

Independent Auditor's Report

To the Members of India International Clearing Corporation (IFSC) Limited (Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of India International Clearing Corporation (IFSC) Limited (Formerly known as BSE International Clearing Corporation (IFSC) Limited) (hereinafter referred to as 'the Company'), which comprise the balance sheet as at March 31, 2017, the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity for the period from September 12, 2016 to March 31, 2017 and a summary of significant accounting policies and other explanatory information (herein after referred to as 'the financial statements').

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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the Financial position of the Company as at March 31, 2017 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the period from September 12, 2016 to March 31, 2017.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss, the statement of cash flow and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
 - (e) on the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the director is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, to the best of our information and according to the explanations given to us we state that:
 - (i) according to the information and explanations given to us, there are no pending litigation against the Company
 - (ii) according to the information and explanations given to us, there no material foreseeable losses on long term contracts including derivative contract where provision is required to be made by the Company under any law or accounting standards
 - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) the Company has provided requisite disclosures in Note 29 to its financial statements as to holding as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of account maintained by the Company

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

Supriya Panse
Partner
Membership No.: 46607
April 21, 2017

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the period from September 12, 2016 to March 31, 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified once every year. The fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

- (c) The Company acquired leasehold premises (carrying values as on March 31, 2017- USD 2,13,020 equivalent INR 1,38,11,919/-) being its registered office during the period. The Company has entered into expression of interest with developer for acquiring the leasehold premises; however, execution of formal agreement is under progress.

- (ii) The Company is a service company, primarily rendering clearing and settlement services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

- (iii) The Company has not granted any loans to entities covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loan, guarantee or security and has not made any investment in terms of the provisions of section 185 and 186 of the Act during the period.

- (v) The Company has not accepted any deposits from the public.

- (vi) According to the information and explanations given to us the Company is not required to maintain cost records as prescribed by the Central Government under section 148(1) of the Act for the services rendered by the Company.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, service tax, cess and other material statutory dues have generally been regularly deposited during

the period by the Company with the appropriate authorities. As explained to us the Company did not have any dues on account of employees' state insurance, sales tax, value added tax, duty of customs and excise duty.

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 in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us there were no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax that were not deposited by the Company on account of disputes.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the period. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the period. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 197 in respect of payment of managerial remuneration are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 177 and section 188(1) of the Act are not applicable to the Company. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the relevant provisions of section 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) The Company made preferential allotment of shares during the period as mentioned in Note 8 to the financial statements in accordance with the provisions of section 42 of the Act and the amount raised was used for the purpose for which they were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45 -IA of the Reserve Bank of India Act 1934.

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

Supriya Panse
Partner
Membership No.: 46607
April 21, 2017

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of India International Clearing Corporation (IFSC) Limited (Formerly known as BSE International Clearing Corporation (IFSC) Limited) ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Supriya Panse
Partner
Membership No.: 46607
April 21, 2017

India International Clearing Corporation (IFSC) Limited
(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Balance sheet as at March 31, 2017

Particulars	Note No.	As at March 31, 2017	
		(Amount in Rs.)	(Amount in USD)
ASSETS			
1 Non-current assets			
a. Property, plant and equipment	3	2,76,62,934	4,26,643
b. Other Intangible Assets	4	17,90,325	27,612
c. Financial assets			
(i) Other Financial Assets	6	77,158	1,190
Total		2,95,30,417	4,55,445
2 Current assets			
a. Financial assets			
(i) Cash and cash equivalents	5	55,96,21,763	86,30,997
(ii) Bank balances other than (i) above	5	5,36,31,961	8,27,161
(iii) Other financial assets	6	16,62,591	25,642
b. Other assets	7	3,22,183	4,969
Total		61,52,38,498	94,88,769
Total Assets		64,47,68,915	99,44,214
EQUITY AND LIABILITIES			
1 Equity			
a. Equity share capital	8	59,99,99,994	87,59,297
b. Other equity	9	(5,12,33,899)	(2,95,726)
Total		54,87,66,095	84,63,571
LIABILITIES			
2 Non-current liabilities			
a. Financial liabilities			
(i) Other financial liabilities	11	51,612	796
b. Provisions	12	7,80,981	12,045
Total		8,32,593	12,841
3 Current liabilities			
a. Financial liabilities			
(i) Trade payables	10		
a. Total outstanding dues of micro enterprises and small enterprises		-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		1,15,30,702	1,77,837
(ii) Other financial liabilities	11	8,25,29,423	12,72,844
b. Provisions	12	9,03,915	13,941
c. Other liabilities	13	2,06,187	3,180
Total		9,51,70,227	14,67,802
Total Equity and Liabilities		64,47,68,915	99,44,214

