014 and 8th January, 2015. The attendance of various members of the Investor Grievance & Redressal Committee as the then constituted are given below :-

| Name of the Members | Status | No. of Meeting Attended |
|---------------------|--------------------------|-------------------------|
| Prasad Ranjan Ray | Public Interest Director | 1 |
| Ravi Poddar | Shareholder Director | 1 |
| Bhaskar Sen | Public Interest Director | 1 |
| Purushottam Saraf | Shareholder Director | 1 |
| Mohan Goenka | Shareholder Director | Nil |
| B. Madhav Reddy | MD & CEO | 2 |



The Calcutta Stock Exchange Limited

5.2 Terms of Reference of Investor Grievance & Redressal Committee :

To attend and resolve difficulties/problems faced by shareholders.

Ensure prompt redressal grievance, if any of shareholders in regard to transfer of shares, non-receipt of dividend, non-receipt of shares in demat account, non-receipt of annual report and any other matters.

6. Corporate Social Responsibility Committee :

6.1 Composition, Meeting and Attendance during the year

The Corporate Social Responsibility Committee has been formed with Four Directors (two Public Interest Directors namely Mr Bhaskar Sen and Mr Prasad Ranjan Ray, one Shareholder Director Mr Ravi Podder and Managing Director & CEO Mr B. Madhav Reddy). During the financial year 2014-15, two meetings of the Corporate Social Committee were held on 11th February, 2015 and 17th March, 2015. The attendance of each member of the Corporate Social Responsibility is given below :-

| Name of the Members | Status | No. of Meeting Attended |
|---------------------|--------------------------|-------------------------|
| Bhaskar Sen | Public Interest Director | 2 |
| Prasad Ranjan Ray | Public Interest Director | 2 |
| Ravi Poddar | Shareholder Director | Nil |
| B. Madhav Reddy | MD & CEO | 2 |

6.2 Terms of Reference of Corporate Social Responsibility Committee :

- Review of the CSR activities to be undertaken by CSE. The CSR Committee shall be guided by the list of activities specified in Schedule VII to the Companies Act, 2013 and appended to this Policy as Appendix I.
- Formulate and recommend to the Board the CSR activities/programs to be undertaken by CSE.
- Recommend the CSR Expenditure to be incurred on the CSR activities/programs.

- Identify the agency, in case CSR is to be implemented through approved external agency.
- Institute a transparent mechanism for implementation of the CSR projects and activities. Effectively monitor the execution of the CSR activities.
- Prepare an annual report of the CSR activities undertaken for CSE and submit such report to the Board.

Details relating to Corporate Social Responsibility Committee have been given in Annexure to the Directors Report.

7. Other Committees

In addition to the above, the Exchange also has also various other statutory & Non-statutory committees constituted pursuant to SEBI Circular dated 13th December, 2012:-

- Membership Selection Committee
- Defaulters Committee
- Disciplinary Action Committee
- Standing Committee on Technology
- Investors Service Committee
- Public Interest Director Committee
- Arbitration Committee
- Ethics Committee
- Oversight Committee (Member Regulation)
- Oversight Committee (Listing Functions)
- Oversight Committee (Trading & Surveillance Functions)
- Advisory Committee
- Sub-Committee for monitoring compliances of suggestions in SEBI Inspection Report
- Business Development Committee
- Legal Committee
- Premises Committee

8. General Meeting

The last three Annual General Meetings with details of special resolutions passed:

8.1 General Body Meetings :

| Details of General Meeting | Date | Time | Venue |
|--------------------------------|----------------------|----------|---------------------------|
| Annual General Meeting 2011-12 | 18th September, 2012 | 4 P.M. | 7, Lyons Range, Kolkata-1 |
| Annual General Meeting 2012-13 | 28th September, 2013 | 11 A.M. | 7, Lyons Range, Kolkata-1 |
| Extra-Ordinary General Meeting | 20th June, 2014 | 4.30P.M. | 7, Lyons Range, Kolkata-1 |
| Annual General Meeting 2013-14 | 29th September, 2014 | 4.30P.M. | 7, Lyons Range, Kolkata-1 |

8.2 Special Resolutions passed in the General Body Meetings:

- 1) Consent of the company was accorded to the Board of Directors to exercise its powers to transfer, assign, sub-lease, deal with, dispose of or part with the possession of leasehold land of the Exchange situated at E. M. Byepass, Kolkata
- 2) Special Resolution passed by the Board of Directors on 20th June, 2014 to dispose of or part with the possession of the Leasehold Land of the Exchange situated at E. M. Bye-Pass, Kolkata.
- 3) Alterations of Articles of Association of the Exchange - passed in the 89th AGM held on 18th September, 2012

8.3 Passing of Resolution by Postal Ballot :

The Companies (Passing of Resolution by Postal Ballot) Rules, 2011 has been superseded by the Central Government by notifying Companies (Management and Administration) Rules, 2014 requiring every company with more than 1000 shareholders to offer E-voting facility as an alternate mode of voting which has subsequently been notified as optional till December 2014. Pursuant to the said rules the company made necessary arrangements through CDSL to facilitate and offer E-voting platform to shareholders for the Extra-Ordinary General Meeting held on 20th June, 2014 and 91st Annual General Meeting held on 29th September, 2014.

Neither any resolution was put through postal ballot last year nor any resolution is proposed to be conducted through postal ballot in the ensuing Annual General Meeting.

9. Disclosures :

- a. Disclosure on materially-significant related party transactions of the Company that may have potential conflict with the interests of the Company at large:

The Company does not have any material-related party transactions, which may have potential conflict with its interests at large. In any case, disclosures regarding the transactions with related parties are given in the notes to the Accounts.
- b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets during the last three years:

There have been no penalties or strictures imposed by SEBI or any statutory authority on any matter related to the capital markets during the last three years.

- c. Whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee :

The Company's code of conduct encourages all its employees who have concerns about their work or the business of the Company, to discuss these issues with their line managers. The employees also have free access to Human Resource and Internal Audit for resolving their concerns.

As per Clause 49 of the Listing Agreement, all employees and their directors to report in good faith and violation of the Code of Conduct.

Disclosure on non-mandatory requirements :

- a. The Board has a Non-Executive Chairman. The Chairman is only receiving sitting fees for attending meetings.
- b. **Shareholders Rights** : Annual Accounts are circulated to all the shareholders and also published in the website of the company after passing by the shareholders in the Annual General Meeting.
- c. **Audit qualifications** : The qualifications contained in the Auditor's Report on the standalone financial statement for the year ended 31st March, 2015 have been duly addressed in the Directors Report.
- d. **Training of Board members** : Presentations are made by the Management team giving an overview of the CSE's operations and business model. The Directors are also appraised of all important changes in applicable legislation, enactment, guidelines, accounting standards, etc. to enable them to take informed decisions.

10. Means of Communication :

1. Information and details of the Company in all respects are posted on the Company's website: www.cse-india.com.
2. Whenever the Company issues any notice it is posted on the Company's website.
3. Management Discussion and Analysis forms a part of the Directors' Report.



The Calcutta Stock Exchange Limited

11. General Shareholder Information:

(A) 92nd Annual General Meeting

| | |
|---------------------|--|
| Day & Date | Saturday, the 7th November, 2015 |
| Time | 11.00 A.M. |
| Venue | Trading Hall, The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata-700001, Ground Floor |
| Financial Year | 31st March, 2015 |
| Book Closure | 1st November, 2015 to 7th November, 2015 (Both days inclusive) |
| Payment of Dividend | Dividend if declared at the 92nd AGM will be paid within 30 days from the date of AGM |

(B) Distribution of Shareholding as on 31st March, 2015

| From Shares | Shares | Folios | %Shares | %Folios |
|--------------|---------------|-------------|---------------|---------------|
| 1-500 | 278850 | 1256 | 45.07 | 95.59 |
| 501-1000 | 19100 | 23 | 3.09 | 1.75 |
| 1001-2000 | 8700 | 6 | 1.41 | 0.45 |
| 2001-3000 | 5526 | 2 | 0.89 | 0.15 |
| 3001-4000 | 6281 | 2 | 1.01 | 0.15 |
| 4001-5000 | 13976 | 3 | 2.26 | 0.23 |
| 5001-10000 | 78940 | 11 | 12.76 | 0.84 |
| 10001-50000 | 207377 | 11 | 33.51 | 0.84 |
| 50001-100000 | - | - | - | - |
| Total | 618750 | 1314 | 100.00 | 100.00 |

(C) Category of Shareholders as on 31st March, 2015

| Category | No. of shareholders | % | No. of shares | % |
|--------------------------------|---------------------|---------------|---------------|---------------|
| Resident individual | 1063 | 80.90 | 267978 | 43.31 |
| Bodies Corporate | 248 | 18.87 | 329610 | 53.27 |
| HUF | | | | |
| Trust | | | | |
| Banks/Financial Institutions | 2 | 0.15 | 21157 | 3.42 |
| Non-Resident Indians | 1 | 0.08 | 5 | 0.00 |
| Foreign Bodies Corporate | | | | |
| Foreign Institutional Investor | | | | |
| Venture Capital | | | | |
| Total | 1314 | 100.00 | 618750 | 100.00 |

(D) List of top 20 Shareholders as on 31st March, 2015

| SRL_NO | FOLIO_NO | NAME | SHARESPER |
|--------|------------------|--|-----------|
| 1 | 1301190300069932 | BSE LIMITED | 308754.99 |
| 2 | 0001090 | WEST BENGAL INFRASTRUCTURE DEV FIN CORPN LTD | 209073.38 |
| 3 | IN30014210535488 | KIRTIVARDHAN FINVEST SERVICES LTD | 209073.38 |
| 4 | IN30032710224535 | EAST INDIA SECURITIES LTD. | 209073.38 |
| 5 | IN30302852108896 | MANNAKRISHNA INVESTMENTS PVT LTD | 209073.38 |
| 6 | IN30125028422773 | PATTON INTERNATIONAL LTD | 209073.38 |
| 7 | IN30297810029846 | DEEVEE COMMERCIALS LIMITED | 206073.33 |
| 8 | IN30292710025324 | ARADHANA INVESTMENTS LTD | 199073.22 |
| 9 | IN30149310023848 | MANI SQUARE LIMITED | 105441.70 |
| 10 | IN30009510125005 | KESORAM INDUSTRIES LIMITED | 104551.69 |
| 11 | IN30125028025639 | SAVITRI DEVI CHOWDHARI | 104541.69 |
| 12 | IN30045011288247 | MARYADA BARTER PRIVATE LIMITED | 100001.62 |
| 13 | 0001077 | HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD | 83641.35 |
| 14 | 0001087 | GREATWALL VANIJYA LTD | 83641.35 |
| 15 | IN30125028305012 | NAGREEKA SYNTHETICS PRIVATE LIMITED | 83641.35 |
| 16 | IN30137210185616 | JAI BALAJI INDUSTRIES LIMITED | 67261.09 |
| 17 | IN30015910091044 | THE PROPERTY COMPANY PRIVATE LIMITED | 61871.00 |
| 18 | IN30149310001914 | INDIAN CHAIN PVT. LTD. | 61871.00 |
| 19 | IN30125010121668 | MEENAKSHI TEA COMPANY LIMITED | 61871.00 |
| 20 | 1206430000000306 | ROHIL INVESTMENT & FINANCE COMPANY LIMITED | 61871.00 |

(E) Category of Shares in Physical and Electronic mode as on 31.03.2015

| Category | No. of holders | No. of Shares | % |
|----------|----------------|---------------|--------|
| Physical | 566 | 195635 | 31.62 |
| NSDL | 594 | 356262 | 57.58 |
| CDSL | 154 | 66853 | 10.80 |
| Total | 1314 | 618750 | 100.00 |

(F) Registrar and Share Transfer Agent :

C. B. Management Services Pvt. Limited,
P-22, Bondel Road, Kolkata-700019
Ph.No.: 033-40116726

(G) Share Transfer : 68.38% of equity shares (413115 nos.) of the company are in electronic form. Transfer of this shares is done through depository with no involvement of the company. As regards transfer of shares held in physical form, the transfer deed can be lodged with the Registrar & Share Transfer Agent at the address mentioned above and the company processes the transfer within the prescribed time limit.



The Calcutta Stock Exchange Limited

Declaration by the Chairman on Code of Conduct

To
The Members of
The Calcutta Stock Exchange Limited

This is to declare that to the best of my knowledge and belief, all the members of the Board and Senior Management Personnel of the Company have affirmed their respective compliance with the Code of Conduct as laid down by the Company for the Year ended 31st March, 2015.

Place : Kolkata
Dated: 23rd September, 2015

Dipankar Chatterji
Chairman

Note :

- (a) In this report 'the company' or 'the Exchange' or 'CSE' has been used to denote The Calcutta Stock Exchange Limited.
- (b) 'Members' has been used to denote shareholders of The Calcutta Stock Exchange Limited

CERTIFIED BY CHIEF FINANCIAL OFFICER
(Pursuant to Clause 49 of the Listing Agreement)

I, Prosenjit Dutta, Chief Financial Officer of The Calcutta Stock Exchange Limited, certify that :-

- (a) I have reviewed financial statements for the year ending March 31st, 2015 and that to the best of my knowledge and belief :-
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ; and
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting illegal or violative of the company's code of conduct.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control system of the company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee that :
 - (i) there were no significant changes in internal control over financial reporting during the year ;
 - (ii) there were no significant changes in the accounting policies during the year. However income from listing fees has been recognized only in respect of companies which are paying the fees regularly ; and
 - (iii) there were no instances of fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Kolkata
Date : 23rd September, 2015

(Prosenjit Dutta)
Chief Financial Officer

Certificate on Corporate Governance

To
The Members of
The Calcutta Stock Exchange Limited

We have examined the compliance of conditions of Corporate Governance by The Calcutta Stock Exchange Limited (CSE) for the year ended on 31st March 2015 as stipulated in Clause 49 of the Listing Agreement (as revised by SEBI till 31st March 2015) and applicable for the time being in force with Stock Exchanges in India.

The Company is not listed on any Stock Exchange. As per Regulation 35 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012; 'the disclosure requirements and corporate governance norms as specified for listed companies shall mutatis mutandis apply to a recognised stock exchange'. CSE being a recognised stock exchange is required to adhere to the corporate governance norms.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India and was limited to procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Date: 23rd September, 2015

For D. DUTT & CO.
Company Secretaries

(DEBABRATA DUTT)
Proprietor
FCS-5401
C.P. No.-3824



The Calcutta Stock Exchange Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of The Calcutta Stock Exchange Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of The Calcutta Stock Exchange Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 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 financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether

due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for qualified opinion

Attention is drawn to the following notes in the financial statements:

- (a) Note 31 (i) regarding recoverability of Rs.95,45,32,105 due from the members on account of settlement in earlier years and upon which we are unable to comment on and consequently, the impact whereof on the Company's profit for the year and year end loans and advances is not ascertainable.
- (b) Note No.27(b) regarding the Company's annual contribution aggregating Rs.1,30,34,622 (including Rs.Nil for the year) to the Settlement Guarantee Fund for years subsequent to 2000-01 required to be made in accordance with the bye-laws of the Settlement Guarantee Fund not being recognized in these financial statements for the reason mentioned therein, and which in our opinion, should have been recognized. Had the impact of the observation above been considered, year-end balance in Settlement Guarantee Fund (under Reserve & Surplus) would have been Rs.29,70,12,930 as against reported amount of Rs.28,82,07,391 and aggregate year end balances of other Reserves & Surplus would have been Rs.129,13,80,075 as against reported Reserve & Surplus of Rs.130,01,85,614.
- (c) Note No. 27(e) regarding dividend (amount not ascertained) on member's security deposits being accumulated in the Settlement Guarantee Fund under the head "Reserves and Surplus" and not being passed on to the members for the reasons mentioned therein, the appropriateness or otherwise of which, we are unable to comment on.
- (d) Note No. 31(iii) regarding the sum of Rs.3,10,92,390 received from certain members at the time of payment crisis in earlier years, which is included in the Settlement Guarantee Fund under the head "Reserves and Surplus", the appropriateness of which we are

unable to comment in the absence of adequate information and explanation being made available to us.

- (e) Note No.28 regarding the directions issued by The Securities Exchange Board of India ("SEBI") dated 20th June, 2012 which requires every stock exchange to credit twenty five percent of its profit to the Settlement Guarantee Fund of a recognized clearing corporation(s). As more explained in Note 28, the amount of appropriation out of profit for the period April 1, 2012 to March 31, 2013 is yet to be determined by the management and accordingly we are unable to comment on the compliance or otherwise of the aforesaid SEBI direction including consequential impact, if any, that may arise in this regard, in these financial statements.

In respect of the above observations, our audit opinion on the financial statements for the previous year was similarly modified.

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in paragraph (b) in the Basis for Qualified Opinion paragraph above and the possible effects of the matters stated in paragraph (a), (c), (d) and (e) in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, of its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 36 to the financial statements regarding the uncertainty related to the outcome of the writ petition filed by the Company in the Honourable High Court of Calcutta against the directives of SEBI which is more fully described therein. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) Except for the matters described in the Basis for Qualified Opinion paragraph (a), (c) and (d), we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, 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;
- (d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) The matters described in the Basis for Qualified Opinion paragraph (a), (c) and (e) above and the emphasis of matter above, in our opinion, may have an adverse effect on the functioning of the Company;
- (g) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013;
- (h) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Notes 26, 31(i) and 36 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 301003E

per Bhaswar Sarkar

Partner

Membership Number : 55596

Place of Signature: Kolkata

Date: 23rd September 2015



The Calcutta Stock Exchange Limited

ANNEXURE

TO

THE MEMBERS OF THE CALCUTTA STOCK EXCHANGE LIMITED

[REFERRED TO IN OUR REPORT OF EVEN DATE]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets were physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (ii) The Company is engaged in the business of providing stock exchange services and is not required to maintain inventory. Consequently, the requirements of paragraph 3 (ii) (a) to (c) of the Companies (Auditor's report) Order, 2015 ("the Order") are not applicable to the Company and hence not commented upon.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. The Company has neither purchased inventory nor sold goods during the year. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the services rendered by the Company. Further, the Company is not in the business of sale of any goods.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income-tax, service tax, cess and other material statutory dues applicable to it. During the year, the Company did not have any dues towards sales tax, wealth tax, customs duty, excise duty and value added tax.
- (b) During the year, the Company did not have any dues towards employees' state insurance, sales tax, customs duty, excise duty and value added tax. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax and wealth-tax on account of any dispute, are as follows:

| Name of the statute | Nature of dues | Amount (Rs) | Period to which the amount relates | Forum where dispute is pending |
|--------------------------|--|-------------|------------------------------------|-------------------------------------|
| The Income Tax Act, 1961 | a) Disallowances of certain expenses | 2,69,21,819 | A.Y. 2001-02 | Hon'ble High Court of Calcutta |
| | b) Certain receipts considered by the Company as capital receipt but treated as revenue receipt by Income Tax Department | 3,66,74,684 | A.Y. 1991-92 and 1992-93 | Hon'ble High Court of Calcutta |
| | c) Disallowance of certain expenses including penalty | 10,49,464 | A.Y. 2009-10 | CIT (Appeals) |
| | d) Contribution to Settlement Guarantee Fund not allowed and added back | 1,95,80,831 | A.Y. 2010-11 | ITAT |
| Wealth Tax Act, 1957 | Wealth tax demand on freehold and leasehold land | 1,18,73,263 | A.Y 2011-12 to 2013-14 | Commissioner of Wealth Tax, Appeals |

According to the information and explanation given to us, there are no dues towards sales tax, customs duty, excise duty, service tax and value added tax which have not been deposited on account of any dispute.

(d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

(viii) Without considering the consequential effects, if any, of the matters stated in Basis for Qualified Opinion paragraph (a),(c),(d) and (e) and after considering the consequential impact of the matter stated in Basis for Qualified Opinion paragraph (b) of our auditor's report, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(ix) Based on our audit procedures and as per the information and explanations given by the management, the Company did not have any outstanding dues to a financial institution or banks. There were no outstanding debentures during the year. Accordingly, the provisions of paragraph 3 (ix) are not applicable to the Company and hence not commented upon.

(x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xi) The Company did not have any term loans outstanding during the year.

(xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E

per Bhaswar Sarkar

Partner

Membership Number: 55596

Place of Signature: Kolkata

Date: 23rd September, 2015



The Calcutta Stock Exchange Limited

BALANCE SHEET AS AT 31st MARCH 2015

| | | As at 31st MARCH 2015 | | As at 31st MARCH 2014 | |
|------------------------------------|-------|-----------------------|----------------------|-----------------------|----------------------|
| | Notes | Rupees | Rupees | Rupees | Rupees |
| I. EQUITIES AND LIABILITIES | | | | | |
| 1. SHAREHOLDERS' FUND | | | | | |
| Share Capital | 3 | | 618,750 | | 618,750 |
| Reserves and Surplus | 4 | | 1,588,393,005 | | 1,563,268,508 |
| 2. NON CURRENT LIABILITIES | | | | | |
| Long Term Liabilities | 5 | | 1,202,608,196 | | 1,214,403,065 |
| 3. CURRENT LIABILITIES | | | | | |
| Current Liabilities | 6 | | 186,319,515 | | 868,570,843 |
| Short Term Provisions | 7 | | 27,938,090 | | 40,737,660 |
| | | | 3,005,877,556 | | 3,687,598,826 |
| II. ASSETS | | | | | |
| 1. NON CURRENT ASSETS | | | | | |
| Fixed Assets | | | | | |
| - Tangible Assets | 8 | 293,668,854 | | 298,681,862 | |
| - Intangible Assets | 8A | 1,512,249 | 295,181,103 | 2,633,913 | 301,315,775 |
| Non Current Investments | 9 | | 98,432,638 | | 98,896,057 |
| Deferred Tax Assets (Net) | 10 | | 2,507,786 | | 4,163,430 |
| Long term Loans & Advances | 11 | | 1,169,188,054 | | 1,184,658,502 |
| Other Non-Current Assets | 15 | | 427,900,000 | | 170,800,000 |
| 2. CURRENT ASSETS | | | | | |
| Current Investments | 12 | | 31,500,000 | | 224,500,000 |
| Trade Receivables | 13 | | 7,631,181 | | 7,874,042 |
| Cash and Bank Balances | 14 | | 927,844,801 | | 1,515,087,167 |
| Short Term Loans & Advances | 11 | | 27,972,035 | | 159,211,808 |
| Other Current Assets | 15 | | 17,719,958 | | 21,092,045 |
| | | | 3,005,877,556 | | 3,687,598,826 |

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

As per our report of even date

For and on behalf of the Board of Directors

For S R Batliboi & Co LLP

Chartered Accountants

Firm Registration Number. 301003E

Dipankar Chatterji

Chairman

Bhaskar Sen

Director

per **Bhaswar Sarkar**

Partner

Membership No. 55596

Place: Kolkata

Date: 23rd September 2015

Prosenjit Dutta

Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015

| Particulars | Notes | 2014-15 Rupees | 2013-14 Rupees |
|---|--------------|---------------------------|---------------------------|
| <u>Income :</u> | | | |
| Revenue from Operations | 16 | 57,034,850 | 42,018,168 |
| Other Income | 17 | 155,202,853 | 145,719,945 |
| | | 212,237,703 | 187,738,113 |
| <u>Expenses :</u> | | | |
| Employees Benefit Expense | 18 | 84,292,913 | 78,950,695 |
| Other Expenses | 19 | 54,275,267 | 43,222,302 |
| Depreciation and Amortization Expense | 20 | 8,877,511 | 8,760,549 |
| Contribution to SEBI | | 2,684,835 | 2,236,997 |
| Contribution to Stock Exchange Investors' Protection Fund | | 9,166,257 | 4,180,521 |
| | | 159,296,783 | 137,351,064 |
| Profit before Tax | | 52,940,920 | 50,387,049 |
| <u>Tax Expenses :</u> | | | |
| Current Tax | | 11,078,584 | 10,662,378 |
| MAT Credit availed | | (8,668) | (1,034,480) |
| Adjustment to Tax provision relating to earlier years | | (54,718) | (79,860) |
| Deferred Tax | | 1,951,430 | 3,912,101 |
| | | 12,966,628 | 13,460,139 |
| Profit after Tax | | 39,974,292 | 36,926,910 |
| Earnings per equity share | | | |
| Basic & Dilluted (Rs.) | 21 | 14.38 | 16.93 |
| Nominal Value of Share (Re.) | | 1 | 1 |
| Summary of Significant Accounting Policies | 2 | | |

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

As per our report of even date

For S R Batliboi & Co LLP

Chartered Accountants

Firm Registration Number. 301003E

per **Bhaswar Sarkar**

Partner

Membership No. 55596

Place: Kolkata

Date: 23rd September 2015

For and on behalf of the Board of Directors

Dipankar Chatterji

Chairman

Bhaskar Sen

Director

Prosenjit Dutta

Chief Financial Officer



The Calcutta Stock Exchange Limited

CASH FLOW STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

| Particulars | 2014-15 (Rupees) | 2013-14 (Rupees) |
|---|----------------------|---------------------|
| A. Cash Flow from Operating Activities | | |
| Profit before tax | 52,940,920 | 50,387,049 |
| Adjustments for :- | | |
| Depreciation and Amortization expense | 8,877,511 | 8,760,549 |
| Provision for Wealth Tax | 4,500,000 | 4,500,000 |
| Interest on Fixed Deposits, Bonds | (119,876,674) | (120,178,726) |
| Interest on Income Tax Refunds | (1,834,473) | (7,520,701) |
| Irrecoverable debts/advances written off & Provision for doubtful debts | 1,955,025 | 290,196 |
| Unspent liabilities no longer required written back | (6,860,744) | (1,914,286) |
| Provision for Gratuity | 3,994,188 | 2,463,904 |
| Settlement Guarantee Fund Contribution | 184,880 | 103,616 |
| (Profit) on sale/discard of fixed assets (net) | (326,519) | (1,567) |
| Dividend on Long Term Investment | (11,183,797) | (5,322,388) |
| Profit on sale of Current Investments | (5,670,481) | (5,924,278) |
| Operating profit before working capital changes | (73,300,164) | (74,356,632) |
| Movements in working capital: | | |
| (Increase)/Decrease in Trade Receivables | (1,712,164) | (2,109,625) |
| Decrease in Long Term Liabilities | (4,934,125) | (15,101,463) |
| (Increase) / Decrease in Long Term Loans & Advances | 1,159,825 | 2,287,415 |
| (Increase) / Decrease in Short Term Loans & Advances | 131,239,773 | (122,808,751) |
| (Increase) / Decrease in Other Current Assets | (95,613) | 91,722 |
| Increase / (Decrease) in Short Term Provisions | (21,660,236) | (1,505,340) |
| Increase/(Decrease) in Other Current Liabilities | (683,794,068) | 444,479,526 |
| Cash generated from/(used in) from operations | (653,096,772) | 230,976,852 |
| Direct taxes paid (net of refunds) | 5,357,317 | (6,295,011) |
| Net Cash Flow from/(used in) Operating Activities | (647,739,455) | 224,681,841 |
| B. Cash Flow from Investing Activities | | |
| Sale of Fixed Assets | 447,901 | 2,478 |
| Purchase of Fixed Assets (Including Capital Work in Progress) | (3,295,415) | (5,390,105) |
| (Increase) / decrease in Non Current Investments | - | 17,500,000 |
| Proceeds from sale of Current Investments | 228,670,481 | 77,924,278 |
| Purchase of Current Investments | (30,000,000) | (224,500,000) |
| Dividend on Investment | 11,183,797 | 5,322,388 |
| Investment in Fixed Deposits | (1,116,417,987) | (748,317,987) |
| Encashment of Fixed Deposits | 1,092,172,848 | 760,120,487 |
| Interest on Fixed Deposits, Bonds | 123,344,374 | 115,107,199 |
| Net Cash from/(used in) from Investing Activities | 306,105,999 | (2,231,262) |
| C. Cash Flow from Financing Activities | | |
| Dividend Paid on equity shares | (12,220,000) | (12,220,000) |
| Tax on equity dividend paid | (2,076,789) | (2,076,789) |
| Net Cash from/(used in) from Financing Activities | (14,296,789) | (14,296,789) |
| Net increase/(decrease) in Cash and Cash Equivalents (A+B+C) | (355,930,245) | 208,153,790 |
| Cash and Cash Equivalents - Opening Balance | 439,133,754 | 230,979,964 |
| Cash and Cash equivalents -Closing Balance | 83,203,509 | 439,133,754 |
| Components of Cash & Cash Equivalents* | | |
| | 2014-15 | 2013-14 |
| Cash on hand | 47,867 | 36,389 |
| Cheques / Drafts on hand | 570,153 | 741,681 |
| Balance with Scheduled Banks on Current Account | | |
| - Own Fund | 75,544,185 | 436,166,169 |
| - Investors' Service Fund | 1,283,339 | 1,468,499 |
| - Settlement Guarantee Fund | 5,757,965 | 721,016 |
| | 83,203,509 | 439,133,754 |

* Excludes the balance of Rs.51,23,305 (2013-14: Rs. 35,80,565) which the Company can utilize only toward settlement of the respective unpaid dividend.

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

As per our report of even date

For and on behalf of the Board of Directors

For S R Batliboi & Co LLP

Chartered Accountants

Firm Registration Number. 301003E

Dipankar Chatterji

Chairman

Bhaskar Sen

Director

per Bhaswar Sarkar

Partner

Membership No. 55596

Place: Kolkata

Date: 23rd September 2015

Prosenjit Dutta

Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2015**NOTE - 1 : Basis of preparation of Financial Statements :**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous years, except for the change in accounting policy explained below.

NOTE - 2 : Summary of Significant Accounting Policies :**i) Change in accounting policy****I. Depreciation on fixed assets**

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

(a) Useful lives/ depreciation rates

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, which

is same as prescribed under Schedule II. Hence, this change in accounting policy did not have any material impact on financial statements of the company.

(b) Depreciation on assets costing less than Rs.5,000/-

Till year ended 31 March 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the company was charging 100% depreciation on assets costing less than Rs.5,000/- in the year of purchase. However, Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II to the Companies Act, 2013, the company has changed its accounting policy for depreciations of assets costing less than Rs.5,000/-. As per the revised policy, the company is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after 1 April 2014.

The change in accounting for depreciation of assets costing less than Rs.5,000/- did not have any material impact on financial statements of the company for the current year.

ii) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liability in future periods.

iii) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue in respect of services rendered is recognized when the service is rendered and there is certainty of realization.

Revenue from Listing Fees and Subscription Fees are recognized when there is reasonable certainty of its



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ultimate realization/collection. The Company collects service tax on behalf of the Government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.

Dividend

Dividend income is recognized when the Company's right to receive payment is established by the balance sheet date.

iv) Tangible Assets

Fixed assets are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Asset under development as at the Balance Sheet date are shown as Capital work in Progress. Advance paid towards such development are shown as Capital Advance.

v) Impairment of Fixed Assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and value in use of the assets. The estimated future cash flows considered for determining the value in use, are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risk specific to the asset.

vi) Depreciation on Tangible Fixed Assets

Depreciation on fixed assets has been provided on the written down value method as per the rates prescribe under Schedule - II of the Companies Act, 2013 which is in accordance with management estimates for the useful life of the underlying assets. Depreciation on fixed assets added/disposed-off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

vii) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Software costs related to computers are amortized on straight line basis over a period of three years from the date the asset become available for use.

viii) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or party acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

Investment Property:

An investment in land, which is not intended to be occupied substantially for use by, or in the operations of, the company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The leasehold land is amortized over the period of lease, i.e. 99 years.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

ix) Taxes

Tax expense comprises current and deferred tax. Current income tax is measured as the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forwarded tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may

be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

x) Retirement and other Employee Benefits

- a) Retirement benefit in the form of provident fund and superannuation fund are defined contribution scheme. The company has no obligation, other than the contribution payable to such funds. The company recognizes contribution payable to these funds as an expenditure, when an employee renders the related service. If the contribution payable to the funds for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the funds are recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.
- b) The company operates two defined benefit plans for its employees, viz., Gratuity and leave liability. The costs of providing benefits under these plans are determined on the basis of actuarial valuation



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at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

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

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

- c) Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss immediately.

xi) Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to

the equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

xii) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect to current best estimates.

xiii) Contingent Liabilities

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize the contingent liability but discloses its existence in the financial statement.

xiv) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Note to the financial statements as at and for the year ended 31st March 2015**NOTE - 3 : Share Capital**

| <u>Particulars</u> | <u>As at 31st March 2015</u> | <u>As at 31st March 2014</u> |
|---|------------------------------|------------------------------|
| | <u>Rupees</u> | <u>Rupees</u> |
| a) AUTHORISED SHARES : | | |
| 10,00,00,000 (31 March 2014 : 10,00,00,000) | <u>100,000,000</u> | <u>100,000,000</u> |
| Equity Shares of Re.1 each | | |
| b) ISSUED SHARES : | | |
| 6,18,750 (31 March 2014 : 6,18,750) | <u>618,750</u> | <u>618,750</u> |
| Equity Shares of Re.1 each | | |
| c) SUBSCRIBED & PAID UP SHARES : | | |
| 6,11,000 (31 March 2014 : 6,11,000) | 611,000 | 611,000 |
| Equity Shares of Re.1 each fully paid up | | |
| Add : Forfeited Shares: | 7,750 | 7,750 |
| 7,750 (31 March 2014 : 7,750) | | |
| Equity Shares paid up of Re.1 each | <u>618,750</u> | <u>618,750</u> |

A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

| | 31st March 2015 | | 31st March 2014 | |
|---|------------------------|------------|------------------------|------------|
| | Number | Rs. | Number | Rs. |
| Equity Shares | 6,11,000 | 611,000 | 6,11,000 | 611,000 |
| Issued during the year | - | - | - | - |
| Shares outstanding at the end of the year | 6,11,000 | 611,000 | 6,11,000 | 611,000 |

B. Terms / rights attached to equity shares :

The Company has only one class of equity shares having at par value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2015, the amount per share dividend recognized as distributions to equity shareholders was Rs.20 (31 March 2014 : Rs.20).

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

C. There are no shareholders who are holding more than 5% shares in the Company.



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Note to the financial statements as at and for the year ended 31st March 2015

NOTE - 4 : Reserves and Surplus

| Particulars | Balance of Pre-Demutualisation Period as at 31st March 2014 | | Pre-Demutualisation Period Additions during the year | | Deductions during the year | | Post-Demutualisation Period Additions during the year | | Deductions / adjustments during the year | | Balance of Pre-Demutualisation Period as at 31st March 2015 | | Balance of Post-Demutualisation Period as at 31st March 2015 | | Total Balance of Reserves & Surplus as at 31st March 2015 | | Total Balance of Reserves & Surplus as at 31st March 2014 | |
|---|---|------------------------------|--|--------|----------------------------|--------|---|--------|--|--------|---|------------------------------|--|--------|---|--------|---|--------|
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| Own Fund | | | | | | | | | | | | | | | | | | |
| Capital Reserve | 618,860 (618,860) | - | - | (-) | - | (-) | - | (-) | - | - | 618,860 (618,860) | - | - | (-) | 618,860 (618,860) | - | 618,860 (618,860) | - |
| Securities Premium Account | 3,014,597 (3,014,597) | 631,778,051 (631,778,051) | - | (-) | - | (-) | - | (-) | - | (-) | 3,014,597 (3,014,597) | 631,778,051 (631,778,051) | - | (-) | 634,792,648 (634,792,648) | - | 634,792,648 (634,792,648) | - |
| Reserve for Establishment of Centre for Training and Statistical Information & Setting up a Library | 38,841,547 (38,841,547) | - | - | (-) | - | (-) | - | (-) | - | (-) | 38,841,547 (38,841,547) | - | - | (-) | 38,841,547 (38,841,547) | - | 38,841,547 (38,841,547) | - |
| Development Fee Fund | 134,050,000 (134,050,000) | - | - | (-) | - | (-) | - | (-) | - | (-) | 134,050,000 (134,050,000) | - | - | (-) | 134,050,000 (134,050,000) | - | 134,050,000 (134,050,000) | - |
| General Reserve | 344,505,827 (341,750,932) | 48,201,351 (44,508,351) | 6,244,315 (3,068,250) | - | 412,681 (313,355) | - | 4,000,000 (3,693,000) | - | 186,146 | - | 350,337,461 (344,505,827) | 52,015,205 (48,201,351) | - | (-) | 402,352,666 (392,707,178) | - | 392,707,178 (386,259,283) | - |
| Surplus in the Statement of Profit and Loss | - | 40,481,815 (48,126,162) | - | (-) | - | (-) | - | (-) | - | (-) | - | - | - | (-) | - | - | - | (-) |
| Add: Profit for the Year | - | - | - | (-) | - | (-) | 39,974,292 (36,926,910) | - | - | (-) | - | - | - | (-) | - | - | - | (-) |
| Add : Sundry balances written off related to pre demutualisation period transferred from general reserve | - | - | - | (-) | - | (-) | - | - | - | (-) | - | - | - | (-) | - | - | - | (-) |
| Less : Interest and refund of TDS receivable from Income Tax Authority related to pre demutualisation period transferred to general reserve | - | - | - | (-) | - | (-) | - | - | - | (-) | - | - | - | (-) | - | - | - | (-) |
| Less: Transferred to General Reserve | - | - | - | (-) | - | (-) | - | - | - | (-) | - | - | - | (-) | - | - | - | (-) |
| Less : Income of Investors' Service Fund transferred | - | - | - | (-) | - | (-) | - | - | - | (-) | - | - | - | (-) | - | - | - | (-) |
| Add : Expenses of Investors' Service Fund transferred | - | - | - | (-) | - | (-) | 156,486 (129,867) | - | - | (-) | - | - | - | (-) | - | - | - | (-) |
| Less : Income of Settlement Guarantee Fund transferred | - | - | - | (-) | - | (-) | - | - | 22,975,170 (20,667,289) | (-) | - | - | - | (-) | - | - | - | (-) |
| Add : Expenses of Settlement Guarantee Fund transferred | - | - | - | (-) | - | (-) | 4,513,679 (2,550,752) | - | - | (-) | - | - | - | (-) | - | - | - | (-) |
| Less : Profit on sale of Fixed Assets of Pre-Demutualisation Period transferred to General Reserve | - | - | - | (-) | - | (-) | - | - | 326,519 (1,567) | (-) | - | - | - | (-) | - | - | - | (-) |
| Less : Unspent Liabilities no longer required, written back related to Pre-Demutualisation Period transferred to General Reserve | - | - | - | (-) | - | (-) | - | - | 5,917,796 (1,056,353) | (-) | - | - | - | (-) | - | - | - | (-) |

Note to the financial statements as at and for the year ended 31st March 2015

NOTE - 4 : Reserves and Surplus

| Particulars | Balance of Pre-Demutualisation Period as at 31st March 2014 | Pre-Demutualisation Period | | Post-Demutualisation Period | | Deductions / adjustments during the year | | Balance of Pre-Demutualisation Period as at 31st March 2015 | Balance of Post-Demutualisation Period as at 31st March 2015 | Total Balance of Reserves & Surplus as at 31st March 2015 | Total Balance of Reserves & Surplus as at 31st March 2014 |
|---|---|----------------------------|-------------|-----------------------------|--------------|--|--------------|---|--|---|---|
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| Less : Proposed final equity dividend [amount per share Rs.20 (31 March 2014 : Rs.20)] | - | - | - | - | - | - | 12,220,000 | - | - | - | - |
| Less : Tax on proposed equity dividend | - | - | - | - | - | - | 2,443,267 | - | - | - | - |
| | - | - | - | - | - | - | (2,076,789) | - | - | - | - |
| Total (I) | 521,030,831 | 40,481,815 | - | - | 44,644,457 | 54,524,028 | (47,565,231) | 30,602,244 | 30,602,244 | 30,602,244 | 40,481,815 |
| | (518,275,936) | (48,126,162) | - | - | (39,920,884) | (47,565,231) | | (40,481,815) | (40,481,815) | (40,481,815) | (48,126,162) |
| Investors' Service Fund (Refer Note 29) | | 720,461,217 | 6,244,315 | 412,681 | 48,644,457 | 54,710,174 | (47,565,231) | 526,862,465 | 714,395,500 | 1,241,257,965 | 1,241,492,048 |
| | - | 52,442,859 | - | - | 6,641,276 | 156,486 | | (521,030,831) | (720,461,217) | (1,241,492,048) | (1,242,688,500) |
| | - | (46,732,823) | - | - | (5,839,903) | (129,867) | | - | 58,927,649 | 58,927,649 | 52,442,859 |
| | - | - | - | - | - | - | - | - | (52,442,859) | (52,442,859) | (46,732,823) |
| Total (II) | - | 52,442,859 | - | - | 6,641,276 | 156,486 | | - | 58,927,649 | 58,927,649 | 52,442,859 |
| | - | (46,732,823) | - | - | (5,839,903) | (129,867) | | - | (52,442,859) | (52,442,859) | (46,732,823) |
| Settlement Guarantee Fund (Refer Note 27) | | | | | | | | | | | |
| Settlement Guarantee Fund for CSE-NSE Cash Segment | - | 10,050,593 | - | - | 25,026 | - | - | - | 10,075,619 | 10,075,619 | 10,050,593 |
| | - | (10,018,630) | - | - | (31,963) | - | - | - | (10,050,593) | (10,050,593) | (10,018,630) |
| Settlement Guarantee Fund for CSE-NSE Future and Option Segment | - | 10,016,201 | - | - | 74,338 | - | - | - | 10,090,539 | 10,090,539 | 10,016,201 |
| | - | (10,004,120) | - | - | (12,081) | - | - | - | (10,016,201) | (10,016,201) | (10,004,120) |
| Settlement Guarantee Fund for CSE-BSE Cash Segment | - | 10,074,915 | - | - | 72,716 | - | - | - | 10,147,631 | 10,147,631 | 10,074,915 |
| | - | (10,024,808) | - | - | (50,107) | - | - | - | (10,074,915) | (10,074,915) | (10,024,808) |
| Settlement Guarantee Fund for CSE-BSE Future and Option Segment | - | 10,000,000 | - | - | 2,800 | - | - | - | 10,002,800 | 10,002,800 | 10,000,000 |
| | - | (10,000,000) | - | - | - | - | - | - | (10,000,000) | (10,000,000) | (10,000,000) |
| Settlement Guarantee Fund - Initial membership fees | - | 230,000 | - | - | 10,000 | - | - | - | 240,000 | 240,000 | 230,000 |
| | - | (130,000) | - | - | (400,000) | - | - | - | (230,000) | (230,000) | (130,000) |
| Settlement Guarantee Fund (Governed by the Bye-Laws of the Settlement Guarantee Fund of the Exchange) | - | 228,961,892 | - | - | 23,202,589 | 4,513,679 | | - | 247,650,802 | 247,650,802 | 228,961,892 |
| | - | (210,935,890) | - | - | (20,667,289) | (2,641,287) | | - | (228,961,892) | (228,961,892) | (210,935,890) |
| Total (III) | - | 269,333,601 | - | - | 23,387,469 | 4,513,679 | | - | 288,207,391 | 288,207,391 | 269,333,601 |
| | - | (251,113,448) | - | - | (20,861,440) | (2,641,287) | | - | (269,333,601) | (269,333,601) | (251,113,448) |
| TOTAL OF I + II + III | 521,030,831 | 1,042,237,677 | 6,244,315 | 412,681 | 78,673,202 | 59,380,339 | (50,336,385) | 526,862,465 | 1,061,530,540 | 1,588,393,005 | 1,563,268,508 |
| | (518,275,936) | (1,022,258,835) | (3,068,250) | (313,355) | (70,315,227) | (50,336,385) | | (521,030,831) | (1,042,237,677) | (1,563,268,508) | (1,540,534,771) |



