

# Metropolitan Stock Exchange of India 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, 2017

(₹ in lakhs except per share data)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2017 Unaudited	30.06.2017 Unaudited	30.09.2016 Unaudited	30.09.2017 Unaudited	30.09.2016 Unaudited	31.03.2017 Audited
I	Revenue from operations	173.31	236.23	452.22	409.54	900.60	1,704.70
II	Other Income	144.33	146.78	413.97	291.11	570.26	1,105.61
III	<b>Total Income</b>	<b>317.64</b>	<b>383.01</b>	<b>866.19</b>	<b>700.65</b>	<b>1,470.86</b>	<b>2,810.31</b>
IV	<b>Expenses</b>						
	(a) Operating expenses	398.64	495.80	403.01	894.44	549.58	1,517.67
	(b) Employee benefits expense	427.24	396.54	348.49	823.78	717.29	1,470.26
	(c) Depreciation and amortisation expense	364.04	357.81	342.88	721.85	683.11	1,392.68
	(d) Advertisement and business promotion expenses	274.32	263.93	97.07	538.25	181.09	405.30
	(e) Administration and Other expenses	477.16	542.59	418.58	1,019.75	773.61	1,411.61
	(f) Finance Costs	(0.46)	0.46	8.61	-	18.80	29.67
	<b>Total Expense</b>	<b>1,940.93</b>	<b>2,057.14</b>	<b>1,618.64</b>	<b>3,998.07</b>	<b>2,923.47</b>	<b>6,227.19</b>
V	<b>Profit/ (Loss) from before Exceptional items and tax</b>	<b>(1,623.29)</b>	<b>(1,674.13)</b>	<b>(752.46)</b>	<b>(3,297.42)</b>	<b>(1,452.61)</b>	<b>(3,416.88)</b>
VI	Exceptional items ( Refer note 5 )	-	-	-	-	-	-
VII	<b>Profit/ (Loss) from before tax</b>	<b>(1,623.29)</b>	<b>(1,674.13)</b>	<b>(752.46)</b>	<b>(3,297.42)</b>	<b>(1,452.61)</b>	<b>(3,416.88)</b>
VIII	Tax expense						
	1) Current Tax	-	-	-	-	-	-
	2) Deferred Tax	-	-	-	-	-	-
	<b>Total Tax Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
IX	<b>Profit/ (Loss) for the period</b>	<b>(1,623.29)</b>	<b>(1,674.13)</b>	<b>(752.46)</b>	<b>(3,297.42)</b>	<b>(1,452.61)</b>	<b>(3,416.88)</b>
X	Other Comprehensive Income						
	1) Items that will reclassified to profit or loss (net of tax)	-	-	-	-	-	-
	2) Items that will not reclassified to profit or loss (net of tax)	1.29	(3.41)	(1.17)	(2.11)	(2.35)	(4.70)
	<b>Total other Comprehensive Income for the period, net of tax</b>	<b>1.29</b>	<b>(3.41)</b>	<b>(1.17)</b>	<b>(2.11)</b>	<b>(2.35)</b>	<b>(4.70)</b>
XI	<b>Profit/ (Loss) for the period</b>	<b>(1,622.00)</b>	<b>(1,677.54)</b>	<b>(753.63)</b>	<b>(3,299.53)</b>	<b>(1,454.96)</b>	<b>(3,421.58)</b>
XII	Paid-up Equity Share Capital ( Equity Shares of ₹ 1/- each.) (refer note 4 & 6)	31,802.04	27,648.86	23,751.70	31,802.04	23,751.70	24,595.56
XIII	Reserves excluding revaluation reserves	-	-	-	-	-	(6,325.67)
XIV	Earnings Per Share of Re 1/- each ( In Rs ) (Not Annualised)						
	(a) Basic	(0.05)	(0.06)	(0.03)	(0.10)	(0.07)	(0.16)
	(b) Diluted	(0.05)	(0.06)	(0.03)	(0.10)	(0.07)	(0.16)

## Unaudited Standalone Statement of Assets and Liabilities

(₹ in lakhs)

