

The Calcutta Stock Exchange Limited

TRUST THE TRUSTED

**93rd Annual Report
2015-16**



Corporate Information

Chairman

Mr Bhaskar Sen
Public Interest Director

Managing Director & CEO

Mr. Subrato Das (w.e.f. 20/05/2016)

Public Interest Directors

Dr. Bhaskar Banerjee
Prof. Partha Ray

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-three Annual General Meeting

Day	:	Thursday
Date	:	September 29th, 2016
Venue	:	Stock Exchange Building, 7 Lyons Range, Kolkata - 700001
Time	:	4.30 pm
Book-Closure	:	September 23rd, 2016 to September 29th, 2016 (Both days inclusive)

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Board of Directors
The Calcutta Stock Exchange Limited



Bhaskar Sen
Chairman,
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



Subrato Das
Managing Director & CEO

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

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors of The Calcutta Stock Exchange Limited (the 'Exchange / Company / CSE') take great pleasure in presenting the 93rd Annual Report for the Financial Year 2015-16 together with the Audited Financial Statements for the Year ended 31st March, 2016. Consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. Audited Results :

1.1 Financial Highlights During the year under review :

The total income of the Exchange on a stand-alone basis was Rs. 1895.84 Lacs. During the year 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 2015-16 was Rs. 308.26 lacs, which is lower than the last year's profit after tax of Rs. 399.74 lacs due to lower income on account of interest/dividend and extra-ordinary items written back in the last year.

Financial Highlights [Rupees in Lakh]

	Standalone		Consolidated	
	2015 -16	2014 -15	2015 -16	2014 -15
Total Income	1895.84	2122.37	1948.14	2168.14
Total Expenses	1392.54	1504.19	1406.72	1513.12
Profit before Depreciation	503.30	618.18	541.42	655.02
Depreciation	64.20	88.77	64.36	88.77
Profit before Tax	439.10	529.41	477.06	566.25
Provision for Tax	130.84	129.67	142.86	140.26
Profit after Tax	308.26	399.74	334.20	425.98
Less Transfer to :				
Income (net of expenses) related to pre -demutualization period transferred to General Reserve	(2.47)	62.44	(2.47)	62.44
Investor Service Fund	70.82	64.84	70.82	64.84
Settlement Guarantee Fund	167.11	184.61	167.11	184.61
Profit Attributable to Equity Shareholders	72.80	87.84	98.74	114.08
Profit brought forward from last year	306.02	404.81	409.41	481.96
Surplus before appropriation	378.82	492.65	508.15	596.04
Appropriated to:				
General Reserve	30.00	40.00	30.00	40.00
Proposed Dividend	122.25	122.20	122.25	122.20
Tax on Proposed Dividend	24.89	24.43	24.89	24.43
Surplus carried to Balance Sheet	201.68	306.02	331.01	409.41

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

2015-16, 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. 147.14 lacs



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will be the outflow towards the payment of dividend including dividend distribution tax.

1.2.2 Transfer to Reserves:

The Exchange proposed to transfer Rs.30,00,000/- (Rupees Thirty Lacs) to the General Reserve out of Rs. 378.82. lacs available for appropriations in standalone accounts.

2. Business Development & New Initiatives at CSE:

During the year CSE has commenced NISM Test Centre at CSE from August 2015 and it is attracting large number of candidates not only from this Region but also from entire north-eastern region. The Company has appointed NISM, an Educational Initiative of SEBI for suggesting ways forward for the business development of the Company in the form of a comprehensive document on Business Plan.

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 13 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 2015-16 was Rs. 4.96 Cr as against Rs. 4.93 Crore in the Financial Year 2014-15. CSE has approved Voluntary Delisting of 62 Companies under SEBI Voluntary Delisting Regulations. At the end of 31st March 2016 there are 2500 companies listed with the Exchange.

4. Depository Services:

CSE Capital Markets Pvt. Ltd. (CCMPL), the wholly owned subsidiary company of CSE has commenced depository operations of both CDSL and NSDL.

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 194 awareness programmes during the financial year that have reached more than 14000 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.

CSE undertook commendable efforts and continue to extend Investor Awareness, Research and Literacy Program in collaboration with Calcutta University, Centre for Social Studies, and Indian Institute of Management, Calcutta with strategic tie ups.

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 the 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, 2016. 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 recognized 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:

On the basis of recommendation of the Selection Committee, the Board recommended the name of Mr. Subrato Das to SEBI for its approval for appointment as

Managing Director. SEBI has accorded its consent and approval vide its letter dated 31st March, 2016 for appointment of Mr. Subrato Das as Managing Director cum Chief Executive Officer. The Board has accordingly appointed Mr. Subrato Das as Managing Director and CEO with effect from 20th May, 2016.

Public Interest Directors:

Mr. Prasad Ranjan Ray and Mr. Dipankar Chatterji, Public Interest Directors ceased to be so upon the expiry of their respective terms on and from 30th November, 2015 and 13th January, 2016. Mr. Bhaskar Sen, Dr. Bhaskar Banerjee and Prof. Partha Ray continue to act as Public Interest Directors of the Exchange. The Board selected two reputed persons from Kolkata and recommended their name for appointment as Public Interested Director of the Exchange. Pursuant to such recommendation, SEBI accorded its approval for appointment of one of the proposed appointees as a Public Interested Director. Subsequently the proposed appointee withdrew his consent to be appointed as a Director of the exchange. This has resulted in the lower number of Public Interest Director than the number of Shareholder Director of the Exchange, both on the year end date as well as on the date of this Report, contrary to the stipulations of SECC Regulations referred ibid. However, the Board has taken renewed initiative to select four reputed persons from Kolkata and recommended their names to SEBI for appointment in two vacant positions of Public Interested Director of the Exchange.

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, Mr. Purushottam Saraf and Mr. Mohan Goenka continue to act as Shareholder Directors of the Exchange and their tenures of appointment are subject to retirement of directors by rotation. Pursuant to Section 152 of the Companies Act, 2013 Mr. Mohan Goenka [DIN: 00150034] and Mr. Purushottam Saraf [DIN: 06570445] retires by rotation and being eligible, have offered themselves 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 the 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 financial year 2015-16 eight meetings of the Board were convened and held on 16th May, 2015; 16th July, 2015; 01st September, 2015; 23rd September, 2015; 20th November, 2015; 06th January, 2016; 05th February, 2016 and 27th February, 2016. 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, 2015:

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, 2016.

12. Corporate Governance:

Pursuant to Regulation 35 of the Securities Contracts (Stock Exchanges & Clearing Corporations) Regulations, 2012 ("SECC Regulations, 2012"), the disclosure requirements and corporate governance



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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 31st March 2016 forms part of the Annual Report. The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreement [till 30th November, 2015] and regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as Listing Regulations] as applicable, with regard to corporate governance. As required by Regulation 17(8) read with Schedule II Part B of the Listing Regulations, the CEO and CFO have given appropriate certifications to the Board of Directors.

As required by Regulation 34(3) Schedule V (E) of the listing regulations, the auditor's certificate is annexed to this 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:

- 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 were 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 (CCMPL). 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 as Annexure - 1. 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 or at the end of 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:

In accordance with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as amended upto date there was no employee who was in receipt of remuneration in excess of Rs One crore two lakhs p.a. or Rs Eight lakhs Fifty thousands per month.

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. The Board proposes to appoint them for a period of five years to hold office from the conclusion of 93rd Annual General Meeting till the conclusion of the 98th Annual General Meeting for the financial year ending on 31st March, 2021 subject to ratification by members at every subsequent annual general meeting.

20. Auditors' Report:

The Auditors' Report dated 27th August, 2016 on the financial statements of the Exchange for the financial year ended March 31, 2016 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 2015-16

Points as per the Independent Auditor's Report :	Management's Explanation :
Note 30 (i) regarding recoverability of Rs. 94,96,16,925 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 as carried forward in these financial statements is not ascertainable.	As on 31.3.2016 amount recoverable from Members who have defaulted on account of settlement dues during the year 2000-01 is amounting to Rs.94,96,16,925/-. Out of the above, money recovery suits have been filed against defaulters for recovery to the extent of Rs.93,00,50,704/-. 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.
Note No. 26 (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.31,37,77,033as against reported amount of Rs.30,50,52,049 and aggregate year end balances of other Reserves & Surplus would have been Rs.1,28,65,51,961 as against reported Reserve & Surplus of Rs.1,29,95,86,583.	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 31.03.2016 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.



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<p>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 of which, we are unable to comment on in the absence of adequate explanation and information regarding the same .</p>	<p>Distribution of Interest and Dividend on Members Base Minimum Deposit was discontinued with effect from 1st November 2007 as referred in Note 26 (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. 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.</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>
<p>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 27, 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 the absence of adequate information and explanation in this regard.</p>	<p>SEBI had 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 had been made during the year 2012-13. Moreover, the company had made an additional contribution amounting to Rs. 19,93,55,380/- in the year 2000-01 as mentioned in note 26 (b) which would be available for adjustment subject to SEBI approval if any.</p>
<p>Points as per Auditors Report on the Internal Financial Controls Over Financial Reporting:</p> <p>(a) The Company's internal financial controls over evaluation and assessment of recoverability including any provision to be made there against in respect of dues from the members on account of settlement in earlier years were not operating effectively which could potentially result in the Company not recognising sufficient provision there against.</p>	<p>Management's Explanation</p> <p>As on 31.3.2016 amount recoverable from Members who have defaulted on account of settlement dues during the year 2000-01 is amounting to Rs.94,96,16,925/-.Out of the above, money recovery suits have been filed against defaulters for recovery to the extent of Rs.93,00,50,704/- and exchange is constantly pursuing the cases for recovery. 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 hence separate provisioning is not required. No negative impact on internal financial controls is involved.</p>

<p>(b) The Company's internal financial controls over transfer of the Company's annual contribution to the Settlement Guarantee Fund in compliance with the bye laws of the fund, were not operating effectively which could potentially result in the Company not transferring sufficient amount to the Settlement Guarantee Fund.</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 31.03.2016 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, and used by Settlement Guarantee Fund in 2000-01, the point of insufficient transfer does not arise. Hence no negative impact on internal financial controls is involved.</p>
<p>(c) The Company's internal financial controls over accounting of dividend received on member's security deposits to the members were not operating effectively. This could potentially result in the Company not transferring the appropriate amount to the Settlement Guarantee Fund.</p>	<p>Distribution of Interest and Dividend on Members Base Minimum Deposit was discontinued with effect from 1st November 2007 as referred in Note 26 (e) is in accordance with the decision taken by erstwhile Administrator and intimated to members vide Exchange notification dated 24th December, 2007. The amount had been transferred to Settlement Guarantee Fund in respective years instead of distribution to members. Hence no negative impact on internal financial controls is involved.</p>
<p>(d) The Company's internal financial controls over accounting for receipt from certain members at the time of payment crisis in earlier years were not operating effectively. This could potentially result in the Company not transferring the appropriate amount to the Settlement Guarantee Fund.</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. The amount itself is presently shown under Settlement Guarantee Fund and hence no negative impact on internal financial controls is involved.</p>
<p>(e) The Company's internal financial controls over appropriation of its profit to the Settlement Guarantee Fund of a recognized clearing corporation(s) as per the directions issued by The Securities Exchange Board of India ("SEBI") dated 20th June, 2012 were not operating effectively. This could potentially result in the Company not transferring sufficient amount to the Settlement Guarantee Fund in compliance with the SEBI notification.</p>	<p>SEBI had 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 framing of Regulations and receipt of any communication/ direction in this regard, no appropriation of profit to Settlement Guarantee Fund has been made during 2012-13. Moreover, the company had made an additional contribution amounting to Rs. 19,93,55,380/- in the year 2000-01 as mentioned in</p>



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	note 26 (b) which would be available for adjustment subject to SEBI approval if any and is sufficient to cover the transfer in 2012-13. Hence no negative impact on internal financial controls is involved.
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22. Management Discussion & Analysis

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

23. Cost Audit and Secretarial Audit:

Secretarial Audit, 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 or given guarantees or provided securities 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.

Material 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 as Annexure - 2.

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 as provided in Form MGT - 9 is attached as Annexure - 3.

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, procedures, 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.

The internal financial control measures have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Exchange has a well-defined delegation of power with authority limits for approving revenue as well as expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down. The Exchange uses back office software to record data for accounting, consolidation and management information purposes.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2016. The assessment involved self review, internal audit and external audit. M/s. S. R. Batliboi & Co. LLP, the statutory auditors of the company has audited the financial statements included in this annual report and has issued an attestation report on its internal control over financial reporting (as defined in section 143 of Companies Act, 2013).

The Company has appointed M/s. Singhi & Co., Chartered Accountants to oversee and carry out internal audit of the functions and activities of the Exchange. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditors and the audit committee. The conduct of internal audit is oriented towards the review of internal controls and risks in its operations such as software delivery, accounting and finance,

procurement, employee engagement, travel, insurance, IT processes etc. The audit committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations periodically. Based on its evaluation (as defined in section 177 of Companies Act 2013) the audit committee has concluded that, as of March 31, 2016, the Company's internal financial controls were adequate and operating effectively.

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 Risk Assessment and Minimization Procedures are periodically reviewed and modified by the Board. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. 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. As of now the Directors do not envisage any element of risk which may threaten the very existence of the company.

29. Employee Relations / Human Resource Developments:

The Company continued to maintain excellent and cordial personnel relations. 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 2015-16 is attached as Annexure - 4.

31. Unpaid/Unclaimed Dividend :

As on 31st March, 2016, the Company is having a sum of Rs.57.73 lacs (Previous Year Rs.51.23. lacs) as

unpaid/unclaimed dividend lying in its Unpaid Dividend Account with Banks.

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.

32. 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

Bhaskar Sen

Chairman

Place: Kolkata

Date: 27th August, 2016



The Calcutta Stock Exchange Limited

Annexure -1

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, 2016
	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	5,77,50,020
	Reserves & surplus	1,97,57,793
	Total Assets	7,77,23,540
	Total Liabilities	2,15,727
	Investments	57,24,517
	Turnover	52,30,505
	Profit before taxation	37,96,222
	Provision for taxation	12,02,035
	Profit after taxation	25,94,187
	Proposed Dividend	Nil
	% of shareholding	100%

1. Names of subsidiaries which are yet to commence operations. - None
2. Names of subsidiaries which have been liquidated or sold during the year. - None

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.



The Calcutta Stock Exchange Limited

Form No. AOC - 2

Annexure -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

Form MGT - 9

Annexure -3

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

Extract of Annual Return for the Financial Year Ended on 31st March, 2015

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 - 700019 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	30

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiaries / Associate	% of shares held	Applicable Section
1	CSE Capital Markets Pvt. Ltd.	U74900WB2009PTC134753	Subsidiary	100%	2(87)

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 01.04.2015				Number of shares held at the end of the year 31.03.2016				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
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
(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
Sub Total(A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total Shareholding 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
2. Non-institutions									
(a) Bodies Corporate									
(i) Indian	263282	25478	288760	46.6683	265107	25728	290835	47.0036	0.3354
(ii) Overseas	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b) Individuals									
(i) Individual shareholders holding nominal share capital up to Rs 1 lakh	86587	51000	137587	22.2363	94172	49125	143297	23.1591	0.9228
(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)									
(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)	349874	76478	426352	68.9054	359284	74853	434137	70.1636	1.2582
Total Public Shareholding (B)= (B)(1)+(B)(2)	349874	97385	447259	72.2843	359284	95760	455044	73.5425	1.2582
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	17850	23000	40850	6.6020	17250	21750	39000	6.3030	-0.2990
2. Individual Trading Member	55391	75000	130391	21.0733	51956	72500	124456	20.1141	-0.9592
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)	73241	98250	171491	27.7157	69206	94500	163706	26.4575	-1.2582
GRAND TOTAL (A)+(B) + (C)+(D)	423115	195635	618750	100.0000	428490	190260	618750	100.0000	0.0000



The Calcutta Stock Exchange Limited

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	10455	1.70
10	Kesoram Industries Limited	10455	1.69	10454	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	5000	0.80	5000	0.8016

No other Director holds any shares in the company.