See accompanying notes forming part of the financial statements

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

For and on behalf of the Board of Directors

Supriya Panse
Partner
Membership No.: 46607

Ashishkumar Chauhan
Chairman

Arup Mukherjee
Managing Director & CEO

Date: April 21, 2017
Place: New Delhi

Gunjan Mirani
Chief Financial Officer

Shilpa Pawar
Company Secretary

India International Clearing Corporation (IFSC) Limited
(Formerly known as BSE International Clearing Corporation (IFSC) Limited)
Statement of profit and loss from September 12, 2016 to period ended March 31, 2017

Particulars	Note No.	From September 12, 2016 to period ended March 31, 2017	
		(Amount in Rs)	(Amount in USD)
1 Revenue from operations:		-	-
2 Other income	14	1,814	27
3 Total revenue (1 + 2)		1,814	27
4 Expenses			
Employee benefits expense	15	47,26,113	70,343
Administration and other expenses	16	1,46,12,369	2,17,489
Finance costs		-	-
Depreciation and amortisation expenses	3&4	7,26,087	10,807
Total expenses		2,00,64,569	2,98,639
5 Profit / (loss) before tax (3 - 4)		(2,00,62,755)	(2,98,612)
6 Tax expense:			
Current tax		-	-
Deferred tax		-	-
7 Profit / (loss) for the period from continuing operations (5 - 6)		(2,00,62,755)	(2,98,612)
8 Profit from discontinuing operations		-	-
9 Tax expenses of discontinuing operations		-	-
10 Profit from discontinuing operations (after tax)		-	-
11 Profit / (loss) for the period (7 + 10)		(2,00,62,755)	(2,98,612)
12 Other comprehensive income			
A Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plan		48,710	725
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B Items that will be reclassified to profit or loss			
(i) Foreign Currency translation reserve		(3,13,59,970)	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income for the period		(3,13,11,260)	725
Total comprehensive income for the period (11+12)		(5,13,74,015)	(2,97,887)
13 Earning per equity share :	18		
Basic and Diluted before exceptional items (not annualised)		(0.055)	(0.001)
Basic and Diluted after exceptional item (not annualised)		(0.055)	(0.001)
Per value of share Rs		1	NA
Weighted average number of shares (Nos.)		36,45,72,133	36,45,72,133
See accompanying notes forming part of the financial statements			

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

For and on behalf of the Board of Directors

Supriya Panse
Partner
Membership No.: 46607

Ashishkumar Chauhan
Chairman

Arup Mukherjee
Managing Director & CEO

Date: April 21, 2017
Place: New Delhi

Gunjan Mirani
Chief Financial Officer

Shilpa Pawar
Company Secretary

India International Clearing Corporation (IFSC) Limited
(Formerly known as BSE International Clearing Corporation (IFSC) Limited)
Statement of changes in Equity from September 12, 2016 to period ended March 31, 2017

A. Equity Share Capital

Particulars	Amount - in Rs	Amount - in USD
Balance at March 31, 2016	-	-
Changes in Equity Share Capital During the period	59,99,99,994	87,59,297
Balance as at March 31,2017	59,99,99,994	87,59,297

B. Other Equity

Particulars	Amount - in Rs	Amount - in USD
Balance at March 31, 2016	-	-
Profit for the period pertaining to equity shareholders	(2,00,62,755)	(2,98,612)
Other comprehensive income for the period pertaining to equity shareholders	(3,13,11,260)	725
Balance as at March 31,2017	(5,13,74,015)	(2,97,887)

In terms of our report attached

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

For and on behalf of the Board of Directors

Supriya Panse
Partner
Membership No.: 46607

Ashishkumar Chauhan Arup Mukherjee
Chairman Managing Director & CEO

Date: April 21, 2017
Place: New Delhi

Gunjan Mirani Shilpa Pawar
Chief Financial Officer Company Secretary

India International Clearing Corporation (IFSC) Limited
(Formerly known as BSE International Clearing Corporation (IFSC) Limited)
Cash flow statement from September 12, 2016 to period ended March 31, 2017

