

Statement Of Unaudited Consolidated Financial Results For The Quarter And Half Year Ended September 30, 2019

(Rs in Lakh except per share data)							
Sr. No	Particulars	For the Quarter Ended			For the Half year Ended		For the Year Ended
		Sept 30,2019	June 30,2019	Sept 30,2018	Sept 30,2019	Sept 30,2018	March 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from operations	254	251	152	505	306	804
2	Other Income	654	872	670	1,526	1,326	2,716
3	Total Income	908	1,122	822	2,031	1,633	3,520
4	Expenses						
(a)	Operating expenses	442	381	410	822	842	1,602
(b)	Employee benefits expense	502	474	440	976	896	1,882
(c)	Depreciation and amortisation expense	403	402	373	805	745	1,338
(d)	Advertisement and business promotion expenses	6	15	91	20	139	194
(e)	Administration and Other expenses	243	369	857	612	1,294	2,238
(f)	Finance Costs	77	74	25	151	47	110
	Total Expense	1,672	1,715	2,196	3,386	3,964	7,365
5	Profit/ (Loss) from before Exceptional items and tax	(764)	(592)	(1,374)	(1,355)	(2,331)	(3,845)
6	Exceptional items (Refer note 6)	(1,480)	-	-	(1,480)	-	-
7	Profit/ (Loss) from before tax	(2,244)	(592)	(1,374)	(2,835)	(2,331)	(3,845)
8	Tax expense						
	1) Current Tax	30	85	8	115	88	203
	2) Earlier Year Tax	-	8	-	8	-	8
	3) Deferred Tax	23	12	3	35	5	3
	Total Tax Expense	53	105	11	158	93	214
9	Profit/ (Loss) for the period/year	(2,297)	(697)	(1,385)	(2,992)	(2,424)	(4,058)
10	Other Comprehensive Income						
	1) Items that will not reclassified to profit or loss (net of tax)	4	(1)	4	2	9	(10)
	2) Income tax relating to item will not reclassified to profit or (loss)	-	-	-	-	-	1
	Total other Comprehensive Income for the period/year , net of tax	4	(1)	4	2	9	(10)
11	Total Comprehensive Income for the period/year	(2,293)	(698)	(1,380)	(2,990)	(2,416)	(4,068)
12	Minority Interest in Income/(Loss)	(6)	11	4	6	13	28
14	Paid-up Equity Share Capital (Equity Shares of Rs. 1/- each.)						48,052
15	Reserves excluding revaluation reserves						(10,938)
16	Earnings Per Share of Rs 1/- each (In Rs) (Not Annualised)						
	(a) Basic	(0.05)	(0.01)	(0.02)	(0.06)	(0.05)	(0.08)
	(b) Diluted	(0.05)	(0.01)	(0.02)	(0.06)	(0.05)	(0.08)

Consolidated Statement of Asset & Liabilities as at Sept 30, 2019

(Rs in Lakhs)			
	Particulars	As at 30th Sept '19 (Unaudited)	As at 31st March '19
I	ASSETS		
1	Non-Current Assets		
(a)	Property, plant and equipment	520	441
(b)	Intangible assets	2,449	3,838
(c)	Intangible assets under development	165	154
(d)	Right to use assets	1,005	
(e)	Financial assets		
	i.Other financial assets	5,953	5,611
(f)	Income tax assets (net)	487	959
(g)	Deferred tax assets (Net)	186	186
(h)	Other non-current assets	4,200	4,018
		14,965	15,207
2	Current Assets		
(a)	Financial assets		
	i. Investments	4,778	4,088
	ii.Trade receivables	(6,715)	134
	iii.Cash and cash equivalents	288	152
	iv.Bank balance other than (iii) above	32,680	37,809
	v.Other financial assets	144	47
(b)	Current tax assets (Net)	383	1,755
(c)	Other current assets	8,053	339
		39,611	44,324
	Total Assets	54,576	59,531
II	EQUITY & LIABILITIES		
3	Equity		
(a)	Equity Share capital	48,052	48,052
(b)	Other equity	(14,205)	(10,937)
	Total Equity	33,848	37,115
4	Non Controlling Interest	586.3	1,286
5	Core Settlement Guarantee Fund	1,041	1,041
	Liabilities		
6	Non-Current Liabilities		
(a)	Financial liabilities		
	i.Other financial liabilities	11,636	10,776
(b)	Provisions	41	31
(c)	Deferred Tax Liability	35	1
		11,712	10,808
7	Current Liabilities		
(a)	Financial liabilities		
	i. Borrowings	-	2,415
	ii. 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	1,637	948
	iii. Other financial liabilities	5,015	5,405
(b)	Other current liabilities	707	489
(c)	Provisions	29	24
		7,389	9,281
	Total Equity & Liabilities	54,576	59,531