VII. Indebtedness :

Indebtedness of the company including interest outstanding / accrued but not due for payment was Nil both at the beginning and end of financial year.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name of Md / WTD / Manager	Total Amount
		B. Madhab Reddy	--
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		9,58,378 52,360
	Stock Option	-	-
	Sweat Equity	-	-
	Commission - as % of profit - others, specify [Sitting Fee]	0 0	0 0
	Others, please specify	0	0
	Total (A)		10,10,738
	Ceiling as per the Act	N/A	N/A

B. Remuneration to other directors :

Sl. No.	Particulars of Remuneration	Name of Directors				
	<u>Independent Directors</u> • Fee for attending board / committee meetings • Commission • Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	Total (1)					
	<u>Other Non-Executive Directors</u> • Fee for attending board / committee meetings • Commission • Others, please specify	Bhaskar Sen 252500	Bhasker Banerjee 165000	Partha Ray 115000	Dipankar Chatterjee 142500	Prasad Ranjan Ray 100000
		-	-	-	-	-
		-	-	-	-	-
	Total (2)	252500	165000	115000	142500	100000
	Total (B)=(1+2)	252500	165000	115000	142500	100000
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	N/A	N/A	N/A	N/A	N/A



The Calcutta Stock Exchange Limited

	<u>Other Non-Executive Directors</u>	Ravi Poddar	Sanjay Budhia	Mohan Goenka	Purushottam Saraf (BSE Ltd)	TOTAL
	• Fee for attending board / committee meetings	112500	55000	80000	97500	1120000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	112500	55000	80000	97500	1120000
	Total (B)=(1+2)	112500	55000	80000	97500	1120000
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	N/A	N/A	N/A	N/A	N/A
	Total	-	-	-	-	-

[#] There was no KMP as CEO, CFO or CS.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / Court]	Appeal made. If any (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers In Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annual Report on CSR Activities of the Company for the financial year ended 31st March, 2016
(Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014)

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		Dr. Bhaskar Banerjee - Public Interest Director Prof. Partha Ray - Public Interest Director Mr. Ravi Poddar - Shareholder Director				
3.	Average net profit of Company for last 3 financial years		Rs. 535.77 lakhs				
4.	Prescribed CSR expenditure (2% of the amount as in item 3 above)		Rs. 10.71 lakhs				
5.	a) Total amount to be spent during the financial year		Rs. 10.75 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.	West Bengal Chief Minister's Relief Fund	-	West Bengal	Rs. 10.75 Lakh	Rs. 10.75 Lakh	Rs. 10.75 Lakh	Direct
	Total			Rs. 10.75 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: 27th August, 2016

Dr. Bhaskar Banerjee
Chairman of CSR Committee



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. The securities market would continue to be driven by introduction of newer products and services for investment and risk mitigation through better technology.

Securities markets serve as economic engine and perform a much wider role than trading, clearing and settlement. There are important linkages with the economy through investors, intermediaries and issuers. The investing population in India is only 2.15% of the total population even after 69 years post-independence. Less than 10% of mutual fund investment and 8% of direct investment in securities markets come from Eastern India. CSE could be an engine of growth to support entrepreneurship as part of on going Start up India, Stand Up India, Make in India and Skill India initiatives. Kolkata serves a vast hinterland of 12 states in Eastern India and also the North-East. This region accounts for 26% of India's total population. However, the actual investor population these states is less than 10% of India's total. The investor population in India is 2.15% of the total population and this is also highly skewed towards Western India. There is much more to securities markets than trading, clearing and settlement. CSE could play a vital role in establishing linkages with investors, intermediaries and issuers. At this point in time, when India is pursuing its Act East policy, CSE and Kolkata will have an increasingly important economic role to play.

Traditionally, Indians invest in Fixed Deposits of banks and post offices (65%) and Gold and Real Estate (23%) amounting to 88% of investible savings, leaving only 12% of the balance towards mutual funds and stock market investments. Kolkata is the only city in Eastern India in the top 15 cities investing in mutual funds, accounting for 4.76%. A number of unauthorized Collective Investment Schemes operate in Eastern India taking advantage of low penetration of mutual funds. Direct investments in the equity cash markets are dominated by Western India at 64.7%, as against 7.9% in Eastern India again demonstrating low penetration of securities markets. Around 465 companies from stock exchanges that have exited are placed on dissemination board of BSE and NSE. Besides these, there could be more than 2,000 companies needing the services of stock exchange for

orderly exit by investor and orderly delisting by the said companies. Internationally the number of exchanges vary from 3 (Australia) to 22 (United States). There is a need to strike a balance in the number of exchanges, based on technical and financial considerations in each country. Considering that Turkey has 6 and UK has 5 exchanges, India needs more exchanges to increase the penetration and depth of its securities markets.

Eastern India accounts for only 4.76% of assets under management of Mutual Funds in India indicating low penetration. In West Bengal, around 200 companies have mobilized Rs. 60,000 crores through various unauthorized Collective Investment Schemes. Eastern India also accounts for barely 8% of cash market operations on BSE and NSE. The corporate culture is also least developed in Eastern India accounting for less than 16% of companies raising new capital. Thus, there is a strong case for a growth engine in Eastern India in the form of CSE.

CSE is ready to collaborate with foreign Stock Exchanges of neighbouring South East Asian countries to promote International Cooperation under Act East policy of Central Government. An MOU with Dhaka Stock Exchange already in place. Yangon Stock Exchange is now operational. Interest has been shown by Kunming Province of China for cooperation with Myanmar and India. Regional groupings like BBIN (Bangladesh, Bhutan, India, Nepal), CIMB (China, India, Myanmar, Bangladesh), CLMV (Cambodia, Laos, Myanmar, Vietnam) offer rich opportunities to CSE. The Cooperation can extend to trading in securities and commodities and also related education, training and research with such regional groups in view of CSE's strategic tie ups with premier educational institutions like Indian Institute of Management Calcutta, Centre for Social Studies, and Calcutta University.

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.

Calcutta Stock Exchange has following noteworthy strengths:

- The exchange had a trading turnover of Rs. 9,228 crores during the year 2012-13 i.e. till its own trading platform, C-Star was operational
- There are around 2,200 companies exclusively listed on Calcutta Stock Exchange
- There are 700 registered trading members on the exchange
- The exchange has experienced and competent staff to run its business
- The exchange has a Net Worth of Rs. 103.20 crores (before dividend payout) as on 31st March 2016, which meets the regulatory requirements
- The exchange has its own trading platform, C-Star, that is ready for resuming trading operation
- The exchange has a professional governing board with enriched experience in corporate sector
- The exchange is profit making entity as on date

Eastern India needs an engine of growth at this very opportune time when the Indian Economy is at a take off stage. Our neighbouring countries will also look towards India as a catalyst, even as India activates its Act East Policy. CSE, with its 108 year legacy is poised on a platform to grow and build on its present strengths such as network of brokers, linkages with companies and its reach across 12 states. Despite the best efforts of BSE and NSE, penetration of financial products has not taken place effectively beyond western India. CSE with its legacy and platform has a larger role to play than its perceived role as a regional exchange. If CSE performs to its full potential as envisaged, it can serve as the engine of growth both within India and beyond its eastern borders.

Thus, it can be said that CSE has the financial capability and technical expertise to operate efficiently. CSE has the potential to play a significant role in the development of financial markets both in the eastern states and also act as a gateway to the neighbouring nations.

4. THREATS :



The Calcutta Stock Exchange Limited

The Exchange's performance is dependent upon SEBI's policy on Regional Stock Exchanges. CSE could not 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. CSE has successfully introduced NISM Test Centre.

Broad High Level Financial Projections reflect that CSE will continue to generate surplus cash flows under Section 13, its extension to Currency and Commodities derivatives and C-Star trading. On a Social Cost Benefit Analysis (SCBA) basis also, the continuance of CSE far outweighs its discontinuance. CSE will have a beneficial impact on investors, intermediaries and issuers with the consequent benefits flowing to a larger ecosystem. As more and more businesses get organized the damage from Ponzi schemes is also likely to recede.

Mr. M R Mayya, a renowned expert and acknowledged doyen of the Indian Capital Markets, also makes a strong case for the continuation of the functioning of RSEs, through the creation and maintenance of a favourable environment for their functioning. In other words, barring the malpractices by some companies and traders in certain RSEs, there is no economic rationale for the closure of those that are viable.

CSE will have a vital role to play in the ecosystem of upcoming Financial Hub being established by West Bengal Government in New Town, Rajarhat - Kolkata

with 19 participating banks to attract the potential investors to the second commercial capital of India, as envisaged and also to promote Financial Inclusion in the Eastern and North Eastern Region.

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 Appeals and stay petition before the Hon'ble High Court, Calcutta against the order of Hon'ble High Court dated April 12, 2016 dismissing the writ petition of the company with out giving any relief. 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

Bhaskar Sen
Chairman

Place: Kolkata
Date: 27th August, 2016



The Calcutta Stock Exchange Limited

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 2016, the Board comprises of Seven Directors. The Chairman is non-executive. The Company's day to day affairs were being managed by the Managing Director & CEO for a part of the year. After the Managing Director term ended on 5.6.15, the Board of Directors with active involvement of newly designated President as KMP and other senior level employees of the Company has managed the day to day affairs of the Company. Public Interest Directors are Mr. Bhaskar Sen, Dr. Bhaskar Banerjee and Prof. Partha Ray. 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 2015-16 :

During the financial year eight Board Meetings were held on 16th May, 2015, 16th July, 2015, 1st September, 2015, 23rd September, 2015, 20th November, 2015, 6th January, 2016, 5th February, 2016 and 27th February, 2016 respectively. The previous Annual General Meeting was held on 7th November, 2015.

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 2015-16		Attendance in last AGM	Other Indian public companies (number)		
			Held	Attended		Directorship	Committee Chairmanship	Committee Membership
1	Dipankar Chatterji *	PID	8	6	YES	8	4	13
2	Prasad Ranjan Ray #	PID	8	4	NO	-	-	-
3	Bhaskar Sen	PID	8	8	YES	2	-	3
4	RaviPoddar	SHD	8	6	YES	2	-	-
5	Sanjay Budhia	SHD	8	4	YES	3	-	-
6	Mohan Goenka	SHD	8	5	YES	1	-	1
7	Pursuhottam Saraf	SHD	8	6	YES	-	-	-
8	B.Madhav Reddy @	MD & CEO	8	1	N A	-	-	-
9	Prof. Partha Ray **	PID	8	4	YES	-	-	-
10	Dr. Bhaskar Banerjee#	PID	8	6	YES	-	-	-

N.B.- * MR. DIPANKAR CHATTERJI TERM RESIGNED ON 05.02.16

MR. PRASAD RANJAN ROY TERM ENDED ON 30.11.15

@ B. MADHAV REDDY MD & CEO TERM END ON 05.06.15 AND SUBSEQUENTLY PARTICIPATED AS INVITEE

** PROF. PARTHA RAY JOINED ON 23.11.15

DR. BHASKAR BANERJEE JOINED ON 01.09.15

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, 2016. 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 Regulation 18 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 [SEBI(LODR) Regulations, 2015]. The Audit Committee also reviews information as per the requirement of Part C of Schedule II of the Listing Regulations 2015.

Composition of Audit Committee and attendance of members :

The composition of the Audit Committee is in accordance with the requirements of Regulation 18(1) of the Listing Regulations 2015. As on 31st March 2016, the Committee comprised of three Public Interest Directors and one Shareholder Director. 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 08.04.2015, 29.08.2015, 06.01.2016 and 11.03.2016 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	Purushottam Saraf	4
4	B. Madhav Reddy	1
5	Dr. Bhaskar Banerjee	3
6	Prof. Partha Ray	1

Representatives of Statutory Auditors and Internal Auditors attended from 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 Regulation 18 of the Listing Regulations 2015. 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, 2016, the Committee consisted of four Directors (three Public Interest Directors and one Shareholder Director) viz. Mr. Bhaskar Sen, Dr. Bhaskar Banerjee, Prof. Partha Ray and Mr. Ravi Poddar. During the financial year 2015-16, four meetings of the Compensation & HR Committee were held on 13.04.2015, 11.09.2015, 01.10.2015 and 09.12.2015. 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	4
Bhaskar Sen	Public Interest Director	4
Ravi Poddar	Shareholder Director	2
Prof. Partha Ray	Public Interest Director	2
Bhaskar Banerjee	Public Interest Director	Nil
B. Madhav Reddy	MD & CEO	1



The Calcutta Stock Exchange Limited

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 2015-16 to the Managing Director and other non-executive Directors are given below:

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

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
		B. Madhab Reddy*	
1.	Gross salary (a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17 (2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17 (3) of the Income Tax Act, 1961		9,58,378 52,360 -
2.	Stock Option	-	-
	Sweat Equity	-	-
	Commission - as % of profit - others, specify [Sitting Fee]	0 0	0 0
	Others, please specify	0	0
	Total(A)		10,10,738
	Ceiling as per the Act	N/A	N/A

* Part of the year

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				
	<u>Independent Directors</u>	N.A.	N.A.	N.A.	N.A.	N.A.
	· Fee for attending board / committee meetings	-	-	-	-	-
	· Commission	-	-	-	-	-
	· Others, please specify	-	-	-	-	-
	Total(1)	-	-	-	-	-
	<u>Other Non-Executive Directors</u>	Bhaskar Sen	Bhasker Banerjee	Partha Ray	Dipankar Chatterjee	Prasad Ranjan Ray
	· Fee for attending board / committee meetings	252500	165000	115000	142500	100000
	· Commission	-	-	-	-	-
	· Others, please specify	-	-	-	-	-
	Total(2)	252500	165000	115000	142500	100000
	Total(B)=(1+2)	252500	165000	115000	142500	100000
	Total Managerial Remuneration	-	-	-	-	-
	Overall ceiling as per the Act	N/A	N/A	N/A	N/A	N/A

<u>Other Non-Executive Directors</u>		Ravi Poddar	Sanjay Budhia	Mohan Goenka	Purushottam Saraf (BSE Ltd)	TOTAL
· Fee for attending board / committee meetings		112500	55000	80000	97500	1120000
· Commission		-	-	-	-	-
· Others, please specify		-	-	-	-	-
Total(2)		112500	55000	80000	97500	1120000
Total(B)=(1+2)		112500	55000	80000	97500	1120000
Total Managerial Remuneration		-	-	-	-	-
Overall ceiling as per the Act		N/A	N/A	N/A	N/A	N/A

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	5000	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, 2016 the committee consisted of four directors (Consisting of Two Public Interest Directors namely Dr. Bhaskar Banerjee and Mr. Bhasker Sen, Two Shareholder Directors namely Mr. Purushottam Saraf and Mr. Sanjay Budhia). One meeting of the Investor Grievance & Redressal Committee was held on 20.02.2016. 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
Dr. Bhaskar Banerjee	Public Interest Director	1
Bhaskar Sen	Public Interest Director	1
Sanjay Budhia	Shareholder Director	Nil
Purushottam Saraf	Shareholder Director	1

5.2 Terms of Reference of Investor Grievance & Redressal Committee :

To attend and resolve difficulties/problems faced by shareholders, to ensure prompt redressal of 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 reconstituted with Three Directors (two Public Interest Directors namely Dr. Bhaskar Banerjee and Prof. Partha Ray and one Shareholder Director viz. Mr. Ravi Poddar). During the financial year 2015-16, two meetings of the Corporate Social Committee were held on 27.02.2016. The attendance of each member of the Corporate Social Responsibility is given below:

Name of the Members	Status	No. of Meeting Attended
Dr. Bhaskar Banerjee	Public Interest Director	1
Prof. Partha Ray	Public Interest Director	1
Ravi Poddar	Shareholder Director	1



The Calcutta Stock Exchange Limited

6.2 Terms of Reference of Corporate Social Responsibility Committee :

- (i) 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.
- (ii) Formulate and recommend to the Board the CSR activities/programs to be undertaken by CSE.
- (iii) Recommend the CSR Expenditure to be incurred on the CSR activities/programs.
- (iv) Identify the agency, in case CSR is to be implemented through approved external agency.
- (v) Institute a transparent mechanism for implementation of the CSR projects and activities. Effectively monitor the execution of the CSR activities.
- (vi) 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:-

- 1) Membership Selection Committee
- 2) Defaulters Committee
- 3) Disciplinary Action Committee
- 4) Standing Committee on Technology
- 5) Investors Service Committee
- 6) Public Interest Director Committee
- 7) Arbitration Committee
- 8) Ethics Committee
- 9) Oversight Committee (Member Regulation)
- 10) Oversight Committee (Listing Functions)
- 11) Oversight Committee (Trading & Surveillance Functions)
- 12) Advisory Committee
- 13) Sub-Committee for monitoring compliances of suggestions in SEBI Inspection Report
- 14) Business Development Committee
- 15) Legal Committee
- 16) 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 2012-13	28th September, 2013	11.00 A.M.	7, LyonsRange, Kolkata-1
Extra-Ordinary General Meeting	20th June 2014	4.30P.M.	7, LyonsRange, Kolkata-1
Annual General Meeting 2013-14	29th September, 2014	4.30P.M.	7, LyonsRange, Kolkata-1
Annual General Meeting 2014-15	7th November, 2015	4.30P.M.	7, LyonsRange, 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. Bypass, Kolkata.
- 2) Alterations of Articles of Association of the Exchange - passed in the 89th AGM held on 18th September, 2012
- 3) 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. Bypass, Kolkata.

8.3 Passing of Resolution by Postal Ballot:

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, and 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.

Your Company has in place a whistle blower policy with a view to provide a mechanism for its Directors/employees/customers to approach the Chairman of Audit Committee, in case of any grievance or concern. The Whistle Blower policy can be accessed on your Company's website.

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, 2016 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.

