

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 STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

(₹ in Lakh except per share data)

Standalone						
Sr. No.	Particulars	For the Quarter Ended			For the year ended	
		Mar 31, 2020 (Audited)	Dec 31, 2019 (Unaudited)	Mar 31, 2019 (Audited)	Mar 31, 2020 (Audited)	Mar 31, 2019 (Audited)
1	Revenue from operations	140	126	136	525	583
2	Other Income	317	339	200	1,050	712
3	Total Income	457	465	336	1,575	1,295
4	Expenses					
	(a) Operating expenses	251	317	234	1,072	1,049
	(b) Employee benefits expense	481	450	420	1,699	1,572
	(c) Depreciation and amortisation expense	116	220	281	1,041	1,334
	(d) Advertisement and business promotion expenses	10	21	14	51	194
	(e) Administration and Other expenses	301	166	332	908	1,772
	(f) Finance Costs	(23)	19	37	139	110
	Total Expense	1,136	1,193	1,319	4,910	6,030
5	Profit/ (Loss) from before Exceptional items and tax	(679)	(728)	(984)	(3,335)	(4,735)
6	Exceptional items (Refer note 9)	-	-	-	(1,480)	-
7	Profit/ (Loss) from before tax	(679)	(728)	(984)	(4,815)	(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	(679)	(728)	(984)	(4,815)	(4,743)
10	Other Comprehensive Income					
	1) Items that will not reclassified to profit or loss (net of tax)	(17)	1	(21)	(14)	(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	(17)	1	(21)	(14)	(8)
11	Total Comprehensive Income for the period/Year	(696)	(727)	(1,005)	(4,829)	(4,751)
12	Paid-up Equity Share Capital (Equity Shares of Rs. 1/- each.)	48,052	48,052	48,052	48,052	48,052
13	Other equity	-	-	-	(17,170)	(12,341)
14	Earnings Per Share of Rs 1/- each (In Rs) (Not Annualised)					
	(a) Basic	(0.01)	(0.02)	(0.02)	(0.10)	(0.10)
	(b) Diluted	(0.01)	(0.02)	(0.02)	(0.10)	(0.10)

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STANDALONE STATEMENT OF ASSET & LIABILITIES AS AT MARCH 31, 2020

(₹ in Lakh)

Sr. No.	Particulars	As at 31st March '20 (Audited)	As at 31st March '19 (Audited)
I	ASSETS		
1	Non-Current Assets		
	(a) Property, plant and equipment	257	439
	(b) Intangible assets	1,757	3,741
	(c) Intangible assets under development	171	92
	(d) Right to use assets	243	-
	(e) Financial assets		
	i. Investments		
	a. Investment in subsidiaries	12,019	28,314
	b. Other Investments	3,981	-
	ii. Other financial assets	5,782	4,226
	(f) Income tax assets (net)	379	567
	(g) Deferred tax assets (Net)	186	186
	(h) Other non-current assets	4,182	4,018
		28,957	41,583
2	Current Assets		
	(a) Financial assets		
	i. Investments	3,882	667
	ii. Trade receivables	67	60
	iii. Cash and cash equivalents	1,257	136
	iv. Bank balance other than (iii) above	478	-
	v. Other financial assets	382	42
	(b) Current tax assets (Net)	457	993
	(c) Other current assets	332	304
		6,855	2,202
	Total Assets	35,812	43,785
II	EQUITY & LIABILITIES		
3	Equity		
	(a) Equity Share capital	48,052	48,052
	(b) Other equity	(17,170)	(12,341)
	Total Equity	30,882	35,712
	Liabilities		
4	Non-Current Liabilities		
	(a) Financial liabilities		
	i. Lease rental liability	184	-
	ii. Other financial liabilities	2,308	2,816
	(b) Provisions	14	11
	(c) Deferred Tax Liability	-	-
		2,506	2,827
5	Current Liabilities		
	(a) Financial liabilities		
	i. Borrowing	-	2,415
	ii. Trade payables		
	a. Total outstanding dues of micro, small and medium enterprises	2	-
	b. Total outstanding dues to creditors other than micro, small and medium enterprises	211	963
	iii. Lease rental liability	418	-
	iv. Other financial liabilities	1,481	1,530
	(b) Other current liabilities	286	323
	(c) Provisions	26	15
		2,424	5,246
	Total Equity & Liabilities	35,812	43,785