Notes:

1. The above unaudited consolidated financial results of the Group for the quarter and half year ended September 30, 2019, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on November 13, 2019 and the Statutory Auditors of the Company have carried out limited review of the aforesaid result.

2. The above consolidated financial results for the quarter and half year ended September 30, 2019 are prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) 'Interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India.

3. The paid-up equity share capital disclosed in above results is net of 49,77,671 equity shares of Rs 1 each held by Metropolitan Stock Exchange Esop Trust.

4. The Company had adopted Ind AS 116 "Leases", effective from April 1, 2019. This has resulted in recognising a Right-of-Use asset and corresponding Lease Liability of Rs. 1268 Lakhs as at April 1, 2019. The Impact on the profit / loss for the quarter is not material.

5. SEBI had issued norms related to the computation and contribution to the Core Settlement Guarantee Fund (Core SGF) as part of the SEBI circular CIR/CMD/DRMNP/25/2014 dated August 27, 2014. Based on said guidelines clearing corporation and stock exchange are required to contribute at least 50% and 25% of the minimum required corpus (MRC) of the core SGF whereas up to 25% of the core SGF contribution can be collected from clearing members.

"(A) Core SGF- MSE Segment:

An amount of INR 41.65 crore is required to be maintained as the Minimum Required Corpus (MRC) of Core SGF in the Currency Derivatives Segment. As on September 30, 2019, an amount of INR 52.99 crore is maintained comprising of INR 23.35 crore contributed by the MCCIL, INR 10.41 crore contributed by Metropolitan Stock Exchange of India Limited (MSE), INR 4.26 crore as Penalties and INR 14.97 crore as Income earned / accrued on Core SGF Corpus."

"(B) Core SGF-ICEX Segment:

An amount of INR 10 crore is required to be maintained as the Minimum Required Corpus (MRC) of Core SGF in the Commodity Derivatives Segment. As on September 30, 2019, an amount of INR 43.65 crore is maintained comprising of INR 5 crore contributed by the MCCIL, INR 35.34 crore contributed by ICEX and INR 0.16 crore as Penalties, INR 3.15 crore as Income earned/accrued on Core SGF Corpus."

6. The Holding company has carried out the Impairment testing in quarter ending september 30, 2019 and accordingly an amount of Rs. 1479 Lakh where carrying value was higher than the recoverable value has been impaired. The Assets getting impaired are intangible software's predominantly matching engine and related components for certain non revenue generating segments. The above impairment exercise has been carried out as per IND AS 36

7. The auditor in their review report on the consolidated financial statements for the quarter and half year ended September 30, 2019 expressed below qualification which is summarised along with the Company's comments on the same:

The Consolidated Financial Statements are prepared on going concern basis even though there are significant losses during the current period, business volumes is not sufficient to make profits and there is no clarity on increase in revenue in future. As advised, the company is working on a detailed plan for turn around and is confident of getting the required volumes and make profits in future years, is having sufficient liquidity and required net worth at present and hence prepared the accounts on going concern basis. The management has accordingly also considered the GST Credit available amounting to Rs.40.15 Cr and MAT Credit Entitlement amounting to Rs. 1.86 Cr as recoverable, basis its assumption of going concern. We are unable to comment on the recoverability of the same and the adjustments, if any, that will be arising out of the same.