11. General Shareholder Information:

(A) 93rd Annual General Meeting

Day & Date	Thursday, the 29th September, 2016
Time	4.30 P.M.
Venue	Trading Hall The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata-700001, Ground Floor
Financial Year	31st March, 2016
Book Closure	23rd September, 2016 to 29th September, 2016 (Both days inclusive)
Payment of Dividend	Dividend if declared at the 93rd AGM will be paid within 30 days from the date of AGM

(B) Distribution of Shareholding as on 31st March, 2016

Range of shares	Shares	Folios	%Shares	%Folios
1-500	277535	1278	44.85	95.52
501-1000	19340	24	3.13	1.80
1001-2000	10025	7	1.62	0.52
2001-3000	5526	2	0.89	0.15
3001-4000	6281	2	1.01	0.15
4001-5000	13976	3	2.26	0.22
5001-10000	78940	11	12.76	0.82
10001-50000	207127	11	33.48	0.82
50001-100000 And above				
Total	618750	1338	100.00	100.00



The Calcutta Stock Exchange Limited

(C) Category of Shareholders as on 31st March, 2016

Category	No. of shareholders	%	No. of shares	%
Resident Individual	1091	81.53	267753	43.27
Bodies Corporate	244	18.25	329835	53.31
HUF				
Trust				
Banks/Financial Institutions	2	0.15	21157	3.42
Non-Resident Indians	1	0.07	5	0.00
Foreign Bodies Corporate				
Foreign Institutional Investor				
Venture Capital				
Total	1338	100.00	618750	100.00

(D) List of top 20 Shareholders as on 31st March, 2016

SRL. NO.	FOLIO NO.	NAME	SHARES	PER
1	1301190300069932	BSE LIMITED	30875	4.99
2	0001090	WEST BENGAL INFRASTRUCTURE DEV FIN CORPN LTD	20907	3.38
3	IN30014210535488	KIRTIVARDHAN FINVEST SERVICES LTD	20907	3.38
4	IN30032710224535	EAST INDIA SECURITIES LTD.	20907	3.38
5	IN30302852108896	MANNAKRISHNA INVESTMENTS PVT LTD	20907	3.38
6	IN30125028422773	PATTON INTERNATIONAL LTD	20907	3.38
7	IN30297810029846	DEEVEE COMMERCIALS LTD	20607	3.33
8	IN30292710025324	ARADHANA INVESTMENTS LTD	19907	3.22
9	IN30149310023848	MANI SQUARE LTD	10544	1.70
10	IN30009510125005	KESORAM INDUSTRIES LTD	10455	1.69
11	IN30125028025639	SAVITRI DEVI CHOWDHARI	10454	1.69
12	IN30045011288247	MARYADA BARTER PRIVATE LIMITED	10000	1.62
13	0001077	HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD	8364	1.35

SRL. NO.	FOLIO NO.	NAME	SHARES	PER
14	0001087	GREATWALL VANIJYA LTD	8364	1.35
15	IN30125028305012	NAGREEKA SYNTHETICS PRIVATE LIMITED	8364	1.35
16	IN30137210185616	JAI BALAJI INDUSTRIES LIMITED	6726	1.09
17	IN30015910091044	THE PROPERTY COMPANY PRIVATE LIMITED	6187	1.00
18	IN30149310001914	INDIAN CHAIN PVT LTD.	6187	1.00
19	IN30125010121668	MEENAKSHI TEA COMPANY LIMITED	6187	1.00
20	1206430000000306	ROHIL INVESTMENT & FINANCE COMPANY LIMITED	6187	1.00

(E) Category of Shares in Physical and Electronic mode as on 31.03.2016

Category	No. of holders	No. of Shares	%
Physical	546	190260	30.75
NSDL	612	357974	57.85
CDSL	180	70516	11.40
Total	1338	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:

69.25% of equity shares (428490 nos.) of the company are in electronic form. Transfer of the 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.

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, 2016.

Place : Kolkata
Dated: 27th August, 2016

Bhaskar Sen
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



The Calcutta Stock Exchange Limited

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/Company) for the year ended on 31st March 2016 as stipulated in Regulation 34(3) read with Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 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. 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 disclosure requirements of Corporate Governance as stipulated in Regulation 34(3) read with Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

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: 27th August, 2016

For **D. DUTT & CO.**
Company Secretaries
UNIQUE CODE NUMBER :- 12001WB209400

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

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, 2016, 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 standalone 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 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. 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 30 (i) regarding recoverability of Rs. 94,96,16,925 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 as carried forward in these financial statements is not ascertainable.
- (b) Note No. 26 (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.31,80,86,671 as against reported amount of Rs.30,50,52,049 and aggregate year end balances of other Reserves & Surplus would have been Rs.1,28,65,51,961 as against reported Reserve & Surplus of Rs.1,29,95,86,583.
- (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 Calcutta Stock Exchange Limited

the appropriateness of which, we are unable to comment on in the absence of adequate explanation and information regarding the same .

- (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 27, 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 the absence of adequate information and explanation in this regard.

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 described 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, 2016, of its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 35 to the financial statements regarding the uncertainty related to the outcome of the appeal and stay petition filed by the Company 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of

the Act, we give in the Annexure 1 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) We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph(c), (d) and (e), 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 /possible 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/possible 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 emphasis of matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- (f) On the basis of written representations received from the Directors as on March 31, 2016 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013;
- (g) The qualifications 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 adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (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 25, 30 (i) and 35 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/E300005

per Bhaswar Sarkar

Partner

Membership Number: 55596

Place of Signature: Kolkata

Date: August 27, 2016



The Calcutta Stock Exchange Limited

Annexure 1 referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date

TO

THE MEMBERS OF THE CALCUTTA STOCK EXCHANGE LIMITED ('THE COMPANY')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) 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, provisions of section 186 of the Companies Act 2013 in respect of investments made have been complied with by the Company. There are no loans, guarantees and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (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) Undisputed statutory dues including provident fund, income-tax, service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. During the year, the Company did not have any dues towards employees' state insurance, sales-tax, duty of customs, duty of excise and value added tax.
- (b) 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, service tax, and cess 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	Certain receipts considered by the Company as capital receipt but treated as revenue receipt by Income Tax Department	3,66,74,684	AY - 1991-92 & 1992-93	Hon'ble High Court of Calcutta
Wealth Tax Act, 1957	Wealth Tax demand on freehold and leasehold land	1,18,73,263	AY - 2011-12 to 2013-14	Commissioner of wealth Tax, Appeals

- (vii) In our opinion and according to the information and explanations given by the management, the Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (viii) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial

statements, as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership Number: 55596

Place: Kolkata

Date: August 27, 2016



The Calcutta Stock Exchange Limited

Annexure 2 to the Independent Auditor's report of even date on the standalone financial statements of The Calcutta Stock Exchange Limited ('the Company') Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of The Calcutta Stock Exchange Limited ("the Company") as of March 31, 2016, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2016:

- (a) The Company's internal financial controls over evaluation and assessment of recoverability including any provision to be made thereagainst in respect of dues from the members on account of settlement in earlier years were not operating effectively which could potentially result in the Company not recognising sufficient provision there against.
- (b) The Company's internal financial controls over transfer of the Company's annual contribution to the Settlement Guarantee Fund in compliance with the bye laws of the fund, were not operating effectively which could potentially result in the Company not transferring sufficient amount to the Settlement Guarantee Fund.
- (c) The Company's internal financial controls over accounting of dividend received on member's security deposits to the members were not operating effectively. This could potentially result in the Company not transferring the appropriate amount to the Settlement Guarantee Fund.
- (d) The Company's internal financial controls over accounting for receipt from certain members at the time of payment crisis in earlier years were not operating effectively. This could potentially result in the Company not transferring the appropriate amount to the Settlement Guarantee Fund.
- (e) The Company's internal financial controls over appropriation of its profit to the Settlement Guarantee Fund of a recognized clearing corporation(s) as per the directions issued by The Securities Exchange Board of India ("SEBI") dated 20th June, 2012 were not operating effectively. This could potentially result in the Company not transferring sufficient amount to the Settlement Guarantee Fund in compliance with the SEBI notification.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial

reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and, except for the effect/ possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2016.

Explanatory paragraph

We also have audited, 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, the standalone financial statements of The Calcutta Stock Exchange Limited, which comprise the Balance Sheet as at March 31, 2016, and the related 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. Above mentioned material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2016 standalone financial statements of The Calcutta Stock Exchange Limited and this report affect our report dated August 27, 2016, which expressed a qualified opinion on those financial statements.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership Number: 55596

Place of Signature: Kolkata

Date: August 27, 2016



The Calcutta Stock Exchange Limited

BALANCE SHEET AS AT 31st MARCH 2016

	Notes	As at 31st MARCH 2016		As at 31st MARCH 2015	
		Rupees	Rupees	Rupees	Rupees
I. EQUITIES AND LIABILITIES					
1. SHAREHOLDERS' FUND					
Share Capital	3		618,750		618,750
Reserves and Surplus	4		1,604,638,632		1,588,393,005
2. NON CURRENT LIABILITIES					
Long Term Liabilities	5		1,192,381,016		1,202,608,196
3. CURRENT LIABILITIES					
Trade Payables					
Total outstanding dues of micro enterprises and small enterprises	6		-		-
Total outstanding dues of creditors other than micro enterprises and small enterprises	6		12,978,342		17,960,328
Other current Liabilities	6		129,429,176		168,359,187
Short Term Provisions	7		18,915,074		27,938,090
			2,958,960,990		3,005,877,556
II. ASSETS					
1. NON CURRENT ASSETS					
Fixed Assets					
Tangible Assets	8	289,993,151		293,668,854	
Intangible Assets	8A	896,687	290,889,838	1,512,249	295,181,103
Non Current Investments	9		127,318,935		98,432,638
Deferred Tax Assets (Net)	10		2,548,970		2,507,786
Long term Loans & Advances	11		1,169,523,225		1,169,188,054
Other Non-Current Assets	15		848,367,987		427,900,000
2. CURRENT ASSETS					
Current Investments	12		3,000,000		31,500,000
Trade Receivables	13		10,644,603		7,631,181
Cash and Bank Balances	14		434,607,181		927,844,801
Short Term Loans & Advances	11		9,703,997		27,972,035
Other Current Assets	15		62,356,254		17,719,958
			2,958,960,990		3,005,877,556
Summary of significant accounting policies	1 & 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/E300005

per **Bhaswar Sarkar**

Partner

Membership No. 55596

Place: Kolkata

Date: 27th August 2016

For and on behalf of the Board of Directors

Bhaskar Sen

Chairman

Bhaskar Banerjee

Director

Subrato Das

MD & CEO

Prosenjit Dutta

Chief Financial Officer

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

Particulars	Notes	2015-16	2014-15
Income :		Rupees	Rupees
Revenue from Operations	16	56,523,281	57,034,850
Other Income	17	133,060,257	155,202,853
		189,583,538	212,237,703
Expenses :			
Employees Benefit Expense	18	78,554,403	84,292,913
Other Expenses	19	53,442,637	54,275,267
Depreciation and Amortization Expense	20	6,419,549	8,877,511
Contribution to SEBI		3,417,791	2,684,835
Contribution to Stock Exchange Investors' Protection Fund		3,839,048	9,166,257
		145,673,428	159,296,783
Profit before Tax		43,910,110	52,940,920
Tax Expenses :			
Current Tax		13,125,468	11,078,584
MAT Credit availed		-	(8,668)
Adjustment to Tax provision relating to earlier years		-	(54,718)
Deferred Tax		(41,184)	1,951,430
		13,084,284	12,966,628
Profit after Tax		30,825,826	39,974,292
Earnings per equity share			
Basic & Dilluted (Rs.)	21	11.91	14.38
Nominal Value of Share (Re.)		1	1
Summary of significant accounting policies	1 & 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/E300005

per **Bhaswar Sarkar**

Partner

Membership No. 55596

Place: Kolkata

Date: 27th August 2016

For and on behalf of the Board of Directors

Bhaskar Sen

Chairman

Bhaskar Banerjee

Director

Subrato Das

MD & CEO

Prosenjit Dutta

Chief Financial Officer



The Calcutta Stock Exchange Limited

CASH FLOW STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2016

	Particulars	2015-16 (Rupees)	2014-15 (Rupees)
A.	Cash Flow from Operating Activities		
	Profit before tax	43,910,110	52,940,920
	Adjustments for :-		
	Depreciation and Amortization expense	6,419,549	8,877,511
	(Profit)/Loss on sale/discard of fixed assets	157,057	(326,519)
	Provision for Wealth Tax	-	4,500,000
	Provision for Doubtful Debts and Advances	3,443,683	1,879,000
	Bad Debts	284,232	-
	Sundry balance written off	262,839	76,025
	Liabilities/Provisions no longer required, written back	(2,536,115)	(6,860,744)
	Settlement Guarantee Fund Contribution	133,564	184,880
	Interest on Fixed Deposits	(113,610,380)	(119,004,194)
	Interest on Bonds	(872,480)	(872,480)
	Interest on Income Tax Refunds	-	(1,834,473)
	Dividend Income from Investments	(3,536,604)	(11,183,797)
	Profit on sale of Investments	(2,784,108)	(5,670,481)
	Operating profit before working capital changes	(68,728,653)	(77,294,352)
	Movements in working capital:		
	Decrease in Long Term Liabilities	(10,130,947)	(4,934,125)
	Decrease in Short Term Provisions	(9,983,614)	(17,666,048)
	Increase/(Decrease) in Trade Payables	(4,981,986)	4,716,752
	Decrease in Other Current Liabilities	(39,579,910)	(688,510,820)
	Increase in Trade Receivables	(6,235,337)	(1,712,164)
	Decrease in Long Term Loans & Advances	1,335,872	1,159,825
	Decrease in Short Term Loans & Advances	18,268,038	131,239,773
	(Increase)/Decrease in Other Current Assets	613,786	(95,613)
	Cash used in operations	(119,422,751)	(653,096,772)
	Direct taxes paid (net of refunds)	(12,215,369)	5,357,317
	Net Cash used in Operating Activities	(131,638,120)	(647,739,455)
B.	Cash Flow from Investing Activities		
	Sale of Fixed Assets	-	447,901
	Purchase of Fixed Assets	(1,596,639)	(3,295,415)
	Purchase of Non Current Investments	(29,575,000)	-
	Proceeds from Purchase and Sale of Current Investments (net)	31,284,108	198,670,481
	Dividend income from Investments	3,536,604	11,183,797
	Investment in Fixed Deposits	(915,485,377)	(1,116,417,987)
	Encashment of Fixed Deposits	889,017,990	1,092,172,848
	Interest on Fixed Deposits	117,960,298	122,471,894
	Interest on Bonds	872,480	872,480
	Net Cash generated from Investing Activities	96,014,464	306,105,999
C.	Cash Flow from Financing Activities		
	Dividend Paid on equity shares	(12,220,000)	(12,220,000)
	Tax on equity dividend paid	(2,443,267)	(2,076,789)
	Net Cash used in Financing Activities	(14,663,267)	(14,296,789)
	Net decrease in Cash and Cash Equivalents (A+B+C)	(50,286,923)	(355,930,245)
	Cash and Cash Equivalents as at the beginning of the year	83,203,509	439,133,754
	Cash and Cash equivalents as at the end of the year	32,916,586	83,203,509

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Components of Cash & Cash Equivalents*

	2015-16	2014-15
Cash on hand	34,125	47,867
Cheques / Drafts on hand	485,025	570,153
Balance with Scheduled Banks on Current Account		
Own Fund	25,042,865	75,544,185
Investors' Service Fund	2,029,924	1,283,339
Settlement Guarantee Fund	5,324,647	5,757,965
	32,916,586	83,203,509

* Excludes the balance of Rs.57,73,205 (2015: Rs.51,23,305) which the Company can utilize only towards settlement of the respective unpaid dividend.

Summary of significant accounting policies (Refer Note 1 and 2)

As per our report of even date

For S R Batliboi & Co LLP

Chartered Accountants

Firm Registration Number. 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership No. 55596

Place: Kolkata

Date: 27th August 2016

For and on behalf of the Board of Directors

Bhaskar Sen

Chairman

Bhaskar Banerjee

Director

Subrato Das

MD & CEO

Prosenjit Dutta

Chief Financial Officer



The Calcutta Stock Exchange Limited

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

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

(a) Component Accounting

The Company has adopted component accounting as required under Schedule II to the Companies Act, 2013, from 1 April 2015. The Company was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life/depreciation rate was used to depreciate each item of fixed asset.

Due to application of Schedule II to the Companies Act, 2013, the Company has changed the manner of depreciation for its fixed asset. Now, the Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Company has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., 1 April 2015, its carrying amount, after retaining any residual value, is charged to the statement of profit and loss. The carrying amount of other components, i.e., components whose remaining useful life is not nil on 1 April 2015, is depreciated over their remaining useful lives.

There is no impact on the depreciation for the year, loss for the year and fixed asset balance owing to adoption of component accounting.

On the date of component accounting becoming applicable, i.e., 1 April 2015, there was no component having zero remaining useful life. Hence, no amount has been directly adjusted against retained earnings.

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 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 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.

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



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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 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 the 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.



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Note to the financial statements as at and for the year ended 31st March 2016

NOTE - 3 : Share Capital

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
a) AUTHORISED SHARES :		
10,00,00,000 (31 March 2015 : 10,00,00,000) Equity Shares of Re.1 each	100,00,000	100,00,000
b) ISSUED SHARES :		
6,18,750 (31 March 2015 : 6,18,750) Equity Shares of Re.1 each	618,750	618,750
c) SUBSCRIBED & PAID UP SHARES :		
6,11,250 (31 March 2015 : 6,11,000) Equity Shares of Re.1 each fully paid up	611,250	611,000
Add : Forfeited Shares:		
7,500 (31 March 2015 : 7,750) Equity Shares paid up of Re.1 each	7,500	7,750
	618,750	618,750

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

	31st March 2016		31st March 2015	
	Number	Rs.	Number	Rs.
Equity Shares	6,11,000	611,000	6,11,000	611,000
Issued during the year	250	250	-	-
Shares outstanding at the end of the year	6,11,250	611,250	6,11,000	611,000

B. Terms / rights attached to equity shares :

The Company has only one class of equity shares having par value of Rs.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 2016, the amount per share dividend recognized as distributions to equity shareholders was Rs.20 (31 March 2015 : 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.

