

METROPOLITAN CLEARING CORPORATION OF INDIA LIMITED

(formerly known as MCX-SX Clearing Corporation Limited)

Office at: Vibgyor Towers, 4th floor, Opposite Trident Hotel, Plot No. C-62, Bandra Kurla Complex, Bandra East, Mumbai-400098

Website: <http://www.mclear.in>

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

(Rs. in Lakh)

Particulars	For the Quarter Ended March 31, 2016	For the Quarter Ended March 31, 2015	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
	(Audited)	(Audited)	(Audited)	(Audited)
1 Income				
(a) Income from Operations	113.53	283.49	904.32	1,206.72
(b) Other Operating Income	83.75	93.45	369.53	494.49
Total Income from operations	197.28	376.94	1,273.85	1,701.21
2 Expenses				
(a) Technology cost	214.14	283.23	1,056.76	1,357.46
(b) Employee benefits expense	39.58	48.91	217.21	313.26
(c) Depreciation and amortisation expense	1.83	5.51	11.30	15.81
(d) Other expenses	38.76	41.80	192.24	153.07
Total Expenses	294.32	379.46	1,477.50	1,839.60
3 Loss from Operations before Other Income (1-2)	(97.04)	(2.52)	(203.65)	(138.39)
4 Other Income	111.43	35.85	312.47	271.01
5 Net Profit / (Loss) for the period / year before exceptional items (3+4)	14.39	33.33	108.81	132.62
6 Exceptional Item	(34.51)	-	(34.51)	5.05
7 Profit / (Loss) for the year/period	(20.11)	33.33	74.31	137.67
8 Paid-up Equity Share Capital (Equity Shares of Rs. 10/- each.)	7,000.00	2,500.00	7,000.00	2,500.00
9 Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year.			529.90	455.59
10 Earnings Per Share (EPS) (In Rupees) (Face Value of Rs. 10/- per share) (Not annualised)				
(a) Basic	0.15	0.13	0.15	0.55
(b) Diluted	0.15	0.13	0.15	0.55

Notes:

- The above audited financial results of the Company for the quarter ended March 31, 2016 have been approved by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 13, 2016.
- The Company operates only in the business of clearing and settlement services of deals executed on the Trading Platform of Metropolitan Stock Exchange of India Limited (MSEI) within India. Accordingly, the disclosures required in the terms Accounting Standard (AS) 17 on 'Segment Reporting' notified under Companies (Accounting Standards) Rules, 2006 (amended) are not applicable.
- Securities and Exchange Board of India (SEBI) vide its Order no. WTM/RKA/MRD-DSA/11/2014 dated March 19, 2014 had declared Financial Technologies (India) Limited (FTIL) as not fit and proper person to acquire or hold any equity share or any instrument that provide 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. On an appeal filed by FTIL, against the said SEBI Order, the Securities Appellate Tribunal has by an Order dated July 09, 2014 upheld the said Order of SEBI and extended time for divesting these shares by four weeks from the date of its Order. Further the Company sent multiple

letters to FTIL regarding divestment of their stake in the Company; in reply to these letters FTIL informed us that they are in search of the suitable buyer to acquire their stake in the Company

4. Securities & Exchange Board of India 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.

Accordingly, an amount of Rs. 41.65 crore was maintained as the Minimum Required Contribution (MRC) of Core SGF in Currency Derivatives Segment as on March 31, 2016 comprising of Rs. 20.83 crore contributed by the MCCIL, Rs. 10.41 crore contributed by MSEI and Rs. 10.41 crore (Rs. 1.63 crore in Cash & Rs. 8.78 crore as FD) contributed by the Clearing Members. Further, in accordance with the directions received from the SEBI, MCCIL had contributed an amount of Rs. 25 lakh each in Equity Derivative Segment, Equity Cash Market and Debt Market Segment as the minimum corpus of Core SGF with effect from February 2, 2015.

5. Mr. Udai Kumar, former Managing Director, resigned from the services of the Company and was relieved w.e.f. January 21, 2016. Mr. Balu Nair, DMD & COO is authorized to carry on day to day activities of the Company till the new Managing Director is appointed and takes charge of the affairs of the Company.
6. During the quarter, MCCIL have received Credit Note from MSEI amounting to Rs. 2.18 crore towards its share of fixed IT Support Charges for Currency Derivative Segment (CDS) for the year 2015-16, due to which there has been reduction in Clearing & Settlement fees for the quarter ended March 2016.
7. Subsequent to the infusion of Rs. 45 crore as equity capital into the Company by the Metropolitan Stock Exchange of India Limited (MSEI) during the FY 2015-16, the SEBI vide its letter no. MRD/DRMNP/OW/27809/2015 dated October 1, 2015 granted renewal of MCCIL for one year from October 3, 2015 to October 2, 2016 subject to certain compliances, one of which being the Company to achieve a networth of Rs. 100 crore within six month from the date of grant of renewal of the recognition (i.e. by April 2, 2015).

The Company is making efforts to raise an amount of Rs. 25 crore either from the promoters or other investors to meet the networth requirement as stipulated by the SEBI. The Company vide its letter dated April 6, 2016, requested the SEBI to grant forbearance in the aforesaid requirement for another six months coterminous with the current term of recognition of the Company (i.e. up to October 2, 2016).

8. The figures for the quarter ended March 31, 2016 are the balancing figures between the Audited figures in respect of full financial year and the year to date figures upto third quarter.
9. For previous year (2014-15) figures have been re-grouped, re-arranged and re-classified wherever necessary, to make them comparable.

For and on behalf of the Board
Metropolitan Clearing Corporation of India Ltd.
(formerly known as MCX-SX Clearing Corporation Limited)

Vepa Kamesam
Chairman

Dr. M Y Khan
Director

Place: Mumbai
Dated: May 13, 2016

Krishna J. Wagle
Chief Financial Officer