Particulars	From September 12, 2016 to period ended March 31, 2017	
	(Amount in Rs)	(Amount in USD)
A. Cash flow from operating activities		
Profit / (loss) for the period	(2,00,62,755)	(2,98,612)
Depreciation and Amortisation Expenses	7,00,711	10,807
Income from Core Settlement Guarantee Fund	1,40,116	2,161
Foreign Currency translation reserve	(3,13,59,970)	-
<u>Adjustments for Changes in operating Liability and Assets</u>		
Trade payable	1,15,30,702	1,77,837
Remeasurement of Defined benefit Plan	48,710	725
Provisions	16,84,896	25,986
Other Liabilities	7,94,87,586	12,25,930
Other Financial Assets	(17,39,749)	(26,832)
Other Assets	(3,22,183)	(4,969)
	4,01,08,064	11,13,033
Taxes paid	-	-
Net cash generated from operating activities	4,01,08,064	11,13,033
B. Cash flow from investing activities		
Purchase of Property, Plant & Equipment and Intangible Assets	(2,68,54,334)	(4,14,172)
Fixed Deposits with Banks	(5,36,31,961)	(8,27,161)
Net cash generated/(Used in) from investment activities	(8,04,86,295)	(12,41,333)
C. Cash flow from financing activities		
Proceeds from allotment of equity share	59,99,99,994	87,59,297
Net cash generated from financing activities	59,99,99,994	87,59,297
D. Net increase in cash and cash equivalents	55,96,21,763	86,30,997
Cash and cash equivalents at the end of the period		
In current account - Owned	55,63,19,792	85,80,071
In current account - Earmarked	33,01,971	50,926
	55,96,21,763	86,30,997
Cash and cash equivalents at the beginning of the period	-	-
Changes In cash and cash equivalents	55,96,21,763	86,30,997
Cash and cash equivalents at the end of the period	55,96,21,763	86,30,997
Cash and bank balance	55,96,21,763	86,30,997

Note : Cash and cash equivalents comprise balances in current account.

In terms of our report attached

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

For and on behalf of the Board of Directors

Supriya Panse
Partner
Membership No.: 46607

Ashishkumar Chauhan
Chairman

Arup Mukherjee
Managing Director & CEO

Date: April 21, 2017
Place: New Delhi

Gunjan Mirani
Chief Financial Officer

Shilpa Pawar
Company Secretary

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

1. General Information

India International Clearing Corporation (IFSC) Limited (Formerly known as BSE International Clearing Corporation (IFSC) Limited) was incorporated in September 2016, , to carry on business as a clearing corporation and to assist, regulate, control and/or otherwise associate with the business of clearing and settlement of equity shares, depository receipt(s), debt securities, currency & interest rate derivatives, single stock derivatives, index based derivatives, commodities derivatives and such other securities/derivatives/products of any kind as may be permitted by Securities and Exchange Board of India or any other concerned authorities from time to time.

The financial statements were authorized for issuance by the Company's Board of Directors on April 21, 2017.

2. Significant Accounting Policies

2.1 *Basis of preparation of financial statement*

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

2.2 *Functional and presentation currency*

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

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

2.3 Foreign exchange Translation Reserve

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

2.4 Use of Estimates and judgment

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

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

- a. *Income taxes:* The Company's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Company income is fully exempt from income tax for initial period of five years and 50% exempt for subsequent five years and 50% exempt of Profit ploughed back for another subsequent five years.
- b. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.
- c. Defined employee benefit obligations determined based on the present value of future obligations using assumptions determined by the Company with advice from an independent qualified actuary.
- d. *Other estimates:* The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

2.5 Financial instruments

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

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

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

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

Financial assets

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

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

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

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

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

b. Equity instruments at FVTOCI and FVTPL:

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

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

c. Financial assets at FVTPL :

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

Financial liabilities

(a) Financial liabilities at amortised cost:

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

(b) Financial liabilities at FVTPL:

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

2.6 Property, plant and equipment

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

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

of estimated useful life and lease term. The estimated useful lives of assets of significant items of property, plant and equipment are as follows:

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

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

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

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

2.7 Other Intangible assets

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

The estimated useful lives of intangibles are as follows:

Category	Useful life
Computer software	6 years

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

Derecognition of intangible assets

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

2.8 Leases

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

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

2.9 Impairment

a. Financial assets carried at amortised cost and FVTOCI

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

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising

impairment loss allowance based on 12 month ECL Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

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

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

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

b. Non-financial assets

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

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

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

2.10 Employee benefit

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

Defined Contribution Plan

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

Defined benefit Plan

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

The Company has the following employee benefit plans:

a. Gratuity

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

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

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

b. Compensated absences

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

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

accumulating compensated absences are recognized in the period in which the absences occur.

2.11 Provisions and Contingent liabilities

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

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

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

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

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

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

2.12 Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from Service is recognized as and when the service is performed as per the relevant agreements and when there is a reasonable certainty of ultimate realization

2.13 Dividend Income

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

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

2.14 Finance income and expense

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

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

2.15 Taxation

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

a. Current income tax

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

b. Deferred income tax

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

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

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

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

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

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

2.16 Earnings per share

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

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

2.17 Current and Non-current classification

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

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

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

All other assets are classified as non-current.

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

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

All other liabilities are classified as non-current.

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

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

Operating Cycle

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

2.18 Government grants

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

2.19 Earmarked Funds

Earmarked Funds represent Core SGF etc. held for specific purposes. These amounts are invested and the same are earmarked in the Balance Sheet. The Gain/(Loss) on Fair Value of the investments from these earmarked funds are shown as liabilities/asset and are not routed through the Statement of Profit and Loss.