Note to the financial statements as at and for the year ended 31st March 2016

NOTE - 4: Reserves and Surplus

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
I. Own Fund		
Capital Reserve		
Pre-Demutualisation Period		
Balance as per last financial statements	618,860	618,860
Total Capital Reserve	618,860	618,860
Securities Premium Account		
Pre-Demutualisation Period		
Balance as per last financial statements	3,014,597	3,014,597
Closing Balance	3,014,597	3,014,597
Post-Demutualisation Period		
Balance as per last financial statements	631,778,051	631,778,051
Closing Balance	631,778,051	631,778,051
Total Securities Premium Account	634,792,648	634,792,648
Reserve for Establishment of Centre for Training and Statistical Information & Setting up a Library		
Pre-Demutualisation Period		
Balance as per last financial statements	38,841,547	38,841,547
Total Reserve for Establishment of Centre for Training and Statistical Information & Setting up a Library	38,841,547	38,841,547
Development Fee Fund		
Pre-Demutualisation Period		
Balance as per last financial statements	134,050,000	134,050,000
Total Development Fee Fund	134,050,000	134,050,000
General Reserve		
Pre-Demutualisation Period		
Balance as per last financial statements	350,337,461	344,505,827
Addition during the year	-	6,244,315
Deductions/Adjustments during the year	(247,473)	(412,681)
Closing Balance	350,089,988	350,337,461
Post-Demutualisation Period		
Balance as per last financial statements	52,015,205	48,201,351
Addition during the year	3,000,000	4,000,000
Deductions/Adjustments during the year	-	(186,146)
Closing Balance	55,015,205	52,015,205
Total General Reserve	405,105,193	402,352,666
Surplus in the Statement of Profit and Loss	30,602,244	40,481,815
(Post-Demutualisation Period)		
Profit for the year	30,825,826	39,974,292
Appropriations		
Less : Transferred to General Reserve	(3,000,000)	(4,000,000)
Less : Income of Investor's Service Fund transferred	(7,359,281)	(6,641,276)
Less : Income of Settlement Guarantee Fund transferred	(25,101,946)	(22,975,170)
Less : Profit on sale of Fixed Assets of Pre-Demutualisation period transferred to General Reserve	-	(326,519)
Less : Unspent Liabilities no longer required, written back related to the Pre-Demutualisation period transferred to General Reserve	-	(5,917,796)
Less : Proposed final equity dividend [amount per share Rs.20 (31st March 2015 :Rs. 20)]	(12,225,000)	(12,220,000)
Less : Tax on proposed equity dividend	(2,488,766)	(2,443,267)
Add : Expenses of Investor's Service Fund transferred	276,904	156,486
Add : Expenses of Settlement Guarantee Fund transferred	8,390,852	4,513,679
Add : Expenses related to Pre-Demutualisation period adjusted with General Reserve	247,476	-
Total appropriations	(41,259,761)	(49,853,863)
Net Surplus in the Statement of Profit and Loss	20,168,309	30,602,244

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Total of Own Fund	1,233,576,557	1,241,257,965
II. Investors' Service Fund		
(Post-Demutualisation Period)		
Balance as per last financial statements	58,927,649	52,442,859
Addition during the year	7,359,281	6,641,276
Deductions/Adjustments during the year	(276,904)	(156,486)
Total of Investors' Service Fund	66,010,026	58,927,649
III. Settlement Guarantee Fund		
Settlement Guarantee Fund for CSE-NSE Cash Segment		
(Post-Demutualisation Period)		
Balance as per last financial statements	10,075,619	10,050,593
Addition during the year	27,535	25,026
Closing Balance	10,103,154	10,075,619
Settlement Guarantee Fund for CSE-NSE Future and Option Segment		
(Post-Demutualisation Period)		
Balance as per last financial statements	10,090,539	10,016,201
Addition during the year	57,861	74,338
Closing Balance	10,148,400	10,090,539
Settlement Guarantee Fund for CSE-BSE Cash Segment		
(Post-Demutualisation Period)		
Balance as per last financial statements	10,147,631	10,074,915
Addition during the year	33,404	72,716
Closing Balance	10,181,035	10,147,631
Settlement Guarantee Fund for CSE-BSE Future and Option Segment		
(Post-Demutualisation Period)		
Balance as per last financial statements	10,002,800	10,000,000
Addition during the year	4,764	2,800
Closing Balance	10,007,564	10,002,800
Settlement Guarantee Fund Initial Membership Fees		
(Post-Demutualisation Period)		
Balance as per last financial statements	240,000	230,000
Addition during the year	10,000	10,000
Closing Balance	250,000	240,000
Settlement Guarantee Fund (Governed by the Bye-Laws of the Settlement Guarantee Fund of the exchange)		
(Post-Demutualisation Period)		
Balance as per last financial statements	247,650,802	228,961,892
Addition during the year	25,101,946	23,202,589
Deductions/Adjustments during the year	(8,390,852)	(4,513,679)
Closing Balance	264,361,896	247,650,802
Total of Settlement Guarantee Fund	305,052,049	288,207,391
Total of I+II+III	1,604,638,632	1,588,393,005

Notes to the financial statements as at and for the year ended 31st March 2016**NOTE - 5 : Long Term Liabilities**

Particulars	As at 31st March 2016			As at 31st March 2015		
	Pre-Demutualisation Period	Post-Demutualisation Period	TOTAL	Pre-Demutualisation Period	Post-Demutualisation Period	TOTAL
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Sundry Deposits [Refer Note no.30(iii)]	969,294,037	-	969,294,037	969,294,037	-	969,294,037
Members' Security Deposits						
- Own Fund	-	97,673,377	97,673,377	-	100,986,255	100,986,255
- Settlement Guarantee Fund	-	125,413,602	125,413,602	-	132,327,904	132,327,904
	969,294,037	223,086,979	1,192,381,016	969,294,037	233,314,159	1,202,608,196

NOTE - 6 : Trade Payables and Other Current Liabilities

Particulars	As at 31st March 2016			As at 31st March 2015		
	Pre-Demutualisation Period	Post-Demutualisation Period	TOTAL	Pre-Demutualisation Period	Post-Demutualisation Period	TOTAL
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Trade payables						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	12,978,342	12,978,342	-	17,960,328	17,960,328
Other Liabilities :						
Sundry Deposits	16,085,459	33,820,382	49,905,841	16,910,378	30,337,515	47,247,893
Payable to related party: [Refer Note no.33]						
CSE Capital Markets Pvt Ltd	-	416,658	416,658	-	1,026,153	1,026,153
Stock Exchange Investors' Protection Fund	-	-	-	-	511,696	511,696
Statutory Dues	-	3,152,102	3,152,102	-	2,814,417	2,814,417
Unclaimed Dividend	-	5,773,205	5,773,205	-	5,123,305	5,123,305
Members' deposit including deposits for additional base capital requirement and margin in Cash	-	70,181,370	70,181,370	-	111,635,723	111,635,723
	16,085,459	126,322,059	142,407,518	16,910,378	169,409,137	186,319,515

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 required to be made in this account.

NOTE - 7 : Short Term Provisions

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Provision for Employee Benefits:		
Leave	3,291,209	8,774,823
Other Provisions:		
Proposed Dividend	12,225,000	12,220,000
Tax on Dividend	2,488,766	2,443,267
Income Tax [net of advance tax of Rs.1,22,15,369 (31 March 2015 : Rs. Nil)]	910,099	-
Wealth Tax	-	4,500,000
	18,915,074	27,938,090



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Note to the financial statements as at and for the year ended 31st March 2016

NOTE - 8 : Tangible Assets

								(Amount in Rs.)	
Cost or Valuation	Freehold Land	Building	Electrical Equipments	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total	
ASSETS OF PRE-DEMUTUALISATION PERIOD :									
At 1st April 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	
Additions	-	-	-	-	-	-	-	-	
Disposals/Adjustment	-	-	-	2,363,076	1,164,720	-	13,551,771	17,079,567	
At 31st March 2016	415,300	2,157,399	12,700,896	6,827,915	8,478,785	-	172,744,471	203,324,766	
Depreciation									
At 1st April 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	-	-	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	
Charge For the Year	-	27,725	1,631	-	-	-	-	29,356	
Disposals/Adjustment	-	-	-	2,248,618	1,149,446	-	13,534,026	16,932,090	
At 31st March 2016	-	1,553,298	12,084,021	6,535,265	8,119,796	-	172,003,855	200,296,235	
Net Block									
At 31st March 2015	415,300	631,826	618,506	407,108	374,263	-	758,361	3,205,364	
At 31st March 2016	415,300	604,101	616,875	292,650	358,989	-	740,616	3,028,531	
ASSETS OF POST-DEMUTUALISATION PERIOD :									
At 1st April 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	
Additions	-	-	243,720	148,679	108,089	-	1,096,151	1,596,639	
Disposals/Adjustment	-	-	-	-	-	-	128,112	128,112	
At 31st March 2016	269,000,023	11,728,629	6,904,114	5,529,782	3,103,649	1,393,530	19,561,374	317,221,101	
Depreciation									
At 1st April 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	-	-	-	-	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	
Charge For the Year	-	952,897	1,286,902	746,522	383,631	109,983	1,605,993	5,085,928	
Disposals/Adjustment	-	-	-	-	-	-	118,531	118,531	
At 31st March 2016	-	2,900,142	3,240,939	3,723,073	2,720,024	1,201,631	16,470,672	30,256,481	
Net Block									
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	
At 31st March 2016	269,000,023	8,828,487	3,663,175	1,806,709	383,625	191,899	3,090,702	286,964,620	
Net Block of Tangible Assets									
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	
At 31st March 2016	269,415,323	9,432,588	4,280,050	2,099,359	742,614	191,899	3,831,318	289,993,151	

Note to the financial statements as at and for the year ended 31st March 2016

NOTE - 8A : Intangible Assets

(Amount in Rs.)

Particulars	Computer Softwares	Total
ASSETS OF PRE-DEMUTUALISATION PERIOD :		
Gross Block		
At 1st April 2014	30,036,144	30,036,144
Purchase	-	-
Disposals/Adjustment	-	-
At 31st March 2015	30,036,144	30,036,144
Purchase	-	-
Disposals/Adjustment	-	-
At 31st March 2016	30,036,144	30,036,144
Amortization		
At 1st April 2014	30,036,108	30,036,108
Charge For the Year	-	-
Disposals/Adjustment	-	-
At 31st March 2015	30,036,108	30,036,108
Charge For the Year	-	-
Disposals/Adjustment	-	-
At 31st March 2016	30,036,108	30,036,108
Net Block		
At 31st March 2015	36	36
At 31st March 2016	36	36
ASSETS OF POST-DEMUTUALISATION PERIOD :		
Gross Block		
At 1st April 2014	5,100,533	5,100,533
Purchase	-	-
Disposals/Adjustment	-	-
At 31st March 2015	5,100,533	5,100,533
Purchase	-	-
Disposals/Adjustment	-	-
At 31st March 2016	5,100,533	5,100,533
Amortization		
At 1st April 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
Charge For the Year	615,562	615,562
Disposals/Adjustment	-	-
At 31st March 2016	4,203,882	4,203,882
Net Block		
At 31st March 2015	1,512,213	1,512,213
At 31st March 2016	896,651	896,651
Net Block of Intangible Assets		
At 31st March 2015	1,512,249	1,512,249
At 31st March 2016	896,687	896,687



The Calcutta Stock Exchange Limited

Note to the financial statements as at and for the year ended 31st March 2016

NOTE - 9 : Non Current Investments (At cost)

Particulars	As at 31st March 2016		As at 31st March 2015	
	Rupees	Rupees	Rupees	Rupees
INVESTMENT PROPERTY				
Pre-Demutualisation Period				
Cost of leasehold land	49,667,291		49,667,291	
Less : Accumulated depreciation	7,570,031	42,097,260	6,881,328	42,785,963
		42,097,260		42,785,963
INVESTMENTS OF PRE-DEMUTUALISATION PERIOD				
Non-trade				
Quoted debentures				
117 (31st March 2015 : 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 2015: 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
		10,000,001		10,000,001
INVESTMENTS OF POST-DEMUTUALISATION PERIOD				
Trade				
Unquoted equity shares				
Subsidiary Company				
22,75,000 equity shares of Rs.13 each (including securities premium of Rs.3 each) and 35,00,000 equity shares of Rs.10 each (31st March 2015: 35,00,000 equity shares of Rs.10 each) fully paid up of CSE Capital Markets Pvt Ltd		64,575,000		35,000,000
Non-Trade				
Quoted				
Equity shares				
400 (31st March 2015: 400) equity shares of Rs. 10 each fully paid up of Beeyu Overseas Ltd		6,674		6,674
Bonds				
5,696 (31st March 2015: 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 2015: 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
		75,221,674		45,646,674
		127,318,935		98,432,638

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

Aggregate cost of Investments:

Quoted	10,646,675	10,646,675
Unquoted	74,575,000	45,000,000
Value of investment property	42,097,260	42,785,963
Market value of quoted investments	11,750,072	11,621,060

Notes to the financial statements as at and for the year ended 31st March 2016**NOTE - 10 : Deferred Tax Assets (Net)**

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
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	2,213,562	1,881,675
Fixed Assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	57,962	-
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	277,446	847,254
Gross Deferred Tax Asset	2,548,970	2,728,929
Net Deferred Tax Asset	2,548,970	2,507,786



The Calcutta Stock Exchange Limited

NOTE - 11 : Loans & Advances

Particulars	Non-Current		Current	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees	Rupees	Rupees
Unsecured, considered good (unless stated otherwise):				
Security Deposits				
Considered good	40,924,483	41,456,941	-	-
Considered doubtful	506,000	-	-	-
	41,430,483	41,456,941	-	-
Provision for doubtful deposits	(506,000)	-	-	-
	40,924,483	41,456,941	-	-
Deposit with BSE Ltd - Settlement Guarantee Fund	58,125,000	58,125,000	-	-
Deposit with Indian Clearing Corporation Ltd	1,010,000	1,010,000	-	20,000,000
Deposit with Indian Clearing Corporation Ltd - Settlement Guarantee Fund	1,875,000	1,875,000	-	-
	101,934,483	102,466,941	-	20,000,000
Advances recoverable in cash or in kind				
Settlement Guarantee Fund	2,439,882	2,439,882	-	-
Provision for doubtful advances	-	(2,439,882)	-	-
	2,439,882	-	-	-
Other parties	8,515,400	9,066,583	2,247,996	20,820
Receivable from defaulting members	949,616,925	954,532,105	-	-
Receivable from related party:				
Stock Exchange Investors' Protection Fund	-	-	913,598	-
	958,132,325	963,598,688	3,161,594	20,820
Other Loans & Advances:				
Advance Income Tax and Tax Deducted at Source [Net of Provisions of Rs.7,07,17,316 (31 March 2015 : Rs.7,07,17,316)]	98,013,245	98,013,245	-	-
Prepaid expenses	-	-	4,499,072	4,124,301
Gratuity plan assets (net)	809,049	-	-	-
Loan to employees				
- Interest bearing	8,194,241	5,109,180	1,651,631	1,618,357
- Non interest bearing	-	-	16,250	748,993
Service Tax recoverable	-	-	375,450	1,459,564
	107,016,535	103,122,425	6,542,403	7,951,215
	1,169,523,225	1,169,188,054	9,703,997	27,972,035

Note to the financial statements as at and for the year ended 31st March 2016**NOTE - 12 : Current Investments**

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Current portion of long-term investments (valued at cost)		
Investments in fixed maturity mutual funds (Unquoted)		
Nil (31st March 2015: 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	-	5,00,000
Nil (31st March 2015: 2,50,000) units of Rs.10 each fully paid up of BOI-AXA Fixed Maturity Plan - Series 14 (368 Days)- Direct Plan Growth	-	2,50,000
Nil (31st March 2015: 10,00,000) units of Rs.10 each fully paid up of Religare Invesco FMP - Sr.23 - Plan O 370 Days - Direct Plan Growth	-	10,00,000
Nil (31st March 2015: 12,50,000) units of Rs.10 each fully paid up of ICICI Prudential FMP Series 74 - 369 Days Plan I Direct Plan Cumulative	-	12,50,000
	-	30,00,000
Current Investment (Valued at lower of cost and net realisable value)		
Investments in mutual funds (Unquoted)		
76,368 (31st March 2015: Nil) units of Rs.10 each fully paid up of Birla Mutual Fund - Daily Dividend	1,50,000	-
1,044 (31st March 2015: 1,044) units of Rs.1000 each fully paid up of Baroda Pioneer Liquid Fund - Plan B Growth *	1,50,000	1,50,000
	3,00,000	1,50,000
	3,00,000	31,50,000

* Investment out of Investors' Service Fund

Aggregate cost of Investments:

Unquoted	3,00,000	31,50,000
Net asset value of fixed maturity plan	-	32,271,575
Net asset value of mutual fund units	3,327,161	1,675,948



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Note to the financial statements as at and for the year ended 31st March 2016

NOTE - 13 : Trade Receivables

Particulars	As at 31st March 2016		As at 31st March 2015	
	Rupees	Rupees	Rupees	Rupees
Outstanding for a period exceeding six months from the date they are due for payment:				
Secured, Considered good	1,310,523		3,061,414	
Unsecured				
- Considered good	5,751,160		4,473,256	
- Considered doubtful	6,188,982	13,250,665	3,251,299	10,785,969
Other Receivables:				
Unsecured, Considered good		3,582,920		96,511
		16,833,585		10,882,480
Less: Provision for Doubtful Debts		6,188,982		3,251,299
		10,644,603		7,631,181