The Calcutta Stock Exchange Limited

Notes to the financial statements as at and for the year ended 31st March 2015

NOTE - 5 : Long Term Liabilities

| <u>Particulars</u> | As at 31st March 2015 | | | As at 31st March 2014 | | |
|--------------------------------------|-----------------------|--------------------|----------------------|-----------------------|--------------------|----------------------|
| | Pre- | Post- | TOTAL | Pre- | Post- | TOTAL |
| | Demutualisation | Demutualisation | | Demutualisation | Demutualisation | |
| | Period | Period | | Period | Period | |
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| Sundry Deposits [Refer Note 31 (ii)] | 969,294,037 | - | 969,294,037 | 969,294,037 | - | 969,294,037 |
| Members' Security Deposits | | | | | | |
| - Own Fund | - | 100,986,255 | 100,986,255 | - | 108,536,222 | 108,536,222 |
| - Settlement Guarantee Fund | - | 132,327,904 | 132,327,904 | - | 136,572,806 | 136,572,806 |
| | 969,294,037 | 233,314,159 | 1,202,608,196 | 969,294,037 | 245,109,028 | 1,214,403,065 |

NOTE - 6 : Current Liabilities

| <u>Particulars</u> | As at 31st March 2015 | | | As at 31st March 2014 | | |
|--|-----------------------|--------------------|--------------------|-----------------------|--------------------|--------------------|
| | Pre- | Post- | TOTAL | Pre- | Post- | TOTAL |
| | Demutualisation | Demutualisation | | Demutualisation | Demutualisation | |
| | Period | Period | | Period | Period | |
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| Trade Payables | - | 17,960,328 | 17,960,328 | - | 13,243,576 | 13,243,576 |
| Other Liabilities : | | | | | | |
| Sundry Deposits | 16,910,378 | 30,337,515 | 47,247,893 | 25,521,925 | 26,637,445 | 52,159,370 |
| For Fixed Assets | - | - | - | - | 630,127 | 630,127 |
| Payable to related party: (Refer Note 34) | | | | | | |
| CSE Capital Markets Pvt Ltd | - | 1,026,153 | 1,026,153 | - | 63,828 | 63,828 |
| Stock Exchange Investors' Protection Fund | - | 511,696 | 511,696 | - | 2,542,523 | 2,542,523 |
| Statutory Dues | - | 2,814,417 | 2,814,417 | - | 2,722,729 | 2,722,729 |
| Unclaimed Dividend | - | 5,123,305 | 5,123,305 | - | 3,580,565 | 3,580,565 |
| Members' deposit including deposits for additional base capital requirement and margin in Cash | - | 111,635,723 | 111,635,723 | - | 793,628,125 | 793,628,125 |
| | 16,910,378 | 169,409,137 | 186,319,515 | 25,521,925 | 843,048,918 | 868,570,843 |

Notes: Based on the information/documents available, no creditor is covered under the Micro, Small and Medium Enterprises Development Act, 2006 and hence no disclosure thereof is made in this account.

NOTE - 7 : Short Term Provisions

| <u>Particulars</u> | As at 31st Rupees | As at 31st Rupees |
|---|----------------------|----------------------|
| Provision for Employee Benefits: | | |
| Leave | 8,774,823 | 21,851,848 |
| Gratuity [Refer Note 33 (i)] | - | 89,023 |
| Other Provisions: | | |
| Proposed Dividend | 12,220,000 | 12,220,000 |
| Tax on Dividend | 2,443,267 | 2,076,789 |
| Wealth Tax | 4,500,000 | 4,500,000 |
| | 27,938,090 | 40,737,660 |

Note to the financial statements as at and for the period ended 31st March 2015

NOTE - 8 : Tangible Assets

| Cost or Valuation | Freehold Land | Leasehold Land | Building | Electrical Equipments | Furniture & Fixtures | Office Equipments | Vehicles | Computers | Total |
|--|---------------|----------------|------------|-----------------------|----------------------|-------------------|-----------|-------------|-------------|
| ASSETS OF PRE-DEMUTUALISATION PERIOD : | | | | | | | | | |
| At 1st April 2013 | 415,300 | 49,667,291 | 2,157,399 | 13,389,116 | 11,342,004 | 9,905,858 | - | 186,296,242 | 273,173,210 |
| Additions | - | - | - | - | - | - | - | - | - |
| Disposals/Adjustment | - | 49,667,291 * | - | - | 32,048 | - | - | - | 49,699,339 |
| At 31st March 2014 | 415,300 | - | 2,157,399 | 13,389,116 | 11,309,956 | 9,905,858 | - | 186,296,242 | 223,473,871 |
| Additions | - | - | - | - | - | - | - | - | - |
| Disposals/Adjustment | - | - | - | 688,220 | 2,118,965 | 262,353 | - | - | 3,069,538 |
| At 31st March 2015 | 415,300 | - | 2,157,399 | 12,700,896 | 9,190,991 | 9,643,505 | - | 186,296,242 | 220,404,333 |
| Depreciation | | | | | | | | | |
| At 1st April 2013 | - | 5,954,490 | 1,457,198 | 12,230,299 | 10,767,290 | 9,194,114 | - | 185,489,907 | 225,093,298 |
| Charge For the Year | - | 463,419 | 39,378 | 158,076 | 64,656 | 97,960 | - | 28,517 | 852,006 |
| Disposals/Adjustment | - | 6,417,909 * | - | - | 31,137 | - | - | - | 6,449,046 |
| At 31st March 2014 | - | - | 1,496,576 | 12,388,375 | 10,800,809 | 9,292,074 | - | 185,518,424 | 219,496,258 |
| Charge For the Year | - | - | 28,997 | 3,009 | - | 2,340 | - | - | 34,346 |
| Adjusted with General Reserves (Refer Note 23) | - | - | - | 367,909 | 2,706 | 226,449 | - | 19,457 | 616,521 |
| Disposals/Adjustment | - | - | - | 676,903 | 2,019,632 | 251,621 | - | - | 2,948,156 |
| At 31st March 2015 | - | - | 1,525,573 | 12,082,390 | 8,783,883 | 9,269,242 | - | 185,537,881 | 217,198,969 |
| Net Block | | | | | | | | | |
| At 31st March 2014 | 415,300 | - | 660,823 | 1,000,741 | 509,147 | 613,784 | - | 777,818 | 3,977,613 |
| At 31st March 2015 | 415,300 | - | 631,826 | 618,506 | 407,108 | 374,263 | - | 758,361 | 3,205,364 |
| ASSETS OF POST-DEMUTUALISATION PERIOD : | | | | | | | | | |
| At 1st April 2013 | 269,000,023 | - | 10,899,975 | 2,511,123 | 5,325,527 | 2,960,570 | 1,393,530 | 11,670,929 | 303,761,677 |
| Additions | - | - | 828,654 | 1,027,066 | 55,576 | 34,990 | - | 6,749,196 | 8,695,482 |
| Disposals/Adjustment | - | - | - | - | - | - | - | - | - |
| At 31st March 2014 | 269,000,023 | - | 11,728,629 | 3,538,189 | 5,381,103 | 2,995,560 | 1,393,530 | 18,420,125 | 312,457,159 |
| Additions | - | - | - | 3,122,205 | - | - | - | 173,210 | 3,295,415 |
| Disposals/Adjustment | - | - | - | - | - | - | - | - | - |
| At 31st March 2015 | 269,000,023 | - | 11,728,629 | 6,660,394 | 5,381,103 | 2,995,560 | 1,393,530 | 18,593,335 | 315,752,574 |
| Depreciation | | | | | | | | | |
| At 1st April 2013 | - | - | 342,984 | 353,295 | 1,336,490 | 881,970 | 750,373 | 7,896,549 | 11,561,661 |
| Charge For the Year | - | - | 548,510 | 431,268 | 729,477 | 291,156 | 166,514 | 4,024,324 | 6,191,249 |
| Disposals/Adjustment | - | - | - | - | - | - | - | - | - |
| At 31st March 2014 | - | - | 891,494 | 784,563 | 2,065,967 | 1,173,126 | 916,887 | 11,920,873 | 17,752,910 |
| Charge For the Year | - | - | 1,055,751 | 1,169,474 | 910,584 | 979,549 | 174,761 | 2,967,963 | 7,258,082 |
| Adjusted with General Reserves (Refer Note 23) | - | - | - | - | - | 183,718 | - | 94,374 | 278,092 |
| Disposals/Adjustment | - | - | - | - | - | - | - | - | - |
| At 31st March 2015 | - | - | 1,947,245 | 1,954,037 | 2,976,551 | 2,336,393 | 1,091,648 | 14,983,210 | 25,289,084 |
| Net Block | | | | | | | | | |
| At 31st March 2014 | 269,000,023 | - | 10,837,135 | 2,753,626 | 3,315,136 | 1,822,434 | 476,643 | 6,499,252 | 294,704,249 |
| At 31st March 2015 | 269,000,023 | - | 9,781,384 | 4,706,357 | 2,404,552 | 659,167 | 301,882 | 3,610,125 | 290,463,490 |
| Net Block of Tangible Assets | | | | | | | | | |
| At 31st March 2014 | 269,415,323 | - | 11,497,958 | 3,754,367 | 3,824,283 | 2,436,218 | 476,643 | 7,277,070 | 298,681,862 |
| At 31st March 2015 | 269,415,323 | - | 10,413,210 | 5,324,863 | 2,811,660 | 1,033,430 | 301,882 | 4,368,486 | 293,668,854 |

* Disclosed as investment property



The Calcutta Stock Exchange Limited

Note to the financial statements as at and for the year ended 31st March 2015

NOTE - 8A : Intangible Assets

| NOTE - 8A : Intangible Assets | | (Amount in Rs.) |
|---|--------------------|-----------------|
| Particulars | Computer Softwares | Total |
| ASSETS OF PRE-DEMUTUALISATION PERIOD : | | |
| Gross Block | | |
| At 1st April 2013 | 30,036,144 | 30,036,144 |
| Purchase | - | - |
| Disposals/Adjustment | - | - |
| At 31st March 2014 | 30,036,144 | 30,036,144 |
| Purchase | - | - |
| Disposals/Adjustment | - | - |
| At 31st March 2015 | 30,036,144 | 30,036,144 |
| Amortization | | |
| At 1st April 2013 | 30,036,108 | 30,036,108 |
| Charge For the Year | - | - |
| Disposals/Adjustment | - | - |
| At 31st March 2014 | 30,036,108 | 30,036,108 |
| Charge For the Year | - | - |
| Disposals/Adjustment | - | - |
| At 31st March 2015 | 30,036,108 | 30,036,108 |
| Net Block | | |
| At 31st March 2014 | 36 | 36 |
| At 31st March 2015 | 36 | 36 |
| ASSETS OF POST-DEMUTUALISATION PERIOD : | | |
| Gross Block | | |
| At 1st April 2013 | 4,952,659 | 4,952,659 |
| Purchase | 147,874 | 147,874 |
| Disposals/Adjustment | - | - |
| At 31st March 2014 | 5,100,533 | 5,100,533 |
| Purchase | - | - |
| Disposals/Adjustment | - | - |
| At 31st March 2015 | 5,100,533 | 5,100,533 |
| Amortization | | |
| At 1st April 2013 | 749,362 | 749,362 |
| Charge For the Year | 1,717,294 | 1,717,294 |
| Disposals/Adjustment | - | - |
| At 31st March 2014 | 2,466,656 | 2,466,656 |
| Charge For the Year | 1,121,664 | 1,121,664 |
| Disposals/Adjustment | - | - |
| At 31st March 2015 | 3,588,320 | 3,588,320 |
| Net Block | | |
| At 31st March 2014 | 2,633,877 | 2,633,877 |
| At 31st March 2015 | 1,512,213 | 1,512,213 |
| Net Block of Intangible Assets | | |
| At 31st March 2014 | 2,633,913 | 2,633,913 |
| At 31st March 2015 | 1,512,249 | 1,512,249 |

Note to the financial statements as at and for the year ended 31st March 2015

NOTE - 9 : Non Current Investments (At cost)

| Particulars | As at 31st March 2015 | | As at 31st March 2014 | |
|---|-----------------------|-------------------|-----------------------|-------------------|
| | Rupees | Rupees | Rupees | Rupees |
| INVESTMENT PROPERTY | | | | |
| Pre-Demutualisation Period | | | | |
| Cost of leasehold land (Refer Note 35) | 49,667,291 | | 49,667,291 | |
| Less : Accumulated depreciation | <u>6,881,328</u> | 42,785,963 | <u>6,417,909</u> | 43,249,382 |
| | | <u>42,785,963</u> | | <u>43,249,382</u> |
| INVESTMENTS OF PRE-DEMUTUALISATION PERIOD | | | | |
| Non-trade | | | | |
| Quoted debentures | | | | |
| 117 (31st March 2014 : 117) debentures of Rs.100 each fully paid up of 15% Bengal Paper Mills Co Ltd * | | 1 | | 1 |
| Trade | | | | |
| Unquoted equity shares | | | | |
| 10,00,000 (31st March 14: 10,00,000) equity shares of Rs. 10 each fully paid up of Central Depository Services (India) Ltd (by way of equity participation as a co-sponsor) | | 10,000,000 | | 10,000,000 |
| | | <u>10,000,001</u> | | <u>10,000,001</u> |
| INVESTMENTS OF POST-DEMUTUALISATION PERIOD | | | | |
| Trade | | | | |
| Unquoted equity shares | | | | |
| Subsidiary Company | | | | |
| 35,00,000 (31st March 14: 35,00,000) equity shares of Rs. 10 each fully paid up of CSE Capital Markets Pvt Ltd | | 35,000,000 | | 35,000,000 |
| Non-Trade | | | | |
| Quoted | | | | |
| Equity shares | | | | |
| 400 (31st March 14: 400) equity shares of Rs. 10 each fully paid up of Beeyu Overseas Ltd | | 6,674 | | 6,674 |
| Bonds | | | | |
| 5,696 (31st March 14: 5,696) 8.2% Bonds of Rs.1,000 each fully paid up of 10 years Power Finance Corporation of India | | 5,696,000 | | 5,696,000 |
| 4,944 (31st March 14: 4,944) 8.2% Bonds of Rs.1,000 each fully paid up of 10 years National Highway Securities Authority of India (N1 Series) | | 4,944,000 | | 4,944,000 |
| | | <u>45,646,674</u> | | <u>45,646,674</u> |
| | | <u>98,432,638</u> | | <u>98,896,057</u> |

* Since the market value is not available, the same has been valued at Re.1

Aggregate cost of Investments:

| | | |
|------------------------------------|------------|------------|
| Quoted | 10,646,675 | 10,646,675 |
| Unquoted | 45,000,000 | 45,000,000 |
| Value of investment property | 42,785,963 | 43,249,382 |
| Market value of quoted investments | 11,621,060 | 10,988,045 |



The Calcutta Stock Exchange Limited

Note to the financial statements as at and for the year ended 31st March 2015

NOTE - 10 : Deferred Tax Assets (Net)

| Particulars | As at 31st March 2015 Rupees | As at 31st March 2014 Rupees |
|---|------------------------------------|------------------------------------|
| Deferred Tax Liability | | |
| Fixed Assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting | 221,143 | 1,505,708 |
| Gross Deferred Tax Liability | 221,143 | 1,505,708 |
| Deferred Tax Asset | | |
| Provision for doubtful debts and advances | 1,881,675 | 2,821,443 |
| Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis | 847,254 | 2,847,695 |
| Gross Deferred Tax Asset | 2,728,929 | 5,669,138 |
| Net Deferred Tax Asset | 2,507,786 | 4,163,430 |

NOTE - 11 : Loans & Advances

| Particulars | Non-Current | | Current | |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | As at 31st March 2015 Rupees | As at 31st March 2014 Rupees | As at 31st March 2015 Rupees | As at 31st March 2014 Rupees |
| Unsecured, considered good : | | | | |
| Capital Advances | - | 400,000 | - | - |
| Security Deposits | 41,456,941 | 41,457,441 | - | 22,010,000 |
| Deposit with BSE Ltd - Settlement Guarantee Fund | 58,125,000 | 59,000,000 | - | - |
| Deposit with Indian Clearing Corporation Ltd | 1,010,000 | - | 20,000,000 | 128,500,000 |
| Deposit with Indian Clearing Corporation Ltd - Settlement Guarantee Fund | 1,875,000 | - | - | 1,000,000 |
| | 102,466,941 | 100,857,441 | 20,000,000 | 151,510,000 |
| Other advances recoverable in cash or in kind | | | | |
| - From Settlement Guarantee Fund | 2,439,882 | 2,667,301 | - | - |
| - Provision for doubtful advances | (2,439,882) | (2,667,301) | - | - |
| - From other parties | 9,066,583 | 10,240,786 | 20,820 | 46,134 |
| Receivable from defaulting members [Refer Note 31 (i)] | 954,532,105 | 954,532,105 | - | - |
| | 963,598,688 | 964,772,891 | 20,820 | 46,134 |
| Other Loans & Advances: | | | | |
| Advance Income Tax and Tax Deducted at Source [Net of Provisions of Rs. 63,558,475 (31 March 2014 : Rs.6,87,09,471)] | 98,013,245 | 112,551,287 | - | - |
| Prepaid expenses | - | - | 4,124,301 | 3,852,537 |
| Loan to employees | | | | |
| - Interest bearing | 5,109,180 | 6,432,490 | 1,618,357 | 1,530,248 |
| - Non interest bearing | - | 44,393 | 748,993 | 303,692 |
| Service Tax receivable | - | - | 1,459,564 | 1,969,197 |
| | 103,122,425 | 119,028,170 | 7,951,215 | 7,655,674 |
| | 1,169,188,054 | 1,184,658,502 | 27,972,035 | 159,211,808 |

Note to the financial statements as at and for the year ended 31st March 2015

NOTE - 12 : Current Investments

| <u>Particulars</u> | <u>As at 31st March 2015 Rupees</u> | <u>As at 31st March 2014 Rupees</u> |
|--|---|---|
| Current portion of long-term investments (valued at cost) | | |
| Investments in fixed maturity mutual funds (Unquoted) | | |
| Nil (31st March 14:12,50,000) units of Rs.10 each fully paid up of SBI Debt Fund Series 14 MONTHS -1 - Direct Plan - Growth | - | 12,500,000 |
| Nil (31st March 14: 5,00,000) units of Rs.10 each fully paid up of SBI Debt Fund Series 366 days 28- Direct Plan -Growth | - | 5,000,000 |
| 5,00,000 (31st March 14: Nil) units of Rs.10 each fully paid up of UTI Fixed Term Income Fund Series XIX- VIII (368 Days) - Direct Growth Plan | 5,000,000 | - |
| Nil (31st March 14: 5,00,000) units of Rs.10 each fully paid up of UTI Fixed Term Income Fund Series XIII- III (549 Days) - Growth Plan | - | 5,000,000 |
| Nil (31st March 14: 5,00,000) units of Rs.10 each fully paid up of HDFC FMP 370 Days October 2013 (5)Series 28 -Direct- Growth | - | 5,000,000 |
| Nil (31st March 14: 2,50,000) units of Rs.10 each fully paid up of TATA Fixed Maturity plan Series 45 scheme A Direct Plan | - | 2,500,000 |
| 2,50,000 (31st March 14: Nil) units of Rs.10 each fully paid up of BOI-AXA Fixed Maturity Plan - Series 14 (368 Days)- Direct Plan Growth | 2,500,000 | - |
| Nil (31st March 14: 5,00,000) units of Rs.10 each fully paid up of BOI-AXA Fixed Maturity Plan - Series 10 (368 Days)- Direct Plan Growth (S3DG) | - | 5,000,000 |
| Nil (31st March 14: 4,50,000) units of Rs.10 each fully paid up of IDBI FMP Series IV - 368 Days February 2014-C- Direct Plan -Growth -(BJG1) | - | 4,500,000 |
| Nil (31st March 14: 5,00,000) units of Rs.10 each fully paid up of IDBI FMP Series IV - 366 Days February 2014 E- Direct Plan -Growth -BJG1 | - | 5,000,000 |
| 10,00,000 (31st March 14:Nil) units of Rs.10 each fully paid up of Religare Invesco FMP - Sr.23 - Plan O 370 Days - Direct Plan Growth | 10,000,000 | - |
| Nil (31st March 14: 5,00,000) units of Rs.10 each fully paid up of DWS Fixed Maturity Plan Series 50 - Direct Plan - Growth (367 days close ended debt fund) | - | 5,000,000 |
| Nil (31st March 14: 2,50,000) units of Rs.10 each fully paid up of DWS Fixed Maturity Plan Series 42 - Direct Plan - Growth(370 days close ended debt fund) | - | 2,500,000 |
| 12,50,000 (31st March 14: Nil) units of Rs.10 each fully paid up of ICICI Prudential FMP Series 74 - 369 Days Plan I Direct Plan Cumulative | 12,500,000 | - |
| Nil (31st March 14: 2,50,000) units of Rs.10 each fully paid up of SBI Debt Fund Series 366 days 34-Direct Plan -Growth | - | 2,500,000 |
| | 30,000,000 | 54,500,000 |
| Current Investment (Valued at lower of cost and net realisable value) | | |
| Investments in mutual funds (Unquoted) | | |
| Nil (31st March 14: 5,99,994) units of Rs.100 each fully paid up of Birla Sun Life Floating Rate Fund Short Term Plan - daily Dividend - Direct Plan | - | 60,000,000 |
| Nil (31st March 14: 10,00,443) units of Rs.100 each fully paid up of ICICI Prudential Liquid - Direct Plan - Daily dividend | - | 100,000,000 |
| Nil (31st March 14: 1,141) units of Rs.1,000 each fully paid up of SBI MICF Liquid Floater- Direct Plan-Growth | - | 2,500,000 |
| Nil (31st March 14: 6,002) units of Rs.100 each fully paid up of Baroda Pioneer Liquid Fund - Plan B Daily Dividend * | - | 6,000,000 |
| 1,044 (31st March 14: 1,044) units of Rs.1000 each fully paid up of Baroda Pioneer Liquid Fund - Plan B Growth ** | 1,500,000 | 1,500,000 |
| | 1,500,000 | 170,000,000 |
| | 31,500,000 | 224,500,000 |
| * Investment out of Settlement Guarantee Fund | | |
| ** Investment out of Investors' Service Fund | | |
| Aggregate cost of Investments: | | |
| Unquoted | 31,500,000 | 224,500,000 |
| Net asset value of fixed maturity plan | 32,271,575 | 57,485,730 |
| Net asset value of mutual fund units | 1,675,948 | 170,269,153 |

