

Metropolitan Stock Exchange of India Limited

Regd. Office: Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park,
L.B.S Road, Kurla (West), Mumbai - 400 070, INDIA | CIN: U65999MH2008PLC185856



STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

(₹ in Lakh except per share data)

Sr. No.	Particulars	For the Quarter Ended			For the year ended	
		Mar 31, 2021 (Audited)	Dec 31, 2020 (Unaudited)	Mar 31, 2020 (Audited)	Mar 31, 2021 (Audited)	Mar 31, 2020 (Audited)
1	Revenue from operations	312	265	277	1,063	1,029
2	Other Income	373	684	571	2,182	2,672
3	Total Income	685	949	849	3,245	3,701
4	Expenses					
(a)	Operating expenses	345	397	476	1,695	1,767
(b)	Employee benefits expense	516	592	632	2,290	2,194
(c)	Depreciation and amortisation expense	367	224	204	1,117	1,294
(d)	Advertisement and business promotion expenses	26	22	10	59	52
(e)	Administration and Other expenses	343	255	384	1,068	1,255
(f)	Finance Costs	50	10	(17)	83	159
	Total Expense	1,648	1,500	1,688	6,312	6,722
5	Profit/ (Loss) from before Exceptional	(963)	(551)	(840)	(3,067)	(3,021)
6	Exceptional items	-	-	-	-	(1,480)
7	Profit/ (Loss) from before tax	(963)	(551)	(840)	(3,067)	(4,501)
8	Tax expense					
	1) Current Tax	-	(10)	(50)	-	10
	2) Earlier Year Tax	(0)	-	-	(0)	8
	3) Deferred Tax	18	9	8	41	58
	Total Tax Expense	18	(1)	(42)	41	76
9	Profit/ (Loss) for the period/year	(981)	(550)	(798)	(3,108)	(4,577)
10	Other Comprehensive Income					
	1) Items that will not reclassified to profit or loss (net of tax)	42	(10)	(32)	11	(29)
	2) Income tax relating to item will not reclassified to profit or (loss)	(3)	1	4	0	4
	Total other Comprehensive Income for the period/year, net of tax	39	(9)	(28)	11	(25)
11	Total Comprehensive Income for the period/year	(941)	(559)	(826)	(3,096)	(4,602)
12	Non controlling interest in Income/(Loss)	(29)	2	(5)	(26)	10
13	Net Profit/ (Loss) after taxes and non controlling interest (11-12)	(912)	(561)	(821)	(3,070)	(4,612)
14	Paid-up Equity Share Capital (Equity Shares of Rs. 1/- each.)	48,052	48,052	48,052	48,052	48,052
15	Other equity	-	-	-	(18,876)	(15,807)
16	Earnings Per Share of Rs 1/- each (In Rs) (Not Annualised)					
	(a) Basic	(0.02)	(0.01)	(0.02)	(0.06)	(0.10)
	(b) Diluted	(0.02)	(0.01)	(0.02)	(0.06)	(0.10)

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STATEMENT OF CONSOLIDATED AUDITED ASSET & LIABILITIES AS AT MARCH 31, 2021

(₹ in Lakh)

Sr. No.	Particulars	As at 31st March 2021 (Audited)	As at 31st March 2020 (Audited)
I	ASSETS		
1	Non-Current Assets		
	(a) Property, plant and equipment	865	663
	(b) Intangible assets	1,879	2,224
	(c) Intangible assets under development	260	223
	(d) Right to use assets	1,015	526
	(e) Financial assets		
	i. Investments	891	3,981
	ii. Other financial assets	620	15,544
	(f) Income tax assets (net)	372	379
	(g) Deferred tax assets (Net)	186	186
	(h) Other non-current assets	4,601	4,222
		10,689	27,949
2	Current Assets		
	(a) Financial assets		
	i. Investments	6,499	5,494
	ii. Trade receivables	160	117
	iii. Cash and cash equivalents	189	1,297
	iv. Bank balance other than (iii) above	24,604	14,715
	v. Other financial assets	5,363	206
	(b) Current tax assets (Net)	1,167	1,631
	(c) Other current assets	486	411
		38,468	23,871
	Total Assets	49,157	51,820
II	EQUITY & LIABILITIES		
3	Equity		
	(a) Equity Share capital	48,052	48,052
	(b) Other equity	(18,877)	(15,807)
	Total Equity	29,175	32,245
4	Non Controlling Interest	553	579
5	Core Settlement Guarantee Fund	865	1,041
	Liabilities		
6	Non-Current Liabilities		
	(a) Financial liabilities		
	i. Lease rental liability	822	184
	ii. Other financial liabilities	11,506	11,025
	(b) Provisions	39	46
	(c) Deferred Tax Liability	96	55
		12,463	11,310
7	Current Liabilities		
	(a) Financial liabilities		
	i. Trade payables		
	a. Total outstanding dues of micro, small and medium enterprises	1	2
	b. Total outstanding dues to creditors other than micro, small and medium enterprises	134	119
	ii. Lease rental liability	249	418
	iii. Other financial liabilities	4,865	5,419
	(b) Other current liabilities	834	644
	(c) Provisions	17	43
		6,101	6,644
	Total Equity & Liabilities	49,157	51,820

