

Statement Of Unaudited Standalone 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 | 125 | 134 | 151 | 259 | 304 | 583 |
| 2 | Other Income | 145 | 249 | 250 | 393 | 335 | 712 |
| 3 | Total Income | 269 | 383 | 401 | 652 | 638 | 1,295 |
| 4 | Expenses | | | | | | |
| (a) | Operating expenses | 276 | 228 | 255 | 504 | 549 | 965 |
| (b) | Employee benefits expense | 378 | 390 | 373 | 768 | 762 | 1,572 |
| (c) | Depreciation and amortisation expense | 353 | 352 | 372 | 705 | 743 | 1,334 |
| (d) | Advertisement and business promotion expenses | 6 | 15 | 91 | 20 | 139 | 194 |
| (e) | Administration and Other expenses | 147 | 293 | 765 | 441 | 1,135 | 1,855 |
| (f) | Finance Costs | 69 | 74 | 25 | 143 | 47 | 110 |
| | Total Expense | 1,229 | 1,353 | 1,881 | 2,582 | 3,376 | 6,030 |
| 5 | Profit/ (Loss) from before Exceptional items and tax | (960) | (970) | (1,480) | (1,930) | (2,737) | (4,735) |
| 6 | Exceptional items (Refer note 8) | (1,480) | - | - | (1,480) | - | - |
| 7 | Profit/ (Loss) from before tax | (2,440) | (970) | (1,480) | (3,410) | (2,737) | (4,735) |
| 8 | Tax expense | | | | | | |
| | 1) Current Tax | - | - | - | - | - | - |
| | 2) Earlier Year Tax | - | - | - | - | - | 8 |
| | 3) Deferred Tax | - | - | - | - | - | - |
| | Total Tax Expense | - | - | - | - | - | 8 |
| 9 | Profit/ (Loss) for the period/Year | (2,440) | (970) | (1,480) | (3,410) | (2,737) | (4,743) |
| 10 | Other Comprehensive Income | | | | | | |
| | 1) Items that will not reclassified to profit or loss (net of tax) | 4 | (1) | 4 | 2 | 8 | (8) |
| | 2) Income tax relating to item will not reclassified to profit or (loss) | - | - | - | - | - | - |
| | Total other Comprehensive Income for the period/year, net of tax | 4 | (1) | 4 | 2 | 8 | (8) |
| 11 | Total Comprehensive Income for the period/Year | (2,436) | (971) | (1,475) | (3,407) | (2,729) | (4,751) |
| 12 | Paid-up Equity Share Capital (Equity Shares of Rs. 1/- each.) | 48,052 | 48,052 | 47,774 | 48,052 | 47,774 | 48,052 |
| 13 | Reserves excluding revaluation reserves | | | | | | (12,341) |
| 14 | Earnings Per Share of Rs 1/- each (In Rs) (Not Annualised) | | | | | | |
| | (a) Basic | (0.05) | (0.02) | (0.06) | (0.07) | (0.03) | (0.10) |
| | (b) Diluted | (0.05) | (0.02) | (0.06) | (0.07) | (0.03) | (0.10) |

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

| | | (Rs in Lakh) | |
|-----------|---|---------------------------------------|--------------------------------------|
| | Particulars | As at 30th Sept '19 (Unaudited) | As at 31st March '19 (Audited) |
| I | ASSETS | | |
| 1 | Non-Current Assets | | |
| (a) | Property, plant and equipment | 336 | 439 |
| (b) | Intangible assets | 1,962 | 3,741 |
| (c) | Intangible assets under development | 148 | 92 |
| (d) | Right to use assets | 650 | - |
| (e) | Financial assets | | |
| | i. Investments | | |
| | a. Investment in subsidiaries | 12,020 | 28,314 |
| | ii. Other financial assets | 4,210 | 4,226 |
| (f) | Income tax assets (net) | 487 | 567 |
| (g) | Deferred tax assets (Net) | 186 | 186 |
| (h) | Other non-current assets | 4,030 | 4,018 |
| | | 24,028 | 41,583 |
| 2 | Current Assets | | |
| (a) | Financial assets | | |
| | i. Investments | 3,074 | 667 |
| | ii. Trade receivables | 107 | 60 |
| | iii. Cash and cash equivalents | 196 | 136 |
| | iv. Bank balance other than (iii) above | 4,300 | - |
| | v. Other financial assets | 38 | 42 |
| (b) | Current tax assets (Net) | 383 | 993 |
| (c) | Other current assets | 6,852 | 304 |
| | | 14,950 | 2,202 |
| | Total Assets | 38,978 | 43,785 |
| II | EQUITY & LIABILITIES | | |
| 3 | Equity | | |
| (a) | Equity Share capital | 48,052 | 48,052 |
| (b) | Other equity | (15,748) | (12,341) |
| | Total Equity | 32,305 | 35,712 |
| | Liabilities | | |
| 4 | Non-Current Liabilities | | |
| (a) | Financial liabilities | | |
| | i. Other financial liabilities | 3,308 | 2,816 |
| (b) | Provisions | 12 | 11 |
| (c) | Deferred Tax Liability | - | - |
| | | 3,320 | 2,827 |
| 5 | 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 | 1,200 | 963 |
| | iii. Other financial liabilities | 1,491 | 1,487 |
| (b) | Other current liabilities | 643 | 366 |
| (c) | Provisions | 19 | 15 |
| | | 3,353 | 5,246 |
| | Total Equity & Liabilities | 38,978 | 43,785 |

Notes :

1. The above unaudited standalone financial results of the Company 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 standalone 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. 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 Interim 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.