NOTE - 13 : Trade Receivables

| <u>Particulars</u> | <u>As at 31st March 2015 Rupees</u> | <u>As at 31st March 2014 Rupees</u> | <u>As at 31st March 2014 Rupees</u> |
|---|---|---|---|
| Outstanding for a period exceeding six months from the date they are due for payment: | | | |
| Secured, Considered good | 3,061,414 | | 1,510,835 |
| Unsecured | | | |
| - Considered good | 4,473,256 | | 4,893,334 |
| - Considered doubtful | <u>3,251,299</u> | 10,785,969 | <u>6,028,779</u> |
| Other Receivables: | | | |
| Unsecured, Considered good | | <u>96,511</u> | <u>1,469,873</u> |
| | | 10,882,480 | 13,902,821 |
| Less: Provision for Doubtful Debts | | <u>3,251,299</u> | <u>6,028,779</u> |
| | | 7,631,181 | 7,874,042 |



The Calcutta Stock Exchange Limited

Note to the financial statements as at and for the year ended 31st March 2015

NOTE - 14 : Cash and Bank Balances

| Particulars | Non-Current | | Current | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | As at 31st March 2015 | As at 31st March 2014 | As at 31st March 2015 | As at 31st March 2014 |
| | Rupees | Rupees | Rupees | Rupees |
| a. CASH AND CASH EQUIVALENTS | | | | |
| Cash on hand | - | - | 47,867 | 36,389 |
| Cheques / Drafts on hand | - | - | 570,153 | 741,681 |
| Balance with Scheduled Banks on: | | | | |
| - Current Account | - | - | | |
| - Own Fund | - | - | 75,544,185 | 436,166,169 |
| - Investors' Service Fund | - | - | 1,283,339 | 1,468,499 |
| - Settlement Guarantee Fund | - | - | 5,757,965 | 721,016 |
| - Unpaid Dividend Account | - | - | 5,123,305 | 3,580,565 |
| | - | - | 88,326,814 | 442,714,319 |
| b. OTHER BANK BALANCES | | | | |
| Deposits with original maturity for more than 12 months : | | | | |
| Own Fund * | 251,300,000 | 137,150,000 | 402,808,453 | 406,973,312 |
| Earmarked Funds: | | | | |
| - Settlement Guarantee Fund * | 86,000,000 | 28,850,000 | 231,350,000 | 114,100,002 |
| - Investors' Service Fund * | 41,000,000 | 4,800,000 | 14,900,000 | 44,540,000 |
| - Fund for Establishment of Centre for Training and Statistical Information & Setting up a Library | - | - | 38,841,547 | 38,841,547 |
| Deposits with original maturity for more than 3 months, but not more than 12 months : | | | | |
| Own Fund * | - | - | 141,717,987 | 287,917,987 |
| Earmarked Funds: | | | | |
| - Settlement Guarantee Fund * | - | - | 9,900,000 | 180,000,000 |
| | 378,300,000 | 170,800,000 | 839,517,987 | 1,072,372,848 |
| Amount disclosed under Non-current assets (Refer Note 15) | (378,300,000) | (170,800,000) | - | - |
| | - | - | 927,844,801 | 1,515,087,167 |
| Details of fixed deposits lien marked (included above) | | | | |
| Particulars | Non-Current | | Current | |
| | As at 31st March 2015 | As at 31st March 2014 | As at 31st March 2015 | As at 31st March 2014 |
| | Rupees | Rupees | Rupees | Rupees |
| Deposits with original maturity for more than 3 months, but not more than 12 months : | | | | |
| - with ICCL | - | - | 109,400,000 | 330,100,000 |
| Deposits with original maturity for more than 12 months : | | | | |
| - with ICCL | 219,800,000 | 144,050,000 | 316,350,000 | 270,454,859 |
| - with NSCCL | 80,000,000 | 5,500,000 | 319,900,000 | 191,800,000 |
| - with HDFC Bank Ltd | 109,400,000 | 109,400,000 | | |
| | 409,200,000 | 258,950,000 | 745,650,000 | 792,354,859 |
| * The aforesaid fixed deposits is lien marked as margin for utilization of their Trading Platform by the members of the Company | | | | |
| Deposits with original maturity for more than 3 months, but less than 12 months : | | | | |
| - Deposit with Victor Moses & Co | - | - | 17,417,987 | 17,417,987 |
| | - | - | 17,417,987 | 17,417,987 |

Note to the financial statements as at and for the year ended 31st March 2015**NOTE - 15 : Other Assets**

| <u>Particulars</u> | <u>Non-Current</u> | | <u>Current</u> | |
|---|--------------------|--------------------|-------------------|-------------------|
| | <u>As at 31st</u> | <u>As at 31st</u> | <u>As at 31st</u> | <u>As at 31st</u> |
| | <u>March 2015</u> | <u>March 2014</u> | <u>March 2015</u> | <u>March 2014</u> |
| | <u>Rupees</u> | <u>Rupees</u> | <u>Rupees</u> | <u>Rupees</u> |
| Unsecured, considered good unless stated otherwise | | | | |
| Non-current bank balances (Refer Note 14) | 378,300,000 | 170,800,000 | - | - |
| Deposits with original maturity for more than 12 months : | | | | |
| Fixed deposit with financial institution (bearing interest) | 44,600,000 | - | - | - |
| Fixed deposit with financial institution (bearing interest) - Settlement Guarantee Fund | 5,000,000 | - | - | - |
| Other receivables | | | | |
| Rent & Electricity | - | - | 1,888,052 | 1,792,439 |
| Others | - | - | 227,866 | 227,866 |
| Interest accrued on fixed deposits: | | | | |
| - Own Fund | - | - | 10,949,799 | 14,100,052 |
| - Settlement Guarantee Fund | - | - | 3,913,004 | 4,418,203 |
| - Investors' Service Fund | - | - | 326,498 | 138,746 |
| Interest accrued on investments in bonds: | | | | |
| - Own Fund | - | - | 414,739 | 414,739 |
| | <u>427,900,000</u> | <u>170,800,000</u> | <u>17,719,958</u> | <u>21,092,045</u> |

NOTE - 16 : Revenue from Operations

| <u>Particulars</u> | <u>2014-15</u> | <u>2013-14</u> |
|--|-------------------|-------------------|
| | <u>Rupees</u> | <u>Rupees</u> |
| SALE OF SERVICES : | | |
| Turnover charges on own trading platform | - | 42,805 |
| Turnover charges on other trading platform : | | |
| - BSE | 3,822,993 | 1,993,463 |
| - NSE | 2,599,821 | 2,112,092 |
| Listing fees | 20,006,845 | 16,011,500 |
| Subscriptions | 1,824,000 | 2,214,000 |
| Processing charges | 13,676,000 | 8,743,936 |
| Income from depository participant operation | 1,067,521 | 2,259,532 |
| Commission on PAN services | 74,481 | 162,514 |
| Other operating revenue : | | |
| Bad debts recovered | 5,841,500 | 4,340,000 |
| Recovery of penal charges from clients | 7,893,924 | 3,878,326 |
| Technology charges from new members | 50,000 | 260,000 |
| Miscellaneous operating income | 177,765 | - |
| | <u>57,034,850</u> | <u>42,018,168</u> |



The Calcutta Stock Exchange Limited

Note to the financial statements as at and for the year ended 31st March 2015

NOTE - 17 : Other Income

| <u>Particulars</u> | <u>2014-15</u> | <u>2013-14</u> |
|---|--------------------|--------------------|
| | <u>Rupees</u> | <u>Rupees</u> |
| Interest on investments of Investors' Service Fund | 4,924,640 | 4,649,650 |
| Interest on investments of Settlement Guarantee Fund | 31,841,769 | 30,593,278 |
| | 36,766,409 | 35,242,928 |
| Interest income on own fund: | | |
| Fixed deposits | 82,237,785 | 84,063,318 |
| Tax Free PSU bonds | 872,480 | 872,480 |
| Security deposit with CESC Ltd | 126,994 | 123,221 |
| Income Tax refunds | 1,834,473 | 7,520,701 |
| Interest on delayed payment of listing fees | 4,351,869 | 1,693,657 |
| Others | 654,861 | 733,799 |
| | 90,078,462 | 95,007,176 |
| Profit on sale of Current investments | 131,296 | 273,536 |
| Profit on sale of Long Term investments | 5,539,185 | 5,650,742 |
| | 5,670,481 | 5,924,278 |
| Dividend income from investments on own fund: | | |
| Long term investments | 2,000,000 | 2,000,000 |
| Current investments | 9,183,797 | 3,322,388 |
| | 11,183,797 | 5,322,388 |
| Other non-operating Income: | | |
| Rent | 1,106,862 | 918,382 |
| Fees for transfer of tenancy rights | 1,820,340 | 177,000 |
| Miscellaneous receipts | 1,389,239 | 1,211,940 |
| Profit on sale of fixed assets | 326,519 | 1,567 |
| Liabilities/Provisions no longer required, written back | 6,860,744 | 1,914,286 |
| | 11,503,704 | 4,223,175 |
| | 155,202,853 | 145,719,945 |

NOTE - 18 : Employees Benefit Expense

| <u>Particulars</u> | <u>2014-15</u> | | <u>2013-14</u> | |
|--|----------------|-------------------|----------------|-------------------|
| | <u>Rupees</u> | <u>Rupees</u> | <u>Rupees</u> | <u>Rupees</u> |
| Salaries, bonus etc. | | 68,745,293 | | 65,650,508 |
| Contribution to provident and other funds: | | | | |
| - Provident Fund | 5,285,905 | | 4,680,762 | |
| - Superannuation Fund | 2,285,440 | | 1,946,658 | |
| - National Pension Scheme | <u>247,814</u> | 7,819,159 | <u>-</u> | 6,627,420 |
| Gratuity (Refer Note 33) | | 3,994,188 | | 2,463,904 |
| Staff welfare | | 3,734,273 | | 4,208,863 |
| | | 84,292,913 | | 78,950,695 |

Note to the financial statements as at and for the year ended 31st March 2015**NOTE - 19 : Other Expenses**

| Particulars | 2014-15 | | 2013-14 | |
|---|-------------------|--------------------------|-------------------|--------------------------|
| | Rupees | Rupees | Rupees | Rupees |
| Advertisement | | 1,584,942 | | 118,039 |
| Rent | | 16,855 | | 16,119 |
| Electricity charges | 8,257,995 | | 8,390,419 | |
| Less : recovered from tenants | <u>1,593,298</u> | 6,664,697 | <u>1,726,382</u> | 6,664,037 |
| Rates & Taxes | | 4,856,692 | | 5,042,165 |
| Insurance | | 308,937 | | 323,206 |
| Printing & Stationary | | 600,902 | | 554,663 |
| Telephone charges | | 983,354 | | 1,005,158 |
| Travelling & Conveyance | | 1,968,954 | | 1,772,558 |
| Motor car expenses | | 508,952 | | 424,491 |
| Repairs & Maintenance: | | | | |
| - Building | 1,645,264 | | 417,905 | |
| - Others * | <u>15,940,170</u> | 17,585,434 | <u>14,355,918</u> | 14,773,823 |
| Expenses for Other Trading Platform: | | | | |
| -BSE | | 357,160 | | 393,390 |
| -NSE | | 515,443 | | 57,028 |
| Interest on delayed payment of statutory dues | | 1,470 | | 29,004 |
| Security Expenses | | 924,361 | | 954,278 |
| Miscellaneous Expenses | | 1,435,248 | | 2,154,503 |
| Expenses for Depository Services | | 1,534,663 | | 2,261,883 |
| Legal & Professional Fees | | 9,111,012 | | 4,093,471 |
| Auditor's Remuneration | | | | |
| As Audit Fees | 800,000 | | 800,000 | |
| Tax Audit | 200,000 | | 200,000 | |
| In other capacity | 25,000 | | - | |
| Reimbursement of Expenses | <u>19,800</u> | 1,044,800 | <u>15,400</u> | 1,015,400 |
| Investors' Service Expenses | | 156,486 | | 192,239 |
| Directors Sitting Fee | | 885,000 | | 992,500 |
| CSR Expenditure | | 1,100,000 | | - |
| Provision for Doubtful Debts | | 1,879,000 | | - |
| Bad Debts | 4,656,480 | | 679,290 | |
| Less : Adjusted against Provision for Doubtful Debts | <u>4,656,480</u> | - | <u>571,338</u> | 107,952 |
| Contribution to Settlement Guarantee Fund on CSE-NSE Turnover | | 99,364 | | 44,044 |
| Contribution to Settlement Guarantee Fund on CSE-BSE Turnover | | 75,516 | | 50,107 |
| Sundry Balances Written Off | | 76,025 | | 182,244 |
| | | <u>54,275,267</u> | | <u>43,222,302</u> |

* Including Rs.1,44,76,794 (31st March 2014 : Rs.1,29,79,103) for computer maintenance and service charges.



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Note to the financial statements as at and for the year ended 31st March 2015

NOTE - 20 : Depreciation and Amortization Expense

| <u>Particulars</u> | <u>2014-15</u> <u>Rupees</u> | <u>2013-14</u> <u>Rupees</u> |
|------------------------------------|---------------------------------|---------------------------------|
| Depreciation of Tangible Assets | 7,292,428 | 7,043,255 |
| Amortization of Intangible Assets | 1,121,664 | 1,717,294 |
| Depreciaton on Investment Property | 463,419 | - |
| | 8,877,511 | 8,760,549 |

NOTE - 21 : Earnings Per Share (EPS)

| <u>Particulars</u> | <u>2014-15</u> <u>Rupees</u> | <u>2013-14</u> <u>Rupees</u> |
|---|---------------------------------|---------------------------------|
| Net Profit after Tax as per Statement of Profit and Loss | 39,974,292 | 36,926,910 |
| Less : Profit appropriated to earmarked fund | | |
| -Transferred to General Reserve of Pre-demutualisation period | 6,244,315 | 2,754,895 |
| -Transferred to Investors' Service Fund | 6,484,790 | 5,710,036 |
| -Transferred to Settlement Guarantee Fund | 18,461,491 | 18,116,537 |
| Profit attributable to equity shareholders | 8,783,696 | 10,345,442 |
| Weighted average number of equity shares | 611,000 | 611,000 |
| Earnings per share - Basic & Diluted (Rs.) | 14.38 | 16.93 |
| Nominal Value of share (Re.) | 1 | 1 |

22. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instruction in respect of Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accordingly, the Company has complied with the Accounting Standards as applicable to a small and medium sized Company. In particular, Accounting Standard-17, "Segment Reporting" and disclosure requirements of Para-119 to 123 of Accounting Standard 15(Revised), "Employee Benefits", in respect of accounting for defined benefit plans, are not applicable to the Company.
23. Effective from 01.04.2014, the Company has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule – II of the Companies Act, 2013, due to which depreciation charged for the year ended 31.03.2015 is higher by Rs.23,39,168. Further, as per the transitional provision provided in Note 7(b) of Schedule – II, an amount of Rs.5,98,827 (net of deferred tax of Rs.2,95,786) has been adjusted with the General Reserve for the assets in respect of which remaining useful life as per Schedule – II has expired as on 01.04.2014.
24. The Securities and Exchange Board of India (SEBI) vide its order dated 29.08.2005, had approved the Demutualisation Scheme ("the Scheme") for conversion of The Calcutta Stock Exchange Association Ltd to The Calcutta Stock Exchange Ltd and it was notified in the official Gazette on the same date. Pursuant to the aforesaid Scheme, a trading member may or may not be a shareholder of the Company and vice versa, it was directed to the Company that it shall not use its assets and reserves as on the date of publication of the scheme or the proceeds from disposal of such assets or the proceeds from disposal of successive assets acquired from the proceeds of disposal of such assets for any purpose other than discharging the current liabilities outstanding as on the date of publication of the Scheme or for the business operations of the Company. Accordingly, the reserves and surplus, liabilities, fixed assets and investments have been segregated between pre-demutualisation and post-demutualisation period and have been disclosed accordingly in the financial statements.
25. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for Rs.Nil (Rs.6,55,000).
26. Contingent Liabilities not provided for:
Claims against the Company not acknowledged as debts.

Taxation matters :

- a) In respect of Assessment Years 1991-92 and 1992-93, total demands aggregating Rs.3,66,74,684

raised by the Assessing Officer due to development fees received from members was considered revenue receipt instead of capital receipt. The aforesaid demand had been vacated by the Income Tax Appellate Tribunal vide its Order dated 28.02.2006. However, the Income Tax Department filed an application before the Hon'ble High Court at Calcutta for condonation of delay in filing an appeal against the order of the Income Tax Appellate Tribunal which is pending disposal.

- b) In respect of Assessment Year 2001-02, the Assessing Officer raised a demand for Rs.2,69,21,819 on the Company. The Income Tax Appellate Tribunal had given an Order allowing contribution to Settlement Guarantee Fund as application of income and referred back the other matters to Assessing Officer. The Assessing Officer, while giving effect of the Order of the Income Tax Appellate Tribunal dated 16.06.2006 reversed the demand and confirmed that Rs.3,57,70,449 including interest of Rs.88,48,630 is refundable vide Order dated 29.08.2006. However, the Income Tax Department has filed an application for condonation of delay for filing an appeal before the Hon'ble High Court at Calcutta against the above Order of the Income Tax Appellate Tribunal.
- c) In respect of Assessment Year 2009-10, the Assessing Officer has raised a demand of Rs.5,49,719 under section 14A of the Income Tax Act, 1961 and have also imposed a penalty of Rs.4,99,745. The Company has filed an appeal before the Commissioner of Income Tax (Appeals) against the aforesaid demand by the Income Tax Authorities which is pending disposal.
- d) In respect of Assessment Year 2010-11, the Commissioner of Income Tax had passed an Order under section 263 of the Income Tax Act, 1961 to re-assess the income of the said Assessment Year on the ground of allowability of the contribution to Settlement Guarantee Fund amounting to Rs.5,76,07,622. The Exchange has filed an appeal before the Income Tax Appellate Tribunal against the aforesaid Order.
- e) Deputy Commissioner of Wealth Tax had issued three notices under section 18(1)(c) of the Wealth Tax Act, 1957 for the Assessment years 2011-12, 2012-13 and 2013-14 on the applicability of Wealth Tax on the freehold land at Newtown and leasehold land at E M By-pass. The Exchange had filed appeals for each assessment years before the Commissioner of Wealth Tax.



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Other matters :

- f) The Company has received three Show Cause notices from the Employees State Insurance Corporation of West Bengal demanding an amount aggregating to Rs.44,59,799 as contribution payable by the Company. The Company has filed a Writ Petition before the Hon'ble High Court at Calcutta for quashing the notices. As the matter is Sub-Judice, the claim has not been acknowledged and no provision has been made for the same.

27. Settlement Guarantee Fund (SGF):

- (a) In 1998, the Company had set up Settlement Guarantee Fund (SGF) to guarantee the settlement of bonafide transactions of members of the Company, so as to ensure timely completion of settlement of trades and thereby protect the interest of investors and the members of the Company. The Fund and its rules and bye-laws were set up by the Company and duly approved by the Securities and Exchange Board of India (SEBI). Every member contributes a fixed sum at the time of commencement of business and the Company contributes thereafter a percentage of the gross turnover as prescribed in the bye-laws of the SGF. The income earned during the year on the investments of SGF is credited to the Statement of Profit and Loss and then transferred to the Settlement Guarantee Fund (net of applicable taxes) by way of

appropriation. The non-interest bearing amount to the extent which is refundable to the members are disclosed under "Long Term Liabilities" and non-refundable amount is disclosed as "Reserve and Surplus" of the Settlement Guarantee Fund. Accordingly, the assets pertaining to the SGF has also been disclosed in the respective notes indicated in Note 27 (d) below.