Note to the financial statements as at and for the year ended 31st March 2016
NOTE - 14 : Cash and Bank Balances

Particulars	Non-Current		Current	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees	Rupees	Rupees
a. CASH AND CASH EQUIVALENTS				
Cash on hand	-	-	34,125	47,867
Cheques / Drafts on hand	-	-	485,025	570,153
Balance with Scheduled Banks on:				
Current Account	-	-	-	-
Own Fund	-	-	25,042,865	75,544,185
Investors' Service Fund	-	-	2,029,924	1,283,339
Settlement Guarantee Fund	-	-	5,324,647	5,757,965
Unpaid Dividend Account	-	-	5,773,205	5,123,305
	-	-	38,689,791	88,326,814
b. OTHER BANK BALANCES				
Deposits with remaining maturity for more than 12 months :				
Own Fund	570,267,987	251,300,000	-	-
Earmarked Funds:				
Settlement Guarantee Fund	234,100,000	86,000,000	-	-
Investors' Service Fund	44,000,000	41,000,000	-	-
Fund for Establishment of Centre for Training and Statistical Information & Setting up a Library	-	-	-	-
Deposits with remaining maturity for less than 12 months :				
Own Fund	-	-	221,558,453	544,526,440
Earmarked Funds:				
Settlement Guarantee Fund	-	-	118,000,000	241,250,000
Investors' Service Fund	-	-	17,517,390	14,900,000
Fund for Establishment of Centre for Training and Statistical Information & Setting up a Library	-	-	38,841,547	38,841,547
	848,367,987	378,300,000	395,917,390	839,517,987
Amount disclosed under Non-current assets (Refer Note 15)	(848,367,987)	(378,300,000)	-	-
	-	-	434,607,181	927,844,801
Details of fixed deposits lien marked (included above)				
Particulars	Non-Current		Current	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees	Rupees	Rupees
Deposits with remaining maturity for more than 12 months : *				
with ICCL	279,700,000	219,800,000	-	-
with NSCCL	214,400,000	80,000,000	-	-
with HDFC Bank Ltd	-	109,400,000	-	-
Deposits with remaining maturity for less than 12 months : *				
with ICCL	-	-	128,800,000	425,750,000
with NSCCL	-	-	-	319,900,000
with HDFC Bank Ltd	-	-	109,400,000	-
	494,100,000	409,200,000	238,200,000	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 remaining maturity for more than 12 months :				
Deposit with Victor Moses & Co	13,917,987	-	-	-
Deposits with remaining maturity for less than 12 months :				
Deposit with Victor Moses & Co	-	-	3,500,000	17,417,987
	13,917,987	-	3,500,000	17,417,987



The Calcutta Stock Exchange Limited

Note to the financial statements as at and for the year ended 31st March 2016 NOTE - 15 : Other Assets

Particulars	Non-Current		Current	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees	Rupees	Rupees
Unsecured, considered good unless stated otherwise				
Non-current bank balances (Refer Note no. 14)	848,367,987	378,300,000	-	-
Deposits with remaining 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	-	-
Deposits with remaining maturity for less 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	-	-	1,391,757	1,888,052
Others	-	-	110,375	227,866
Interest accrued on fixed deposits:				
Own Fund	-	-	8,231,660	10,949,799
Settlement Guarantee Fund	-	-	2,405,907	3,913,004
Investors' Service Fund	-	-	201,816	326,498
Interest accrued on investments in bonds:				
Own Fund	-	-	414,739	414,739
	848,367,987	427,900,000	62,356,254	17,719,958

Note to the financial statements as at and for the year ended 31st March 2016**NOTE - 16 : Revenue from Operations**

Particulars	2015-16	2014-15
	Rupees	Rupees
SALE OF SERVICES :		
Turnover charges on other trading platform :		
- BSE	3,577,383	3,822,993
- NSE	2,206,109	2,599,821
Listing fees	28,362,250	20,006,845
Subscriptions	2,118,000	1,824,000
Processing charges	11,980,200	13,676,000
Income from depository participant operation	661,413	1,067,521
Commission on PAN services	86,895	74,481
Other operating revenue :		
Bad debts recovered	4,815,655	5,841,500
Recovery of penal charges from clients	2,684,993	7,893,924
Technology charges from new members	20,000	50,000
Miscellaneous operating income	10,383	177,765
	56,523,281	57,034,850



The Calcutta Stock Exchange Limited

Note to the financial statements as at and for the year ended 31st March 2016

NOTE - 17 : Other Income

Particulars	2015-16	2014-15
	Rupees	Rupees
Interest on investments of Investors' Service Fund	5,064,281	4,924,640
Interest on investments of Settlement Guarantee Fund	29,711,217	31,841,769
	34,775,498	36,766,409
Interest income on own fund:		
Fixed deposits	78,834,882	82,237,785
Tax Free PSU bonds	872,480	872,480
Security deposit with CESC Ltd	130,679	126,994
Income Tax refunds	-	1,834,473
Interest on delayed payment of listing fees	3,237,075	4,351,869
Others	927,101	654,861
	84,002,217	90,078,462
Profit on sale of Current investments	20,833	131,296
Profit on sale of Long term investments	2,763,275	5,539,185
	2,784,108	5,670,481
Dividend income from investments on own fund:		
Long term investments	2,200,000	2,000,000
Current investments	1,336,604	9,183,797
	3,536,604	11,183,797
Other non-operating Income:		
Rent	960,766	1,106,862
Fees for transfer of tenancy rights	-	1,820,340
Prior Period Income (Net)	2,116,705	-
Miscellaneous receipts	2,348,244	1,389,239
Profit on sale of fixed assets	-	326,519
Liabilities/Provisions no longer required, written back	2,536,115	6,860,744
	7,961,830	11,503,704
	133,060,257	155,202,853

Note to the financial statements as at and for the year ended 31st March 2016**NOTE - 18 : Employees Benefit Expense**

Particulars	2015-16		2014-15	
	Rupees	Rupees	Rupees	Rupees
Salaries, bonus etc.		64,640,598		68,745,293
Contribution to provident and other funds:				
Provident Fund	5,554,363		5,285,905	
Superannuation Fund	2,378,155		2,285,440	
National Pension Scheme	643,162	8,575,680	247,814	7,819,159
Gratuity [Refer Note no.32]		1,677,633		3,994,188
Staff welfare		3,660,492		3,734,273
		78,554,403		84,292,913



The Calcutta Stock Exchange Limited

Note to the financial statements as at and for the year ended 31st March 2016

NOTE - 19 : Other Expenses

Particulars	2015-16		2014-15	
	Rupees	Rupees	Rupees	Rupees
Advertisement		583,255		1,584,942
Rent		16,712		16,855
Electricity charges	8,604,778		8,257,995	
Less : recovered from tenants	1,698,247	6,906,531	1,593,298	6,664,697
Rates & Taxes		496,913		4,856,692
Insurance		298,423		308,937
Printing & Stationary		760,037		600,902
Telephone charges		1,486,574		1,196,960
Travelling & Conveyance		1,180,773		1,968,954
Motor car expenses		413,946		508,952
Repairs & Maintenance:				
Building	691,810		1,645,264	
Others *	14,372,100	15,063,910	15,726,564	17,371,828
Expenses for Other Trading Platform:				
BSE		367,689		357,160
NSE		170,115		515,443
Interest on delayed payment of statutory dues		19,020		1,470
Security Expenses		949,609		924,361
Miscellaneous Expenses		1,637,292		1,435,248
Expenses for Depository Services		776,336		1,534,663
Legal & Professional Fees		13,731,523		9,111,012
Auditor's Remuneration				
As Audit Fees	1,600,000		800,000	
Tax Audit	200,000		200,000	
In other capacity	-		25,000	
Reimbursement of Expenses	40,700	1,840,700	19,800	1,044,800
Investors' Service Expenses		276,904		156,486
Directors Sitting Fee		1,120,000		885,000
CSR Expenditure		1,075,000		1,100,000
Provision for Doubtful Debts and Advances		3,443,683		1,879,000
Bad Debts	284,232		4,656,480	
Less : Adjusted against Provision for Doubtful Debts	-	284,232	4,656,480	-
Contribution to Settlement Guarantee Fund on CSE-NSE Turnover		85,396		99,364
Contribution to Settlement Guarantee Fund on CSE-BSE Turnover		38,168		75,516
Loss on sale/discard of fixed assets		157,057		-
Sundry Balances Written Off		262,839		76,025
		53,442,637		54,275,267

* Including Rs.1,26,76,410 (31st March 2015 : Rs.1,42,63,188) for computer maintenance and service charges.

Notes to the financial statements as at and for the year ended 31st March 2016**NOTE - 20 : Depreciation and Amortization Expense**

Particulars	2015-16	2014-15
	Rupees	Rupees
Depreciation of Tangible Assets	5,115,284	7,292,428
Amortization of Intangible Assets	615,562	1,121,664
Depreciaton on Investment Property	688,703	463,419
	6,419,549	8,877,511

NOTE - 21 : Earnings Per Share (EPS)

Particulars	2015-16	2014-15
	Rupees	Rupees
Net Profit after Tax as per Statement of Profit and Loss	30,825,826	39,974,292
Less : Profit appropriated to earmarked fund		
Adjustment with General Reserve of Pre-demutualisation period	247,476	
Transferred to General Reserve of Pre-demutualisation period	-	6,244,315
Transferred to Investors' Service Fund	7,082,377	6,484,790
Transferred to Settlement Guarantee Fund	16,711,094	18,461,491
Profit attributable to equity shareholders	7,279,831	8,783,696
Weighted average number of equity shares	611,023	611,000
Earnings per share - Basic & Diluted (Rs.)	11.91	14.38
Nominal Value of share (Re.)	1	1



The Calcutta Stock Exchange Limited

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

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 together with Paragraph 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. 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.
24. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for Rs.Nil (Rs.Nil).
- 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. During the current year, the Company has received a favourable order by Income Tax Appellate Tribunal against the appeal filed.
- 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 which are pending disposals.

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.
- g) Stock Holding Corporation of India (SHCIL) was registered in the online trading system of the Calcutta Stock Exchange (CSE) as a "Custodian" for settling the Institutional Trades. In 2001, SHCIL introduced a scheme "Sell n Cash" (payment on sale of securities) Scheme for the benefit of investors. The "Sell n Cash" scheme allowed a seller to receive payment on the day of sale through SHCIL's registered broker after delivering the shares to SHCIL. On 2nd March 2001 Harish Chandra Biyani, a CSE Broker, sold certain shares of DSQ Industries Ltd., amounting to Rs.24,45,48,000/- through Biyani Securities Pvt. Ltd. (another broker of CSE). On finding that the transaction between Harish Chandra Biyani and Biyani Securities Pvt. Ltd., was a malfide and fund accommodation in nature and was at an artificial price created through circular trading, CSE expunged/annulled the trade and informed the same. SHCIL, being aggrieved by the decision of the CSE for expunge of those transactions for which the consideration was already paid to Harish Chandra Biyani, filed the instant Civil Suit in Hon'ble High Court of Calcutta against CSE and Harish Chandra Biyani. The principal sum of such claim is Rs.24,45,48,000 and interest of Rs.16,14,01,680/-, which is pending disposal at Hon'ble High Court of Calcutta.
- h) The office premises taken by the Company on rental together with furniture fixtures etc., from Turner Morrison Limited was vacated by the Company on 31.01.2013. There is a disputed amount of property taxes related to the rental

property amounting to Rs. 2,74,17,987. During the earlier year, the Division Bench of High Court of Calcutta directed the company to pay a sum of Rs.1,00,00,000 to Turner Morrison Limited on account of property tax in respect of 5100 sq. ft. and to reinvest the amount of Rs.1,74,17,987 by way of fixed deposit to be kept with Messrs Victor Moses & Co. till further order or disposal of the case. The fixed deposits is separately disclosed as part of the Cash and bank balance in the Note 14.

- i) Other miscellaneous claims not acknowledged as debts- Rs.1,60,564.

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 note as 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



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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 Rupees)

Sl No	Particulars	2015-16	2014-15
	Under Reserves & Surplus (Settlement Guarantee Fund):		
I	Settlement Guarantee Fund of the Exchange	25,94,03,866	24,25,59,208
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	30,50,52,049	28,82,07,391
	Under Long Term Liabilities (Settlement Guarantee Fund):		
IV	Members BMC/SGF in Cash	11,30,94,106	11,83,02,856
V	Interest Adjustable with BMC/ABMC	99,26,715	1,14,85,048
VI	Members' deposit towards BSE/NSE-SGF	23,92,781	25,40,000
	Total	12,54,13,602	13,23,27,904
	Grand Total	43,04,65,651	42,05,35,295

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

(Amount in Rupees)

Sl No	Particulars	2015-16	2014-15
I	Investments in Fixed Deposits	35,21,00,000	32,72,50,000
III	Investments in Fixed Deposit with Financial Institution	50,00,000	50,00,000
IV	Balances in Current Account	53,24,647	57,57,965
V	Interest accrued on Fixed Deposits	24,05,907	39,13,004
VI	Deposit with BSE Ltd	5,81,25,000	5,81,25,000
VII	Deposit with Indian Clearing Corporation Ltd	18,75,000	18,75,000
VIII	BMC Receivable from Members (Net of Liability)	24,39,882	24,39,882
IX	Receivable from Exchange	31,95,215	1,61,74,444
	Total	43,04,65,651	42,05,35,295

(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".

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 earlier 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 fee collections 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.

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 Rupees)

Particulars	2015-16	2014-15
Settlement Guarantee Fund Expenses :		
- Staff Cost	29,05,592	29,22,274
- 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	2,25,675	2,45,497
- Legal & Professional Fees	49,80,985	10,67,308
	83,90,852	45,13,679
Investors' Service Expenses	2,76,904	1,56,486

30. i) Receivables from defaulting members in Note 11 "Loans and Advances" includes Rs.94,96,16,925 (Rs.95,45,32,105) due from Members on account of settlements in prior years comprising of Rs.94,22,58,636 (Rs.94,71,73,816) towards Hand Delivery 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 31.03.2016. Out of the above, the Company has filed recovery suits amounting to Rs.93,00,50,704 (Rs.93,47,13,834) from 14 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 31.03.2016, 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



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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.20,61,76,670 (Rs.16,31,01,234) and fixed deposits of Rs.18,50,70,804 (Rs.18,81,11,452) as at 31.03.2016, 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	2015-16	2014-15
Discount rate	8.00%	8.00%
Salary escalation rate (Inflation rate)	8.50%	8.50%
Withdrawal rates	1.00% - 3.00%	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 Rupees)

Particulars	2015-16	2014-15
Contribution to Provident/Pension Fund	55,54,363	52,85,905
Contribution to Superannuation Fund	23,78,155	22,85,440
Contribution to National Pension Scheme	6,43,162	2,47,814

33. Related Party Transactions:

Aggregated Related Party disclosure as at and for the year ended 31.03.2016:

a) Entities under common control :

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

(Amount in Rupees)

Name	Particulars	2015-16	2014-15
Stock Exchange Investors' Protection Fund	Contribution to Stock Exchange Investors' Protection Fund	39,15,798	92,03,757
	Expenses Recoverable / incurred on behalf related party	31,61,265	50,380
	Income earned on behalf of related party	12,44,321	-
	Amount paid	34,24,148	86,41,681
	Amount Payable outstanding	-	5,11,696
	Amount Receivable outstanding	9,13,598	-

Transactions with the wholly owned Subsidiary:

(Amount in Rupees)

Name	Particulars	2015-16	2014-15
CSE Capital Markets Private Limited	Expenses incurred on behalf of Subsidiary	16,38,642	3,84,550
	Amount paid	2,78,800	-
	Income earned on behalf of Subsidiary	34,000	1,34,278
	Interest on fixed deposits received from bank on behalf of subsidiary	6,15,272	12,76,425
	Expenses payable to subsidiary	6,58,675	-
	Amount payable outstanding	4,16,658	10,26,153

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

(Amount in Rupees)

Name	Particulars	2015-16	2014-15
Mr. B Madhav Reddy (MD & CEO)	Remuneration and other allowances (Till June 5, 2015)	10,10,738	61,86,478
Mr. B Madhav Reddy (President)	Remuneration and other allowances (From June 6, 2015)	45,94,262	-

34. Reclassification of Fixed Assets to Investment Property :

The Company in the earlier 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 earlier year, in terms of AS-13: Accounting for Investments.

35. The Company has, during the previous 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 Hon'ble High court, after hearing the matter, issued an order on April 12, 2016 dismissing the writ petition of the Company without giving any relief.

Being aggrieved with the Orders of Hon'ble High Court, the Company has filed appeals and stay petition before the Hon'ble Division Bench, High Court Calcutta. The Division Bench has stayed the exit process of the Company initiated by SEBI till further hearing. The appeal filed by the Company is yet to be disposed of by the Hon'ble Division Bench, High Court of Calcutta.

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

In the meantime, as an alternative source for augmentation of its revenue and network, 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. Consequently, the management has considered it appropriate to prepare the financial statements on the going concern assumption.

36. Previous year's figures including those given in brackets, have been regrouped/rearranged wherever considered necessary to confirm to current year's classification.