4. 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.

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

6. As per Securities Contracts (Stock Exchange and Clearing Corporations) Regulations 2018, a recognised stock exchange shall have a minimum net worth of Rs. 10,000 Lakh at all times. Vide letter dated September 13, 2019 SEBI has granted renewal to the exchange as exchange had networth of more than Rs.10,000 Lakh as per SEBI regulations and asked to ensure that monies from subsidiary MCCIL is received within 3 months on account of Capital reduction of subsidiary. As at September 30, 2019, the net worth of the exchange is Rs.20,285 Lakh (Net of investments in subsidiary Rs. 12,020 Lakh) as per SEBI regulations.

7. The company has initiated process for selection of new MD and CEO, in previous quarter, inline with regulations of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018. The same is submitted to SEBI, after receiving approval in AGM.

8. 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

9. Company had Availed an overdraft facility of Rs.41.9 Crores by pledging Fixed Deposit of its subsidiary MCCIL with DCB bank. The Overdraft utilised of the overall sanction limit was Rs.32.72 Crores. Company has received funds from Subsidiary MCCIL on account of Capital reduction and has utilised this funds for the payment of Overdraft facility. Accordingly Complete amount has been repaid and the said overdraft facility was closed after releasing lien over all the fixed deposit of the subsidiary.

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

"The company continues to prepare its Financial Statements on going concern basis even though it has continued to incur 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."

11. 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

Place : Mumbai
Dated : November 13, 2019

Chairman CFO

Standalone 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 | | (3,410) | | (2,729) | | (4,735) |
| | Adjustments for | | | | | | |
| | Depreciation/Amortisation | 705 | | 743 | | 1,334 | |
| | Impairment of Assets | 1,480 | | | | - | |
| | Net fair value gain/loss on financial assets measured at fair value through profit and loss | (27) | | 5 | | 30 | |
| | Unrealised Exchange Rate fluctuation | 2 | | - | | - | |
| | Interest Income | (140) | | (135) | | (279) | |
| | Finance Costs | 143 | | 47 | | 110 | |
| | Loss on sale of Fixed Asset (net) | 1 | | - | | - | |
| | Fixed assets written off | - | | 369 | | 372 | |
| | Provision for doubtful debts | 50 | | 26 | | 31 | |
| | Impairment loss on other assets | - | | - | | 15 | |
| | Profit on sale of investments (net) | (13) | | (40) | | (100) | |
| | Remeasurement of Employee Benefit | 2 | | | | (8) | |
| | Depletion in value of investments | - | 2,204 | - | 1,016 | 1 | 1,505 |
| | Operating profit/ (loss) before working capital changes | | (1,206) | | (1,713) | | (3,230) |
| | Adjustments for | | | | | | |
| | Decrease/ (increase) in Trade receivable | (96) | | (12) | | 20 | |
| | Decrease/ (increase) in current & non current asset | (6,227) | | 312 | | 261 | |
| | Total Increase / (decrease) in Current and non current assets | | (6,323) | | 300 | | 281 |
| | Increase / (decrease) in trade payables | 237 | | 261 | | 154 | |
| | Increase / (decrease) in financial and other liabilities | 771 | | (332) | | (771) | |
| | Increase / (decrease) in provision | 5 | | (3) | | (3) | |
| | Total Increase / (decrease) in Current and non current Liabilities | | 1,013 | | (74) | | (621) |
| | Cash generated from/(used in) operations | | (6,516) | | (1,486) | | (3,570) |
| | Net Prior Year Adjustments | | | | | | |
| Advance Income Tax (net) | Less:(Taxes paid) / refund received | | | | (45) | | (8) |
| | Net cash generated from/(used in) operating activities | | (6,516) | | (1,532) | | (3,578) |
| B. | Cash flow from Investing Activities | | | | | | |
| | Purchase of Fixed Assets (including Capital Work In Progress) | | (1,026) | | (77) | | (147) |
| | Sale of Fixed Assets (net) | | 16 | | - | | 3 |
| | Purchase of current investments | | (2,940) | | (1,624) | | (2,826) |
| | Sale of current investments | | 572 | | 2,715 | | 4,028 |
| | Income from Current Investments | | | | | | |
| | Fixed deposit placed with banks | | (7,251) | | (3,151) | | (4,003) |
| | Fixed deposit matured | | 3,328 | | 2,646 | | 3,476 |
| | Investment in subsidiary company | | 16,295 | | - | | - |
| | Interest received (net of accrued interest) | | 140 | | 137 | | 279 |
| | Net cash generated from/(used in) Investing Activities | | 9,134 | | 646 | | 809 |
| C. | Cash flow from Financing Activities | | | | | | |
| | Finance Costs | | (143) | | (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 | | 278 |
| | Security premium collected | | - | | (12) | | 252 |
| | Net Cash Generated from Financing Activities | | (2,558) | | 1,503 | | 2,834 |
| | Net Increase in Cash and Cash Equivalents | | 60 | | 617 | | 66 |
| | Cash and Cash Equivalents at Beginning of the Year | | 135 | | 70 | | 70 |
| | (Refer note 12) | | - | | - | | - |
| | Cash and Cash Equivalents at End of the Year | | 196 | | 688 | | 136 |
| | (Refer note 12) | | - | | - | | - |
| | Add : Fixed Deposits held for more than three months | | 4,300 | | - | | - |
| | Closing Cash and Bank Balance as per Note 12 & 13 | | 4,496 | | 688 | | 136 |