

*Scrub of actual expenses.*  
*- breakup - 150 debit note*  
*line item tax invoice copy of bills supported.*

# INTER-CONNECTED STOCK EXCHANGE OF INDIA LTD.

**EASIER ACCESS, WIDER REACH**

## SECOND ANNUAL REPORT

### 1999 - 2000



**Registered Office:**

**Inter-Connected Stock Exchange of India Ltd.**  
International Infotech Park, Tower-7,  
5th Floor, Vashi, Navi Mumbai - 400 703.



**Tel:** (022) 781 2056(6 lines). **Fax:** 7812061.

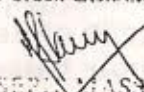


**Our Internet Web Site:**

Home Page: [http:// www.iseindia.com](http://www.iseindia.com)  
E-mail : [isesc@bom3.vsnl.net.in](mailto:isesc@bom3.vsnl.net.in)

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FOR INTER-CONNECTED STOCK EXCHANGE OF INDIA LIMITED.

  
**JOSEPH MASSEY**  
Managing Director.



# INTER-CONNECTED STOCK EXCHANGE OF INDIA LIMITED

## NOTICE OF THE SECOND ANNUAL GENERAL MEETING OF THE EXCHANGE

NOTICE is hereby given that the Second Annual General Meeting of the Members of Inter-connected Stock Exchange of India Limited will be held on Saturday, September 23, 2000 at 2.30 p.m. at the Registered Office of the Exchange at International Infotech Park, Tower 7, 5<sup>th</sup> floor, Sector 30, Vashi, Navi Mumbai - 400 703 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as on 31<sup>st</sup> March 2000, Profit & Loss Account for the period ended on that date and the Auditors' and Directors' Report thereon.
2. To approve the Nomination of Shri N.Ranga Prasad a Nominee of Hyderabad Stock Exchange Limited in place of Shri Jambu Kumar Jain a Nominee of Gauhati Stock Exchange Limited as a Director whose term of office shall be liable to retirement by rotation
3. To approve the Nomination of Shri Arvind Bhai B. Patel a Nominee of Saurashtra Kutch Stock Exchange Limited in place of Ms. Manisha P. Naik a Nominee of Vadodara Stock Exchange Limited as a Director whose term of office shall be liable to retirement by rotation
4. To approve the Nomination of Shri Mohan Malpani, a Nominee of Madhya Pradesh Stock Exchange in place of Shri Pankaj J. Shah, a Nominee of Bangalore Stock Exchange Limited as a Director whose term of office shall be liable to retirement by rotation.
5. To appoint the Auditors and to fix their remuneration.

BY ORDER OF THE BOARD

JOSEPH MASSEY  
MANAGING DIRECTOR

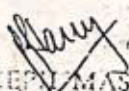
Place: Vashi, Navi Mumbai  
Date: August 12, 2000

### Note:

1. All the Members are requested to forward to the Company certified copies of the Board Resolutions authorising their representatives to attend the Meeting and to exercise such other rights along with duly attested signatures of such representatives.

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FOR INTER-CONNECTED STOCK EXCHANGE OF INDIA LIMITED.

  
JOSEPH MASSEY  
Managing Director



# Inter-Connected Stock Exchange of India Limited

Balance sheet as at March 31, 2000.