"Pursuant to amendment of SECC Regulations, our subsidiary Metropolitan Clearing Corporation of India Ltd. (MCCIL) has initiated capital reduction amounting to Rs. 17,000 Lakh. Upon receipt of approval from NCLT, the capital reduction is affected and MSE has started receiveing proportionate (95.85%) refund of the capital reduced. MSE has received Rs. 16,295 Lakh, and is adequately capitalised and based on appropriate functioning of operations, company has prepared the accounts on going concern basis.

Further, Exchange and subsidiary Metropolitan Clearing Corporation of India Ltd has successfully gone live on interoperability on 1 June 2019."

8. Previous quarter's figures has been re-grouped, re-arranged, re-classified and restated wherever necessary, to make them comparable with those of the current quarter's classification / disclosure.

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

Chairman

CFO

Place : Mumbai
Dated : November 13, 2019

Unaudited Consolidated Segment Information For The Period Ended September 30, 2019

Primary Segment							
Business segments being Trading & Clearing		(Rs in Lakh)					
Sr. No.	Particulars	For the Quarter Ended			For the Half year Ended		For the year ended
		September 30, 2019	June 30, 2019	September 30, 2018	Sept 30, 2019	Sept 30, 2018	March 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Segment Revenue						
	(a) Trading Services	125	134	152	259	306	583
	(b) Clearing Services	131	118	4	249	8	230
	Total	256	252	156	508	314	813
	Less : Inter Segment Revenue	2	1	4	3	8	9
	Total Income	254	251	152	505	306	804
II	Segment Results						
	(a) Trading Services	(2,442)	(1,084)	(1,548)	(3,525)	(2,868)	(4,989)
	(b) Clearing Services	(271)	(412)	(470)	(683)	(742)	(1,427)
	Profit / (Loss) before Interest and Taxation	(2,713)	(1,496)	(2,019)	(4,208)	(3,610)	(6,416)
	Less : Interest	77	74	25	151	47	110
	Add : Unallocable Income	545	978	674	1,524	1,331	2,681
	Profit / (Loss) before Taxation	(2,244)	(592)	(1,369)	(2,835)	(2,326)	(3,845)
	Less : Tax Expense (Net)	53	105	16	158	98	214
	Profit / (Loss) after Taxation	(2,297)	(697)	(1,384)	(2,993)	(2,424)	(4,059)
	Less : Minority Interest	(6)	11	4	6	13	28
	Other Comprehensive Income	4	(1)	4	2	9	10
	Profit / (Loss) for the period/year	(2,288)	(710)	(1,384)	(2,997)	(2,429)	(4,096)
III	Segment Assets (As at)						
	(a) Trading Services	25,684	9,997	14,787	25,684	14,787	9,183
	(b) Clearing Services	31,303	15,305	34,699	31,303	34,699	13,763
	(c) Unallocated	11,975	35,994	6,116	11,975	6,116	36,583
	Total Assets	68,962	61,296	55,602	68,962	55,602	59,530
IV	Segment Liabilities (As at)						
	(a) Trading Services	6,649	9,637	7,179	6,649	7,179	7,911
	(b) Clearing Services	23,839	12,587	4,669	23,839	4,669	9,219
	(c) Unallocated	2,998	2,654	2,637	2,998	2,637	2,958
	Total Liabilities	33,486	24,878	14,486	33,486	14,486	20,089

Secondary Segment

Since all the activities of the company are predominantly conducted in India, there are no separate reportable geographical segments.

Notes on Segment Information for the quarter ended 30th September, 2019 :

"In accordance with Ind AS-108 "Segment Reporting", the Group has two reportable segments, Trading Services and Clearing Services. Segments have been identified and reported taking into account nature of services, management structure and system of financial reporting. The accounting policies adopted for segment reporting are in line with the accounting policy of the group with following additional policies for segment reporting.

- Revenues and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenues and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable."
- Segment assets and segment liabilities represent assets and liabilities in respective segments.