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STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

Sr. No.	Particulars	For the year ended	
		March 31, 2020 (Audited)	March 31, 2019 (Audited)
A.	Cash flow from Operating Activities		
	Net Profit / (Loss) before tax as per Statement of Profit and Loss	(4,815)	(4,735)
	Adjustments for		
	Depreciation/Amortisation	844	1,334
	Depreciation On Right to Use Assets	197	-
	Impairment of Assets	1,480	-
	Net fair value gain/loss on financial assets measured at fair value through profit and loss	13	30
	Unrealised Exchange Rate fluctuation	2	-
	Interest Income - Bank FD	(348)	(279)
	Interest Income - Corp. FD	(100)	-
	Interest on IT Refund	(80)	-
	Finance Costs	99	110
	Finance Costs - ROU Asset (net)	40	-
	Fixed assets written off	-	372
	Provision for doubtful debts	39	31
	Impairment loss on other assets	-	15
	Profit on sale of investments (net)	(222)	(100)
	Remeasurement of Employee Benefit	(14)	(8)
	Depletion in value of investments	0	1
	Operating profit/ (loss) before working capital changes	(2,865)	(3,230)
	Adjustments for		
	Decrease/ (increase) in Trade receivable	(49)	20
	Decrease/ (increase) in current & non current asset	(162)	261
	Total Increase / (decrease) in Current and non current assets	(211)	281
	Increase / (decrease) in trade payables	(750)	154
	Increase / (decrease) in financial and other liabilities	(512)	(771)
	Increase / (decrease) in provision	13	(3)
	Total Increase / (decrease) in Current and non current Liabilities	(1,249)	(621)
	Cash generated from/(used in) operations	(4,325)	(3,570)
	Net Prior Year Adjustments		
	Net cash generated from/(used in) operating activities	(3,521)	(3,578)
B.	Cash flow from Investing Activities		
	Purchase of Fixed Assets (including Capital Work In Progress)	(248)	(147)
	Sale of Fixed Assets (net)	12	3
	Purchase of current investments	(23,891)	(2,826)
	Sale of current investments	20,884	4,028
	Fixed deposit placed with banks	(15,500)	(4,003)
	Fixed deposit matured	13,516	3,476
	Investment in subsidiary company	16,295	-
	Interest received (net of accrued interest)	297	279
	Net cash generated from/(used in) Investing Activities	7,385	810
C.	Cash flow from Financing Activities		
	Finance Costs	(99)	(110)
	Lease Liability Payment	(228)	-
	Share application money received/ (refunded)	-	(0)
	Short term borrowings	(2,415)	2,415
	Proceeds from issuance of shares (Net)	-	278
	Security premium collected	-	252
	Net Cash Generated from Financing Activities	(2,742)	2,834
	Net Increase in Cash and Cash Equivalents	1,122	66
	Cash and Cash Equivalents at Beginning of the Year (Refer note 12)	136	70
	Cash and Cash Equivalents at End of the Year (Refer note 12)	1,257	136
	Add : Fixed Deposits held for more than three months	478	-
	Closing Cash and Bank Balance as per Note 12 & 13	1,735	136
	Component of cash & bank balance (refer note 12)		
	In current account		
	Owned	821	114
	Earmarked	436	21
	Cash on hand	0	0
	Stamps in hand	0	1
		1,257	136

Notes :

