



Independent Auditor's Review Report on Unaudited Consolidated Financial Results of Metropolitan Stock Exchange of India Limited ('Holding Company') Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with Securities Contracts (Regulation) (Stock Exchange and Clearing Corporations) Regulations 2018, as amended, for the quarter and half year ended September 30, 2023.

**To The Board of Directors of
Metropolitan Stock Exchange of India Limited**

1. We have reviewed the Unaudited Consolidated Financial Results of **Metropolitan Stock Exchange of India Limited ("the Parent Company")** and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and half year ended September 30, 2023, which are included in the accompanying 'Statement of Unaudited Consolidated Financial Results', (the "Statement"), being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations') read with Regulation 33 of Securities Contracts (Regulation) (Stock Exchange and Clearing Corporations) Regulations, 2018, as amended, which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Parent Company's Management and approved by the Parent's Company's Board of Directors, has been 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. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have also performed procedures in accordance with the Circular No. CIR/CFD/CMD/44/2019 dated March 29, 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following subsidiary entities:
 - MSE Enterprises Limited (MEL) (formerly known as Metropolitan Clearing Corporation of India Limited); and
 - MSE Fintech Limited





5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter

- (a) We draw attention to Note 5 with regard to proposed Merger of MSE Enterprises Limited (MEL) (formerly known as Metropolitan Clearing Corporation of India Limited), with Company wherein it states that Board of Company and MEL accorded their in-principle approval for the Merger. The Parent Company has filed merger application with NCLT on March 23, 2023 with the appointed date of April 01, 2023, which is currently pending.
- (b) We draw attention to Note 8 with regard to preparation of Financial Statement on Going Concern Basis which state that "The Parent Company has incurred losses of Rs. 946 Lakh during the quarter ended September 30, 2023 (quarter ended June 30, 2023: Rs. 1,087 Lakh) and the net-worth of the Parent Company as per Stock Exchange and Clearing Corporation Regulation 2018 (SECC) norms amounts to Rs. 10,251 Lakh as on September 30, 2023 (June 30, 2023: Rs. 11,264 Lakh). The Parent Company has already filed application with NCLT during the financial year 2022-23 for merger of MSE Enterprises Limited (MEL), subsidiary (formerly known as Metropolitan Clearing Corporation of India Limited) with the Parent Company which shall further augment the net-worth significantly as per SECC norms. The Parent Company is in compliance of all regulatory requirements including interoperability, T+1 settlement cycle, etc. The Parent Company has not defaulted in payment of any of its creditors, statutory/regulatory liability and to employees and has sufficient funds to discharge all its liabilities. The Business Volumes in the Currency Derivatives Segment has improved year on year during the last three years and also the Parent Company has achieved its highest daily volume of last eight years on March 14, 2023. The Parent Company is also in the process of enabling various initiatives, rationalization measures, brand building and technological upgradation which shall help in Business and Product Expansion along with focus on bringing down overall cost of operations. This shall ensure further significant reduction in losses and the Parent Company is confident of making profits shortly. The Parent Company is also expecting the resolution of pending legal matters in its favour considering the current status which shall result in significant benefits to the Parent Company. The Parent Company accordingly continues to prepare its Financial Statements on going concern basis."

Our conclusion is not modified in respect of this matter.

7. Other Matter

The forensic audit of the Parent Company, with respect to the whistle blower complaints, as advised by Securities Exchange and Board of India (SEBI) has been completed and the report has been submitted to SEBI. The SEBI has passed an order on 31 July 2023 in which it had levied monetary penalty. The Parent Company is evaluating the order.

Our conclusion is not modified in respect of this matter.





8. The accompanying Statement includes the reviewed interim financial information in respect of a subsidiary, whose reviewed interim financial information reflects total revenue of INR 225.84 Lakhs, total net profit after tax of INR 68.75 Lakh and total comprehensive income of INR 68.75 Lakh for the quarter and half year ended September 30, 2023, and net cash in/outflow of INR 1.44 Lakhs for the half year ended on September 30, 2023. as considered in the Statement which have been reviewed by its independent auditors.