- (b) Additional contribution of Rs.19,93,55,380 made by the Company to Settlement Guarantee Fund during 2000-01 was charged off to the Profit and Loss Account in the said year. However, the amount being in the nature of prepaid charges payable to the Settlement Guarantee Fund, a sum of Rs.1,30,34,622 should have been adjusted till the year end towards annual contribution payable by the Company to Settlement Guarantee Fund (including Rs. Nil for the year) in accordance with the decision of the erstwhile Board of Directors taken at its meeting dated 03.10.2001 and the balance of Rs.18,63,20,758 should have been carried forward towards adjustment against annual contribution in subsequent year. However, since the aforesaid amount has already been charged off to Statement of Profit and Loss, the Company's annual contribution for the year subsequent to 2000-01 (including Rs. Nil for the year) had not been charged against profits for those years.
- (c) Settlement Guarantee Fund at the year-end comprises of the following:

| | | (Amount in Rs.) | (Amount in Rs.) |
|---------|---|---------------------|---------------------|
| Sl. No. | Particulars | 2014-15 | 2013-14 |
| | Under Reserves & Surplus (Settlement Guarantee Fund) : | | |
| I | Settlement Guarantee Fund of the Exchange | 24,25,59,208 | 22,36,85,418 |
| II | Members' Ad-hoc contribution to SGF | 3,11,27,700 | 3,11,27,700 |
| III | Dividend on Members' Security Deposit | 1,45,20,483 | 1,45,20,483 |
| | Total | 28,82,07,391 | 26,93,33,601 |
| | Under Long Term Liabilities (Settlement Guarantee Fund): | | |
| IV | Members BMC/SGF in Cash | 11,83,02,856 | 12,23,16,395 |
| V | Interest Adjustable with BMC/ABMC | 1,14,85,048 | 1,16,46,411 |
| VI | Members' deposit towards BSE/NSE-SGF | 25,40,000 | 26,10,000 |
| | Total | 13,23,27,904 | 13,65,72,806 |
| | Grand Total | 42,05,35,295 | 40,59,06,407 |

(d) The aforesaid fund is represented by the followings, which has been included in the respective schedules.

| | | (Amount in Rs.) | (Amount in Rs.) |
|---------|---|---------------------|---------------------|
| Sl. No. | Particulars | 2014-15 | 2013-14 |
| I | Investments in Fixed Deposits | 32,72,50,000 | 32,29,50,002 |
| II | Investment in Mutual Fund | - | 60,00,000 |
| III | Investments in Fixed Deposit with Financial Institution | 50,00,000 | - |
| IV | Balances in Current Account | 57,57,965 | 7,21,016 |
| V | Interest accrued on Fixed Deposits | 39,13,004 | 44,18,203 |
| VI | Deposit with BSE Ltd | 5,81,25,000 | 5,90,00,000 |
| VII | Deposit with Indian Clearing Corporation Ltd | 18,75,000 | 10,00,000 |
| VIII | BMC Receivable from Members | 24,39,882 | 26,67,301 |
| IX | Receivable from Exchange | 1,61,74,444 | 91,59,885 |
| | Total | 42,05,35,295 | 40,59,06,407 |

- (e) Dividend on Members' security Deposits as stated in (c)(III) above includes the income earned, with effect from 01.11.2007 (being the prospective date) which in terms of the decision taken by the erstwhile administrator has been recognized as the Company's income and not passed on to the concerned members. However, the Board of Directors, in their meeting dated 20.11.2012, approved a scheme for distribution of dividend on shares deposited by trading members as security deposits. As per the aforesaid scheme, dividends earned during 01.07.2010 to 31.03.2013 were eligible for distribution, subject to fulfilment of other criteria of the said scheme. Accordingly Rs.94,84,820 had been transferred from "Reserves & Surplus" to "Current Liabilities" in the year 2012-13 and the income earned on the aforesaid matter during the period 01.11.2007 till 30.06.2010 continues to be included in the "Settlement Guarantee Fund" under the head "Reserve & Surplus".

28. Transfer of Profit :

As per the notification issued by The Securities and Exchange Board of India ("SEBI") dated June 20, 2012 every stock exchange is required to credit twenty five percent of its profits every year to the Fund of a recognized clearing corporation(s), which clears and settles trades executed on that stock exchange. An expert committee was formed by SEBI in terms of

Press Release dated June 21, 2012 to frame norms for sourcing, including transfer of profits by stock exchanges to the fund. Till previous year, pending further direction from SEBI regarding the norms of transfer of profit to the Settlement Guarantee Fund, no appropriation of profit had been made to the credit of the Fund in the books of account for the period April 1, 2012 to March 31, 2013.

In the current year, SEBI has issued a circular stating that stock exchange should contribute at least twenty five percent of the MRC - Minimum Required Corpus to Core SGF (which can be adjusted against transfer of profit by stock exchange as per Regulation 33 of SECC Regulations). However since trading has been discontinued on the CSTAR (own trading platform) from April 5, 2013 no appropriation of profit is required to be made to the credit of the Core SGF Fund from that date.

29. Investors' Services Fund (ISF) :

As required by the bye-laws of the Company, a separate fund called the Investors' Services Fund ("the Fund") was established in a prior year by setting aside twenty percent of the annual listing fees as prescribed by SEBI. The Fund is being used for the purposes of providing different kind of services to the investing public as stated in bye-laws and to create awareness among the investors. All expenses incurred in providing such services are borne by the Investors' Service Fund.



The Calcutta Stock Exchange Limited

30. As per the policy framed by the Company in accordance with the requirement of SEBI, expenses

are allocated to Settlement Guarantee Fund and Investors' Service Fund as stated below:

| | (Amount in Rs.) | (Amount in Rs.) |
|---|------------------|------------------|
| Particulars | 2014-15 | 2013-14 |
| Settlement Guarantee Fund Expenses : | | |
| – Staff Cost | 29,22,274 | 26,05,248 |
| – Telephone Charges | 25,000 | 25,000 |
| – Computer Maintenance and Service Charges | 3,600 | 3,600 |
| – Audit Expenses | 2,50,000 | 2,50,000 |
| – Miscellaneous Expenses | 2,45,497 | 2,47,785 |
| – Legal & Professional Fees | 10,67,308 | 7,69,183 |
| | 45,13,679 | 39,00,816 |
| | | |
| Investors' Service Expenses | 1,56,486 | 1,92,239 |

31. (i) Receivables from defaulting members in Note 11 “Loans and Advances” includes Rs.95,45,32,105 (Rs.95,45,32,105) due from Members on account of settlements in prior years comprising of Rs.94,71,73,816 (Rs.94,71,73,816) towards HandDelivery Settlement, Rs.26,36,540 (Rs.26,36,540) for Cash Settlement and Rs.47,21,749 (Rs.47,21,749) on account of Demat Settlement as on 31.03.2015. Out of the above, Rs.90,37,85,839 (Rs.90,37,85,839) is due from ten defaulting members, against whom the Company has filed legal cases. The Company has also filed recovery suits amounting to Rs.3,09,27,995 (Rs.3,09,27,995) from other defaulting members. As the matter is sub-judice, the extent of recoverability of the aforesaid amounts is presently not ascertainable.

ii) Sundry Deposits as at 31.03.2015, in Note-5, under the head “Long Term Liabilities” includes Rs.96,92,94,037 (Rs.96,92,94,037) being contribution received from Settlement Guarantee Fund on account of payment crisis in earlier years which is refundable on receipt of settlement amount from defaulting members.

iii) Certain members had made an ad-hoc contribution aggregating Rs.28,06,89,708 in the

financial year 2000-01, Rs.65,00,000 in the financial year 2001-02 and Rs.2,45,92,390 in the financial year 2002-03 to the Settlement Guarantee Fund. The aforesaid funds were provided to the Company for settling certain transactions where the transacting members have defaulted. Such contributions are to be refunded only when the Company recovers money from the defaulters.

32. Fixed Deposits and shares are being received by the Company from the members as security deposit. Since the rights on aforesaid shares and fixed deposits remained with the members and the same is kept with the Company only as security deposits, the value of such shares of Rs.16,31,01,234 (Rs.17,28,53,132) and fixed deposits of Rs.18,81,11,452 (Rs.20,76,57,522) as at 31.03.2015, have not been included in the financial statements and has been disclosed by way of Notes to the financial statement.

33. Employee Benefits :

The Company has a defined benefit gratuity plan for its employees. Every employee who has completed five years or more of services is entitled to gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with the Life Insurance Corporation of India.

The following tables summarize the components of net benefit/expenses recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the plan.

i) The principle actuarial assumptions are as follows :

| Particulars | 2014-15 | 2013-14 |
|---|---------|---------|
| Discount rate | 8.00% | 8.75% |
| Salary escalation rate (Inflation rate) | 8.50% | 8.00% |
| Withdrawal rates | 2.00% | 2.00% |

ii) The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

iii) Amount incurred as expenses for defined contribution plans :

| (Amount in Rs.) | | |
|---|-----------|-----------|
| Particulars | 2014-15 | 2013-14 |
| Contribution to Provident/Pension Fund | 52,85,905 | 46,80,762 |
| Contribution to Superannuation Fund | 22,85,440 | 19,46,658 |
| Contribution to National Pension Scheme | 2,47,814 | Nil |

34. Related Party Transactions:

Aggregated Related Party disclosure as at and for the year ended 31.03.2015:

a) Entities under common control :

Name : Stock Exchange Investors' Protection Fund

Transactions with the entity under common control:

| | | (Amount in Rs.) | (Amount in Rs.) |
|--|---|-----------------|-----------------|
| Name | Particulars | 2014-15 | 2013-14 |
| Stock Exchange Investors' Protection Fund | Contribution to Stock Exchange Investors' Protection Fund | 92,03,757 | 42,40,496 |
| | Expenses Recoverable | 50,380 | 52,130 |
| | Amount paid | 86,41,681 | 16,45,843 |
| | Amount Payable outstanding | 5,11,696 | 25,42,523 |
| | Amount Receivable outstanding | — | — |

Transactions with the wholly owned Subsidiary :

| | | (Amount in Rs.) | (Amount in Rs.) |
|--|---|-----------------|-----------------|
| Name | Particulars | 2014-15 | 2013-14 |
| CSE Capital Markets Private Limited | Expenses incurred on behalf of Subsidiary | 3,84,550 | 1,57,754 |
| | Income earned on behalf of Subsidiary | 1,34,278 | — |
| | Interest on fixed deposits received from bank on behalf of subsidiary | 12,76,425 | 1,95,300 |
| | Expenses payable to subsidiary | — | 26,282 |
| | Amount payable outstanding | 10,26,153 | 63,828 |

b) Key Management Personnel : Managing Director & Chief Executive Officer and Chief Financial Officer

| | | (Amount in Rs.) | (Amount in Rs.) |
|---|-----------------------------------|-----------------|-----------------|
| Name | Particulars | 2014-15 | 2013-14 |
| Mr. B Madhav Reddy (MD &CEO) | Remuneration and other allowances | 61,86,478 | 48,91,258 |



The Calcutta Stock Exchange Limited

35. **Reclassification of Fixed Assets to Investment Property :**

The Company in the previous year had decided to sub lease its lease hold land situated at E.M. Bye-pass and has also received approval from SEBI in this regard.

Accordingly, since the above lease hold land is not intended to be occupied substantially for use by, or in the operations of, the Company, this had been reclassified from "Fixed Assets" disclosed under Note 8 to "Non-Current Investment" as investment property disclosed under Note 9 of these financial statements, in terms of AS-13: Accounting for Investments.

36. The Company has, during the year, filed a writ petition in the Hon'ble High Court of Calcutta against the intimation dated November 3, 2014 from SEBI initiating the process of compulsory exit as a stock exchange. The Hon'ble High Court had directed both the parties to hold a meeting for working out the issue that has arisen between the parties.

On December 22, 2014 the representatives of the Company attended a meeting with the SEBI and submitted a "proposal for consideration" which was rejected by SEBI without attributing any reason for such rejection.

On May 18, 2015 SEBI again issued a letter stating that it has initiated the process of compulsory exit and that a valuation agency would be appointed by SEBI for the purpose of verification and valuation of the assets and liabilities of the stock exchange; SEBI had also asked the Company to co-ordinate with nationwide stock exchange and place the listed companies in dissemination board of nationwide stock exchange within 15 days of the receipt of the said letter and also settle outstanding dues of the brokers and sub-brokers in a time bound manner.

Pursuant to the above, the Company filed a supplementary petition with the Hon'ble High Court to hear the writ petition since the previous meeting did not yield any result due to non-cooperation from SEBI. The Company's supplementary writ petition is yet to be heard and disposed of by the Hon'ble High Court.

In the meantime, the Company is also contemplating to develop its freehold land at Rajarhat and is in talks for evaluating the commercialisation of its leasehold land at EM Bypass in Kolkata and also evaluating additional revenue streams to augment its revenue and networth of the Company in the near future.

The management believes the outcome of the above litigation will depend on the judgement of the Hon'ble High Court of Calcutta which is currently pending.

37. Previous year's figures including those in brackets have been regrouped and/or rearranged wherever necessary.

As per our report of even date

For **S R Batliboi & Co LLP**
Chartered Accountants

Firm Registration Number : 301003E

per **Bhaswar Sarkar**

Partner

Membership Number: 55596

Place : Kolkata

Date : 23rd September, 2015

For and on behalf of The Board of Directors

Dipankar Chatterji

Chairman

Bhaskar Sen

Director

Prosenjit Dutta

Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of The Calcutta Stock Exchange Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of The Calcutta Stock Exchange Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards

and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for qualified opinion

Attention is drawn to the following notes in the financial statements:

- (a) Note 30 (i) regarding recoverability of Rs.95,45,32,105 due from the members on account of settlement in earlier years and upon which we are unable to comment on and consequently, the impact whereof on the Holding Company's profit for the year and year end loans and advances is not ascertainable.
- (b) Note No.26(b) regarding the Holding Company's annual contribution aggregating Rs.1,30,34,622 (including Rs. Nil for the year) to the Settlement Guarantee Fund for years subsequent to 2000-01



The Calcutta Stock Exchange Limited

required to be made in accordance with the bye-laws of the Settlement Guarantee Fund not being recognized in these financial statements for the reason mentioned therein, and which in our opinion, should have been recognized. Had the impact of the observation above been considered, year-end balance in Settlement Guarantee Fund (under Reserve & Surplus) would have been Rs.29,70,12,930 as against reported amount of Rs.28,82,07,391 and aggregate year end balances of other Reserves & Surplus would have been Rs.130,17,18,682 as against reported Reserve & Surplus of Rs.131,05,24,221.

- (c) Note No. 26(e) regarding dividend (amount not ascertained) on member's security deposits being accumulated in the Settlement Guarantee Fund under the head "Reserves and Surplus" and not being passed on to the members for the reasons mentioned therein, the appropriateness or otherwise of which, we are unable to comment on.
- (d) Note No. 30(iii) regarding the sum of Rs.3,10,92,390 received from certain members at the time of payment crisis in earlier years, which is included in the Settlement Guarantee Fund under the head "Reserves and Surplus", the appropriateness of which we are unable to comment in the absence of adequate information and explanation being made available to us.
- (e) Note No.27 regarding the directions issued by The Securities Exchange Board of India ("SEBI") dated 20th June, 2012 which requires every stock exchange to credit twenty five percent of its profit to the Settlement Guarantee Fund of a recognized clearing corporation(s). As more explained in Note 28, the amount of appropriation out of profit for the period April 1, 2012 to March 31, 2013 is yet to be determined by the management and accordingly we are unable to comment on the compliance or otherwise of the aforesaid SEBI direction including consequential impact, if any, that may arise in this regard, in these financial statements.

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in paragraph (b) in the Basis for Qualified Opinion paragraph above and the possible effects of the matters stated in paragraph (a), (c), (d) and (e) in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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 consolidated the state of affairs of the Group as at March 31, 2015, of their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 36 to the financial statements regarding the uncertainty related to the outcome of the writ petition filed by the Holding Company in the Hon'ble High Court of Calcutta against the directives of SEBI which is more fully described therein. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding company and its subsidiary, to whom the Order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, to the extent applicable, we report that:
 - (a) Except for the matters described in paragraph (a), (c) and (d) in the Basis for Qualified Opinion paragraph, we / the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - (b) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books and the reports of the other auditors;
 - (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our

opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- (e) The matter described in paragraph (a), (c) and (e) in the Basis for Qualified Opinion paragraph above and the emphasis of matter above, in our opinion, may have an adverse effect on the functioning of the Group;
- (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary company, , none of the directors of the Group's companies, is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. Except for the possible effect of the matter described in paragraph (b) of the Basis of Qualified Opinion above, the consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 26, 31(i) and 35 to the consolidated financial statements;
 - ii. Except for the possible effect of the matter described in paragraph (b) of the Basis of Qualified Opinion above, the Group, did not have

any material foreseeable losses on long-term contracts including derivative contracts].

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary.

Other Matter

The accompanying consolidated financial statements include total assets of Rs.4,56,40,542 as at March 31, 2015, and total revenues and net cash outflows of Rs 45,76,667 and Rs for the year ended on that date, in respect of one subsidiary which has been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number : 301003E

per Bhaswar Sarkar
Partner
Membership Number : 55596
Place of Signature: Kolkata
Date: 23rd September 2015



The Calcutta Stock Exchange Limited

Annexure to the Auditor's Report

The Group, comprising of The Calcutta Stock Exchange Limited ('Holding Company') and its subsidiary to whom the provisions of the Order apply (together referred to as "the Covered entities" in this report)

- (i) (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. As reported by the other auditor, since the subsidiary does not own any fixed asset, the provisions of clause 3(i)(a) of the Order are not applicable to the subsidiary.
- (b) Fixed assets have been physically verified by the management of the Holding Company during the year and no material discrepancies were identified on such verification.
- (ii) (a) The business of the Holding Company and the Covered entity of the Group, does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Holding Company and the Covered entity of the Group.
- (iii) According to the information and explanations given to us and as reported by the other auditors who audited the financial statements of the Covered entity of the Group, the Holding Company and the Covered entity of the Group have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Holding Company and the Covered entity of the Group and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us and as reported by the other auditors who audited the financial statements of the Covered entity of the Group there is an adequate internal control system commensurate with the size of the Holding Company and the Covered entity of the Group and the nature of their businesses, for the purchase of fixed assets and for the sale of services, to the extent applicable to the nature of the business of the covered entities of the Group. During the course of our audit and as reported by the other auditors who

audited the financial statements of the Covered entity of the Group, no major weakness was observed or continuing failure to correct any major weakness in the internal control system of the Holding Company and the Covered entity of the Group in respect of these areas.

- (v) The Holding Company and the Covered entity of the Group have not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained and as reported by the other auditors who audited the financial statements of the covered entity of the Group, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the services of the Holding Company and the Covered entity of the Group. Further, the Holding Company and the Covered entity of the Group are not in the business of sale of any goods.
- (vii) (a) The Holding Company and the Covered entity of the Group are generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, service tax, cess and other material statutory dues as applicable to the respective covered entity. During the year, the Holding Company and the Covered entity of the Group did not have any dues towards employees' state insurance, sales tax, customs duty, excise duty and value added tax.
- (b) During the year, the Holding Company and the Covered entity of the Group did not have any dues towards employees' state insurance, sales tax, customs duty, excise duty and value added tax. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, wealth tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Holding Company and the Covered entity of the Group and as reported by other auditors who audited the financial statements of the covered entity in the Group, income-tax and wealth tax dues outstanding at the year end, on account of any dispute, are as follows:

| Name of the statute | Nature of dues | Amount (Rs) | Period to which the amount relates | Forum where dispute is pending |
|--------------------------|--|-------------|------------------------------------|-------------------------------------|
| The Income Tax Act, 1961 | a) Disallowances of certain expenses | 2,69,21,819 | A.Y. 2001-02 | Hon'ble High Court of Calcutta |
| | b) Certain receipts considered by the Company as capital receipt but treated as revenue receipt by Income Tax Department | 3,66,74,684 | A.Y. 1991-92 and 1992-93 | Hon'ble High Court of Calcutta |
| | c) Disallowance of certain expenses including penalty | 10,49,464 | A.Y. 2009-10 | CIT (Appeals) |
| | d) Contribution to Settlement Guarantee Fund not allowed and added back | 1,95,80,831 | A.Y. 2010-11 | ITAT |
| Wealth Tax Act, 1957 | Wealth tax demand on freehold and leasehold land | 1,18,73,263 | A.Y 2011-12 to 2013-14 | Commissioner of Wealth Tax, Appeals |

Based on the information and explanations given by the management and as reported by the other auditors who audited the financial statements of the covered entity of the Group, there are no dues towards income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and the Covered entity of the Group in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) Without considering the consequential effects, if any, of the matters stated in Basis for Qualified Opinion paragraph (a),(c),(d) and (e) and after considering the consequential impact of the matter stated in Basis for Qualified Opinion paragraph (b) of our auditor's report, the Holding Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year. As reported by the other auditors who audited the financial statements of the Covered entity of the Group, the subsidiary has no accumulated losses at the end of the financial year and has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management and as reported by the other auditors who audited the financial statements of the Covered entity of the Group, the Holding Company and the

Covered entity of the Group did not have any outstanding dues in respect of a bank or debentures during the year. Further, the Holding Company and the Covered entity of the Group did not have any outstanding dues in respect of a financial institution.