2.20 Settlement Obligation

Pay-in/Pay-out obligation (Settlement Obligation) of the Company are accounted based on settlement dates.

2.21 Cash Flow Statement

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

2.22 Cash and cash equivalents (for purposes of Cash Flow Statement)

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

India International Clearing Corporation (IFSC) Limited
Notes forming part of the financial statements
From September 12, 2016 to period ended March 31, 2017

3. Property, plant and equipment

Amount in USD

Particulars	Leasehold Premises and Improvements	Plant and equipments	Electrical installations	Computers -Hardware and networking equipments - owned	Furniture & fixtures	Office equipments	Total
Gross block							
Balance as at September 12, 2016	-	-	-	-	-	-	-
Additions during the period	2,15,324	1,48,321	33,533	21,127	10,702	7,246	4,36,253
Deductions / adjustments	-	-	-	-	-	-	-
Balance as at March 31, 2017	2,15,324	1,48,321	33,533	21,127	10,702	7,246	4,36,253
Accumulated depreciation and impairment							
Balance as at September 12, 2016	-	-	-	-	-	-	-
Depreciation for the period	2,304	4,493	711	1,706	262	134	9,610
Deductions / Adjustments	-	-	-	-	-	-	-
Balance as at March 31, 2017	2,304	4,493	711	1,706	262	134	9,610
Net book value							
As at March 31, 2017	2,13,020	1,43,828	32,822	19,421	10,440	7,112	4,26,643

Amount in Rs

Particulars	Leasehold Premises and Improvements	Plant and equipments	Electrical installations	Computers -Hardware and networking equipments - owned	Furniture & fixtures	Office equipments	Total
Gross block							
Balance as at September 12, 2016	-	-	-	-	-	-	-
Additions during the period	1,44,66,909	99,65,199	22,52,972	14,19,453	7,19,032	4,86,835	2,93,10,400
Deductions / adjustments	-	-	-	-	-	-	-
Currency Fluctuation	-5,05,602	-3,48,273	-78,739	-49,608	-25,130	-17,014	-10,24,366
Balance as at March 31, 2017	1,39,61,307	96,16,926	21,74,233	13,69,845	6,93,902	4,69,821	2,82,86,034
Accumulated depreciation and impairment							
Balance as at September 12, 2016	-	-	-	-	-	-	-
Depreciation for the period	1,54,798	3,01,870	47,770	1,14,621	17,603	9,003	6,45,665
Deductions / Adjustments	-	-	-	-	-	-	-
Currency Fluctuation	-5,410	-10,550	-1,669	-4,006	-615	-315	-22,565
Balance as at March 31, 2017	1,49,388	2,91,320	46,101	1,10,615	16,988	8,688	6,23,100
Net book value							
As at March 31, 2017	1,38,11,919	93,25,606	21,28,132	12,59,230	6,76,914	4,61,133	2,76,62,934

4. Other intangible assets

Particulars	Amount in USD	
	Software	Total
Gross block		
Balance as at September 12, 2016	-	-
Additions during the period	28,809	28,809
Deductions / adjustments	-	-
Balance as at March 31, 2017	28,809	28,809
Accumulated depreciation and impairment		
Balance as at September 12, 2016	-	-
Amortisation for the period	1,197	1,197
Deductions / Adjustments	-	-
Balance as at March 31, 2017	1,197	1,197
Net book value		
As at March 31, 2017	27,612	27,612

Particulars	Amount in Rs	
	Software	Total
Gross block		
Balance as at September 12, 2016	-	-
Additions during the period	19,35,582	19,35,582
Deductions / adjustments	-	-
Currency Fluctuation	-67,646	-67,646
Balance as at March 31, 2017	18,67,936	18,67,936
Accumulated depreciation and impairment		
Balance as at September 12, 2016	-	-
Amortisation for the period	80,422	80,422
Deductions / Adjustments	-	-
Currency Fluctuation	-2,811	-2,811
Balance as at March 31, 2017	77,611	77,611
Net book value		
As at March 31, 2017	17,90,325	17,90,325