The independent auditor's reports on interim financial results of the subsidiary have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of the subsidiary, is based solely on the report of such auditor and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement in respect of above matter is not modified with respect to our reliance on the work done and the review report of the other auditors.

Place: Mumbai
Date: November 6, 2023
UDIN: 23076650BGUWPR1207

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg. No. 006711N/N500028


Pramod Tilwani
Partner

Membership No. 076650



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

(₹ in Lakh except per share data)

Sr. No	Particulars	For the quarter ended			For the half year ended		For the year ended
		Sept 30, 2023	June 30, 2023	Sept 30, 2022	Sept 30, 2023	Sept 30, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from operations	137	169	189	306	449	922
2	Other Income	384	330	1,424	714	1,734	4,544
3	Total Income	521	499	1,613	1,020	2,183	5,466
4	Expenses						
(a)	Operating expenses	530	583	469	1,113	924	2,324
(b)	Employee benefits expenses	418	451	460	869	963	1,897
(c)	Depreciation and amortisation expenses	141	194	278	334	512	1,065
(d)	Advertisement and business promotion expenses	61	108	33	169	59	379
(e)	Administration and Other expenses	239	245	273	485	489	1,234
(f)	Finance Costs	78	5	11	83	24	39
	Total Expense	1,467	1,586	1,524	3,053	2,971	6,938
5	Profit/ (Loss) from before Exceptional items and tax	(946)	(1,087)	89	(2,033)	(788)	(1,472)
6	Exceptional items (refer note 7a)	-	-	-	-	-	(521)
7	Profit/ (Loss) from before tax	(946)	(1,087)	89	(2,033)	(788)	(1,993)
8	Tax expense						
1)	Current Tax	5	0	(5)	5	-	-
2)	Earlier Year Tax	-	-	-	-	-	(0)
3)	Deferred Tax	-	-	7	-	4	(127)
	Total Tax Expense	5	0	2	5	4	(127)
9	Profit/ (Loss) for the period/year	(951)	(1,087)	87	(2,038)	(792)	(1,866)
10	Other Comprehensive Income						
1)	Items that will not reclassified to profit or loss (net of tax)	5	5	(7)	10	2	27
2)	Income tax relating to item will not reclassified to profit or (loss)	-	-	3	-	2	-
	Total other Comprehensive Income for the period/year , net of tax	5	5	(4)	10	4	27
11	Total Comprehensive Income for the period/year	(946)	(1,082)	83	(2,028)	(788)	(1,839)
12	Non controlling interest in Income/(Loss)	3	0	(14)	3	(23)	(11)
13	Net Profit/ (Loss) after taxes and non controlling interest (11-12)	(949)	(1,082)	97	(2,031)	(766)	(1,828)
14	Paid-up Equity Share Capital (Equity Shares of Rs. 1/- each.)	48,052	48,052	48,052	48,052	48,052	48,052
15	Other equity						(23,897)
16	Earnings Per Share of Rs 1/- each (In Rs) (Not Annualised)						
(a)	Basic	(0.02)	(0.02)	(0.02)	(0.04)	(0.02)	(0.04)
(b)	Diluted	(0.02)	(0.02)	(0.02)	(0.04)	(0.02)	(0.04)

STATEMENT OF CONSOLIDATED UNAUDITED ASSETS & LIABILITIES AS AT SEPTEMBER 30, 2023

(₹ in Lakh)