Sr. No.	Particulars	As at 30.09.2017 (Unaudited)	As at 31.03.2017 (Audited)
<b>I</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-Current Assets</b>		
	(a) Property, plant and equipment	885.99	1,145.70
	(b) Intangible Assets	4,893.35	5,205.39
	(c) Intangible asset under development	267.31	188.86
	(d) Financial assets		
	i. Investments		
	a. Investment in subsidiaries	8,780.06	8,158.42
	ii. Other Financial Assets	1,629.10	1,648.98
	(e) Income tax assets (net)	1,660.99	1,661.27
	(f) Other non-current assets	3,898.16	3,625.18
	<b>Total Non-Current Assets</b>	<b>22,014.96</b>	<b>21,633.80</b>
<b>2</b>	<b>Current Assets</b>		
	(a) Financial assets		
	i. Investments	3,197.29	263.19
	ii. Trade receivables	237.09	80.23
	iii. Cash and cash equivalents	8,095.94	399.12
	iv. Bank balance other than (iii) above	2,067.13	4,124.00
	v. Other financial assets	48.20	102.79
	(b) Current tax assets (Net)	-	274.88
	(c) Other assets	689.62	165.50
	<b>Total Current Assets</b>	<b>14,335.27</b>	<b>5,409.70</b>
	<b>TOTAL ASSETS</b>	<b>36,350.23</b>	<b>27,043.50</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>		
<b>3</b>	<b>Equity</b>		
	(a) Equity share capital	31,802.04	24,595.56
	(b) Other equity	(1,789.50)	(6,383.35)
	<b>Total Equity</b>	<b>30,012.54</b>	<b>18,212.21</b>
	<b>Liabilities</b>		
<b>4</b>	<b>Non Current liabilities</b>		
	a. Financial liabilities		
	i. Other financial liabilities	4,097.73	5,077.40
	b. Provisions	34.02	32.33
	<b>Total Non Current Liabilities</b>	<b>4,131.75</b>	<b>5,109.73</b>
<b>5</b>	<b>Current Liabilities</b>		
	a. Financial liabilities		
	i. Trade payables		
	a. Total outstanding dues of micro, small and medium enterprises	-	-
	b. Total outstanding dues to creditors other than micro, small and medium enterprises	489.81	556.60
	ii. Other financial liabilities	1,205.37	2,384.81
	b. Other current liabilities	482.17	752.86
	c. Provisions	28.59	27.30
	<b>Total Current Liabilities</b>	<b>2,205.94</b>	<b>3,721.57</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>36,350.23</b>	<b>27,043.50</b>

### NOTES:

- Results for half year ended September 30, 2017 are in compliance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs. Consequently, results for the half year ended September 30, 2017 and previous year ended March 31, 2017 have been restated to comply with Ind AS to make those comparable.
- The above standalone financial results of the Company for the half year ended September 30, 2017 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on December 14, 2017. These results have been reviewed by the statutory auditors of the Company. Ind AS financials results for the Quarter and Half year ended September 30, 2016 and year ended March 31, 2017 have not been subject to limited review. The comparative financial information of the company as at March 31, 2017 included in the statement based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us, as adjusted for the difference in the accounting principles adopted by the Company on the transition to the Ind AS.
- Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM, who is responsible for the allocating resources and assessing performance of the operating segments, has been identified as the MD and CEO of the company. The Company is engaged in only the Business of Stock Exchange and activities incidental thereto within India, hence does not have any reportable segments as per Indian Accounting Standard (Ind AS-108) - Operating Segments.
- The paid-up equity share capital in item no. 12 of the above results is net of 49,77,671 equity shares of Rs 1 each held by Metropolitan Stock Exchange Esop Trust.
- The Board at its Meeting held on August 6, 2016 had offered to its eligible shareholders on Rights Basis (a) 97,33,34,552 equity shares of Re.1 each per equity share at par value in the ratio of one equity share for every two equity shares (1:2) held on the Record Date i.e. August 10, 2016 with (b) optional entitlement of 24,33,33,614 warrants at a price of Re.1 per warrant in the ratio of one warrant for every four equity shares (1:4) which an eligible shareholder is entitled to as part of the Rights issue. The Rights Issue opened on August 23, 2016 and closed on September 20, 2016.  
Out of the subscription received the Board at its Meeting held on September 24, 2016 allotted 16,83,15,185 equity shares (having face value of Re.1 per share) at a price of Re. 1 per share and 68,62,589 warrants (having face value of Re.1 per warrant) at Re.1 per warrant (50% of the amount paid on application and remaining 50% of the amount payable on conversion) with paid up value of Re.0.50 per warrant.  
The unsubscribed portion after the above allotment was 80,50,19,367 equity shares. Subsequently, the Board had allotted 38,97,02,008 equity shares up to June 30, 2017. Further, the board has allotted 41,53,17,359 equity shares out of the unsubscribed portion of the Rights Issue as on July 17, 2017. The paid up capital of the Exchange after the said allotments stood at 3,18,51,81,273 as on September 30, 2017.  
Out of the outstanding warrants of 68,62,589, Rs.0.50 per warrant was payable for conversion which became due after September 23 2017 onwards. Accordingly, the company has received conversion requests against 6803519 warrants aggregating to Rs.3402760. The outstanding warrants not requested for conversion as on November 30 2017 is 59,070.
- The Board at its meeting held on August 11, 2017 had offered to its eligible shareholders on Rights basis 1,59,25,90,703 equity shares at a price of Rs.1.30/ per share (including a premium of Rs.0.30) aggregating to Rs.2,07,03,67,914 in the ratio of 1:2, held on the record date September 7 2017. The rights issue opened on September 16 2017 and closed on September 30 2017.  
Out of the subscription received, the Board vide Circular resolutions allotted 86,19,90,178 equity shares aggregating to Rs.1,12,05,87,231.40 as on November 22 2017. After the above allotment, the unsubscribed portion was 73,06,00,525 equity shares. Subsequently, the board has allotted 44,28,27,252 equity shares out of the aforesaid unsubscribed portion of the Rights issue 2017, aggregating to Rs.57,56,75,427.60 as on December 12 2017. The balance unsubscribed portion as on December 12 2017 stood at 28,77,73,273 equity shares. The paid up capital of the company as on date December 12 2017 stood at Rs.445,00,48,753.
- The auditor in their review report on the unaudited financial statements for the period ended September 30, 2017 expressed certain qualification which are summarised below along with the Company's comments on the same:  
A)The company continues to prepare its Financial Statements on going concern basis, even though it has continued to incur significant losses during the current quarter/period, business volumes are reducing and there is no clarity on required increase in business volume. The company is however working on its detailed plan for turn around and is confident of raising further funds in the coming year, increase the 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.38.76 Crores and Rs.1.86 Crores towards GST set-off and MAT Credit is considered as recoverable. We are unable to comment on the same and the adjustments, if any, that will be arising out of the same.  
The Company is executing business growth plan and in the process has created new products which are pending approval from SEBI. Further, the company has embarked upon brand building, has formulated incentive plans for its members and has offered infrastructural support. Over the last fourteen months, the company has raised Rs.266 crore via new equity issues which demonstrates investor confidence in the company. These funds will be utilized in capitalizing the subsidiary MCCIL and bringing its net worth to the regulatory level. Post this, the company is confident of getting product approvals from SEBI and surging ahead in business growth. Management is therefore justified in preparing the financial statements on going concern basis.  
B)The company, in the 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. As informed by the Management, they 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. We are unable to comment on the adjustments, if any, that will be arising out of such review including the provision towards the liability with regard to the contracts entered in past.  
The Management is reviewing the same.