5. Cash and cash equivalents		
Particulars	As at March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Balance with Banks		
Owned		
In Current Accounts	55,63,19,792	85,80,071
Earmarked Fund - Core settlement Guarantee Fund		
In Current Accounts	33,01,971	50,926
Total	55,96,21,763	86,30,997
Bank Balance other than above		
Earmarked Fund - Core settlement Guarantee Fund		
In Deposit Accounts	5,36,31,961	8,27,161
Total	5,36,31,961	8,27,161
* Refer Note No. 29 for Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016		
6. Other financial assets		
Particulars	As at March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Non Current		
Advance to staff	77,158	1,190
Total (A)	77,158	1,190
Current		
Deposits with public bodies and other parties	1,57,169	2,424
Advances to Staff	21,526	332
Receivable from Group Companies	14,83,896	22,886
Total (B)	16,62,591	25,642
Total (A+B)	17,39,749	26,832
7. Other assets		
Particulars	As at March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Current		
Cenvat receivable	3,22,183	4,969
Total	3,22,183	4,969
8. Equity Share Capital		
Particulars	As at March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Equity Share Capital		
Authorised share capital:		
60,00,00,000 Equity Shares of Rs1/- each with voting rights	60,00,00,000	Not Applicable
Issued, Subscribed and fully Paid - up		
59,99,99,994 Equity Shares of Rs 1/- each with voting rights	59,99,99,994	87,59,297
Total	59,99,99,994	87,59,297

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year / period		
Particulars	As at March 31, 2017	
	(Amount in Rs)	(Amount in USD)
No. of shares at the beginning of the period	-	-
Allotment (Subscription Money)	9,99,994	-
Preferential allotment	59,90,00,000	-
No. of shares at the end of the period	59,99,99,994	-
9. Other equity		
Particulars	As at March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Core Settlement Guarantee Fund		
Opening Balance	-	-
Add: Income Earned during the year	1,40,116	2,161
Closing Balance (A)	1,40,116	2,161
Retained earnings		
Balance at the beginning of the period	-	-
Total Comprehensive Income during the period	(5,13,74,015)	(2,97,887)
Closing Balance (B)	(5,13,74,015)	(2,97,887)
Total (A+B)	(5,12,33,899)	(2,95,726)
10. Trade payables		
Particulars	As at March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Current		
Payable to service providers	24,14,849	37,244
Payable to holding company	78,48,064	1,21,040
Payable to Group company	12,67,789	19,553
Total	1,15,30,702	1,77,837
Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
(a) Principal amount and interest thereon remaining unpaid at the end of year Interest paid including payment made beyond appointed day	-	-
(b) Interest due and payable for delay during the year / period	-	-
(c) Amount of interest accrued and unpaid as at year end / period end	-	-
(d) The amount of further interest due and payable even in the succeeding year / period	-	-
11. Other financial liabilities		
Particulars	As at March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Non Current		
Finance lease obligations	51,612	796
Total (A)	51,612	796
Current		
Payable for fixed assets	32,99,636	50,890
Accrued employee benefits	25,70,721	39,648
Deposits from Members	7,29,43,425	11,25,000
Current maturities of finance lease obligations	37,15,641	57,306
Total (B)	8,25,29,423	12,72,844
Total (A+B)	8,25,81,035	12,73,640

12. Provisions

Particulars	As at March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Non Current		
Gratuity liability (* Refer note no. 21.1.1)	7,80,981	12,045
Total (A)	7,80,981	12,045
Current		
Compensated Absences (* Refer note no. 21.1.2)	8,92,633	13,767
Gratuity liability (* Refer note no. 21.1.1)	11,282	174
Total (B)	9,03,915	13,941
Total (A+B)	16,84,896	25,986

13. Other liabilities

Particulars	As at March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Current		
Statutory remittances	2,06,187	3,180
Total	2,06,187	3,180

14. Other Income

Particulars	From September 12, 2016 to period ended March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Miscellaneous income	1,814	27
TOTAL	1,814	27

15. Employee benefits expense

Particulars	From September 12, 2016 to period ended March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Salaries, allowances and bonus	44,68,453	66,508
Contribution to provident and other Funds	90,366	1,345
Staff welfare expenses	76,794	1,143
Compensated absences	90,500	1,347
TOTAL	47,26,113	70,343

16. Administration and other expenses

Particulars	From September 12, 2016 to period ended March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Advertising and marketing expenses	11,45,533	17,050
Travelling expenses	34,86,721	51,896
Computer technology related expenses	5,80,829	8,645
Bank charges	52,406	780
Rent	2,73,853	4,076
Professional Fee	24,51,777	36,492
Stamp duty & registration fee	60,01,855	89,331
Postage & Telephone Expenses	1,411	21
Electricity expenses	1,14,755	1,708
Audit Fees	12,967	193
Directors Fees	60,468	900
Building repair and Maintenance	1,12,672	1,677
Mobile Phone & data Card Expenses	54,892	817
Miscellaneous Expenses	2,62,230	3,903
TOTAL	1,46,12,369	2,17,489

17. Exchange Rate :-

Amounts of Balance Sheet other than shareholder funds in these financial statements have been translated into Indian rupees at the closing rate on 31 March 2017 which is 1 USD = Rs 64.8386 , amount of Statement Profit and Loss at the average rate (from starting date of preparation of these financials statement) till 31 March 2017 which is 1 USD = Rs 67.1867.

