

Metropolitan Stock Exchange of India Limited

(Formerly known as MCX Stock Exchange Limited)

Regd. Office: 4th Floor, Vibgyor Tower, Plot No - C62, G Block, Opp. Trident Hotel,
Bandra Kurla Complex, Bandra (East), Mumbai- 400098, INDIA | CIN: U65999MH2008PLC185856

Statement of Unaudited Standalone Financial Results for the Quarter and Six Month Ended September 30, 2015

(₹ in lakhs except per share data)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2015 Reviewed	31.06.2015 Reviewed	30.09.2014 Reviewed	30.09.2015 Reviewed	30.09.14 Reviewed	31.03.15 Audited
	PART I	1	2	3	4	5	6
1	Income from operation	565.97	612.55	664.49	1,178.52	1,736.62	3,208.41
	Total Income from operation	565.97	612.55	664.49	1,178.52	1,736.62	3,208.41
2	Expenditure						
	(a) Operating expenses	905.43	898.53	829.76	1,803.96	1,903.93	3,796.09
	(b) Employee benefits expense	406.65	418.70	455.73	825.35	1,091.27	2,054.00
	(c) Depreciation and amortisation expense	353.80	351.13	362.27	704.93	714.34	1,424.41
	(d) Advertisement and business promotion expenses	4.76	16.38	1.41	21.14	9.19	10.81
	(e) Other expenses	591.03	467.96	504.47	1,058.99	982.70	1,916.05
	Total Expenditure	2,261.67	2,152.70	2,153.64	4,414.36	4,701.43	9,201.37
3	Profit/ (Loss) from Operations before Other Income						
	Finance Costs and Exceptional Items (1-2)	(1,695.69)	(1,540.15)	(1,489.15)	(3,235.85)	(2,964.81)	(5,992.95)
4	Other Income	285.32	295.12	290.66	580.44	583.78	1,087.42
5	Profit/ (Loss) before Finance Costs and Exceptional Items (3+4)	(1,410.37)	(1,245.04)	(1,198.49)	(2,655.40)	(2,381.03)	(4,905.54)
6	Finance Costs	1.03	2.66	0.00	3.69	0.96	1.16
7	Profit/ (Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	(1,411.40)	(1,247.70)	(1,198.49)	(2,659.09)	(2,381.99)	(4,906.69)
8	a) Exceptional items (refer note 8)	41.35	-	-	41.35	-	-
	b) Prior Period Items	-	-	-	-	-	1,105.52
9	Profit / (Loss) from ordinary activities before tax (7-8)	(1,452.75)	(1,247.70)	(1,198.49)	(2,700.44)	(2,381.99)	(6,012.21)
10	Tax expense (Net of MAT credit)	-	-	-	-	-	-
11	Net Profit/ (Loss) for the period (9-10)	(1,452.75)	(1,247.70)	(1,198.49)	(2,700.44)	(2,381.99)	(6,012.21)
12	Paid-up Equity Share Capital (Equity Shares of ₹1/- each.) (refer note 2 & 4)	19,415.36	13,115.94	5,529.51	19,415.36	5,529.51	11,582.80
13	Reserves excluding revaluation reserves	-	-	-	-	-	1,132
14	Earnings Per Share of Re 1/- each (In ₹) (Not Annualised)						
	(a) Basic	(0.09)	(0.11)	(0.22)	(0.20)	(0.44)	(0.52)
	(b) Diluted	(0.09)	(0.11)	(0.22)	(0.20)	(0.44)	(0.52)
	PART II						
	PARTICULARS OF SHAREHOLDINGS						
15	Public shareholding						
	- Number of shares	1,946,669,121	1,316,726,982	558,383,776	1,946,669,121	558,383,776	1,163,413,045
	- Percentage of shareholding	100.00	100.00	100.00	100.00	100.00	100.00
16	Promoters and Promoter Group Shareholding						
	(a) Pledged / Encumbered						
	- Number of Shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of the promoters and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil
	(b) Non - encumbered						
	- Number of Shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of the Promoters and Promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil
	PART III						
	Investor Complaints for the quarter ended September 30, 2015						
	Pending at the beginning of the quarter		NIL				
	Received during the quarter		NIL				
	Responded during the quarter		NIL				
	Pending at the end of the quarter		NIL				

Statement of Assets and Liabilities

Sr. No.	Particulars	Standalone	
		As at September 30, 2015 (Unaudited)	As at March 31, 2015 (Audited)
A	EQUITIES AND LIABILITIES		
1	Shareholders' Fund		
	(a) Share capital	19,415.36	11,582.80
	(b) Reserves and surplus	(1,568.37)	17,846.99
	Non Refundable Interest Free Deposits Warrants Against Warrants	4,159.33	5,916.01
	Total	22,006.32	18,630.90
3	Non-Current Liabilities		
	(a) Other long-term liabilities	442.49	458.00
4	Current Liabilities		
	(a) Trade payables	1,643.22	450.71
	(b) Other current liabilities	7,374.45	7,433.23
	(c) Short-term provisions	113.32	9,130.99
	Total	9,130.99	74.82
	TOTAL EQUITY AND LIABILITIES	31,579.80	27,047.65
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed Assets	7,671.82	8,312.52
	(b) Non-current investments	3,278.50	1,278.50
	(c) Long-term loans and advances	6,417.14	6,392.10
	Total	17,367.46	15,983.11
2	Current Assets		
	(a) Current investments	1,774.00	1,599.41
	(b) Trade receivables	82.12	85.33
	(c) Cash and bank balances	7,409.53	7,512.24
	(d) Short-term loans and advances	4,800.00	1,445.20
	(e) Other current assets	146.69	14,212.34
	Total	14,212.34	422.35
	TOTAL ASSETS	31,579.80	27,047.65