	Schedule	as at March 31, 2000 Rupees	as at March 31, 1999 Rupees
<b>Sources of funds</b>			
<b>Shareholder's funds</b>			
Share Capital (Company Limited by guarantee)		Nil	Nil
Admission fees/ Contribution towards Infrastructure development	1	112,473,000	105,100,000
Dealer Admission Fees	2	26,000,000	
Reserves & Surplus	3	3,674,069	1,120,222
		142,147,069	106,220,222
<b>Loan Funds</b>			
Unsecured Loans	4		500,000
<b>Total</b>		<b>142,147,069</b>	<b>106,720,222</b>
<b>Application of funds</b>			
<b>Fixed assets</b>			
Gross block	5	139,914,534	139,555,915
less, Depreciation		19,325,996	2,573,558
Net block		120,588,538	137,042,357
Capital work in progress		29,904,145	1,681,125
		150,492,683	138,723,482
Investments	6	25,000,000	
<b>Current assets, loans and advances</b>			
<b>Current Assets</b>			
Cash and Bank Balances	7	186,817,346	25,537,096
Sundry Debtors	8	1,355,439	186,649
Loans and advances	9	10,752,829	3,595,955
		198,925,614	29,319,699
<b>less, Current liabilities and provisions</b>			
Current liabilities	10	262,832,107	27,834,290
Deferred Payment Liabilities	11	33,312,280	54,856,584
		296,144,387	82,690,874
<b>Net current assets</b>		<b>(97,218,773)</b>	<b>(53,371,176)</b>
Miscellaneous expenditure (to the extent not written off or adjusted)	12	8,011,592	10,682,123
Profit & Loss Account		55,861,567	10,685,793
<b>Total</b>		<b>142,147,069</b>	<b>106,720,222</b>
Significant accounting policies and notes forming part of the accounts	17		

as per our attached Report of even date

for C. C. Chokshi & Co.,

Chartered Accountants

sd/-  
(P. R. Barpaude)  
Partner

for and on behalf of the Board

sd/-  
(S. R. Nayya)  
Chairman

sd/-  
(Joseph Massey)  
Managing Director

sd/-  
(V. Shankar)  
Joint Managing Director

Mumbai, dated August 12, 2000

Mumbai, dated August 12, 2000

**CERTIFIED TO BE TRUE COPY**  
OF THE BALANCE SHEET OF  
INTER-CONNECTED STOCK EXCHANGE OF INDIA LIMITED.

**JOSEPH MASSEY**  
Managing Director.



## Inter-Connected Stock Exchange of India Limited

Profit and Loss Account for the year April 1, 1999 to March 31, 2000

	schedule	for the year ended March 31, 2000	for the period ended March 31, 1999
		Rupees	Rupees
<b>Income</b>	13	6,562,742	2,448,315
<b>Total</b>		<b>6,562,742</b>	<b>2,448,315</b>
<b>Expenditure</b>			
Employee Costs	14	7,400,685	1,940,249
Administration and Operational Expenses	15	23,116,532	8,417,933
Interest Paid	16	4,406,678	961,859
Depreciation: ( Previous year net of Rs. 709,552 transferred to deferred revenue expenditure )		16,814,621	1,814,067
<b>Total</b>		<b>51,738,516</b>	<b>13,134,108</b>
Loss for the year		(45,175,774)	(10,685,793)
Loss brought forward from previous period		(10,685,793)	
(Loss) carried to Balance sheet		<b>(55,861,567)</b>	<b>(10,685,793)</b>
Significant accounting policies and notes forming part of the accounts	17		

as per our attached Report of even date  
for C. C. Chokshi & Co.,  
Chartered Accountants

sd/-  
(P. R. Barpande)  
Partner

Mumbai, dated August 12, 2000

for and on behalf of the Board


sd/-  
(M. R. Mayya)  
Chairman

Mumbai, dated August 12, 2000

sd/-  
(Joseph Massey)      (V. Shankar)  
Managing Director      Joint Managing Director

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FOR INTER-CONNECTED STOCK EXCHANGE OF INDIA LIMITED.

  
JOSEPH MASSEY  
Managing Director.



# Inter-Connected Stock Exchange of India Limited

Schedules forming part of the accounts

	as at March 31, 2000 Rupees	as at March 31, 1999 Rupees
<i>Schedule 1, Admission Fees/Contribution towards Infrastructure development - from Members</i>		
Members Admission Fees	7,51,00,000	7,50,00,000
Contribution towards infrastructure development		
Balance as per last year	10,00,000	
Add: Contributions during the year	72,30,000	
Less: Repaid during the year	(4,35,000)	
<i>Refer note B-5.A:</i>		
<b>Total</b>	<b>112,473,000</b>	<b>105,100,000</b>