As per our report of even date

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

Firm Registration Number : 301003E/E300005

Chartered Accountants

per **Bhaswar Sarkar**

Partner

Membership Number : 55596

Place : Kolkata

Date : 27th August 2016

For and on behalf of the board of directors

Bhaskar Sen

Chairman

Subrato Das

MD & CEO

Bhaskar Banerjee

Director

Prosenjit Dutta

Chief Financial Officer



The Calcutta Stock Exchange Limited

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, 2016, 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. 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. 94,96,16,925 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 as carried forward in these financial statements 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 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. 31,80,86,671 as against reported amount of Rs. 30,50,52,049 and aggregate year end balances of other Reserves & Surplus would have been Rs. 1,29,94,84,754 as against reported Reserve & Surplus of Rs. 1,31,25,19,376.

- (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 of which, we are unable to comment on in the absence of adequate explanation and information regarding the same .
- (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 27, 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 the absence of adequate information and explanation in this regard.

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 described 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, 2016, of their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 35 to the financial statements regarding the uncertainty related to the outcome of the appeal and stay petition filed by the Holding Company 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 section 143(3) of the Act, to the extent applicable, we report that:
 - (a) We / the other auditors whose reports we have relied upon, have sought and except for the matters described in the Basis for Qualified Opinion paragraph (c), (d) and (e), 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 / possible 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 / possible 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 matters described in the emphasis of matter paragraph above, in our opinion, may have an



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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, 2016 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, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) The qualifications 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 adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary company, refer to our separate report in "Annexure 1" to this report;
- (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 consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group— Refer Notes 25, 30 (i) and 35 to the consolidated financial statements;
 - ii. 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

- (a) The accompanying consolidated financial statements include total assets of Rs 7,77,23,540 as at March 31, 2016, and total revenues and net cash outflows of Rs 52,30,505 and Rs 194,561 for the year ended on that date, in respect of one subsidiary which have 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) 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 auditor.

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 report of the other auditor 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/E300005

per Bhaswar Sarkar

Partner

Membership Number: 55596

Place of Signature: Kolkata

Date: August 27, 2016

Annexure 1 to the Independent Auditor's report of even date on the consolidated financial statements of The Calcutta Stock Exchange Limited

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

In conjunction with our audit of the consolidated financial statements of The Calcutta Stock Exchange Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of The Calcutta Stock Exchange Limited (hereinafter referred to as the "Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the



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internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on the report issued by other auditors on internal financial controls system over financial reporting in case of subsidiary company, which are companies incorporated in India, the following material weakness have been identified as at March 31, 2016:

- a) The Holding Company's internal financial controls over evaluation and assessment of recoverability including any provision to be made there against in respect of dues from the members on account of settlement in earlier years were not operating effectively which could potentially result in the Holding Company not recognising sufficient provision there against.
- b) The Holding Company's internal financial controls over transfer of the Holding Company's annual contribution to the Settlement Guarantee Fund in compliance with the bye laws of the fund, were not operating effectively which could potentially result in the Holding Company not transferring sufficient amount to the Settlement Guarantee Fund.
- c) The Holding Company's internal financial controls over accounting of dividend received on member's security deposits to the members were not operating effectively. This could potentially result in the Holding Company not transferring the appropriate amount to the Settlement Guarantee Fund.
- d) The Holding Company's internal financial controls over accounting for receipt from certain members at the time of payment crisis in earlier years were not operating effectively. This could potentially result in the Holding Company not transferring the appropriate amount to the Settlement Guarantee Fund.
- e) The Holding Company's internal financial controls over appropriation of its profit to the Settlement Guarantee Fund of a recognized clearing corporation(s) as per the directions issued by The Securities Exchange Board of India ("SEBI") dated 20th June, 2012 were not operating effectively. This could potentially result in the Holding Company not transferring sufficient amount to the Settlement Guarantee Fund in compliance with the SEBI notification.

A 'material weakness' is a deficiency, or a combination of

deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the holding company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, maintained adequate internal financial controls over financial reporting as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the internal financial controls over financial reporting were operating effectively in the Holding Company and its subsidiary company which are companies incorporated in India as of March 31, 2016.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, the consolidated financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2016, and 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, and our report dated August 27, 2016 expressed a qualified opinion.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership Number: 55596

Place of Signature: Kolkata

Date: August 27, 2016

**THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2016**

	Notes	As at 31st MARCH 2016		As at 31st MARCH 2015	
		Rupees	Rupees	Rupees	Rupees
I. EQUITIES AND LIABILITIES					
1. SHAREHOLDERS' FUND					
Share Capital	3		618,750		618,750
Reserves and Surplus	4		1,617,571,425		1,598,731,612
2. NON CURRENT LIABILITIES					
Long Term Liabilities	5		1,192,381,016		1,202,608,196
3. CURRENT LIABILITIES					
Trade Payables					
Total outstanding dues of micro enterprises and small enterprises	6		-		-
Total outstanding dues of creditors other than micro enterprises and small enterprises	6		13,064,932		18,064,727
Other Current Liabilities	6		129,115,893		167,530,570
Short Term Provisions	7		18,915,074		27,938,090
			2,971,667,090		3,015,491,945
II. ASSETS					
1. NON CURRENT ASSETS					
Fixed Assets					
- Tangible Assets	8	290,183,555		293,668,854	
- Intangible Assets	8A	1,022,794	291,206,349	1,512,249	295,181,103
Non Current Investments	9		62,743,935		63,432,638
Deferred Tax Assets (Net)	10		2,523,189		2,507,786
Long term Loans & Advances	11		1,171,143,813		1,171,384,252
Other Non-Current Assets	15		915,767,987		463,900,000
2. CURRENT ASSETS					
Current Investments	12		8,724,517		36,926,465
Trade Receivables	13		11,083,495		7,890,419
Cash and Bank Balances	14		435,080,684		928,512,865
Short Term Loans & Advances	11		10,144,667		28,035,159
Other Current Assets	15		63,248,454		17,721,258
			2,971,667,090		3,015,491,945
Summary of significant accounting policies	1 & 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/E300005

per **Bhaswar Sarkar**

Partner

Membership No. 55596

Place: Kolkata

Date: 27th August 2016

For and on behalf of the Board of Directors

Bhaskar Sen

Chairman

Subrato Das

MD & CEO

Bhaskar Banerjee

Director

Prosenjit Dutta

Chief Financial Officer



The Calcutta Stock Exchange Limited

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH 2016

Particulars	Notes	2015-16	2014-15
Income :		Rupees	Rupees
Revenue from Operations	16	57,131,116	57,584,606
Other Income	17	137,682,927	159,229,765
		194,814,043	216,814,371
Expenses :			
Employees Benefit Expense	18	78,554,403	84,292,913
Other Expenses	19	54,860,462	55,167,813
Depreciation and Amortization Expense	20	6,436,005	8,877,511
Contribution to SEBI		3,417,791	2,684,835
Contribution to Stock Exchange Investors' Protection Fund		3,839,048	9,166,257
		147,107,709	160,189,329
Profit before Tax		47,706,334	56,625,042
Tax Expenses :			
Current Tax		14,298,720	12,115,866
MAT Credit availed		-	(8,668)
Adjustment to Tax provision relating to earlier years		3,001	(32,077)
Deferred Tax charge/(credit)		(15,402)	1,951,430
		14,286,319	14,026,551
Profit after Tax		33,420,015	42,598,491
Earnings per equity share			
Basic & Dilluted (Rs.)	21	16.16	18.67
Nominal Value of Share (Re.)		1	1
Summary of significant accounting policies	1 & 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/E300005

per **Bhaswar Sarkar**
Partner
Membership No. 55596

Place: Kolkata
Date: 27th August 2016

For and on behalf of the Board of Directors

Bhaskar Sen
Chairman

Subrato Das
MD & CEO

Bhaskar Banerjee
Director

Prosenjit Dutta
Chief Financial Officer

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY

CONSOLIDATED CASH FLOW STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2016

	Particulars	2015-16 (Rupees)	2014-15 (Rupees)
A.	Cash Flow from Operating Activities		
	Profit before tax	47,706,334	56,625,042
	Adjustments for :-		
	Depreciation and Amortization expense	6,436,005	8,877,511
	(Profit)/Loss on sale/discard of fixed assets	157,057	(326,519)
	Provision for Wealth Tax	-	4,500,000
	Provision for Doubtful Debts and Advances	3,443,683	1,879,000
	Bad Debts	284,232	-
	Sundry balance written off	262,839	76,025
	Liabilities/Provisions no longer required, written back	(2,561,870)	(6,860,744)
	Settlement Guarantee Fund Contribution	133,564	184,880
	Interest on Fixed Deposits	(117,863,485)	(122,223,010)
	Interest on Bonds	(872,480)	(872,480)
	Interest on Income Tax Refunds	(37,373)	(1,834,473)
	Dividend Income from Investments	(3,834,656)	(11,511,358)
	Profit on sale of Investments	(2,784,108)	(5,670,481)
	Operating profit before working capital changes	(69,530,258)	(77,156,607)
	Movements in working capital:		
	Decrease in Long Term Liabilities	(10,130,947)	(4,934,125)
	Decrease in Short Term Provisions	(9,983,614)	(17,666,048)
	Increase/(Decrease) in Trade Payables	(4,974,040)	4,777,648
	Decrease in Other Current Liabilities	(39,064,577)	(689,276,621)
	Increase in Trade Receivables	(6,414,991)	(1,971,402)
	(Increase) / Decrease in Long Term Loans & Advances	1,373,241	(276,342)
	Decrease in Short Term Loans & Advances	17,890,492	131,176,649
	(Increase) / Decrease in Other Current Assets	613,786	(95,613)
	Cash used in operations	(120,220,908)	(655,422,461)
	Direct taxes paid (net of refunds)	(12,816,012)	3,631,707
	Net Cash used in Operating Activities	(133,036,920)	(651,790,754)

Contd. in next page



The Calcutta Stock Exchange Limited

	Particulars	2015-16 (Rupees)	2014-15 (Rupees)
B.	Cash Flow from Investing Activities		
	Sale of Fixed Assets	-	447,901
	Purchase of Fixed Assets	(1,929,605)	(3,295,415)
	Proceeds from Purchase and Sale of Current Investments (net)	30,986,056	198,342,921
	Dividend income from Investments	3,834,656	11,511,358
	Investment in Fixed Deposits	(982,885,377)	(1,116,417,987)
	Encashment of Fixed Deposits	925,017,990	1,092,672,848
	Interest on Fixed Deposits	121,322,503	125,702,954
	Interest on Bonds	872,480	872,480
	Net Cash generated from Investing Activities	97,218,703	309,837,060
C.	Cash Flow from Financing Activities		
	Dividend Paid on equity shares	(12,220,000)	(12,220,000)
	Tax on equity dividend paid	(2,443,267)	(2,076,789)
	Net Cash used in Financing Activities	(14,663,267)	(14,296,789)
	Net decrease in Cash and Cash Equivalents (A+B+C)	(50,481,484)	(356,250,483)
	Cash and Cash Equivalents at the beginning of the year	83,871,573	440,122,056
	Cash and Cash equivalents at the end of the year	33,390,089	83,871,573

Components of Cash & Cash Equivalents*

	2015-16	2014-15
Cash on hand	41,130	55,966
Cheques / Drafts on hand	485,025	570,153
Balance with Scheduled Banks on Current Account		
- Own Fund	25,509,363	76,204,150
- Investors' Service Fund	2,029,924	1,283,339
- Settlement Guarantee Fund	5,324,647	5,757,965
	33,390,089	83,871,573

* Excludes the balance of Rs.57,73,205 (2015: Rs.51,23,305) which the Company can utilize only towards settlement of the respective unpaid

Summary of significant accounting policies (Refer Note 1 and 2)

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/E300005

per **Bhaswar Sarkar**

Partner

Membership No. 55596

Place: Kolkata

Date: 27th August 2016

Bhaskar Sen

Chairman

Subrato Das

MD & CEO

Bhaskar Banerjee

Director

Prosenjit Dutta

Chief Financial Officer

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2016****NOTE - 1 : Principles of Consolidation**

- (i) The Consolidated Financial Statements present the consolidated Accounts of The Calcutta Stock Exchange Limited ("the Company") and its following Subsidiary (collectively the "Group") :

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership / interest	
		As at March 31, 2016	As at March 31, 2015
CSE Capital Markets Private Limited	India	100%	100%

- (ii) 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 value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and any unrealized profit/loss included therein.
- (iii) 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 separate financial statements.
- (iv) The excess/shortfall of cost to the Company of its investments in the subsidiary companies is recognized in the financial statements as goodwill/ capital reserve as the case may be.
- (v) Minority interest in the net asset of subsidiaries consists of:
- The amount of Equity attributable to minority at the date on which investment in a subsidiary is made.
 - Minority's share of movements in equity since the date parent subsidiary relationship came into existence.

NOTE - 1.1 : Basis of preparation of Accounts

The financial statements of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared 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 under the historical cost convention and on accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year, except for the change in accounting policy explained below.

NOTE - 2 : Summary of Significant Accounting Policies**i) Change in accounting policy****Component Accounting**

The Group has adopted component accounting as required under Schedule II to the Companies Act, 2013, from 1 April 2015. The Group was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of fixed asset.

Due to application of Schedule II to the Companies Act, 2013, the Group has changed the manner of depreciation for its fixed asset. Now, the Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Group has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., 1 April 2015, its carrying amount, after retaining any residual value, is charged to the statement of profit and loss. The carrying amount of other components, i.e., components whose remaining useful life is not nil on 1 April 2015, is depreciated over their remaining useful lives.

There is no impact on the depreciation for the year, loss for the year and fixed asset balance owing to adoption of component accounting.

On the date of component accounting becoming applicable, i.e., 1 April 2015, there was no component having zero remaining useful life. Hence, no amount has been directly adjusted against retained earnings.

ii) Use of Estimates

The preparation of financial statements in conformity



The Calcutta Stock Exchange Limited

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 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 Group 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.

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 Group, 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 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 Group 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 Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group 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 Group 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 Group 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 Group has no obligation, other than the contribution payable to such funds. The Group 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



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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 Group 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 Group 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 Group 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 Group 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 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.

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 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.

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.

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY**Note to the consolidated financial statements as at and for the period ended 31st March 2016****NOTE - 3 : Share Capital**

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
a) AUTHORISED SHARES :		
10,00,00,000 (31 March 2015 : 10,00,00,000) Equity Shares of Re.1 each	100,000,000	100,000,000
b) ISSUED SHARES :		
6,18,750 (31 March 2015 : 6,18,750) Equity Shares of Re.1 each	618,750	618,750
c) SUBSCRIBED & PAID UP SHARES :		
6,11,250 (31 March 2015 : 6,11,000) Equity Shares of Re.1 each fully paid up	611,250	611,000
Add : Forfeited Shares:		
7,500 (31 March 2015 : 7,750) Equity Shares paid up of Re.1 each	7,500	7,750
	618,750	618,750

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

	31st March 2016		31st March 2015	
	Number	Rs.	Number	Rs.
Equity Shares	6,11,000	611,000	6,11,000	611,000
Issued during the year	250	250	-	-
Shares outstanding at the end of the year	6,11,250	611,250	6,11,000	611,000

B. Terms / rights attached to equity shares :

The Group 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 Group 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 2016, the amount per share dividend recognized as distributions to equity shareholders was Rs.20 (31 March 2015 : Rs.20).

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, 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.