NOTES:

- The above unaudited financial results of the Company for the quarter and half year ended September 30, 2015 have been approved by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on November 04, 2015 and subjected to a Limited Review by Statutory Auditors.
 - During the quarter, 1,49,39,122 warrants held by MCX was transferred to buyers who accordingly exercised it into Equity Shares however one applicant holding 15 warrants did not have demat account, hence the said warrants are not exercised into equity shares. Also, 74,30,000 warrants were exercised into Equity shares by MCX. Further, 60,75,88,017 equity warrants were issued by the Company under Rights Issue and out of unsubscribed portion of the Rights Issue. The paid up capital of the company after the said allotments stood at Rs.19,46,66,9121.
 - During the quarter, the Company has made following investments in Equity Shares of Metropolitan Clearing Corporation of India Limited (MCCIL) (formerly known as MCX SX Clearing Corporation Ltd):-
 - Rs. 20,00,00,000 towards 2,00,00,000 Equity shares of Rs.10/- each of for cash at par
 - Rs. 25,00,00,000 as share application money pending allotment for 2,50,00,000 Equity Shares of Rs. 10/- each for cash at par
 - The paid-up equity share capital in item no. 12 of the above results is net of 5,133,430 equity shares held by MCX Stock Exchange ESOP Trust.
 - Mr. Saurabh Sarkar has tendered his resignation from the post of Managing Director & CEO w.e.f October 10, 2015 and Mr. Udai Kumar has been designated as Interim MD & CEO till such permanent arrangements are made for appointment of new MD & CEO of the Exchange.
 - The Board at the meeting held on June 27, 2015 decided to treat 41,59,17,672 warrants held by MCX as extinguished and of no effect whatsoever on account of their continuance to hold the same post lapse of the time limits specified by SEBI and further that the amount of Rs. 41,59,17,672/- standing as non-refundable interest free deposit against such warrants be transferred to the capital reserve of the Exchange. However such amount was not transferred to capital reserve in light of the below mentioned order of The Bombay High Court.
- MCX had filed a case No: NOM (L) No. 1784 of 2015 in Suit No. 685 of 2015 against the Exchange. The Notice of Motion in the Suit filed by MCX was listed for hearing on July 30, 2015 which was stood over to August 3, 2015. When the Notice of Motion was taken up for hearing on August 03, 2015, the Hon'ble Court passed an order accepting the undertaking of the Exchange that an amount of Rs. 20 Crores would be deposited with the Prothonotary & Senior Master, Mumbai on or before 7th September 2015. Accordingly a demand draft of Rs.20 crores was duly deposited by the Exchange on September 7, 2015.
- The Notice of Motion was taken up for final hearing on October 08, 2015 before His Lordship Hon'ble Justice Mr. A. K. Menon. After hearing arguments from both parties. The Hon'ble Court issued direction to the office of learned Prothonotary and Senior Master to extend the duration of deposit of 20 Crores for a month, in view of expiration of one month period. The Notice of Motion was reserved for orders on 13 October 2015.
- Vide its order dated October 13, 2015 in notice of Motion, the Hon'ble High Court directed the Exchange to deposit a further sum of Rs. 21 crores (Approx.) within a period of 8 weeks from the date of said order and further stated that the earlier deposit of Rs. 20 Crores which is already invested shall continue to be so invested initially for a period of one year renewable from time to time pending hearing and final disposal of suit. In the mean time, the undertaking recorded in the order dated July 10, 2015 shall continue to operate.
- The auditor in their review report on the Unaudited financial statements for the period ended September 30, 2015 expressed certain qualifications which are summarised below along with the Company's comments on the same:
 - The auditors have expressed that the Company continued to prepare its Financial Statements on going concern basis, even though there is no reasonable certainty on the fructification of the management plan on improving operations and managing profits in future. The company is however confident of raising further funds, increase volume and make profits in future years and hence prepared the accounts on going concern basis including not carrying out the impairment testing to ascertain carrying value of fixed assets, etc. and also the sum of Rs.35.01 Crores and Rs.1.86 Crores towards Service tax set-off and MAT Credit is considered as recoverable. The Company believes that the going concern assumption is justified on account of the following:
 - The Company has completed its rights issue and has allotted the shares. (Refer Note 2)
 - Steps have been taken to reduce the operating cost by reviewing the contracts to ensure that charges paid for infrastructure, software and software support are comparable to those paid by other exchanges in similar line of business and taking steps to reduce other administrative costs.
 - The Exchange will see sizable growth in its turnover and in turn in its operating revenue.
 - The Exchange, in earlier years, entered into various contracts with the parties mentioned in the register maintained under Section 301 of the Companies Act, 1956 to whom amounts have been paid as Infrastructure, software and software support charges during the said years in respect of which no alternative quotations are / were available, the management have already renegotiated few of such contracts and are in the process of reviewing other such contracts / charges to establish their reasonableness for similar line of business. The adjustments, if any, that will be arising out of such review, are not readily quantifiable.
 - In accordance with Circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014 issued by SEBI regarding a Core Settlement Guarantee Fund, the Company has deposited Rs. 1,041 lakh towards the Minimum Required Corpus (MRC) to the Core Settlement Guarantee Fund established and maintained by its clearing corporation in earlier years. During the quarter ended September 30, 2015 contribution of Rs. 41.35 lakh made towards the MRC (Core SGF) has been charged to the Statement of Profit and Loss and disclosed under the head "Exceptional Items".
 - Previous period/year figures has been re-grouped, re-arranged and re-classified wherever necessary, to make them comparable with those of the current quarter.

For and on Behalf of Board of Directors of
Metropolitan Stock Exchange of India Limited
(Formerly known as MCX Stock Exchange Limited)

Sd/-
Thomas Mathew T.
Chairman