- (x) According to the information and explanations given to us, the Holding Company and the Covered entity of the Group have not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) The Holding Company and the Covered entity of the Group did not have any term loans outstanding during the year.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management and reports of the other auditors who audited the financial statements of the Covered entity of the group, which we have relied upon, we report that no fraud on or by the Holding Company and the Covered entity of the Group have been noticed or reported during the year.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E

per Bhaswar Sarkar
Partner
Membership Number: 55596
Place of Signature: Kolkata
Date: 23rd September, 2015



The Calcutta Stock Exchange Limited

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2015

| | | As at 31st MARCH 2015 | |
|--|-------|-----------------------|----------------------|
| | Notes | Rupees | Rupees |
| I. EQUITIES AND LIABILITIES | | | |
| 1. SHAREHOLDERS' FUND | | | |
| Share Capital | 3 | | 618,750 |
| Reserves and Surplus | 4 | | 1,598,731,612 |
| 2. NON CURRENT LIABILITIES | | | |
| Long Term Liabilities | 5 | | 1,202,608,196 |
| 3. CURRENT LIABILITIES | | | |
| Current Liabilities | 6 | | 185,595,297 |
| Short Term Provisions | 7 | | 27,938,090 |
| | | | <u>3,015,491,945</u> |
| II. ASSETS | | | |
| 1. NON CURRENT ASSETS | | | |
| Fixed Assets | | | |
| - Tangible Assets | 8 | 293,668,854 | |
| - Intangible Assets | 8A | <u>1,512,249</u> | 295,181,103 |
| Non Current Investments | 9 | | 63,432,638 |
| Deferred Tax Assets (Net) | 10 | | 2,507,786 |
| Long term Loans & Advances | 11 | | 1,171,384,252 |
| Other Non-Current Assets | 15 | | 463,900,000 |
| 2. CURRENT ASSETS | | | |
| Current Investments | 12 | | 36,926,465 |
| Trade Receivables | 13 | | 7,890,419 |
| Cash and Bank Balances | 14 | | 928,512,865 |
| Short Term Loans & Advances | 11 | | 28,035,159 |
| Other Current Assets | 15 | | 17,721,258 |
| | | | <u>3,015,491,945</u> |
| Summary of Significant Accounting Policies | 2 | | |

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

As per our report of even date

For S R Batliboi & Co LLP

Chartered Accountants

Firm Registration Number. 301003E

per **Bhaswar Sarkar**

Partner

Membership No. 55596

Place: Kolkata

Date: 23rd September 2015

For and on behalf of the Board of Directors

Dipankar Chatterji

Chairman

Bhaskar Sen

Director

Prosenjit Dutta

Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE FOR THE YEAR ENDED 31st MARCH 2015

| Particulars | Notes | 2014-15 |
|---|--------------|---------------------------|
| <u>Income :</u> | | Rupees |
| Revenue from Operations | 16 | 57,584,606 |
| Other Income | 17 | 159,229,765 |
| | | <u>216,814,371</u> |
| <u>Expenses :</u> | | |
| Employees Benefit Expense | 18 | 84,292,913 |
| Other Expenses | 19 | 55,167,813 |
| Depreciation and Amortization Expense | 20 | 8,877,511 |
| Contribution to SEBI | | 2,684,835 |
| Contribution to Stock Exchange Investors' Protection Fund | | 9,166,257 |
| | | <u>160,189,329</u> |
| Profit before Tax | | <u>56,625,042</u> |
| <u>Tax Expenses :</u> | | |
| Current Tax | | 12,115,866 |
| MAT Credit availed | | (8,668) |
| Adjustment to Tax provision relating to earlier years | | (32,077) |
| Deferred Tax | | 1,951,430 |
| | | <u>14,026,551</u> |
| Profit after Tax | | <u>42,598,491</u> |

Earnings per equity share

| | | |
|--|----|-------|
| Basic & Dilluted (Rs.) | 21 | 18.67 |
| Nominal Value of Share (Re.) | | 1 |
| Summary of Significant Accounting Policies | 2 | |

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

As per our report of even date

For S R Batliboi & Co LLP

Chartered Accountants

Firm Registration Number. 301003E

per **Bhaswar Sarkar**

Partner

Membership No. 55596

Place: Kolkata

Date: 23rd September 2015

For and on behalf of the Board of Directors

Dipankar Chatterji

Chairman

Bhaskar Sen

Director

Prosenjit Dutta

Chief Financial Officer



The Calcutta Stock Exchange Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

| Particulars | 2014-15 (Rupees) |
|---|----------------------|
| A. Cash Flow from Operating Activities | |
| Profit before tax | 56,625,042 |
| Adjustments for: | |
| Depreciation and Amortization expense | 8,877,511 |
| Provision for Wealth Tax | 4,500,000 |
| Interest on Fixed Deposits and Bonds | (123,095,490) |
| Interest on Income Tax Refunds | (1,834,473) |
| Irrecoverable debts/advances written off and Provision for doubtful debts | 1,955,025 |
| Unspent liabilities no longer required written back | (6,860,744) |
| Provision for Gratuity | 3,994,188 |
| Contribution to Settlement Guarantee Fund | 184,880 |
| (Profit) on sale/discard of fixed assets (net) | (326,519) |
| Dividend on Long Term Investment | (11,511,358) |
| Profit on sale of Current Investments | (5,670,481) |
| Operating profit before working capital changes | (73,162,419) |
| Adjustments for: | |
| (Increase) in Trade Receivables | (1,971,402) |
| (Decrease) in Long Term Liabilities | (4,934,125) |
| (Increase) in Long Term Loans & Advances | (276,342) |
| Decrease in Short Term Loans & Advances | 131,176,649 |
| (Increase) in Other Current Assets | (95,613) |
| (Decrease) in Short Term Provisions | (21,660,236) |
| (Decrease) in Other Current Liabilities | (684,498,973) |
| Cash generated from/(used in) operations | (655,422,461) |
| Direct taxes paid (net of refunds) | 3,631,707 |
| Net Cash from/(used in) from Operating Activities | (651,790,754) |
| B. Cash Flow from Investing Activities | |
| Sale of Fixed Assets | 447,901 |
| Purchase of Fixed Assets (Including Capital Work in Progress) | (3,295,415) |
| (Increase) / decrease in Non Current Investments | - |
| Proceeds from sale of Current Investments | 228,670,481 |
| Purchase of Current Investments | (30,327,560) |
| Dividend on Investment | 11,511,358 |
| Investment in Fixed Deposits | (1,116,417,987) |
| Encashment of Fixed Deposits | 1,092,672,848 |
| Interest on Fixed Deposits and Bonds | 126,575,434 |
| Net Cash from/(used in) Investing Activities | 309,837,060 |
| C. Cash Flow from Financing Activities | |
| Dividend Paid on equity shares | (12,220,000) |
| Tax on equity dividend paid | (2,076,789) |
| Net Cash from/(used in) Financing Activities | (14,296,789) |
| Net increase/(decrease) in Cash and Cash Equivalents (A+B+C) | (356,250,483) |
| Cash and Cash Equivalents - Opening Balance | 440,122,056 |
| Cash and Cash equivalents -Closing Balance | 83,871,573 |
| Components of Cash & Cash Equivalents * | |
| | 2014-15 |
| Cash on hand | 55,966 |
| Cheques / Drafts on hand | 570,153 |
| Balance with Scheduled Banks on Current Account: | |
| - Own Fund | 76,204,150 |
| - Investors' Service Fund | 1,283,339 |
| - Settlement Guarantee Fund | 5,757,965 |
| | 83,871,573 |

* Excludes the balance of Rs.51,23,305 (2013-14: Rs. 35,80,565) which the Company can utilize only toward settlement of the respective unpaid dividend.

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

As per our report of even date

For and on behalf of the Board of Directors

For S R Batliboi & Co LLP

Chartered Accountants

Firm Registration Number. 301003E

Dipankar Chatterji

Chairman

Bhaskar Sen

Director

per Bhaswar Sarkar

Partner

Membership No. 55596

Place: Kolkata

Date: 23rd September 2015

Prosenjit Dutta

Chief Financial Officer

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2015**NOTE - 1 : Basis of Consolidation**

The Consolidated Financial Statements comprising of the financial statements of The Calcutta Stock Exchange Limited (the Company) and its subsidiary (together 'the Group') have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary have been consolidated in terms of Accounting Standard – 21, "Consolidated Financial Statements" on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenditure after fully eliminating intra group balances, intra group transactions and any unrealized profit/loss included therein.
- b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.
- c) The subsidiary company considered for the consolidated financial statements is:

Name of the Company:**CSE Capital Markets Private Limited****% of ownership Interest: 100%****NOTE – 1.1: Basis of preparation**

The consolidated financial statements comprising of the financial statements of the Company and its subsidiary have been prepared on an accrual basis and under the historical cost convention in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

NOTE – 2 : Summary of Significant Accounting Policies**i) Use of Estimates**

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current

events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liability in future periods.

ii) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue in respect of services rendered is recognized when the service is rendered and there is certainty of realization.

Revenue from listing fees and subscription fees are recognized when there is reasonable certainty of its ultimate realization/collection. The Company collects service tax on behalf of the Government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.

Dividend

Dividend income is recognized when the Group's right to receive payment is established by the balance sheet date.

iii) Tangible Assets

Fixed assets are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Asset under development as at the Balance Sheet date are shown as Capital work in Progress. Advance paid towards such development are shown as Capital Advance.

iv) Impairment of Fixed Assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the



The Calcutta Stock Exchange Limited

carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and value in use of the assets. The estimated future cash flows considered for determining the value in use, are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risk specific to the asset.

v) Depreciation on Tangible Fixed Assets

- (a) Depreciation on fixed assets has been provided on the written down value method as per the rates prescribe under Schedule – II of the Companies Act, 2013 which is in accordance with management estimates for the useful life of the underlying assets. Depreciation on fixed assets added/disposed-off during the year is provided on pro-rata basis with reference to the date of addition/disposal.
- (b) Leasehold Land is amortized over the period of lease, i.e. 99 years.

vi) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Software costs related to computers are amortized on straight line basis over a period of three years from the date the asset become available for use.

vii) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

Investment Property:

An investment in land, which is not intended to be occupied substantially for use by, or in the operations of, the company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The leasehold land is amortized over the period of lease, i.e. 99 years.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

viii) Taxes

Tax expense comprises current and deferred tax. Current income tax is measured as the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such

deferred tax assets can be realized. In situations where the Company or its subsidiary has unabsorbed depreciation or carry forwarded tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

ix) Retirement and other Employee Benefits

- a) Retirement benefit in the form of provident fund and superannuation fund are defined contribution scheme. The Company has no obligation, other than the contribution payable to such funds. The Company recognizes contribution payable to these funds as expenditure, when an employee renders the related service. If the contribution payable to the funds for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the funds are recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.
- b) The Company operates two defined benefit plans for its employees, viz., Gratuity and leave liability. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.



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- c) Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss immediately.

x) Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to the equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

xi) Provisions

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on best estimate required

to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect to current best estimates.

xii) Contingent Liabilities

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured the reliably. The Group does not recognize the contingent liability but discloses its existence in the financial statement.

xiii) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Note to the consolidated financial statements as at and for the year ended 31st March 2015**NOTE - 3 : Share Capital**

| <u>Particulars</u> | <u>As at 31st March 2015</u> |
|---|------------------------------|
| | <u>Rupees</u> |
| a) AUTHORISED SHARES : | |
| 10,00,00,000 Equity Shares of Re.1 each | <u>100,000,000</u> |
| b) ISSUED SHARES : | |
| 6,18,750 Equity Shares of Re.1 each | <u>618,750</u> |
| c) SUBSCRIBED & PAID UP SHARES : | |
| 6,11,000 Equity Shares of Re.1 each fully paid up | 611,000 |
| Add : Forfeited Shares: | 7,750 |
| 7,750 Equity Shares paid up of Re.1 each | |
| | <u><u>618,750</u></u> |

A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

| | 31st March 2015 | |
|---|------------------------|------------|
| | Number | Rs. |
| Equity Shares | 6,11,000 | 611,000 |
| Issued during the year | - | - |
| Shares outstanding at the end of the year | 6,11,000 | 611,000 |

B. Terms / rights attached to equity shares :

The Company has only one class of equity shares having at par value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2015, the amount per share dividend recognized as distributions to equity shareholders was Rs.20 (31 March 2014 : Rs.20).

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

C. There are no shareholders who are holding more than 5% shares in the Company.**C. There are no shareholders who are holding more than 5% shares in the Company.**



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Note to the consolidated financial statements as at and for the year ended 31st March 2015

NOTE - 4 : Reserves and Surplus

| Particulars | Balance of Pre-Demutualisation Period as at 31st March 2014 | | Pre-Demutualisation Period Additions during the year | | Post-Demutualisation Period Deductions during the year | | Balance of Pre-Demutualisation Period as at 31st March 2015 | | Balance of Post-Demutualisation Period as at 31st March 2015 | | Total Balance of Reserves & Surplus as at 31st March 2015 | |
|---|---|----------------------------|--|----------------------|--|----------------------------|---|----------------------------|--|----------|---|----------|
| | Rupees | | Rupees | | Rupees | | Rupees | | Rupees | | Rupees | |
| Own Fund | | | | | | | | | | | | |
| Capital Reserve | 618,860 (618,860) | - (-) | - (-) | - (-) | - (-) | - (-) | 618,860 (618,860) | - (-) | - (-) | - (-) | 618,860 (618,860) | - (-) |
| Securities Premium Account | 3,014,597 (3,014,597) | - (-) | - (-) | - (-) | - (-) | - (-) | 3,014,597 (3,014,597) | - (-) | 631,778,051 (631,778,051) | - (-) | 634,792,648 (634,792,648) | - (-) |
| Reserve for Establishment of Centre for Training and Statistical Information & Setting up a Library | 38,841,547 (38,841,547) | - (-) | - (-) | - (-) | - (-) | - (-) | 38,841,547 (38,841,547) | - (-) | - (-) | - (-) | 38,841,547 (38,841,547) | - (-) |
| Development Fee Fund | 134,050,000 (134,050,000) | - (-) | - (-) | - (-) | - (-) | - (-) | 134,050,000 (134,050,000) | - (-) | - (-) | - (-) | 134,050,000 (134,050,000) | - (-) |
| General Reserve | 344,505,827 (341,750,932) | 48,201,351 (44,508,351) | 6,244,315 (3,068,250) | 412,681 (313,355) | - (-) | 4,000,000 (3,693,000) | 350,337,461 (344,505,827) | 52,015,205 (48,201,351) | - (-) | - (-) | 402,352,666 (392,707,178) | - (-) |
| Surplus in the Statement of Profit and Loss | - (-) | 48,196,223 (48,126,162) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) |
| Add: Profit for the Year | - (-) | - (-) | - (-) | - (-) | - (-) | 42,598,491 (36,926,910) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) |
| Add : Sundry balances written off related to pre demutualisation period transferred from general | - (-) | - (-) | - (-) | - (-) | - (-) | (313,355) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) |
| Less : Interest and refund of TDS receivable from Income Tax Authority related to pre demutualisation period transferred to general reserve | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) |
| Less: Transferred to General Reserve | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) |
| Less : Income of Investors' Service Fund transferred | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) |
| Add : Expenses of Investors' Service Fund transferred | - (-) | - (-) | - (-) | - (-) | - (-) | 156,486 (129,867) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) |
| Less : Income of Settlement Guarantee Fund transferred | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) |
| Add : Expenses of Settlement Guarantee Fund transferred | - (-) | - (-) | - (-) | - (-) | - (-) | 4,513,679 (2,550,752) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) |
| Less : Profit on sale of Fixed Assets of Pre-Demutualisation Period transferred to General Reserve | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) |
| Less : Unspent Liabilities no longer required, written back related to Pre-Demutualisation Period transferred to General Reserve | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) | - (-) |

Note to the consolidated financial statements as at and for the year ended 31st March 2015

NOTE - 4 : Reserves and Surplus

| Particulars | Balance of Pre-Demutualisation Period as at 31st March 2014 | Balance of Post-Demutualisation Period as at 31st March 2014 | Pre-Demutualisation Period Additions during the year | Pre-Demutualisation Period Deductions during the year | Post-Demutualisation Period Additions during the year | Post-Demutualisation Period Deductions / adjustments during the year | Balance of Pre-Demutualisation Period as at 31st March 2015 | Balance of Post-Demutualisation Period as at 31st March 2015 | Total Balance of Reserves & Surplus as at 31st March 2015 |
|---|---|--|--|---|---|--|---|--|---|
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| Less : Proposed final equity dividend [amount per share Rs.20(31 March 2014 : Rs.20)] | - | - | - | - | - | 12,220,000 (12,220,000) | - | - | - |
| Less : Tax on proposed equity dividend | - | - | - | - | - | 2,443,267 (2,076,789) | - | - | - |
| | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| Total (I) | 521,030,831 (518,275,936) | 728,175,625 (724,412,564) | 6,244,315 (3,068,250) | 412,681 (313,355) | 51,268,656 (43,613,884) | 54,710,174 (46,508,878) | 526,862,465 (521,030,831) | 724,734,107 (721,517,570) | 1,251,596,572 (1,242,548,401) |
| Investors' Service Fund (Refer Note 28) | - | 52,442,859 (46,732,823) | - | - | 6,641,276 (5,839,903) | 156,486 (129,867) | - | 58,927,649 (52,442,859) | 58,927,649 (52,442,859) |
| Total (II) | - | 52,442,859 (46,732,823) | - | - | 6,641,276 (5,839,903) | 156,486 (129,867) | - | 58,927,649 (52,442,859) | 58,927,649 (52,442,859) |
| Settlement Guarantee Fund (Refer Note 26) | | | | | | | | | |
| Settlement Guarantee Fund for CSE-NSE Cash Segment | - | 10,050,593 (10,018,630) | - | - | 25,026 (31,963) | - | - | 10,075,619 (10,050,593) | 10,075,619 (10,050,593) |
| Settlement Guarantee Fund for CSE-NSE Future and Option Segment | - | 10,016,201 (10,004,120) | - | - | 74,338 (12,081) | - | - | 10,090,539 (10,016,201) | 10,090,539 (10,016,201) |
| Settlement Guarantee Fund for CSE-BSE Cash Segment | - | 10,074,915 (10,024,808) | - | - | 72,716 (50,107) | - | - | 10,147,631 (10,074,915) | 10,147,631 (10,074,915) |
| Settlement Guarantee Fund for CSE-BSE Future and Option Segment | - | 10,000,000 (10,000,000) | - | - | 2,800 (-) | - | - | 10,002,800 (10,000,000) | 10,002,800 (10,000,000) |
| Settlement Guarantee Fund - Initial membership fees | - | 230,000 (130,000) | - | - | 10,000 (100,000) | - | - | 240,000 (230,000) | 240,000 (230,000) |
| Settlement Guarantee Fund (Governed by the Bye-Laws of the Settlement Guarantee Fund of the Exchange) | - | 228,961,892 (210,935,890) | - | - | 23,202,589 (20,667,289) | 4,513,679 (2,641,287) | - | 247,650,802 (228,961,892) | 247,650,802 (228,961,892) |
| Total (III) | - | 269,333,601 (251,113,448) | - | - | 23,387,469 (20,861,440) | 4,513,679 (2,641,287) | - | 288,207,391 (269,333,601) | 288,207,391 (269,333,601) |
| TOTAL OF I + II + III | 521,030,831 (518,275,936) | 1,049,952,085 (1,022,258,835) | 6,244,315 (3,068,250) | 412,681 (313,355) | 81,297,401 (70,315,227) | 59,380,339 (49,280,032) | 526,862,465 (521,030,831) | 1,071,869,147 (1,043,294,030) | 1,598,731,612 (1,564,324,861) |



The Calcutta Stock Exchange Limited

Notes to the consolidated financial statements as at and for the year ended 31st March 2015

NOTE - 5 : Long Term Liabilities

| Particulars | As at 31st March 2015 | | |
|--------------------------------------|----------------------------|-----------------------------|----------------------|
| | Pre-Demutualisation Period | Post-Demutualisation Period | TOTAL |
| | Rupees | Rupees | Rupees |
| Sundry Deposits [Refer Note 31 (ii)] | 969,294,037 | - | 969,294,037 |
| Members' Security Deposits | | | |
| - Own Fund | - | 100,986,255 | 100,986,255 |
| - Settlement Guarantee Fund | - | 132,327,904 | 132,327,904 |
| | <u>969,294,037</u> | <u>233,314,159</u> | <u>1,202,608,196</u> |

NOTE - 6 : Current Liabilities

| Particulars | As at 31st March 2015 | | |
|--|----------------------------|-----------------------------|--------------------|
| | Pre-Demutualisation Period | Post-Demutualisation Period | TOTAL |
| | Rupees | Rupees | Rupees |
| Trade Payables | - | 18,064,727 | 18,064,727 |
| Other Liabilities : | | | |
| Sundry Deposits | 16,910,378 | 30,426,702 | 47,337,080 |
| For Fixed Assets | - | - | - |
| Payable to related party: (Refer Note 33) | | | |
| Stock Exchange Investors' Protection Fund | - | 577,699 | 577,699 |
| Statutory Dues | - | 2,856,763 | 2,856,763 |
| Unclaimed Dividend | - | 5,123,305 | 5,123,305 |
| Members' deposit including deposits for additional base capital requirement and margin in Cash | - | 111,635,723 | 111,635,723 |
| | <u>16,910,378</u> | <u>168,684,919</u> | <u>185,595,297</u> |

Notes: Based on the information/documents available, no creditor is covered under the Micro, Small and Medium Enterprises Development Act, 2006 and hence no disclosure thereof is made in this account.