The Calcutta Stock Exchange Limited

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY

Note to the consolidated financial statements as at and for the period ended 31st March 2016

NOTE - 4: Reserves and Surplus

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
I. Own Fund		
Capital Reserve		
Pre-Demutualisation Period		
Balance as per last financial statements	618,860	618,860
Total Capital Reserve	618,860	618,860
Securities Premium Account		
Pre-Demutualisation Period		
Balance as per last financial statements	3,014,597	3,014,597
Closing Balance	3,014,597	3,014,597
Post-Demutualisation Period		
Balance as per last financial statements	631,778,051	631,778,051
Closing Balance	631,778,051	631,778,051
Total Securities Premium Account	634,792,648	634,792,648
Reserve for Establishment of Centre for Training and Statistical Information & Setting up a Library		
Pre-Demutualisation Period		
Balance as per last financial statements	38,841,547	38,841,547
Total Reserve for Establishment of Centre for Training and Statistical Information & Setting up a Library	38,841,547	38,841,547
Development Fee Fund		
Pre-Demutualisation Period		
Balance as per last financial statements	134,050,000	134,050,000
Total Development Fee Fund	134,050,000	134,050,000
General Reserve		
Pre-Demutualisation Period		
Balance as per last financial statements	350,337,461	344,505,827
Addition during the year	-	6,244,315
Deductions/Adjustments during the year	(247,476)	(412,681)
Closing Balance	350,089,985	350,337,461
Post-Demutualisation Period		
Opening Balance	52,015,205	48,201,351
Addition during the year	3,000,000	4,000,000
Deductions/Adjustments during the year	-	(186,146)
Closing Balance	55,015,205	52,015,205
Total General Reserve	405,105,190	402,352,666

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Surplus in the Statement of Profit and Loss	40,940,851	48,196,223
(Post-Demutualisation Period)		
Profit for the year	33,420,015	42,598,491
Appropriations		
Less : Transferred to General Reserve	(3,000,000)	(4,000,000)
Less : Income of Investor's Service Fund transferred	(7,359,281)	(6,641,276)
Less : Income of Settlement Guarantee Fund transferred	(25,101,946)	(22,975,170)
Less : Profit on sale of Fixed Assets of Pre-Demutualisation period transferred to General Reserve	-	(326,519)
Less : Unspent Liabilities no longer required, written back related to the Pre-Demutualisation period transferred to General Reserve	-	(5,917,796)
Less : Proposed final equity dividend (amount per share Rs.20 (31st March 2015 :Rs. 20))	(12,225,000)	(12,220,000)
Less : Tax on proposed equity dividend	(2,488,766)	(2,443,267)
Add : Expenses of Investor's Service Fund transferred	276,904	156,486
Add : Expenses of Settlement Guarantee Fund transferred	8,390,852	4,513,679
Add : Expenses related to Pre-Demutualisation period adjusted with General Reserve	247,476	-
	(41,259,761)	(49,853,863)
Net Surplus in the Statement of Profit and Loss	33,101,105	40,940,851
Total of Own Fund	1,246,509,350	1,251,596,572
II. Investors' Service Fund		
(Post-Demutualisation Period)		
Balance as per last financial statements	58,927,649	52,442,859
Addition during the year	7,359,281	6,641,276
Deductions/Adjustments during the year	(276,904)	(156,486)
Total of Investors' Service Fund	66,010,026	58,927,649
III. Settlement Guarantee Fund		
Settlement Guarantee Fund for CSE-NSE Cash Segment		
(Post-Demutualisation Period)		
Balance as per last financial statements	10,075,619	10,050,593
Addition during the year	27,535	25,026
Closing Balance	10,103,154	10,075,619



The Calcutta Stock Exchange Limited

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Settlement Guarantee Fund for CSE-NSE Future and Option Segment		
(Post-Demutualisation Period)		
Balance as per last financial statements	10,090,539	10,016,201
Addition during the year	57,861	74,338
Closing Balance	10,148,400	10,090,539
Settlement Guarantee Fund for CSE-BSE Cash Segment		
(Post-Demutualisation Period)		
Balance as per last financial statements	10,147,631	10,074,915
Addition during the year	33,404	72,716
Closing Balance	10,181,035	10,147,631
Settlement Guarantee Fund for CSE-BSE Future and Option Segment		
(Post-Demutualisation Period)		
Balance as per last financial statements	10,002,800	10,000,000
Addition during the year	4,764	2,800
Closing Balance	10,007,564	10,002,800
Settlement Guarantee Fund Initial Membership Fees		
(Post-Demutualisation Period)		
Balance as per last financial statements	240,000	230,000
Addition during the year	10,000	10,000
Closing Balance	250,000	240,000
Settlement Guarantee Fund (Governed by the Bye-Laws of the Settlement Guarantee Fund of the exchange)		
(Post-Demutualisation Period)		
Balance as per last financial statements	247,650,802	228,961,892
Addition during the year	25,101,946	23,202,589
Deductions/Adjustments during the year	(8,390,852)	(4,513,679)
Closing Balance	264,361,896	247,650,802
Total of Settlement Guarantee Fund	305,052,049	288,207,391
Total of I+II+III	1,617,571,425	1,598,731,612

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY**Note to the consolidated financial statements as at and for the period ended 31st March 2016****NOTE - 5 : Long Term Liabilities**

Particulars	As at 31st March 2016			As at 31st March 2015		
	Pre-Demutualisation Period	Post-Demutualisation Period	TOTAL	Pre-Demutualisation Period	Post-Demutualisation Period	TOTAL
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Sundry Deposits [Refer Note no. 32(iii)]	969,294,037	-	969,294,037	969,294,037	-	969,294,037
Members' Security Deposits						
- Own Fund	-	97,673,377	97,673,377	-	100,986,255	100,986,255
- Settlement Guarantee Fund	-	125,413,602	125,413,602	-	132,327,904	132,327,904
	969,294,037	223,086,979	1,192,381,016	969,294,037	233,314,159	1,202,608,196

NOTE - 6 : Current Liabilities

Particulars	As at 31st March 2016			As at 31st March 2015		
	Pre-Demutualisation Period	Post-Demutualisation Period	TOTAL	Pre-Demutualisation Period	Post-Demutualisation Period	TOTAL
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Trade Payables						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	13,064,932	13,064,932	-	18,064,727	18,064,727
Other Liabilities :						
Sundry Deposits	16,085,459	33,916,951	50,002,410	16,910,378	30,426,702	47,337,080
Payable to related party [Refer Note no.33] :						
Stock Exchange Investors' Protection Fund	-	-	-	-	577,699	577,699
Statutory Dues	-	3,158,908	3,158,908	-	2,856,763	2,856,763
Unclaimed Dividend	-	5,773,205	5,773,205	-	5,123,305	5,123,305
Members' deposit including deposits for additional base capital requirement and margin in Cash	-	70,181,370	70,181,370	-	111,635,723	111,635,723
	16,085,459	126,095,366	142,180,825	16,910,378	168,684,919	185,595,297

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 2016	As at 31st March 2015
	Rupees	Rupees
Provision for Employee Benefits:		
Leave	3,291,209	8,774,823
Other Provisions:		
Proposed Dividend	12,225,000	12,220,000
Tax on Dividend	2,488,766	2,443,267
Income Tax [net of advance tax of Rs.1,22,15,369 (31 March 2015 : Rs. Nil)]	910,099	-
Wealth Tax	-	4,500,000
	18,915,074	27,938,090



The Calcutta Stock Exchange Limited

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY

Note to the consolidated financial statements as at and for the period ended 31st March 2016

NOTE - 8 : Tangible Assets

(Amount in Rs.)

Cost or Valuation	Freehold Land	Building	Electrical Equipments	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
ASSETS OF PRE-DEMUTUALISATION PERIOD :								
At 1st April 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
Additions	-	-	-	-	-	-	-	-
Disposals/Adjustment	-	-	-	(2,363,075)	(1,164,720)	-	(13,551,771)	(17,079,566)
At 31st March 2016	415,300	2,157,399	12,700,896	6,827,916	8,478,785	-	172,744,471	203,324,767
Depreciation								
At 1st April 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	-	-	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
Charge For the Year	-	27,725	1,632	-	-	-	-	29,357
Disposals/Adjustment	-	-	-	(2,248,618)	(1,149,446)	-	(13,534,026)	(16,932,090)
At 31st March 2016	-	1,553,298	12,084,022	6,535,265	8,119,796	-	172,003,855	200,296,236
Net Block								
At 31st March 2015	415,300	631,826	618,506	407,108	374,263	-	758,361	3,205,364
At 31st March 2016	415,300	604,101	616,874	292,651	358,989	-	740,616	3,028,531
ASSETS OF POST-DEMUTUALISATION PERIOD :								
At 1st April 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
Additions	-	-	243,720	148,679	108,089	-	1,294,007	1,794,495
Disposals/Adjustment	-	-	-	-	-	-	(128,112)	(128,112)
At 31st March 2016	269,000,023	11,728,629	6,904,114	5,529,782	3,103,649	1,393,530	19,759,230	317,418,957
Depreciation								
At 1st April 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	-	-	-	-	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
Charge For the Year	-	952,897	1,286,901	746,523	383,632	109,983	1,613,444	5,093,380
Disposals/Adjustment	-	-	-	-	-	-	(118,531)	(118,531)
At 31st March 2016	-	2,900,142	3,240,938	3,723,074	2,720,025	1,201,631	16,478,123	30,263,933
Net Block								
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
At 31st March 2016	269,000,023	8,828,487	3,663,176	1,806,708	383,624	191,899	3,281,107	287,155,024
Net Block of Tangible Assets								
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
At 31st March 2016	269,415,323	9,432,588	4,280,050	2,099,359	742,613	191,899	4,021,723	290,183,555

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY

Note to the consolidated financial statements as at and for the period ended 31st March 2016

NOTE - 8A : Intangible Assets

(Amount in Rs.)

Particulars	Computer Softwares	Total
ASSETS OF PRE-DEMUTUALISATION PERIOD :		
Gross Block		
At 1st April 2014	30,036,144	30,036,144
Additions	-	-
Disposals/Adjustment	-	-
At 31st March 2015	30,036,144	30,036,144
Additions	-	-
Disposals/Adjustment	-	-
At 31st March 2016	30,036,144	30,036,144
Amortization		
At 1st April 2014	30,036,108	30,036,108
Charge For the Year	-	-
Disposals/Adjustment	-	-
At 31st March 2015	30,036,108	30,036,108
Charge For the Year	-	-
Disposals/Adjustment	-	-
At 31st March 2016	30,036,108	30,036,108
Net Block		
At 31st March 2015	36	36
At 31st March 2016	36	36
ASSETS OF POST-DEMUTUALISATION PERIOD :		
Gross Block		
At 1st April 2014	5,100,533	5,100,533
Additions	-	-
Disposals/Adjustment	-	-
At 31st March 2015	5,100,533	5,100,533
Additions	135,110	135,110
Disposals/Adjustment	-	-
At 31st March 2016	5,235,643	5,235,643
Amortization		
At 1st April 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
Charge For the Year	624,565	624,565
Disposals/Adjustment	-	-
At 31st March 2016	4,212,885	4,212,885
Net Block		
At 31st March 2015	1,512,213	1,512,213
At 31st March 2016	1,022,758	1,022,758
Net Block of Intangible Assets		
At 31st March 2015	1,512,249	1,512,249
At 31st March 2016	1,022,794	1,022,794



The Calcutta Stock Exchange Limited

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY

Note to the consolidated financial statements as at and for the period ended 31st March 2016

NOTE - 9 : Non Current Investments (At cost)

Particulars	As at 31st March 2016		As at 31st March 2015	
	Rupees	Rupees	Rupees	Rupees
INVESTMENT PROPERTY				
Pre-Demutualisation Period				
Cost of leasehold land	49,667,291		49,667,291	
Less : Accumulated depreciation	(7,570,031)	42,097,260	(6,881,328)	42,785,963
		42,097,260		42,785,963
INVESTMENTS OF PRE-DEMUTUALISATION PERIOD				
Non-trade				
Quoted debentures				
117 (31st March 2015 : 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 15: 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
		10,000,001		10,000,001
INVESTMENTS OF POST-DEMUTUALISATION PERIOD				
Non-Trade				
Quoted				
Equity shares				
400 (31st March 15: 400) equity shares of Rs. 10 each fully paid up of Beeyu Overseas Ltd		6,674		6,674
Bonds				
5,696 (31st March 15: 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 15: 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
		10,646,674		10,646,674
		62,743,935		63,432,638

* 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	10,000,000	10,000,000
Value of investment property	42,097,260	42,785,963
Market value of quoted investments	11,750,072	11,621,060

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY

Note to the consolidated financial statements as at and for the period ended 31st March 2016

NOTE - 10 : Deferred Tax Assets (Net)

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
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	2,213,562	1,881,675
Fixed Assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	32,180	-
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	277,447	847,254
Gross Deferred Tax Asset	2,523,189	2,728,929
Net Deferred Tax Asset	2,523,189	2,507,786

NOTE - 11 : Loans & Advances

Particulars	Non-Current		Current	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees	Rupees	Rupees
Unsecured, considered good (unless stated otherwise):				
Security Deposits				
- Considered good	42,435,483	42,967,941	-	-
- Considered doubtful	506,000	-	-	-
	42,941,483	42,967,941	-	-
Less : Provision for doubtful deposits	(506,000)	-	-	-
	42,435,483	42,967,941	-	-
Deposit with BSE Ltd - Settlement Guarantee Fund	58,125,000	58,125,000	-	-
Deposit with Indian Clearing Corporation Ltd	1,010,000	1,010,000	-	20,000,000
Deposit with Indian Clearing Corporation Ltd - Settlement Guarantee Fund	1,875,000	1,875,000	-	-
	103,445,483	103,977,941	-	20,000,000
Advances recoverable in cash or in kind				
Settlement Guarantee Fund, considered doubtful	2,439,882	2,439,882	-	-
Less : Provision for doubtful advances	-	(2,439,882)	-	-
	2,439,882	-	-	-
Other parties	8,515,400	9,066,583	2,649,942	20,820
Receivable from defaulting members	949,616,925	954,532,105	-	-
Receivable from related party:				
Stock Exchange Investors' Protection Fund	-	-	913,598	-
	960,572,207	963,598,688	3,563,540	20,820
Other Loans & Advances:				
Advance Income Tax and Tax Deducted at Source [Net of Provisions of Rs.7,18,50,568 (31 March 2015 : Rs.6,45,95,757)]	98,122,833	98,698,443	-	-
Prepaid expenses	-	-	4,499,072	4,124,301
Gratuity plan assets (net)	809,049	-	-	-
Loan to employees				
- Interest bearing	8,194,241	5,109,180	1,651,631	1,618,357
- Non interest bearing	-	-	16,250	748,993
Service Tax recoverable	-	-	414,174	1,522,688
	107,126,123	103,807,623	6,581,127	8,014,339
	1,171,143,813	1,171,384,252	10,144,667	28,035,159



The Calcutta Stock Exchange Limited

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY Note to the consolidated financial statements as at and for the period ended 31st March 2016 NOTE - 12 : Current Investments

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Current portion of long-term investments (valued at cost)		
Investments in fixed maturity mutual funds (Unquoted)		
Nil (31st March 15: 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
Nil (31st March 15: 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
Nil (31st March 15: 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
Nil (31st March 15: 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
Current Investment (Valued at lower of cost and net realisable value)	-	30,000,000
Investments in mutual funds (Unquoted)		
76,368 (31st March 15: Nil) units of Rs.10 each fully paid up of Birla Mutual Fund - Daily Dividend *	1,500,000	-
1,044 (31st March 15: 1,044) units of Rs.1000 each fully paid up of Barodia Pioneer Liquid Fund - Plan B Growth *	1,500,000	1,500,000
5,698.747 (31st March 15: 5,402) units of Rs.1,000.79 (31st March 2015: Rs. 1000.80) each fully paid up of Invesco India Liquid Fund - Direct Plan Daily Dividend	5,703,249	5,406,326
21.179 (31st March 15: 20.084) units of Re.1,004.22 (31st March 2015: Rs. 102.74) each fully paid up of Reliance Money Manager Fund - Daily Dividend Plan Dividend Reinvestment	21,268	20,139
	8,724,517	6,926,465
	8,724,517	36,926,465

* Investment out of Investors' Service Fund

Aggregate cost of Investments:

Unquoted

Net Asset Value of fixed maturity plan

Net Asset value of Mutual fund units

8,724,517
-
9,051,678

36,926,465
32,271,575
7,102,413

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY
Note to the consolidated financial statements as at and for the period ended 31st March 2016

NOTE - 13 : Trade Receivables

Particulars	As at 31st March 2016		As at 31st March 2015	
	Rupees	Rupees	Rupees	Rupees
Outstanding for a period exceeding six months from the date they are due for payment:				
Secured, Considered good			3,061,414	
Unsecured	1,310,523			
- Considered good	5,883,438		4,600,216	
- Considered doubtful	6,188,982	13,382,943	3,251,299	10,912,929
Other Receivables:				
Unsecured, Considered good		3,889,534		228,789
		17,272,477		11,141,718
		(6,188,982)		(3,251,299)
Less: Provision for Doubtful Debts		11,083,495		7,890,419



The Calcutta Stock Exchange Limited

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY

Note to the consolidated financial statements as at and for the period ended 31st March 2016

NOTE - 14 : Cash and Bank Balances

Particulars	Non-Current		Current	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees	Rupees	Rupees
a. CASH AND CASH EQUIVALENTS				
Cash on hand	-	-	41,130	55,966
Cheques / Drafts on hand	-	-	485,025	570,153
Balance with Scheduled Banks on:				
- Current Account	-	-	-	-
- Own Fund	-	-	25,509,363	76,204,150
- Investors' Service Fund	-	-	2,029,924	1,283,339
- Settlement Guarantee Fund	-	-	5,324,647	5,757,965
- Unpaid Dividend Account	-	-	5,773,205	5,123,305
	-	-	39,163,294	88,994,878
b. OTHER BANK BALANCES				
Deposits with remaining maturity for more than 12 months :				
Own Fund	637,667,987	287,300,000	-	-
Earmarked Funds:				
- Settlement Guarantee Fund	234,100,000	86,000,000	-	-
- Investors' Service Fund	44,000,000	41,000,000	-	-
- Fund for Establishment of Centre for Training and Statistical Information & Setting up a Library	-	-	-	-
Deposits with remaining maturity for less than 12 months :				
Own Fund	-	-	221,558,453	544,526,440
Earmarked Funds:				
- Settlement Guarantee Fund	-	-	118,000,000	241,250,000
- Investors' Service Fund	-	-	17,517,390	14,900,000
- Fund for Establishment of Centre for Training and Statistical Information & Setting up a Library	-	-	38,841,547	38,841,547
	915,767,987	414,300,000	395,917,390	839,517,987
Amount disclosed under Non-current assets (Refer Note 15)	(915,767,987)	(414,300,000)	-	-
	-	-	435,080,684	928,512,865

Details of fixed deposits lien marked (included above)