Sr. No.	Particulars	As at September 30, 2023 (Unaudited)	As at March 31, 2023 (Audited)
I	ASSETS		
1	Non-Current Assets		
(a)	Property, plant and equipment	544	634
(b)	Intangible assets	740	781
(c)	Intangible assets under development	2	39
(d)	Right of use assets	183	287
(e)	Financial assets		
i.	Investments	1,777	437
ii.	Other financial assets	2,496	900
(f)	Income tax assets (net)	614	605
(g)	Other non-current assets	6,394	6,082
	Total non-current assets	12,750	9,765
2	Current Assets		
(a)	Financial assets		
i.	Investments	6,967	6,909
ii.	Trade receivables	156	91
iii.	Cash and cash equivalents	936	6,343
iv.	Bank balance other than (iii) above	20	2,876
v.	Other financial assets	6,467	3,508
(b)	Other current assets	282	454
	Total current assets	14,828	20,181
	Total Assets	27,578	29,946
II	EQUITY & LIABILITIES		
3	Equity		
(a)	Equity Share capital	48,052	48,052
(b)	Other equity	(25,928)	(23,897)
	Total Equity	22,124	24,155
4	Non Controlling Interest	517	514
5	Core Settlement Guarantee Fund	-	-
	Liabilities		
6	Non-Current Liabilities		
(a)	Financial liabilities		
i.	Lease rental liability	48	142
ii.	Other financial liabilities	1,974	2,060
(b)	Provisions	22	23
	Total non-current Liabilities	2,044	2,225
7	Current Liabilities		
(a)	Financial liabilities		
i.	Trade payables		
a.	Total outstanding dues of micro, small and medium enterprises	0	2
b.	Total outstanding dues to creditors other than micro, small and medium enterprises	9	90
ii.	Lease rental liability	185	216
iii.	Other financial liabilities	1,732	1,979
(b)	Other current liabilities	937	742
(c)	Provisions	30	23
	Total current liabilities	2,893	3,052
	Total Equity & Liabilities	27,578	29,946

STATEMENT OF CONSOLIDATED UNAUDITED CASH FLOWS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2023

(₹ in Lakh)

Sr. No	Particulars	For the half year ended		For the year ended	
		September 30, 2023 (Unaudited)		March 31, 2023 (Audited)	
A.	Cash flow from Operating Activities				
	Net Profit / (Loss) before tax as per Statement of Profit and Loss		(2,038)		(1,866)
	Adjustments for				
	Depreciation/Amortisation	230		794	
	Depreciation On Right to Use Assets	104		271	
	Assets Written off	-		521	
	Net fair value gain/loss on financial assets measured at fair value through profit and loss	(1)		(29)	
	Exchange Rate fluctuation	0		(1)	
	Interest income from financial assets at amortised cost	(650)		(2,815)	
	Discount income on bonds	(5)		(4)	
	Interest on IT Refund	(36)		(24)	
	Refund of Core SGF Contribution	-		(1,546)	
	Finance Costs - ROU Asset (net) & Write off Income	83		39	
	Profit on sale of Property, plant and equipment (net)	(2)		(2)	
	Expected credit loss on trade receivables	13		10	
	Profit on sale of investments (net)	(19)		(58)	
	Property, plant and equipment / CWIP written off / provided for	21		136	
	MAT Credit written off	-		186	
	Sundry balances written back	-		(20)	
	Remeasurement of Employee Benefit	10	(252)	27	(2,515)
	Operating profit/ (loss) before working capital changes		(2,290)		(4,381)
	Adjustments for				
	Decrease/ (increase) in trade receivable	(78)		341	
	Decrease/ (increase) in financial & other assets	(148)		(587)	
	Total Increase / (decrease) in Current and non current assets		(226)		(246)
	Increase / (decrease) in trade payables	(82)		34	
	Increase / (decrease) in financial & other liabilities	(137)		(12,862)	
	Increase / (decrease) in provision	6		(8)	
	Total Increase / (decrease) in Current and non current Liabilities		(213)		(12,836)
	Cash generated from/(used in) operations		(2,729)		(17,463)
	Less:(Taxes paid) / refund received		33		253
	Net cash generated from/(used in) operating activities		(2,696)		(17,211)
B.	Cash flow from investing activities				
	Purchase of Property, plant and equipment (including Capital Work In Progress)		(84)		(306)
	Proceeds from Property, plant and equipment (net)		2		2
	Purchase of current investments		(1,792)		(5,197)
	Proceeds from sale of current investments		1,858		6,087
	Fixed deposit placed with banks		(7,737)		(7,466)
	Fixed deposit matured		5,918		25,316
	Corporate Deposits (net)		(1,092)		1,395
	Refund of Core SGF Contribution		-		1,546
	Investment in Corporate Bonds (Including premium)		(362)		(1,539)
	Profit on sale of investments (net)		19		87
	Interest received (net of accrued interest)		767		2,474
	Net cash generated from/(used in) Investing Activities		(2,503)		22,399
C.	Cash flow from financing activities				
	Lease Liability Payment		(208)		(328)
	Net cash generated from/(used in) Financing Activities		(208)		(328)
	Net Increase in Cash and Cash Equivalents		(5,407)		4,860
	Cash and Cash Equivalents at Beginning of the Year		6,343		1,482
	Cash and Cash Equivalents at End of the Year		936		6,342
	Add : Fixed Deposits held for more than three months		20		2,876
	Closing Cash and Bank Balance		956		9,218
	Component of Cash & Bank balance				
	In current account				
	Owned	478			5,863
	Earmarked	458			479
	Cash on hand	0			0
	Stamps in hand	0			0
	Balances as per statement of cash flows		936		6,342