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

18. Earnings Per Share

Particulars	From September 12, 2016 to period ended March 31, 2017	
	(Amount in Rs)	(Amount in USD)
Profit / (Loss) for the period	(2,00,62,755)	(2,98,612)
Weighted average number of equity shares (Nos)	36,45,72,133	36,45,72,133
Earnings per share basic and diluted	(0.055)	(0.001)
Face value per equity share	1	NA

19. Segment Reporting

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

20. Financial Instruments

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

Fair value hierarchy:

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

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

The carrying value of financial instruments by categories as of March 31, 2017 is as follows and the Company consider that the carrying amounts of below mentioned financial assets and financial liabilities recognised in the balance sheet approximate their fair values.

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

Particulars	Amount in Rs	Amount in USD
Financial Assets carried at amortised cost		
Other non-current financial assets	77,158	1,190
Cash and cash equivalents	55,96,21,763	86,30,997
Bank balance other than above cash and cash equivalents	5,36,31,961	8,27,161
Other current financial assets	16,62,591	25,642
Total	61,49,93,473	94,84,990
Financial Liabilities carried at amortised cost		
Other non-current financial liabilities	51,612	796
Trade payables	1,15,30,702	1,77,837
Other current financial liabilities	8,25,29,423	12,72,844
Total	9,41,11,737	14,51,477

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

21.1.1 Defined Benefit Plan – Gratuity

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

In particular, there is a risk for the Company that any adverse salary growth or demographic experience can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

i. The following tables set out the unfunded status of the gratuity plans and the amounts recognized in the Company's financial statements as at March 31, 2017.

Particulars	As at March 31, 2017 (Rs)	As at March 31, 2017 (USD)
Change in benefit obligations		
Benefit obligations at the beginning	-	-
Current Service Cost	16,864	251
Interest on defined benefit obligation	17,939	267
Actuarial loss / (gain) arising on account of experience changes	(48,710)	(725)
Translation impact	467	-
Liability assumed on transfer	8,05,703	12,426
Closing Defined Benefit Obligation	7,92,263	12,219
Current Provision (Refer note 12)	11,282	174

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

Particulars	As at March 31, 2017 (Rs)	As at March 31, 2017 (USD)
Non-Current Provision (Refer note 12)	7,80,981	12,045

ii. Amount recognised in the Statement of Profit and Loss From September 12, 2016 to period ended March 31, 2017

Particulars	Amount in Rs	Amount in USD
Current Service Cost	16,864	251
Interest on net defined benefit obligations	17,939	267
Total Included in "Employee Benefit Expense"	34,803	518

iii. Amount recognised in the Other Comprehensive Income From September 12, 2016 to period ended March 31, 2017

Particulars	Amount in Rs	Amount in USD
Actuarial loss / (gain) arising on account of experience changes	(48,710)	(725)
Amount recognised in the Other Comprehensive Income	(48,710)	(725)

iv. Principle actuarial assumption

Assumptions	March 31, 2017
Discount Rate	7.10%
Salary escalation	7.00%

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

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

Particulars	March 31, 2017	
	Discount rate	Salary escalation rate
Impact of increase in 50 bps on defined benefit obligation	(4.88)%	5.15%
Impact of decrease in 50 bps on defined benefit obligation	5.17%	(4.91)%

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

vi. Maturity profile of defined benefit obligations

Maturity Profile	March 31, 2017 (Rs)
Expected benefits for year 1	11,303
Expected benefits for year 2	12,348
Expected benefits for year 3	14,036
Expected benefits for year 4	15,708
Expected benefits for year 5	17,148
Expected benefits for year 6	18,712
Expected benefits for year 7	20,407
Expected benefits for year 8	66,741
Expected benefits for year 9	93,525
Expected benefits for year 10 and above	14,09,991

The weighted average duration to the payment of these cash flows is 10.04 years.

21.1.2 Defined Benefit Plan – Compensated absence

The liability for compensated absences as at the period ended March 31, 2017 is Rs 8,92,633 (USD-13,767) as shown under current provisions. Provision for compensated absence amounting to Rs 90,500 (USD-1,347) have been charged to the Statement of Profit and Loss, under Compensated absence in note 15 “Employee benefits expense”.

For Principle actuarial assumption refer above iv table of assumption.

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

21.2 Defined Contribution Plan – Provident Fund

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

The Company has an obligation to fund any shortfall on the yield of the trust's investment over the administered interest rates on an annual basis. These administered interest rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Company has been higher in the past years.

Provident fund contributions amounting to Rs 55,563 (USD-827) have been charged to the Statement of Profit and Loss, under Contributions to provident, gratuity and other funds in note 15 "Employee benefits expense".