NOTE - 7 : Short Term Provisions

| Particulars | As at 31st March 2015 |
|---|-----------------------|
| | Rupees |
| Provision for Employee Benefits: | |
| Leave | 8,774,823 |
| Gratuity [Refer Note 32 (i)] | - |
| Other Provisions: | |
| Proposed Dividend | 12,220,000 |
| Tax on Dividend | 2,443,267 |
| Wealth Tax | 4,500,000 |
| | <u>27,938,090</u> |

Note to the consolidated financial statements as at and for the year ended 31st March 2015

NOTE - 8 : Tangible Assets

| Cost or Valuation | Freehold Land | Leasehold Land | Building | Electrical Equipments | Furniture & Fixtures | Office Equipments | Vehicles | Computers | Total |
|--|---------------|----------------|------------|-----------------------|----------------------|-------------------|-----------|-------------|-------------|
| (Amount in Rs.) | | | | | | | | | |
| ASSETS OF PRE-DEMUTUALISATION PERIOD : | | | | | | | | | |
| At 1st April 2013 | 415,300 | 49,667,291 | 2,157,399 | 13,389,116 | 11,342,004 | 9,905,858 | - | 186,296,242 | 273,173,210 |
| Additions | - | - | - | - | - | - | - | - | - |
| Disposals/Adjustment | - | 49,667,291 * | - | - | 32,048 | - | - | - | 49,699,339 |
| At 31st March 2014 | 415,300 | - | 2,157,399 | 13,389,116 | 11,309,956 | 9,905,858 | - | 186,296,242 | 223,473,871 |
| Additions | - | - | - | - | - | - | - | - | - |
| Disposals/Adjustment | - | - | - | 688,220 | 2,118,965 | 262,353 | - | - | 3,069,538 |
| At 31st March 2015 | 415,300 | - | 2,157,399 | 12,700,896 | 9,190,991 | 9,643,505 | - | 186,296,242 | 220,404,333 |
| Depreciation | | | | | | | | | |
| At 1st April 2013 | - | 5,954,490 | 1,457,198 | 12,230,299 | 10,767,290 | 9,194,114 | - | 185,489,907 | 225,093,298 |
| Charge For the Year | - | 463,419 | 39,378 | 158,076 | 64,656 | 97,960 | - | 28,517 | 852,006 |
| Disposals/Adjustment | - | 6,417,909 * | - | - | 31,137 | - | - | - | 6,449,046 |
| At 31st March 2014 | - | - | 1,496,576 | 12,388,375 | 10,800,809 | 9,292,074 | - | 185,518,424 | 219,496,258 |
| Charge For the Year | - | - | 28,997 | 3,009 | 2,706 | 2,340 | - | - | 34,346 |
| Adjusted with General Reserves (Refer Note 23) | - | - | - | 367,909 | 2,019,632 | 226,449 | - | 19,457 | 616,521 |
| Disposals/Adjustment | - | - | - | 676,903 | 251,621 | - | - | - | 2,948,156 |
| At 31st March 2015 | - | - | 1,525,573 | 12,082,390 | 8,783,883 | 9,269,242 | - | 185,537,881 | 217,198,969 |
| Net Block | | | | | | | | | |
| At 31st March 2014 | 415,300 | - | 660,823 | 1,000,741 | 509,147 | 613,784 | - | 777,818 | 3,977,613 |
| At 31st March 2015 | 415,300 | - | 631,826 | 618,506 | 407,108 | 374,263 | - | 758,361 | 3,205,364 |
| ASSETS OF POST-DEMUTUALISATION PERIOD : | | | | | | | | | |
| At 1st April 2013 | 269,000,023 | - | 10,899,975 | 2,511,123 | 5,325,527 | 2,960,570 | 1,393,530 | 11,670,929 | 303,761,677 |
| Additions | - | - | 828,654 | 1,027,066 | 55,576 | 34,990 | - | 6,749,196 | 8,695,482 |
| Disposals/Adjustment | - | - | - | - | - | - | - | - | - |
| At 31st March 2014 | 269,000,023 | - | 11,728,629 | 3,538,189 | 5,381,103 | 2,995,560 | 1,393,530 | 18,420,125 | 312,457,159 |
| Additions | - | - | - | 3,122,205 | - | - | - | 173,210 | 3,295,415 |
| Disposals/Adjustment | - | - | - | - | - | - | - | - | - |
| At 31st March 2015 | 269,000,023 | - | 11,728,629 | 6,660,394 | 5,381,103 | 2,995,560 | 1,393,530 | 18,593,335 | 315,752,574 |
| Depreciation | | | | | | | | | |
| At 1st April 2013 | - | - | 342,984 | 353,295 | 1,336,490 | 881,970 | 750,373 | 7,896,549 | 11,561,661 |
| Charge For the Year | - | - | 548,510 | 431,268 | 729,477 | 291,156 | 166,514 | 4,024,324 | 6,191,249 |
| Disposals/Adjustment | - | - | - | - | - | - | - | - | - |
| At 31st March 2014 | - | - | 891,494 | 784,563 | 2,065,967 | 1,173,126 | 916,887 | 11,920,873 | 17,752,910 |
| Charge For the Year | - | - | 1,055,751 | 1,169,474 | 910,584 | 979,549 | 174,761 | 2,967,963 | 7,258,082 |
| Adjusted with General Reserves (Refer Note 23) | - | - | - | - | - | 183,718 | - | 94,374 | 278,092 |
| Disposals/Adjustment | - | - | - | - | - | - | - | - | - |
| At 31st March 2015 | - | - | 1,947,245 | 1,954,037 | 2,976,551 | 2,336,393 | 1,091,648 | 14,983,210 | 25,289,084 |
| Net Block | | | | | | | | | |
| At 31st March 2014 | 269,000,023 | - | 10,837,135 | 2,753,626 | 3,315,136 | 1,822,434 | 476,643 | 6,499,252 | 294,704,249 |
| At 31st March 2015 | 269,000,023 | - | 9,781,384 | 4,706,357 | 2,404,552 | 659,167 | 301,882 | 3,610,125 | 290,463,490 |
| Net Block of Tangible Assets | | | | | | | | | |
| At 31st March 2014 | 269,415,323 | - | 11,497,958 | 3,754,367 | 3,824,283 | 2,436,218 | 476,643 | 7,277,070 | 298,681,862 |
| At 31st March 2015 | 269,415,323 | - | 10,413,210 | 5,324,863 | 2,811,660 | 1,033,430 | 301,882 | 4,368,486 | 293,668,854 |

* Disclosed as investment property



The Calcutta Stock Exchange Limited

Note to the consolidated financial statements as at and for the year ended 31st March 2015

NOTE - 8A : Intangible Assets

| Particulars | (Amount in Rs.) | |
|--|--------------------|------------|
| | Computer Softwares | Total |
| ASSETS OF PRE-DEMUTUALISATION PERIOD : | | |
| Gross Block | | |
| At 1st April 2013 | 30,036,144 | 30,036,144 |
| Purchase | - | - |
| Disposals/Adjustment | - | - |
| At 31st March 2014 | 30,036,144 | 30,036,144 |
| Purchase | - | - |
| Disposals/Adjustment | - | - |
| At 31st March 2015 | 30,036,144 | 30,036,144 |
| Amortization | | |
| At 1st April 2013 | 30,036,108 | 30,036,108 |
| Charge For the Year | - | - |
| Disposals/Adjustment | - | - |
| At 31st March 2014 | 30,036,108 | 30,036,108 |
| Charge For the Year | - | - |
| Disposals/Adjustment | - | - |
| At 31st March 2015 | 30,036,108 | 30,036,108 |
| Net Block | | |
| At 31st March 2014 | 36 | 36 |
| At 31st March 2015 | 36 | 36 |
| ASSETS OF POST-DEMUTUALISATION PERIOD : | | |
| Gross Block | | |
| At 1st April 2013 | 4,952,659 | 4,952,659 |
| Purchase | 147,874 | 147,874 |
| Disposals/Adjustment | - | - |
| At 31st March 2014 | 5,100,533 | 5,100,533 |
| Purchase | - | - |
| Disposals/Adjustment | - | - |
| At 31st March 2015 | 5,100,533 | 5,100,533 |
| Amortization | | |
| At 1st April 2013 | 749,362 | 749,362 |
| Charge For the Year | 1,717,294 | 1,717,294 |
| Disposals/Adjustment | - | - |
| At 31st March 2014 | 2,466,656 | 2,466,656 |
| Charge For the Year | 1,121,664 | 1,121,664 |
| Disposals/Adjustment | - | - |
| At 31st March 2015 | 3,588,320 | 3,588,320 |
| Net Block | | |
| At 31st March 2014 | 2,633,877 | 2,633,877 |
| At 31st March 2015 | 1,512,213 | 1,512,213 |
| Net Block of Intangible Assets | | |
| At 31st March 2014 | 2,633,913 | 2,633,913 |
| At 31st March 2015 | 1,512,249 | 1,512,249 |

Note to the consolidated financial statements as at and for the year ended 31st March 2015

NOTE - 9 : Non Current Investments (At cost)

| Particulars | As at 31st March 2015 | |
|--|-----------------------|--------------------------|
| | Rupees | Rupees |
| INVESTMENT PROPERTY | | |
| Pre-Demutualisation Period | | |
| Cost of leasehold land (Refer Note 34) | 49,667,291 | |
| Less : Accumulated depreciation | <u>6,881,328</u> | 42,785,963 |
| | | <u>42,785,963</u> |
| INVESTMENTS OF PRE-DEMUTUALISATION PERIOD | | |
| Non-trade | | |
| Quoted debentures | | |
| 117 debentures of Rs.100 each fully paid up of 15% Bengal Paper Mills Co Ltd * | | 1 |
| Trade | | |
| Unquoted equity shares | | |
| 10,00,000 equity shares of Rs. 10 each fully paid up of Central Depository Services (India) Ltd | | 10,000,000 |
| (by way of equity participation as a co-sponsor) | | |
| | | <u>10,000,001</u> |
| INVESTMENTS OF POST-DEMUTUALISATION PERIOD | | |
| Non-Trade | | |
| Quoted | | |
| Equity shares | | |
| 400 equity shares of Rs. 10 each fully paid up of Beeyu Overseas Ltd | | 6,674 |
| Bonds | | |
| 5,696 8.2% Bonds of Rs.1,000 each fully paid up of 10 years Power Finance Corporation of India | | 5,696,000 |
| 4,944 8.2% Bonds of Rs.1,000 each fully paid up of 10 years National Highway Securities Authority of India (N1 Series) | | 4,944,000 |
| | | <u>10,646,674</u> |
| | | <u>63,432,638</u> |
| * Since the market value is not available, the same has been valued at Re.1 | | |
| Aggregate cost of Investments: | | |
| Quoted | | 10,646,675 |
| Unquoted | | 10,000,000 |
| Value of investment property | | 42,785,963 |
| Market value of quoted investments | | 11,621,060 |



The Calcutta Stock Exchange Limited

Notes to the consolidated financial statements as at and for the year ended 31st March 2015

NOTE - 10 : Deferred Tax Assets (Net)

| <u>Particulars</u> | <u>As at 31st March 2015 Rupees</u> |
|---|---|
| Deferred Tax Liability | |
| Fixed Assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting | 221,143 |
| Gross Deferred Tax Liability | 221,143 |
| Deferred Tax Asset | |
| Provision for doubtful debts and advances | 1,881,675 |
| Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis | 847,254 |
| Gross Deferred Tax Asset | 2,728,929 |
| Net Deferred Tax Asset | 2,507,786 |

NOTE - 11 : Loans & Advances

| <u>Particulars</u> | <u>Non-Current As at 31st March 2015 Rupees</u> | <u>Current As at 31st March 2015 Rupees</u> |
|---|---|---|
| Unsecured, considered good : | | |
| Security Deposits | 42,967,941 | - |
| Deposit with BSE Ltd - Settlement Guarantee Fund | 58,125,000 | - |
| Deposit with Indian Clearing Corporation Ltd | 1,010,000 | 20,000,000 |
| Deposit with Indian Clearing Corporation Ltd - Settlement Guarantee Fund | 1,875,000 | - |
| | 103,977,941 | 20,000,000 |
| Other advances recoverable in cash or in kind | | |
| - From Settlement Guarantee Fund | 2,439,882 | - |
| - Provision for doubtful advances | (2,439,882) | - |
| - From other parties | 9,066,583 | 20,820 |
| Receivable from defaulting members [Refer Note 30 (i)] | 954,532,105 | - |
| | 963,598,688 | 20,820 |
| Other Loans & Advances: | | |
| Advance Income Tax and Tax Deducted at Source [Net of Provisions of Rs. 64,595,757] | 98,698,443 | - |
| Prepaid expenses | - | 4,124,301 |
| Loan to employees | | |
| - Interest bearing | 5,109,180 | 1,618,357 |
| - Non interest bearing | - | 748,993 |
| Service Tax receivable | - | 1,522,688 |
| | 103,807,623 | 8,014,339 |
| | 1,171,384,252 | 28,035,159 |

Note to the consolidated financial statements as at and for the year ended 31st March 2015**NOTE - 12 : Current Investments**

| <u>Particulars</u> | <u>As at 31st March 2015</u> | |
|---|------------------------------|------------|
| | <u>Rupees</u> | |
| Current portion of long-term investments (valued at cost) | | |
| Investments in fixed maturity mutual funds (Unquoted) | | |
| 5,00,000 units of Rs.10 each fully paid up of UTI Fixed Term Income Fund Series XIX- VIII (368 Days) - Direct Growth Plan | 5,000,000 | |
| 2,50,000 units of Rs.10 each fully paid up of BOI-AXA Fixed Maturity Plan - Series 14 (368 Days)- Direct Plan Growth | 2,500,000 | |
| 10,00,000 units of Rs.10 each fully paid up of Religare Invesco FMP - Sr.23 - Plan O 370 Days - Direct Plan Growth | 10,000,000 | |
| 12,50,000 units of Rs.10 each fully paid up of ICICI Prudential FMP Series 74 - 369 Days Plan I Direct Plan Cumulative | 12,500,000 | |
| | 30,000,000 | |
| Current Investment (Valued at lower of cost and net realisable value) | | |
| Investments in mutual funds (Unquoted) | | |
| 1,044 units of Rs.1000 each fully paid up of Baroda Pioneer Liquid Fund - Plan B Growth ** | 1,500,000 | |
| | 1,500,000 | |
| 5,402 units of Rs.1,000 each fully paid up of Religare Invesco Liquid Fund - Direct Plan Daily Dividend | 5,406,326 | |
| 20.084 units of Rs.1,000 each fully paid up of Reliance Money Manager Fund - Daily Dividend Plan Dividend Reinvestment | 20,139 | |
| | 5,426,465 | |
| | 36,926,465 | |
| * Investment out of Settlement Guarantee Fund | | |
| ** Investment out of Investors' Service Fund | | |
| Aggregate cost of Investments: | | |
| Unquoted | | 36,926,465 |
| Net asset value of fixed maturity plan | | 32,271,575 |
| Net asset value of mutual fund units | | 7,102,413 |

NOTE - 13 : Trade Receivables

| <u>Particulars</u> | <u>As at 31st March 2015</u> | |
|---|------------------------------|------------------|
| | <u>Rupees</u> | <u>Rupees</u> |
| Outstanding for a period exceeding six months from the date they are due for payment: | | |
| Secured, Considered good | 3,061,414 | |
| Unsecured | | |
| - Considered good | 4,600,216 | |
| - Considered doubtful | 3,251,299 | 10,912,929 |
| Other Receivables: | | |
| Unsecured, Considered good | | 228,789 |
| | | 11,141,718 |
| Less: Provision for Doubtful Debts | | 3,251,299 |
| | | 7,890,419 |



The Calcutta Stock Exchange Limited

Note to the consolidated financial statements as at and for the year ended 31st March 2015

NOTE - 14 : Cash and Bank Balances

| Particulars | Non-Current | Current |
|---|-----------------------|-----------------------|
| | As at 31st March 2015 | As at 31st March 2015 |
| | Rupees | Rupees |
| a. CASH AND CASH EQUIVALENTS | | |
| Cash on hand | - | 55,966 |
| Cheques / Drafts on hand | - | 570,153 |
| Balance with Scheduled Banks on: | | |
| - Current Account | - | |
| - Own Fund | - | 76,204,150 |
| - Investors' Service Fund | - | 1,283,339 |
| - Settlement Guarantee Fund | - | 5,757,965 |
| - Unpaid Dividend Account | - | 5,123,305 |
| | - | 88,994,878 |
| b. OTHER BANK BALANCES | | |
| Deposits with original maturity for more than 12 months : | | |
| Own Fund * | 287,300,000 | 402,808,453 |
| Earmarked Funds: | | |
| - Settlement Guarantee Fund * | 86,000,000 | 231,350,000 |
| - Investors' Service Fund * | 41,000,000 | 14,900,000 |
| - Fund for Establishment of Centre for Training and Statistical Information & Setting up a Library | - | 38,841,547 |
| Deposits with original maturity for more than 3 months, but not more than 12 months : | | |
| Own Fund * | - | 141,717,987 |
| Earmarked Funds: | | |
| - Settlement Guarantee Fund * | - | 9,900,000 |
| | 414,300,000 | 839,517,987 |
| Amount disclosed under Non-current assets (Refer Note 15) | (414,300,000) | - |
| | - | 928,512,865 |
| Details of fixed deposits lien marked (included above) | | |
| Particulars | Non-Current | Current |
| | As at 31st March 2015 | As at 31st March 2015 |
| | Rupees | Rupees |
| Deposits with original maturity for more than 3 months, but not more than 12 months : | | |
| - with ICCL | - | 109,400,000 |
| Deposits with original maturity for more than 12 months : | | |
| - with ICCL | 219,800,000 | 316,350,000 |
| - with NSCCL | 80,000,000 | 319,900,000 |
| - with HDFC Bank Ltd | 109,400,000 | |
| | 409,200,000 | 745,650,000 |
| * The aforesaid fixed deposits is lien marked as margin for utilization of their Trading Platform by the members of the Company | | |
| Deposits with original maturity for more than 3 months, but less than 12 months : | | |
| - Deposit with Victor Moses & Co | - | 17,417,987 |
| | - | 17,417,987 |

Note to the consolidated financial statements as at and for the year ended 31st March 2015**NOTE - 15 : Other Assets**

| <u>Particulars</u> | <u>Non-Current</u> | <u>Current</u> |
|---|--------------------|-------------------|
| | <u>As at 31st</u> | <u>As at 31st</u> |
| | <u>March 2015</u> | <u>March 2015</u> |
| | <u>Rupees</u> | <u>Rupees</u> |
| Unsecured, considered good unless stated otherwise | | |
| Non-current bank balances (Refer Note 14) | 414,300,000 | - |
| Deposits with original maturity for more than 12 months : | | |
| Fixed deposit with financial institution (bearing interest) | 44,600,000 | - |
| Fixed deposit with financial institution (bearing interest) - Settlement Guarantee Fund | 5,000,000 | - |
| Other receivables | | |
| Rent & Electricity | - | 1,888,052 |
| Others | - | 227,866 |
| Interest accrued on fixed deposits: | | |
| - Own Fund | - | 10,951,099 |
| - Settlement Guarantee Fund | - | 3,913,004 |
| - Investors' Service Fund | - | 326,498 |
| Interest accrued on investments in bonds: | | |
| - Own Fund | - | 414,739 |
| | <u>463,900,000</u> | <u>17,721,258</u> |

NOTE - 16 : Revenue from Operations

| <u>Particulars</u> | <u>2014-15</u> |
|--|-------------------|
| | <u>Rupees</u> |
| SALE OF SERVICES : | |
| Turnover charges on own trading platform | - |
| Turnover charges on other trading platform : | |
| - BSE | 3,822,993 |
| - NSE | 2,599,821 |
| Listing fees | 20,006,845 |
| Subscriptions | 1,824,000 |
| Processing charges | 13,676,000 |
| Income from depository participant operation | 1,617,277 |
| Commission on PAN services | 74,481 |
| Other operating revenue : | |
| Bad debts recovered | 5,841,500 |
| Recovery of penal charges from clients | 7,893,924 |
| Technology charges from new members | 50,000 |
| Miscellaneous operating income | 177,765 |
| | <u>57,584,606</u> |



The Calcutta Stock Exchange Limited

Note to the consolidated financial statements as at and for the year ended 31st March 2015

NOTE - 17 : Other Income

| <u>Particulars</u> | <u>2014-15</u> | |
|---|--------------------|--|
| | <u>Rupees</u> | |
| Interest on investments of Investors' Service Fund | 4,924,640 | |
| Interest on investments of Settlement Guarantee Fund | 31,841,769 | |
| | 36,766,409 | |
| Interest income on own fund: | | |
| Fixed deposits | 85,456,601 | |
| Tax Free PSU bonds | 872,480 | |
| Security deposit with CESC Ltd | 126,994 | |
| Income Tax refunds | 1,834,473 | |
| Interest on delayed payment of listing fees | 4,351,869 | |
| Others | 654,861 | |
| | 93,297,278 | |
| Profit on sale of Current investments | 131,296 | |
| Profit on sale of Long Term investments | 5,539,185 | |
| | 5,670,481 | |
| Dividend income from investments on own fund: | | |
| Long term investments | 2,000,000 | |
| Current investments | 9,511,358 | |
| | 11,511,358 | |
| Other non-operating Income: | | |
| Rent | 1,106,862 | |
| Fees for transfer of tenancy rights | 1,820,340 | |
| Miscellaneous receipts (Rs.991 related to earlier year) | 1,869,774 | |
| Profit on sale of fixed assets | 326,519 | |
| Liabilities/Provisions no longer required, written back | 6,860,744 | |
| | 11,984,239 | |
| | 159,229,765 | |

NOTE - 18 : Employees Benefit Expense

| <u>Particulars</u> | <u>2014-15</u> | |
|--|----------------|-------------------|
| | <u>Rupees</u> | <u>Rupees</u> |
| Salaries, bonus etc. | | 68,745,293 |
| Contribution to provident and other funds: | | |
| - Provident Fund | 5,285,905 | |
| - Superannuation Fund | 2,285,440 | |
| - National Pension Scheme | 247,814 | 7,819,159 |
| Gratuity (Refer Note 32) | | 3,994,188 |
| Staff welfare | | 3,734,273 |
| | | 84,292,913 |

Note to the consolidated financial statements as at and for the year ended 31st March 2015**NOTE - 19 : Other Expenses**

| <u>Particulars</u> | <u>2014-15</u> | |
|---|-------------------|--------------------------|
| | <u>Rupees</u> | <u>Rupees</u> |
| Advertisement | | 1,584,942 |
| Rent | | 16,855 |
| Electricity charges | 8,257,995 | |
| Less : recovered from tenants | <u>1,593,298</u> | 6,664,697 |
| Rates & Taxes | | 4,861,092 |
| Insurance | | 330,080 |
| Printing & Stationary | | 604,030 |
| Telephone charges | | 983,354 |
| Travelling & Conveyance | | 1,968,954 |
| Motor car expenses | | 508,952 |
| Repairs & Maintenance: | | |
| - Building | 1,645,264 | |
| - Others * | <u>15,959,071</u> | 17,604,335 |
| Expenses for Other Trading Platform: | | |
| -BSE | | 357,160 |
| -NSE | | 515,443 |
| Interest on delayed payment of statutory dues | | 1,809 |
| Security Expenses | | 924,361 |
| Miscellaneous Expenses | | 1,700,718 |
| Expenses for Depository Services | | 1,948,937 |
| Legal & Professional Fees | | 9,264,503 |
| Auditor's Remuneration | | |
| As Audit Fees | 811,400 | |
| Tax Audit | 200,000 | |
| In other capacity | 25,000 | |
| Reimbursement of Expenses | <u>19,800</u> | 1,056,200 |
| Investors' Service Expenses | | 156,486 |
| Directors Sitting Fee | | 885,000 |
| CSR Expenditure | | 1,100,000 |
| Provision for Doubtful Debts | | 1,879,000 |
| Bad Debts | 4,656,480 | |
| Less : Adjusted against Provision for Doubtful Debts | <u>4,656,480</u> | - |
| Contribution to Settlement Guarantee Fund on CSE-NSE Turnover | | 99,364 |
| Contribution to Settlement Guarantee Fund on CSE-BSE Turnover | | 75,516 |
| Sundry Balances Written Off | | 76,025 |
| | | <u><u>55,167,813</u></u> |

* Including Rs.1,44,95,695 for computer maintenance and service charges.