### 8 Reconciliation of financials results for the period/year as reported under Ind AS and erstwhile Indian GAAP

(Rs. In Lakhs)

	For the quarter ended 30.09.2016	For the half year ended 30.09.2016	For the year ended 31.03.2017
<b>Profit/ (loss) as per erstwhile IGAAP after Tax</b>	<b>(758)</b>	<b>(1,459)</b>	<b>(3,411)</b>
Adjustment :			
Fair Valuation of Investment through Profit and Loss account	8	8	1
Lease Equilisation	(5)	(5)	(20)
Remeasurement of Employees deposits	1	2	5
Income recognition on interest free deposit	1	1	9
<b>Total Adjustments</b>	<b>5</b>	<b>6</b>	<b>(6)</b>
<b>Profit/ (loss) as per Ind AS before OCI</b>	<b>(752)</b>	<b>(1,453)</b>	<b>(3,417)</b>
<b>Other Comprehensive Income</b>			
<b>Remeasurement of Employees Benefits (net of Tax)</b>	<b>(1)</b>	<b>(2)</b>	<b>(5)</b>
<b>Profit/ (loss) as per Ind AS after tax</b>	<b>(754)</b>	<b>(1,455)</b>	<b>(3,422)</b>

### 9 Reconciliation of Total Equity as at 31st March 2017

(Rs. In Lakhs)

	As At 30.09.2016	As At 31.03.2017
<b>Total Equity (Shareholder's fund) as per previous GAAP</b>	<b>19,412</b>	<b>18,304</b>
Adjustment :		
Fair Valuation of Investment through Profit and Loss account	8	1
Lease equilisation	(5)	(20)
Fair valuation of Deposits	(82)	(82)
Income recognition on interest free deposit	2	9
<b>Total Adjustments</b>	<b>(77)</b>	<b>(92)</b>
<b>Total equity as per Ind AS</b>	<b>19,335</b>	<b>18,212</b>

- 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/period.

For and on Behalf of Board of Directors of  
**Metropolitan Stock Exchange of India Limited**

Sd/-  
**Udai Kumar**  
Managing Director & CEO

Place : Mumbai  
Dated : December 14, 2017