22. Related Party Transactions

1. Names of related parties and nature of relationship

Category of related parties	Name
Holding Company	BSE Limited
Fellow Subsidiaries:	India International Exchange (IFSC) Limited
	Indian Clearing Corporation Limited
	Marketplace Technologies Private Limited
	Central Depository Services (India) Limited
	BSE Investments Limited
	BSE Institute Limited
	BSE CSR Integrated Foundation
	BSE Sammaan CSR Limited
	Marketplace Tech Infra Services Private Limited
	CDSL Ventures Limited
	CDSL Insurance Repository Limited
	BSE Skills Limited
Joint Venture of Holding Company	Asia Index Private Limited

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

Category of related parties	Name
Key Management Personnel	Mr. Ashishkumar Chauhan – Non Executive Chairman
	Mr. Arup Mukherjee - Managing Director and Chief Executive Officer
	Mr. Arun Mehta – Independent Director
	Mr. Alok Sherry– Independent Director
	Mr. Balasubramaniam Venkataramani - Director
	Mr. Nehal Vora – Director

2. Transactions with Related Parties

(a) BSE Ltd (Holding Company):

Particulars	From September 12, 2016 to period ended March 31, 2017 (Rs)	From September 12, 2016 to period ended March 31, 2017 (USD)
Reimbursement/ (Recovery) of Expenses/ Transactions		
Stamp duty & registration fee	53,94,689	80,294
Professional Fee	14,43,775	21,489
Advertising and marketing expenses	11,45,533	17,050
Salaries, allowances and bonus	170,385	2,536
Travelling Expenses	31,847	474
Miscellaneous Expenses	2,150	32
Recovery of gratuity liabilities	(12,708)	(196)
Recovery of compensated absence liabilities	(8,753)	(135)
Equity Share Capital	59,99,99,994	87,59,297

Particulars	As at March 31, 2017 (Rs)	As at March 31, 2017 (USD)
Liability		
Payable (net)	78,48,064	1,21,040

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

(b) India International Exchange (IFSC) Limited (Fellow Subsidiary):

Particulars	From September 12, 2016 to period ended March 31, 2017 (Rs)	From September 12, 2016 to period ended March 31, 2017 (USD)
Reimbursement of Expenses/Transactions		
Electricity Expenses	91,508	1,362
Staff Refreshment Expenses	38,968	580
Travelling Expenses	13,08,058	19,469
Property, Plant and Equipments	37,606	580
Others	(1,30,196)	(2,008)

Particulars	As at March 31, 2017 (Rs)	As at Mar 31, 2017 (USD)
Liability		
Payable (net)	12,67,789	19,553

(C). India Clearing Corporation Limited (Fellow Subsidiary):

Particulars	From September 12, 2016 to period ended March 31, 2017 (Rs)	From September 12, 2016 to period ended March 31, 2017 (USD)
Reimbursement/ (Recovery)Transactions		
Recovery of gratuity liabilities	(7,93,041)	(12,231)
Recovery of Compensated absence liabilities	(7,96,607)	(12,286)
Advance to Staff	1,05,752	1,631
Assets		
Receivable (net)	14,83,896	22,886

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

(d) Key Managerial remuneration:

Particular	From September 12, 2016 to period ended March 31, 2017 (Rs)	From September 12, 2016 to period ended March 31, 2017 (USD)
Mr. Arup Mukherjee - Managing Director and Chief Executive Officer		
Salaries, allowances and bonus	6,49,782	9,671

23. Contingent liabilities and Capital Commitments

There are no contingent liabilities and Capital commitments as at March 31, 2017.

24. Lease

24.1 Operating Lease: The Company has taken residential facilities and official facilities under cancellable operating lease. The rental expenses under cancellable operating lease during the period ended March 31, 2017 is Rs 2,73,853 (USD-4,076).

24.2 Finance Lease –

During the current period, Company has taken leasehold premises under finance lease term of 30 years. The Minimum lease rentals along with their leased premium and the present value of minimum lease payments in respect of assets acquired under finance lease as at March 31, 2017 are as follows:

Particular	Amount in Rs			
	Payable not later than 1 year	Payable later than 1 year and not later than 5 year	Payable later than 5 year	Total
Minimum Lease Payments	37,15,737	9,708	60,675	37,86,120
Finance Charge	49	663	18,155	18,867
Present value of Minimum Lease Payments	37,15,688	9,045	42,520	37,67,253

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

Amount in USD

Particular	Payable not later than 1 year	Payable later than 1 year and not later than 5 year	Payable later than 5 year	Total
Minimum Lease Payments	57,307	150	936	58,393
Finance Charge	-	10	280	290
Present value of Minimum Lease Payments	57,307	140	656	58,103

25. Capital management:

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

Particulars	As at	As at
	March 31, 2017 (Rs)	March 31, 2017 (USD)
Net worth	54,87,66,095	84,63,571
As percentage of total capital		
Current borrowings	-	-
Non-current borrowings	-	-
Total borrowings	-	-
As percentage of total capital	-	-
Total Capital (borrowings and equity)	54,87,66,095	84,63,571

The Company is predominantly equity financed which is evident from the capital structure table. Further, the company has always been a net cash company with cash and bank balances.