	as at March 31, 2000 Rupees	as at March 31, 1999 Rupees
<i>Schedule 2, Admission Fees from Dealers</i>		
Dealer Admission Fees		
- Received during the year	26,00,00,000	
<b>Total</b>	<b>26,00,00,000</b>	

	as at March 31, 2000 Rupees	as at March 31, 1999 Rupees
<i>Schedule 3 Reserves &amp; Surplus</i>		
<u>Other Reserves</u>		
<u>Settlement Guarantee Fund</u> (from initial contribution from traders and dealers and accretions by way of levy of charges on transactions during the year) (Including Rs. 20,67,335/- accretion arising by way of interest for the year on deposits, etc. made out of such funds in accordance with the bye-laws of the company)	3,632,795	1,120,000
<u>Investor Protection Fund</u> (from accretions by way of levy of charges and fines on transactions during the year)	17,453	27
<u>Investor Service Fund</u> (from accretions by way of levy of charges and appropriations from listing fees income during the year)	23,820	27
<b>Total</b>	<b>3,674,069</b>	<b>1,120,222</b>

	as at March 31, 2000 Rupees	as at March 31, 1999 Rupees
<i>Schedule 4, Unsecured Loans</i>		
From Others	Nil	500,000
<b>Total</b>	<b>Nil</b>	<b>500,000</b>



## Inter-Connected Stock Exchange of India Limited

Schedules forming part of the accounts

	as at March 31, 2000 Rupees	as at March 31, 1999 Rupees
<b>Schedule 6. Investments</b>		
Long Term Investments (unquoted, at cost)		
Investments in the Shares of Subsidiary Company - ISE Securities & Services Limited 2500000 Equity Shares of Rs. 10 - each fully paid		
<b>Total</b>	<b>25,000,000</b>	

	as at March 31, 2000 Rupees	as at March 31, 1999 Rupees
<b>Schedule 7. Cash and bank balances</b>		
Cash-on-hand [including security deposits, etc.]		
<b>Bank balances</b>		
<b>with scheduled Banks</b>		
- in Current Account [including Rs. 8,54,521 - (Previous year Rs. 14,04,555) in earmarked funds accounts]	1,667,212	1,667,212
- in Deposit Account * [including Rs. 25,861,015/- (Previous year Rs. 19,097,248) in earmarked funds accounts] [including interest accrued Rs. 19,38,772 - (Previous year Rs. 147,511)-]	185,149,376	21,627,521
<b>Total</b>	<b>186,817,340</b>	<b>25,537,094</b>
* Includes Fixed Deposit Receipt of Rs. 25,00,000/- (Previous year Rs. 25,00,000) over which a bank has given in respect of the guarantee given by a bank to a supplier.		

	as at March 31, 2000 Rupees	as at March 31, 1999 Rupees
<b>Schedule 8. Sundry Debtors</b>		
<i>(Unsecured)</i>		
Outstanding for a period exceeding six months	1,027,408	1,50,000
Other Debts	478,031	46,649
	<b>1,505,439</b>	<b>186,649</b>
Less: Provision	150,000	
<b>Total</b>	<b>1,355,439</b>	<b>186,649</b>
<b>Note:</b>		
Considered Good	1,355,439	186,649
Considered Doubtful	150,000	
	<b>1,505,439</b>	<b>186,649</b>

	as at March 31, 2000 Rupees	as at March 31, 1999 Rupees
<b>Schedule 9. Loans and Advances</b>		
<i>(unsecured)</i>		
Advances given to subsidiary company - ISE Securities & Services Limited	4,408,920	
Advances recoverable in cash or in kind, or for value to be received	5,706,123	4,592,214
Tax Deducted at Source	1,293,510	146,472
	11,408,553	4,738,656
Less: Provision	649,924	1,142,711
<b>Total</b>	<b>10,752,829</b>	<b>3,595,955</b>
Considered Good	10,752,829	3,595,955
Considered Doubtful	649,924	1,142,711
	<b>11,402,753</b>	
Due from Directors	Nil	
(Maximum amount outstanding at any time during the year Rs. 2,34,383 -)		