Consolidated statement of Cash Flows for the half year ended Sept 30, 2019

(Rs in Lakhs)						
	Particulars	For the Half year ended		For the Half year ended		For the year ended
		Sept 30, 2019		Sept 30, 2018		March 31, 2019
		Unaudited		Unaudited		Audited
A.	Cash flow from Operating Activities					
	Net Profit / (Loss) before tax as per Statement of Profit and Loss		(2,835)		(2,323)	(3,845)
	Adjustments for					
	Depreciation/Amortisation	1,338		745		1,338
	Net fair value gain/loss on financial assets measured at fair value through profit and loss	(63)		5		(112)
	Income Tax Expenses	-		-		-
	Dividend from Investments	(40)		(8)		(41)
	Net Prior Year Adjustments	-		-		-
	Unrealised Exchange Rate fluctuation	2		-		-
	Interest Income	(1,113)		(1,017)		(2,414)
	Finance Costs	151		47		111
	Loss on sale of Fixed Asset (net)	1		-		-
	Fixed assets written off	-		369		372
	Provision for doubtful debts	-		26		27
	Impairment loss on other assets	-		-		15
	Profit on sale of investments (net)	(13)		(40)		(100)
	Remeasurement of Employee Benefit	2		0		(10)
	Depletion in value of investments	-	266	-	128	(813)
	Operating profit/ (loss) before working capital changes		(2,569)		(2,195)	(4,659)
	Adjustments for					
	Decrease/ (increase) in Trade receivable	6,849		(12)		(114)
	Decrease/ (increase) in current & non current asset	(6,869)		357		(26)
	Total Increase / (decrease) in Current and non current assets		(20)		345	(139)
	Increase / (decrease) in trade payables	689		192		132
	Increase / (decrease) in financial and other liabilities	(288)		(592)		3,850
	Increase / (decrease) in provision	14		(81)		6
	Total Increase / (decrease) in Current and non current Liabilities		415		(481)	3,988
	Cash generated from/(used in) operations		(2,173)		(1,849)	(810)
	Net Prior Year Adjustments					
Advance Income Tax (net)	Less:(Taxes paid) / refund received		(123)		(45)	(211)
	Net cash generated from/(used in) operating activities		(2,296)		(2,376)	(1,021)
B.	Cash flow from Investing Activities					
	Purchase of Fixed Assets (including Capital Work In Progress)		(1,060)		(113)	(309)
	Sale of Fixed Assets (net)		16		-	3
	Purchase of current investments		(1,89,900)		(1,624)	(1,03,074)
	Sale of current investments		1,89,273		2,715	1,03,369
	Income from Current Investments		-		-	-
	Fixed deposit placed with banks		9,280		(3,151)	(43,182)
	Contribution of Exchange and Interest/Dividend/Penalty transferred to Core SGF fund (credited to CSGF)		-		-	-
	Fixed deposit matured		(4,528)		2,646	38,927
	Investment in subsidiary company		-		-	-
	Profit on sale of investments (net)		13		-	-
	Dividend from investment		40		8	41
	Interest received (net of accrued interest)		1,113		1,019	2,412
	Net cash generated from/(used in) Investing Activities		4,247		1,500	(1,813)
C.	Cash flow from Financing Activities					
	Finance Costs		(151)		(47)	(110)
	Share application money received/ (refunded)		-		562	(0)
	Short term borrowings		(2,415)		1,000	2,415
	Proceeds from issuance of shares (Net)		-		0	4,113
	Issue of Shares to Employees by ESOP trust from Loan shares		-		-	-
	Receipt/(Distribution) from/to Minority Shareholders		-		-	-
	Security premium collected		-		(12)	252
	Net Cash Generated from Financing Activities		(2,566)		1,503	6,669
	Net Increase in Cash and Cash Equivalents		(615)		626	3,835
	Cash and Cash Equivalents at Beginning of the Year		152		147	152
	Cash and Cash Equivalents at End of the Year		(464)		774	3,987
	Add : Fixed Deposits held for more than three months		32,680		-	37,809
	Closing Cash and Bank Balance as per Note 12 & 13		32,216		774	41,796