Compliance with externally imposed capital requirements:

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

26. The Government of Gujarat introduced a "Scheme of assistance for IT/ITeS Industry" in form of specified incentives under 'IT/ITeS Policy (2016-21)', in pursuance of this policy, during the current period company has received in principal approval for assistance subject to certain condition and

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

approval, accordingly Company has not recognised any amount of assistance during the current period ended March 31 2017.

27. SEBI vide its circular no. SEBI/HO/MRD/DSA/CIR/P/2016/125 dated November 28, 2016, had inter alia specified that Clearing Corporations in IFSC shall establish and maintain a Fund to guarantee the settlement of trades executed in the stock exchanges in IFSC. To begin with such fund shall have a corpus equivalent to at least 10% of the net-worth of the clearing corporation. Clearing corporations shall evolve a detailed framework for the Fund, subject to approval of SEBI. In view of the above, before commencement of operations, i.e. on January 10, 2017, a Core Settlement Guarantee Fund (Default Fund) of USD 8,75,926.05 (Rs 5,95,62,971.40) @ RBI reference rate i.e Rs 68/- has been created.

28. **Financial Risk Management**

The company maintains an integrated and comprehensive view of risk and ensures that its risk management tools can manage and report on, all relevant risks. The Company's risk management policies, procedures, systems and controls form a part of a coherent and consistent governance framework which is reviewed and updated regularly. Participant Exposure and Settlement Default Risk, Credit Risk, Liquidity Risk, Legal Risk, Operational Risk, Custody and Investment Risk, Technology Risk, Clearing Bank Risk etc. are some of the risks that can be foreseen on a continuous basis. The Company has a sound framework for the comprehensive management of all material risks and established documented policies, procedures, systems and controls to identify, measure, monitor and manage such risks. The risk management policy of the Company shall be in accordance with the Principles for Financial Market Infrastructures ("PFMI") published by the Committee on Payments and Market Infrastructures ("CPMI") and the Technical Committee of the International Organization of Securities Commissions ("IOSCO").

Foreign currency risk

United State Dollars (USD) is the functional currency of the Company, thus the Company's exchange risk arises from its foreign currency expenses, (primarily in Rs and other than USD). Presently, Company is not much exposed to such foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rates are sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the Company's control.

Interest rate risk primarily arises from floating rate investment. The Company's investments in floating rate are primarily short-term, which do not expose it to significant interest rate risk.

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements
From September 12, 2016 to period ended March 31, 2017

Liquidity risk

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

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2017.

Amount in Rs

Particulars	On Demand	Payable within 1 year	Payable more than 1 year and less than 5 year	Payable more than 5 year	Total
Finance lease obligation	-	37,15,737	9,708	60,675	37,86,120
Deposits from Members	7,29,43,425	-	-	-	7,29,43,425
Trade payable	-	1,15,30,702	-	-	1,15,30,702
Other financial liabilities	-	58,70,357	-	-	58,70,357

Amount in USD

Particulars	On Demand	Payable within 1 year	Payable more than 1 year and less than 5 year	Payable more than 5 year	Total
Finance lease obligation	-	57,307	150	936	58,393
Deposits from Members	11,25,000	-	-	-	11,25,000
Trade payable	-	1,77,837	-	-	1,77,837
Other financial liabilities	-	90,538	-	-	90,538

29. The Company is not dealing in cash transaction. In pursuance of requirement of Companies (Audit and Auditors) Amendment rules, 2017, Disclosure of Specified bank notes (SBN) held and transact during the period from November 08, 2016 to December 30, 2016 is as follows:

INDIA INTERNATIONAL CLEARING CORPORATION (IFSC) Limited

(Formerly known as BSE International Clearing Corporation (IFSC) Limited)

Notes forming part of the financial statements

From September 12, 2016 to period ended March 31, 2017

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 08, 2016	-	-	-
Add: Permitted receipts	-	-	-
Less: Permitted payments	-	-	-
Less: Amount deposited in banks	-	-	-
Closing cash in hand as on December 30, 2016	-	-	-

For and on behalf of the Board of Directors

Date: April 21, 2017
Place: New Delhi

Ashishkumar Chauhan
Chairman

Arup Mukherjee
Managing Director & CEO

Gunjan Mirani
Chief Financial Officer

Shilpa Pawar
Company Secretary