The Calcutta Stock Exchange Limited

Notes to the consolidated financial statements as at and for the year ended 31st March 2015

NOTE - 20 : Depreciation and Amortization Expense

| <u>Particulars</u> | <u>2014-15</u> |
|-------------------------------------|-------------------|
| | <u>Rupees</u> |
| Depreciation of Tangible Assets | 7,292,428 |
| Amortization of Intangible Assets | 1,121,664 |
| Depreciation on Investment Property | 6,881,328 |
| | <u>15,295,420</u> |

NOTE - 21 : Earnings Per Share (EPS)

| <u>Particulars</u> | <u>2014-15</u> |
|---|--------------------------|
| | <u>Rupees</u> |
| Net Profit after Tax as per Statement of Profit and Loss | 42,598,491 |
| Less : Profit appropriated to earmarked fund | |
| -Transferred to General Reserve of Pre-demutualisation period | 6,244,315 |
| -Transferred to Investors' Service Fund | 6,484,790 |
| -Transferred to Settlement Guarantee Fund | 18,461,491 |
| Profit attributable to equity shareholders | <u>11,407,895</u> |
| Weighted average number of equity shares | <u>611,000</u> |
| Earnings per share - Basic & Diluted (Rs.) | <u>18.67</u> |
| Nominal Value of share (Re.) | <u>1</u> |

22. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instruction in respect of Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accordingly, the Company has complied with the Accounting Standards as applicable to a small and medium sized Company. In particular, Accounting Standard-17, "Segment Reporting" and disclosure requirements of Para-119 to 123 of Accounting Standard 15 (Revised), "Employee Benefits", in respect of accounting for defined benefit plans, are not applicable to the Company.

23. Effective from 01.04.2014, the Company has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule – II of the Companies Act, 2013, due to which depreciation charged for the year ended 31.03.2015 is higher by Rs.23,39,168. Further, as per the transitional provision provided in Note 7(b) of Schedule – II, an amount of Rs.5,98,827 (net of deferred tax of Rs.2,95,786) has been adjusted with the General Reserve for the assets in respect of which remaining useful life as per Schedule – II has expired as on 01.04.2014.

24. The Securities and Exchange Board of India (SEBI) vide its order dated August 29, 2005, had approved the Demutualisation Scheme ("the Scheme") for conversion of The Calcutta Stock Exchange Association Ltd to The Calcutta Stock Exchange Ltd and it was notified in the official Gazette on the same date. Pursuant to the aforesaid Scheme, a trading member may or may not be a shareholder of the Company and vice versa, it was directed to the Company that it shall not use its assets and reserves as on the date of publication of the scheme or the proceeds from disposal of such assets or the proceeds from disposal of successive assets acquired from the proceeds of disposal of such assets for any purpose other than discharging the current liabilities outstanding as on the date of publication of the Scheme or for the business operations of the Company. Accordingly, the reserves and surplus, liabilities, fixed assets and investments have been segregated between pre-demutualisation and post-demutualisation period and have been disclosed accordingly in the financial statements.

25. Contingent Liabilities not provided for :

Claims against the Company not acknowledged as debts.

Taxation matters :

a) In respect of Assessment Years 1991-92 and 1992-93, total demands aggregating Rs.3,66,74,684 raised by the Assessing Officer due to development fees received from members was considered revenue receipt instead of capital

receipt. The aforesaid demand had been vacated by the Income Tax Appellate Tribunal vide its Order dated 28.02.2006. However, the Income Tax Department filed an application before the Hon'ble High Court at Calcutta for condonation of delay in filing an appeal against the order of the Income Tax Appellate Tribunal which is pending disposal.

b) In respect of Assessment Year 2001-02, the Assessing Officer raised a demand for Rs.2,69,21,819 on the Company. The Income Tax Appellate Tribunal had given an Order allowing contribution to Settlement Guarantee Fund as application of income and referred back the other matters to Assessing Officer. The Assessing Officer, while giving effect of the Order of the Income Tax Appellate Tribunal dated 16.06.2006 reversed the demand and confirmed that Rs.3,57,70,449 including interest of Rs.88,48,630 is refundable vide Order dated 29.08.2006. However, the Income Tax Department has filed an application for condonation of delay for filing an appeal before the Hon'ble High Court at Calcutta against the above Order of the Income Tax Appellate Tribunal.

c) In respect of Assessment Year 2009-10, the Assessing Officer has raised a demand of Rs.5,49,719 under section 14A of the Income Tax Act, 1961 and have also imposed a penalty of Rs.4,99,745. The Company has filed an appeal before the Commissioner of Income Tax (Appeals) against the aforesaid demand by the Income Tax Authorities which is pending disposal.

d) In respect of Assessment Year 2010-11, the Commissioner of Income Tax had passed an Order under section 263 of the Income Tax Act, 1961 to re-assesse the income of the said Assessment Year on the ground of allowability of the contribution to Settlement Guarantee Fund amounting to Rs.5,76,07,622. The Exchange has filed an appeal before the Income Tax Appellate Tribunal against the aforesaid Order.

e) Deputy Commissioner of Wealth Tax had issued three notices under section 18(1)(c) of the Wealth Tax Act, 1957 for the Assessment years 2011-12, 2012-13 and 2013-14 on the applicability of Wealth Tax on the freehold land at Newtown and leasehold land at E M By-pass. The Exchange had filed appeals for each assessment years before the Commissioner of Wealth Tax.

Other matters :

f) The Company has received three Show Cause notices from the Employees State Insurance



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Corporation of West Bengal demanding an amount aggregating to Rs.44,59,799 as contribution payable by the Company. The Company has filed a Writ Petition before the Hon'ble High Court at Calcutta for quashing the notices. As the matter is Sub-Judice, the claim has not been acknowledged and no provision has been made for the same.

26. Settlement Guarantee Fund (SGF) :

- (a) In 1998, the Company had set up Settlement Guarantee Fund (SGF) to guarantee the settlement of bonafide transactions of members of the Company, so as to ensure timely completion of settlement of trades and thereby protect the interest of investors and the members of the Company. The Fund and its rules and bye-laws were set up by the Company and duly approved by the Securities and Exchange Board of India (SEBI). Every member contributes a fixed sum at the time of commencement of business and the Company contributes thereafter a percentage of the gross turnover as prescribed in the bye-laws of the SGF. The income earned during the year on the investments of SGF is credited to the Statement of Profit and Loss and then transferred to the Settlement Guarantee Fund (net of applicable taxes) by way of appropriation. The non-interest bearing amount to the extent which is refundable to the members are disclosed under "Long Term Liabilities" and

non-refundable amount is disclosed as "Reserve and Surplus" of the Settlement Guarantee Fund. Accordingly, the assets pertaining to the SGF has also been disclosed in the respective notes indicated in Note 26 (d) below.

- (b) Additional contribution of Rs.19,93,55,380 made by the Company to Settlement Guarantee Fund during 2000-01 was charged off to the Profit and Loss Account in the said year. However, the amount being in the nature of prepaid charges payable to the Settlement Guarantee Fund, a sum of Rs.1,30,34,622 should have been adjusted till the year end towards annual contribution payable by the Company to Settlement Guarantee Fund (including Rs. Nil for the year) in accordance with the decision of the erstwhile Board of Directors taken at its meeting dated 03.10.2001 and the balance of Rs.18,63,20,758 should have been carried forward towards adjustment against annual contribution in subsequent year. However, since the aforesaid amount has already been charged off to Statement of Profit and Loss, the Company's annual contribution for the year subsequent to 2000-01 (including Rs. Nil for the year) had not been charged against profits for those years.
- (c) Settlement Guarantee Fund at the year-end comprises of the following:

| | | (Amount in Rs.) |
|---------|--|---------------------|
| Sl. No. | Particulars | 2014-15 |
| | Under Reserves & Surplus (Settlement Guarantee Fund): | |
| I | Settlement Guarantee Fund of the Exchange | 24,25,59,208 |
| II | Members' Ad-hoc contribution to SGF | 3,11,27,700 |
| III | Dividend on Members' Security Deposit | 1,45,20,483 |
| | Total | 28,82,07,391 |
| | Under Long Term Liabilities (Settlement Guarantee Fund): | |
| IV | Members BMC/SGF in Cash | 11,83,02,856 |
| V | Interest Adjustable with BMC/ABMC | 1,14,85,048 |
| VI | Members' deposit towards BSE/NSE-SGF | 25,40,000 |
| | Total | 13,23,27,904 |
| | Grand Total | 42,05,35,295 |

(d) The aforesaid fund is represented by the followings, which has been included in the respective schedules

| | | (Amount in Rs.) |
|---------|---|---------------------|
| Sl. No. | Particulars | 2014-15 |
| I | Investments in Fixed Deposits | 32,72,50,000 |
| II | Investment in Mutual Fund | – |
| III | Investments in Fixed Deposit with Financial Institution | 50,00,000 |
| IV | Balances in Current Account | 57,57,965 |
| V | Interest accrued on Fixed Deposits | 39,13,004 |
| VI | Deposit with BSE Ltd | 5,90,00,000 |
| VII | Deposit with Indian Clearing Corporation Ltd | 10,00,000 |
| VIII | BMC Receivable from Members | 24,39,882 |
| IX | Receivable from Exchange | 1,61,74,444 |
| | Total | 42,05,35,295 |

(e) Dividend on Members' security Deposits as stated in (c)(III) above includes the income earned, with effect from 1st November, 2007 (being the prospective date) which in terms of the decision taken by the erstwhile administrator has been recognized as the Company's income and not passed on to the concerned members. However, the Board of Directors, in their meeting dated 20th November 2012, approved a scheme for distribution of dividend on shares deposited by trading members as security deposits. As per the aforesaid scheme, dividends earned during 1st July 2010 to 31st March 2013 are eligible for distribution, subject to fulfilment of other criteria of the said scheme. Accordingly Rs.94,84,820 had been transferred from "Reserves & Surplus" to "Current Liabilities" in the year 2012-13 and the income earned on the aforesaid matter during the period 1st November 2007 till 30th June 2010 continues to be included in the "Settlement Guarantee Fund" under the head "Reserve & Surplus".

27. Transfer of Profit :

As per the notification issued by The Securities and Exchange Board of India ("SEBI") dated June 20, 2012 every stock exchange is required to credit twenty five percent of its profits every year to the Fund of a recognized clearing corporation(s), which clears and settles trades executed on that stock exchange. An

expert committee was formed by SEBI in terms of Press Release dated June 21, 2012 to frame norms for sourcing, including transfer of profits by stock exchanges to the fund. Till previous year, pending further direction from SEBI regarding the norms of transfer of profit to the Settlement Guarantee Fund, no appropriation of profit had been made to the credit of the Fund in the books of account for the period April 1, 2012 to March 31, 2013.

In the current year, SEBI has issued a circular stating that stock exchange should contribute at least twenty five percent of the MRC - Minimum Required Corpus to Core SGF (which can be adjusted against transfer of profit by stock exchange as per Regulation 33 of SECC Regulations). However since trading has been discontinued on the CSTAR (own trading platform) from April 5, 2013 no appropriation of profit is required to be made to the credit of the Core SGF Fund from that date.

28. Investors' Services Fund (ISF) :

As required by the bye-laws of the Company, a separate fund called the Investors' Services Fund ("the Fund") was established in a prior year by setting aside twenty percent of the annual listing fees as prescribed by SEBI. The Fund is being used for the purposes of providing different kind of services to the investing public as stated in bye-laws and to create awareness among the investors. All expenses incurred in providing such services are borne by the Investors' Service Fund.



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29. As per the policy framed by the Company in accordance with the requirement of SEBI, expenses are allocated to Settlement Guarantee Fund and Investors' Service Fund as stated below :

| | (Amount in Rs.) |
|---|------------------|
| Particulars | 2014-15 |
| Settlement Guarantee Fund Expenses : | |
| – Staff Cost | 29,22,274 |
| – Telephone Charges | 25,000 |
| – Computer Maintenance and Service Charges | 3,600 |
| – Audit Expenses | 2,50,000 |
| – Miscellaneous Expenses | 2,45,497 |
| – Legal & Professional Fees | 10,67,308 |
| | 45,13,679 |
| Investors' Service Expenses | 1,56,486 |

30. (i) Receivables from defaulting members in Note 11 "Loans and Advances" includes Rs.95,45,32,105 due from Members on account of settlements in prior years comprising of Rs.94,71,73,816 towards Hand Delivery Settlement, Rs.26,36,540 for Cash Settlement and Rs.47,21,749 (Rs.47,21,749) on account of Demat Settlement as on 31.03.2015. Out of the above, Rs.90,37,85,839 is due from ten defaulting members, against whom the Company has filed legal cases. The Company has also filed recovery suits amounting to Rs.3,09,27,995 from other defaulting members. As the matter is sub-judice, the extent of recoverability of the aforesaid amounts is presently not ascertainable.
- ii) Sundry Deposits as at 31.03.2015, in Note-5, under the head "Long Term Liabilities" includes Rs.96,92,94,037 being contribution received from Settlement Guarantee Fund on account of payment crisis in earlier years which is refundable on receipt of settlement amount from defaulting members.
- iii) Certain members had made an ad-hoc contribution aggregating Rs.28,06,89,708 in the financial year 2000-01, Rs.65,00,000 in the financial year 2001-02 and Rs.2,45,92,390 in the financial year 2002-03 to the Settlement

Guarantee Fund. The aforesaid funds were provided to the Company for settling certain transactions where the transacting members have defaulted. Such contributions are to be refunded only when the Company recovers money from the defaulters.

31. Fixed Deposits and shares are being received by the Company from the members as security deposit. Since the rights on aforesaid shares and fixed deposits remained with the members and the same is kept with the Company only as security deposits, the value of such shares of Rs.16,31,01,234 and fixed deposits of Rs.18,81,11,452 as at 31.03.2015, have not been included in the financial statements and has been disclosed by way of Notes to the financial statement.

32. Employee Benefits :

The Company has a defined benefit gratuity plan for its employees. Every employee who has completed five years or more of services is entitled to gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with the Life Insurance Corporation of India.

The following tables summarize the components of net benefit/expenses recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the plan.

- i) The principle actuarial assumptions are as follows:

| Particulars | 2014-15 |
|---|---------|
| Discount rate | 8.00% |
| Salary escalation rate (Inflation rate) | 8.50% |
| Withdrawal rates | 2.00% |

- ii) The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

- iii) Amount incurred as expenses for defined contribution plans:

| | (Amount in Rs.) |
|---|-----------------|
| Particulars | 2014-15 |
| Contribution to Provident/Pension Fund | 52,85,905 |
| Contribution to Superannuation Fund | 22,85,440 |
| Contribution to National Pension Scheme | 2,47,814 |

33. Related Party Transactions :

Aggregated Related Party disclosure as at and for the year ended 31 March 2015 :

a) Entities under common control :

Name : Stock Exchange Investors' Protection Fund
Transactions with the entity under common control:

| | | (Amount in Rs.) |
|--|---|-----------------|
| Name | Particulars | 2014-15 |
| Stock Exchange Investors' Protection Fund | Contribution to Stock Exchange Investors' Protection Fund | 92,03,757 |
| | Expenses Recoverable | 50,380 |
| | Amount paid | 86,41,681 |
| | Amount Payable outstanding | 5,11,696 |
| | Amount Receivable outstanding | — |

b) Key Management Personnel : Managing Director & Chief Executive Officer and Chief Financial Officer

| | | (Amount in Rs.) |
|---------------------------|-----------------------------------|-----------------|
| Name | Particulars | 2014-15 |
| Mr. B Madhav Reddy | Remuneration and other allowances | 61,86,478 |

34. Reclassification of Fixed Assets to Investment Property:

The Company in the previous year had decided to sub lease its lease hold land situated at E.M. Bye-pass and has also received approval from SEBI in this regard.

Accordingly, since the above lease hold land is not intended to be occupied substantially for use by, or in the operations of, the Company, this had been reclassified from "Fixed Assets" disclosed under Note 8 to "Non-Current Investment" as investment property disclosed under Note 9 of these financial statements, in terms of AS-13: Accounting for Investments.

35. The Company has, during the year, filed a writ petition in the Hon'ble High Court of Calcutta against the intimation dated November 3, 2014 from SEBI initiating the process of compulsory exit as a stock exchange. The Hon'ble High Court had directed both the parties to hold a meeting for working out the issue that has arisen between the parties.

On December 22, 2014 the representatives of the Company attended a meeting with the SEBI and submitted a "proposal for consideration" which was rejected by SEBI without attributing any reason for such rejection.

On May 18, 2015 SEBI again issued a letter stating that it has initiated the process of compulsory exit and that a valuation agency would be appointed by SEBI for the

purpose of verification and valuation of the assets and liabilities of the stock exchange; SEBI had also asked the Company to co-ordinate with nationwide stock exchange and place the listed companies in dissemination board of nationwide stock exchange within 15 days of the receipt of the said letter and also settle outstanding dues of the brokers and sub-brokers in the time bound manner.

Pursuant to the above, the Company filed a supplementary petition with the Hon'ble High Court to hear the writ petition since the previous meeting did not yield any result due to non-cooperation from SEBI. The Company's supplementary writ petition is yet to be heard and disposed of by the Hon'ble High Court.

In the meantime, the Company is also contemplating to develop its freehold land at Rajarhat and is in talks for evaluating the commercialisation of its leasehold land at EM Bypass in Kolkata and also evaluating additional revenue streams to augment its revenue and networth of the Company in the near future.

The management believes the outcome of the above litigation will depend on the judgement of the Hon'ble High Court of Calcutta which is currently pending.

36. Additional information in respect of net assets and profit / loss of each entity within the Group and their proportionate share of the totals:



The Calcutta Stock Exchange Limited

| Name of the Entity | As at 31.03.2015 | | 2014-15 | |
|-------------------------------------|--|-----------------------|-------------------------------------|--------------------|
| | Net assets i.e. total assets minus total liabilities | | Share in Profit or Loss | |
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| Parent | | | | |
| The Calcutta Stock Exchange Limited | 97% | 1,55,50,37,908 | 94% | 3,99,74,292 |
| Indian Subsidiary | | | | |
| CSE Capital Markets Private Limited | 3% | 4,43,12,473 | 6% | 26,24,199 |
| Total | 100% | 1,59,93,50,381 | 100% | 4,25,98,491 |

37. The Company is preparing Consolidated Financial Statements for the first time and hence as per the transitional provision contained in Accounting Standard-21 "Consolidated Financial Statements", figures for previous year have not been given.

For and on behalf of The Board of Directors

Dipankar Chatterji
Chairman

As per our report of even date

For **S R Batliboi & Co LLP**
Chartered Accountants

Firm Registration Number : 301003E

Bhaskar Sen
Director

Prosenjit Dutta
Chief Financial Officer

per **Bhaswar Sarkar**
Partner
Membership Number: 55596

Place : Kolkata
Date : 23rd September, 2015

Notes

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Notes

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