Particulars	Non-Current		Current	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees	Rupees	Rupees
Deposits with remaining maturity for more than 12 months : *				
with ICCL	279,700,000	219,800,000	-	-
with NSCCL	214,400,000	80,000,000	-	-
with HDFC Bank Ltd	-	109,400,000	-	-
Deposits with remaining maturity for less than 12 months : *				
with ICCL	-	-	128,800,000	425,750,000
with NSCCL	-	-	-	319,900,000
with HDFC Bank Ltd	-	-	109,400,000	-
	494,100,000	409,200,000	238,200,000	745,650,000
* The aforesaid fixed deposits is lien marked as margin for utilization of their Trading Platform by the members of the Holding Company				
Deposits with remaining maturity for more than 12 months :				
Deposit with Victor Moses & Co	13,917,987	-	-	-
Deposits with remaining maturity for less than 12 months :				
Deposit with Victor Moses & Co	-	-	3,500,000	17,417,987
	13,917,987	-	3,500,000	17,417,987

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY
Note to the consolidated financial statements as at and for the period ended 31st March 2016

NOTE - 15 : Other Assets

Particulars	Non-Current		Current	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees	Rupees	Rupees
Unsecured, considered good unless stated otherwise				
Non-current bank balances [Refer Note no. 14]	915,767,987	414,300,000	-	-
Deposits with remaining 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	-	-
Deposits with remaining maturity for less 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	-	-	1,391,757	1,888,052
Others	-	-	110,375	227,866
Interest accrued on fixed deposits:				
- Own Fund	-	-	9,123,860	10,951,099
- Settlement Guarantee Fund	-	-	2,405,907	3,913,004
- Investors' Service Fund	-	-	201,816	326,498
Interest accrued on investments in bonds:				
- Own Fund	-	-	414,739	414,739
	915,767,987	463,900,000	63,248,454	17,721,258



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THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY

Note to the consolidated financial statements as at and for the period ended 31st March 2016

NOTE - 16 : Revenue from Operations

Particulars	2015-16	2014-15
	Rupees	Rupees
SALE OF SERVICES :		
Turnover charges on other trading platform :		
- BSE	3,577,383	3,822,993
- NSE	2,206,109	2,599,821
Listing fees	28,362,250	20,006,845
Subscriptions	2,118,000	1,824,000
Processing charges	11,980,200	13,676,000
Income from depository participant operation	1,269,248	1,617,277
Commission on PAN services	86,895	74,481
Other operating revenue :		
Bad debts recovered	4,815,655	5,841,500
Recovery of penal charges from clients	2,684,993	7,893,924
Technology charges from new members	20,000	50,000
Miscellaneous operating income	10,383	177,765
	57,131,116	57,584,606

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY
Note to the consolidated financial statements as at and for the period ended 31st March 2016
NOTE - 17 : Other Income

Particulars	2015-16	2014-15
	Rupees	Rupees
Interest on investments of Investors' Service Fund	5,064,281	4,924,640
Interest on investments of Settlement Guarantee Fund	29,711,217	31,841,769
	34,775,498	36,766,409
Interest income on own fund:		
Fixed deposits	83,087,987	85,456,601
Tax Free PSU bonds	872,480	872,480
Security deposit with CESC Ltd	130,679	126,994
Income Tax refunds	37,373	1,834,473
Interest on delayed payment of listing fees	3,237,075	4,351,869
Others	927,101	654,861
	88,292,695	93,297,278
Profit on sale of Current investments	20,833	131,296
Profit on sale of Long Term investments	2,763,275	5,539,185
	2,784,108	5,670,481
Dividend income from investments on own fund:		
Long term investments	2,200,000	2,000,000
Current investments	1,634,656	9,511,358
	3,834,656	11,511,358
Other non-operating Income:		
Rent	960,766	1,106,862
Fees for transfer of tenancy rights	-	1,820,340
Prior Period Income (Net)	2,116,705	-
Miscellaneous receipts	2,356,629	1,869,774
Profit on sale of fixed assets	-	326,519
Liabilities/Provisions no longer required, written back	2,561,870	6,860,744
	7,995,970	11,984,239
	137,682,927	159,229,765



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THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY

Note to the consolidated financial statements as at and for the period ended 31st March 2016

NOTE - 18 : Employees Benefit Expense

Particulars	2015-16		2014-15	
	Rupees	Rupees	Rupees	Rupees
Salaries, bonus etc.		64,640,598		68,745,293
Contribution to provident and other funds:				
- Provident Fund	5,554,363		5,285,905	
- Superannuation Fund	2,378,155		2,285,440	
- National Pension Scheme	643,162	8,575,680	247,814	7,819,159
Gratuity [Refer Note No. 32]		1,677,633		3,994,188
Staff welfare		3,660,492		3,734,273
		78,554,403		84,292,913

THE CALCUTTA STOCK EXCHANGE LIMITED AND ITS SUBSIDIARY**Note to the consolidated financial statements as at and for the period ended 31st March 2016****NOTE - 19 : Other Expenses**

Particulars	2015-16		2014-15	
	Rupees	Rupees	Rupees	Rupees
Advertisement		583,255		1,584,942
Rent		16,712		16,855
Electricity charges	8,604,778		8,257,995	
Less : recovered from tenants	(1,698,247)	6,906,531	(1,593,298)	6,664,697
Rates & Taxes		498,814		4,861,092
Insurance		298,423		330,080
Printing & Stationary		778,898		604,030
Telephone charges		1,486,574		1,196,960
Travelling & Conveyance		1,180,773		1,968,954
Motor car expenses		413,946		508,952
Repairs & Maintenance:				
- Building	691,810		1,645,264	
- Others *	14,381,970	15,073,780	15,745,465	17,390,729
Expenses for Other Trading Platform:				
-BSE		367,689		357,160
-NSE		170,115		515,443
Interest on delayed payment of statutory dues		19,020		1,809
Security Expenses		949,609		924,361
Miscellaneous Expenses		1,720,629		1,700,718
Expenses for Depository Services		1,182,925		1,948,937
Legal & Professional Fees		14,607,290		9,264,503
Auditor's Remuneration				
As Audit Fees	1,611,500		811,400	
Tax Audit	200,000		200,000	
In other capacity	10,000		25,000	
Reimbursement of Expenses	40,700	1,862,200	19,800	1,056,200
Investors' Service Expenses		276,904		156,486
Directors Sitting Fee		1,120,000		885,000
CSR Expenditure		1,075,000		1,100,000
Provision for Doubtful Debts		3,443,683		1,879,000
Bad Debts	284,232		4,656,480	
Less : Adjusted against Provision for Doubtful Debts	-	284,232	(4,656,480)	-
Contribution to Settlement Guarantee Fund on CSE-NSE Turnover		85,396		99,364
Contribution to Settlement Guarantee Fund on CSE-BSE Turnover		38,168		75,516
Loss on sale/discard of assets		157,057		-
Sundry Balances Written Off		262,839		76,025
		54,860,462		55,167,813

* Including Rs.1,26,86,280 (31st March 2015 : Rs.1,42,82,089) for computer maintenance and service charges.



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Note to the consolidated financial statements as at and for the period ended 31st March 2016

NOTE - 20 : Depreciation and Amortization Expense

Particulars	2015-16	2014-15
	Rupees	Rupees
Depreciation of Tangible Assets	5,122,737	7,292,428
Amortization of Intangible Assets	624,565	1,121,664
Depreciation on Investment Property	688,703	6,881,328
	6,436,005	15,295,420

NOTE - 21 : Earnings Per Share (EPS)

Particulars	2015-16	2014-15
	Rupees	Rupees
Net Profit after Tax as per Statement of Profit and Loss	33,420,015	42,598,491
Add : Adjustment with General Reserve of Pre-demutualisation period	247,476	-
Less : Transferred to General Reserve of Pre-demutualisation period	-	(6,244,315)
Less : Transferred to Investors' Service Fund	(7,082,377)	(6,484,790)
Less : Transferred to Settlement Guarantee Fund	(16,711,094)	(18,461,491)
Profit attributable to equity shareholders	9,874,020	11,407,895
Weighted average number of equity shares	611,023	611,000
Earnings per share - Basic & Diluted (Rs.)	16.16	18.67
Nominal Value of share (Re.)	1	1

The Calcutta Stock Exchange Limited and its Subsidiary**Notes to Consolidated Financial Statements as at and for the year ended March 31, 2016**

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 together with Paragraph 7 of the Companies (Accounts) Rules, 2014. Accordingly, the Group 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 Group.
23. 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.
24. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for Rs.Nil (Rs.Nil).
- 25. Contingent Liabilities not provided for:**
- Claims against the Group 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 Holding 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 Holding 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. During the current year, the Holding Company has received a favourable order by Income Tax Appellate Tribunal against the appeal filed.
- e) Deputy Commissioner of Wealth Tax had issued three notices under section 18(1) 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



The Calcutta Stock Exchange Limited

filed appeals for each assessment years before the Commissioner of Wealth Tax which are pending disposals.

Other matters:

- f) The Holding 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 Holding Company. The Holding 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.
- g) Stock Holding Corporation of India (SHCIL) was registered in the online trading system of the Calcutta Stock Exchange (CSE) as a "Custodian" for settling the Institutional Trades. In 2001, SHCIL introduced a scheme "Sell n Cash" (payment on sale of securities) Scheme for the benefit of investors. The "Sell n Cash" scheme allowed a seller to receive payment on the day of sale through SHCIL's registered broker after delivering the shares to SHCIL. On 2nd March 2001 Harish Chandra Biyani, a CSE Broker, sold certain shares of DSQ Industries Ltd., amounting to Rs.24,45,48,000/- through Biyani Securities Pvt. Ltd. (another broker of CSE). On finding that the transaction between Harish Chandra Biyani and Biyani Securities Pvt. Ltd., was a malafide and fund accommodation in nature and was at an artificial price created through circular trading, CSE expunged/annulled the trade and informed the same. SHCIL, being aggrieved by the decision of the CSE for expunge of those transactions for which the consideration was already paid to Harish Chandra Biyani, filed the instant Civil Suit in Hon'ble High Court of Calcutta against CSE and Harish Chandra Biyani. The principal sum of such claim is Rs.24,45,48,000 and interest of Rs.16,14,01,680/-, which is pending disposal at Hon'ble High Court of Calcutta.
- h) The office premises taken by the Holding Company on rental together with furniture fixtures etc., from Turner Morrison Limited was vacated by the Holding Company on 31.01.2013. There is a disputed amount of property taxes related to the rental property amounting to Rs. 2,74,17,987. During the earlier year, the Division Bench of High Court of Calcutta directed the

Holding company to pay a sum of Rs.1,00,00,000 to Turner Morrison Limited on account of property tax in respect of 5100 sq. ft. and to reinvest the amount of Rs.1,74,17,987 by way of fixed deposit to be kept with Messrs Victor Moses & Co. till further order or disposal of the case. The fixed deposits is separately disclosed as part of the Cash and bank balance in the Note 14.

- i) Other miscellaneous claims not acknowledged as debts- Rs.1,60,564.

26. Settlement Guarantee Fund (SGF):

- (a) In 1998, the Holding Company had set up Settlement Guarantee Fund (SGF) to guarantee the settlement of bonafide transactions of members of the Holding Company, so as to ensure timely completion of settlement of trades and thereby protect the interest of investors and the members of the Holding Company. The Fund and its rules and bye-laws were set up by the Holding 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 Holding 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 note as indicated in Note 26 (d) below.
- (b) Additional contribution of Rs.19,93,55,380 made by the Holding 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 Holding 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 Rupees)

Sl. No.	Particulars	2015-16	2014-15
	Under Reserves & Surplus (Settlement Guarantee Fund) :		
I	Settlement Guarantee Fund of the Exchange	25,94,03,866	24,25,59,208
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	30,50,52,049	28,82,07,391
	Under Long Term Liabilities (Settlement Guarantee Fund) :		
IV	Members BMC/SGF in Cash	11,30,94,106	11,83,02,856
V	Interest Adjustable with BMC/ABMC	99,26,715	1,14,85,048
VI	Members' deposit towards BSE/NSE-SGF	23,92,781	25,40,000
	Total	12,54,13,602	13,23,27,904
	Grand Total	43,04,65,651	42,05,35,295

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

(Amount in Rupees)

Sl. No.	Particulars	2015-16	2014-15
I	Investments in Fixed Deposits	35,21,00,000	32,72,50,000
III	Investments in Fixed Deposit with Financial Institution	50,00,000	50,00,000
IV	Balances in Current Account	53,24,647	57,57,965
V	Interest accrued on Fixed Deposits	24,05,907	39,13,004
VI	Deposit with BSE Ltd	5,81,25,000	5,81,25,000
VII	Deposit with Indian Clearing Corporation Ltd	18,75,000	18,75,000
VIII	BMC Receivable from Members (Net of Liability)	24,39,882	24,39,882
IX	Receivable from Exchange	31,95,215	1,61,74,444
	Total	43,04,65,651	42,05,35,295

(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 Holding 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".

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



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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 earlier 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)

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

(Amount in Rupees)

Particulars	2015-16	2014-15
Settlement Guarantee Fund Expenses:		
– Staff Cost	29,05,592	29,22,274
– 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	2,25,675	2,45,497
– Legal & Professional Fees	49,80,985	10,67,308
	83,90,852	45,13,679
Investors' Service Expenses	2,76,904	1,56,486

30. i) Receivables from defaulting members in Note 11 "Loans and Advances" includes Rs.94,96,16,925 (Rs.95,45,32,105) due from Members on account of settlements in prior years comprising of Rs.94,22,58,636 (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 31.03.2016. Out of the above, the Company has filed recovery suits amounting to Rs.93,00,50,704 (Rs.93,47,13,834) from 14 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 31.03.2016, 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

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 Holding 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 fee collections 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.

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 Holding Company for settling certain transactions where the transacting members have defaulted. Such contributions are to be refunded only when the Holding Company recovers money from the defaulters.
31. Fixed Deposits and shares are being received by the Holding 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 Holding Company only as security deposits, the value of such shares of Rs.20,61,76,670

(Rs.16,31,01,234) and fixed deposits of Rs.18,50,70,804 (Rs.18,81,11,452) as at 31.03.2016, have not been included in the financial statements and has been disclosed by way of Notes to the financial statement.

32. Employee Benefits :

The Group 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	2015-16	2014-15
Discount rate	8.00%	8.00%
Salary escalation rate (Inflation rate)	8.50%	8.50%
Withdrawal rates	1.00% - 3.00%	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 Rupees)

Particulars	2015-16	2014-15
Contribution to Provident/ Pension Fund	55,54,363	52,85,905
Contribution to Superannuation Fund	23,78,155	22,85,440
Contribution to National Pension Scheme	6,43,162	2,47,814

33. Related Party Transactions :

Aggregated Related Party disclosure as at and for the year ended 31.03.2016 :

a) Entities under common control :

Name: Stock Exchange Investors' Protection Fund

Transactions with the entity under common control:

(Amount in Rupees)

Name	Particulars	2015-16	2014-15
Stock Exchange Investors' Protection Fund	Contribution to Stock Exchange Investors' Protection Fund	39,15,798	92,03,757
	Expenses Recoverable / incurred on behalf related party	31,61,265	50,380
	Income earned on behalf of related party	12,44,321	-
	Amount paid	34,24,148	86,41,681
	Amount Payable outstanding	-	5,11,696
	Amount Receivable outstanding	9,13,598	-

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

(Amount in Rupees)

Name	Particulars	2015-16	2014-15
Mr. B Madhav Reddy (MD & CEO)	Remuneration and other allowances (Till June 5, 2015)	10,10,738	61,86,478
Mr. B Madhav Reddy (President)	Remuneration and other allowances (From June 6, 2015)	45,94,262	-

34. Reclassification of Fixed Assets to Investment Property:

The Group in the earlier 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 Group, 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 earlier year, in terms of AS-13: Accounting for Investments.

35. The Holding Company has, during the previous 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



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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 Holding 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 Holding 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 Holding 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 Hon'ble High court, after hearing the matter, issued an order on April 12, 2016 dismissing the writ petition of the Holding Company without giving any

relief.

Being aggrieved with the Orders of Hon'ble High Court, the Holding Company has filed appeals and stay petition before the Hon'ble Division Bench, High Court Calcutta. The Division Bench has stayed the exit process of the Holding Company initiated by SEBI till further hearing. The appeal filed by the Holding Company is yet to be disposed of by the Hon'ble Division Bench, High Court of Calcutta.

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

In the meantime, as an alternative source for augmentation of its revenue and network, the Holding 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. Consequently, the management has considered it appropriate to prepare the financial statements on the going concern assumption.

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

	2015-16		2015-16		2014-15		2014-15	
Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or Loss		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	As % of Consolidated net assets	Amount	As % of Consolidated Profit or loss	Amount
Parent								
CSE	95%	1,54,10,99,040	92%	3,08,25,826	97%	1,55,50,37,908	94%	3,99,74,292
Indian Subsidiary								
CCMPL	5%	7,70,91,135	8%	25,94,187	3%	4,43,12,473	6%	26,24,199
Total	100%	1,61,81,90,175	100%	3,34,20,013	100%	1,59,93,50,381	100%	4,25,98,491

37. Previous year's figures including those given in brackets, have been regrouped/rearranged wherever considered necessary to confirm to current year's classification.

As per our report of even date

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

Firm Registration Number: 301003E/E300005

Chartered Accountants

per **Bhaswar Sarkar**

Partner

Membership Number: 55596

Place : Kolkata

Date : 27th August 2016

For and on behalf of the board of directors

Bhaskar Sen
Chairman

Subrato Das
MD & CEO

Bhaskar Banerjee
Director

Prosenjit Dutta
Chief Financial Officer

Notes

[illegible]

[illegible]



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