- 1 The above unaudited standalone financial results of the Company for the quarter and year ended March 31, 2020, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on June 23, 2020 and the Statutory Auditors of the Company have conducted an audit of the aforesaid result.
- 2 The above standalone financial results for the quarter and year ended March 31, 2020 are prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 3 Subsidiary MCCIL had filed a capital reduction petition with Hon'ble National Company Law Tribunal (NCLT) on November 30, 2018 seeking reduction of 170,000,000 Equity Shares of INR 10/- each held by the Shareholders as on the record date on proportionate basis, at a price of INR 10 per share, out of the total existing paid up Equity Share Capital of the Company of INR 29,537.09 Lakh divided into 295,370,991 Equity Shares of INR 10/- each fully paid up, and that such reduction is effected by returning capital to the Shareholders, of an aggregate amount of INR 17,000 Lakh and the Share Capital of the subsidiary MCCIL would reduce to the extent of shares so cancelled. The petition was admitted by Hon'ble NCLT on January 28, 2019.
The Hon'ble NCLT vide order dated August 19, 2019 and the Registrar of Companies vide issue of certificate dated August 29, 2019 approved reduction in share capital of the Company by 170,000,000 (Seventeen Crore) Equity Shares of INR 10/- each (Indian Rupees Ten only) held by the shareholders on proportionate basis. Accordingly MSE has received Rs. 16,294.96 Lakh from MCCIL and Investment of MSE in Subsidiary MCCIL has reduced to Rs. 12,017 Lakh.
- 4 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 & 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.
- 5 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.
- 6 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. 966 Lakhs as at April 1, 2019. The Impact on the profit / loss for the quarter is not material.
- 7 Interoperability among Clearing Corporations (CC) was implemented w.e.f June 2019. After implementation of the same, members of the Exchange have the option to choose CC to clear their trades. Further, as per the requirement laid down vide SEBI circular dated August 27, 2014 for contribution by Exchange to core SGF of each CC through which its trades are cleared. The Exchange had contributed towards the same to the tune of Rs. 1041 Lakh to MCCIL. Further, the Exchange has represented to SEBI for allowing the excess contribution made by the Exchange to MCCIL to be adjusted with the said contribution to other Clearing Corporations requirements.
- 8 Ms. Latika S. Kundu has joined the Exchange as MD & CEO of MSE w.e.f. March 12, 2020.
- 9 As per Ind AS 36 Impairment of Assets, an asset is treated to be impaired when it is carried at a value more than its recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If such case, the asset is described as impaired and Ind AS 36 'Impairment of Assets' requires an entity to recognise an impairment loss.
Accordingly, the Company has carried out impairment testing of intangible assets during the year to ascertain the carrying value of same predominantly Exchange softwares based on current and future expected activity and usage from the software deployed for various segment and accordingly considered a provision for impairment of Rs.1479 Lakh.
- 10 Impact of COVID 19: The Company being Exchange is under Essential Service Sector and was exempted from closure vide SEBI notification dated March 24, 2020. The said exemption was also carried forward vide notification dated April 15, 2020 and May 03, 2020.
As determined by the management, for the financial year ended March 31, 2020, the impact of CoVID-19 pandemic on Company's financials and Operations remained insignificant. However, going forward the full extent to which the pandemic will impact the future financial results of the Company will depend on upcoming developments, which are highly uncertain. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the Company, if any.
- 11 The auditor in their review report on the standalone financial statements for the quarter and Year ended March 31, 2020 expressed below qualification which is summarized 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 and preceding periods. Business volumes are not sufficient and there is no clarity on increasing revenue & making profits and the Company could not achieve its projected revenues so far. The management has also considered the GST Credit available amounting to Rs. 4,171 Lakh and MAT Credit Entitlement amounting to Rs.186 Lakh as recoverable, basis the same we are unable to comment on the preparation of accounts on going concern basis and not making provisions / impairment for the above and the adjustments, if any, that will be arising out of the same.
The Company is adequately capitalized, the regulatory net worth of the company as on March 31, 2020 stands at Rs. 18,864 Lakh as against minimum regulatory requirement of Rs. 10,000 Lakh. Further, the Exchange has also gone live on regulatory requirement like interoperability and Exchange's operations are running smoothly & appropriately.
Apart from this Exchange is taking various new initiatives which will help the Exchange in creating volumes and revenue. accordingly the company continues to prepare its Financial Statements on going concern basis. The management also believes for recovery of GST & MAT credit available to it in future years.
- 12 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