Notes :

- 1 The above Consolidated Unaudited Financial Results, of the Company, for the quarter and half year ended September 30, 2023, have been drawn up in accordance with Indian Accounting Standards (IND AS) as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and other recognised accounting practices generally accepted in India.
- 2 The above Statement of Consolidated Unaudited Financial Results have been reviewed by the Audit Committee at their meeting held on November 06, 2023, and approved by the Board of Directors at their meeting held on November 06, 2023 and T R Chadha & Co. LLP, the statutory auditors of the Company have carried out limited review of the said Statement of Consolidated Financial Results for the quarter and half year ended September 30, 2023.
- 3 The 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 allocating resources and assessing performance of the operating segments, has been identified as the MD & CEO of the Company. Pursuant to the de-recognition of MSE Enterprises Limited, subsidiary of the Exchange to operate as a clearing corporation, the Group is engaged in one Business Segment i.e. 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 Parent Company and MSE Enterprises Limited ("MEL") (formerly known as Metropolitan Clearing Corporation of India Limited) Boards respectively accorded their in-principle approval for the merger of MEL with MSE. Pursuant to the application made by MEL to SEBI to surrender the license / recognition, As per SEBI letter dated September 23, 2022, the recognition granted to MEL as a Clearing Corporation has expired wef October 03, 2022. MSE has filed merger application with NCLT on March 23, 2023 with the appointed date of April 01, 2023 which is currently pending.
- 6 SEBI in its order dated March 19, 2014 stated that 63 moons technologies limited (63 moons) is not a 'fit and proper person' to acquire or hold any equity share or any instrument that provides for entitlement for equity shares or rights over equity shares at any future date, in a Recognized Stock Exchange or Clearing Corporation, either directly or indirectly and directed them to divest equity shares held in MEL, directly or indirectly, within 90 days of the order. In the same order, SEBI also stated that 63 moons and entities through which it indirectly holds equity shares or any instrument entitling voting rights in MEL shall cease to be entitled to exercise voting rights in respect of those shares or instruments with immediate effect. The Securities Appellate Tribunal (SAT) has since its order dated July 09, 2014 upheld the decision of SEBI. SEBI had vide its letter dated September 29, 2014 directed MEL to comply with the shareholding requirements of SECC Regulations and SEBI's direction issued vide order dated March 19, 2014 with regard to entities which have been declared not 'fit and proper' person. Further MEL has sent multiple letters to 63 moons regarding divestment of their stake in MEL; in reply to these letters 63 moons informed MEL that they are in search of the suitable buyer to acquire their stake. Further, SEBI vide letter no. SEBI/MRD/DRMNP/2019/15963 dated June 25, 2019 advised MEL to freeze the voting rights and corporate benefits of 63 moons technologies limited. Further, MEL has provided for interest of Rs. 73.80 lakhs towards capital reduction proceeds of Rs.3.31 Crores payable to 63 moons which is shown as current liability in the Consolidated Unaudited Financial Results.
- 7 Pursuant to derecognition of MEL as Clearing Corporation, following steps has been carried out:
 - a) Impairment testing on the assets has been conducted and requisite provision has been made and shown as Exceptional Item in the Consolidated Audited Financial Results for the FY 2022-23.
 - b) Interest earned on own contribution to Core Settlement Guarantee Fund since inception amounting to INR 16.97 Crores has been shown as Other Income during the FY 2022-23, since MEL has been derecognised as a clearing corporation by SEBI w.e.f. October 03, 2022.
 - c) Pursuant to de-recognition of MEL as a clearing corporation w.e.f. October 03, 2022, the contribution made by the Parent Company towards Core SGF with interest thereon, totalling to INR 15.46 Crores has been refunded to the Parent Company during FY 2022-23. The same have been disclosed as other income during the FY 2022-23.Also, the contribution made by ICEX towards Core SGF with interest thereon, totalling to INR 44.37 Crores has been refunded to ICEX during FY 2022-23.
- 8 The Parent Company has incurred losses of Rs. 946 Lakh during the quarter ended September 30, 2023 (quarter ended June 30, 2023: Rs. 1,087 Lakh) and the net-worth of the Parent Company as per Stock Exchange and Clearing Corporation Regulation 2018 (SECC) norms amounts to Rs. 10,251 Lakh as on September 30, 2023 (June 30, 2023: Rs. 11,264 Lakh). The Parent Company has already filed application with NCLT during the financial year 2022-23 for merger of MSE Enterprises Limited (MEL), subsidiary (formerly known as Metropolitan Clearing Corporation of India Limited) with the Parent Company which shall further augment the net-worth significantly as per SECC norms. The Parent Company is in compliance of all regulatory requirements including interoperability, T+1 settlement cycle, etc. The Parent Company has not defaulted in payment of any of its creditors, statutory/ regulatory liability and to employees and has sufficient funds to discharge all its liabilities. The Business Volumes in the Currency Derivatives Segment has improved year on year during the last three years and also the Parent Company has achieved its highest daily volume of last eight years on March 14, 2023. The Parent Company is also in the process of enabling various initiatives, rationalization measures, brand building and technological upgradation which shall help in Business and Product Expansion along with focus on bringing down overall cost of operations. This shall ensure further significant reduction in losses and the Parent Company is confident of making profits shortly. The Parent Company is also expecting the resolution of pending legal matters in its favour considering the current status which shall result in significant benefits to the Parent Company. The Parent Company accordingly continues to prepare its Financial Statements on going concern basis.
- 9 MCCIL in the Extra Ordinary General Meeting on December 15, 2022 have approved the change in name to 'MSE Enterprises Limited' and also change in main objects of MCCIL. Accordingly, the alterations in the existing Object Clause of the Memorandum of Association (MOA) of MCCIL were approved by ROC w.e.f January 03, 2023 and the new name has been approved by ROC, Mumbai w.e.f January 05, 2023.
- 10 To amicably resolve the matter, Board of Directors of MEL has taken decision of reversal of disputed C&S fees and recovery of expenses for the year March 31, 2021, March 31, 2022 and for the quarter ended June 30, 2022. Management of MEL has prepared Restated Financial Statements as on March 31, 2021 and March 31, 2022, for the quarter ended June 30, 2022 and for the half year ended September 30, 2022 with giving effects of the adjustments related to C&S Fees and recovery of expenses.
- 11 MEL has surrendered its leased premises on June 30, 2023 and the Leasehold improvement is fully provided for during the quarter ended June 30, 2023.
- 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

Sd/-
Latika S. Kundu
MD & CEO

Place : Mumbai
Dated : November 06, 2023