STATEMENT OF CONSOLIDATED AUDITED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

Sr. No.	Particulars	For the Year Ended	
		March 31, 2021 (Audited)	March 31, 2020 (Audited)
A.	Cash flow from Operating Activities		
	Net Profit / (Loss) before tax as per Statement of Profit and Loss		(4,578)
	Adjustments for		
	Depreciation/Amortisation	723	919
	Depreciation On Right to Use Assets	394	374
	Impairment of Assets	-	1,480
	Net fair value gain/loss on financial assets measured at - - fair value through profit and loss	(31)	(28)
	Dividend Distribution Tax	-	(269)
	Dividend from investments	(0)	(68)
	Exchange Rate fluctuation	(1)	2
	Interest Income - Bank FD	(1,496)	(1,968)
	Interest Income - Corp. FD	(317)	(100)
	Interest on IT Refund	(67)	(173)
	Finance Costs	-	119
	Finance Costs - ROU Asset (net) & Write off Income	24	40
	Profit / Loss on sale of fixed asset (net)	(0)	-
	Fixed assets / CWIP written off / provided for	80	-
	Impairment loss on financial assets	39	-
	Profit on sale of investments (net)	(76)	(240)
	Remeasurement of employee benefit	11	(25)
	Depletion in value of investments	-	-
		(716)	64
	Operating profit/ (loss) before working capital changes	(3,824)	(4,514)
	Adjustments for		
	Decrease/ (increase) in trade receivable	(82)	15
	Decrease/ (increase) in financial & other assets	(388)	(290)
	Total Increase / (decrease) in Current and non current assets	(470)	(275)
	Increase / (decrease) in trade payables	14	(827)
	Increase / (decrease) in financial & other liabilities	(17)	500
	Increase / (decrease) in provision	(33)	88
	Total Increase / (decrease) in Current and non current Liabilities	(36)	(239)
	Cash generated from/(used in) operations	(4,329)	(5,029)
	Less: (Taxes paid) / refund received	538	877
	Net cash generated from/(used in) operating activities	(3,791)	(4,152)
B.	Cash flow from investing activities		
	Purchase of fixed assets (including capital work in progress and intangible assets)	(699)	(1,088)
	Sale of fixed assets (net)	2	12
	Purchase of current investments	(33,454)	(2,34,642)
	Sale of current investments	36,817	2,33,504
	Fixed deposit placed with banks	(28,163)	(55,543)
	Corporate Deposits (net)	(1,278)	(3,981)
	Fixed deposit matured	28,022	68,658
	Profit on sale of investments (net)	108	-
	Dividend from investment	0	68
	Interest received (net of accrued interest)	1,768	1,968
	Net cash generated from/(used in) Investing Activities	3,123	8,956
C.	Cash flow from financing activities		
	Finance cost	-	(119)
	Lease Liability Payment	(438)	(420)
	Short term borrowings	-	(2,415)
	Receipt/(Distribution) from/to minority shareholders	-	(705)
	Net Cash Generated from Financing Activities	(438)	(3,659)
	Net Increase in Cash and Cash Equivalents	(1,107)	1,145
	Cash and Cash Equivalents at Beginning of the Year	1,297	152
	Cash and Cash Equivalents at End of the Year	189	1,297
	Add : Fixed Deposits held for more than three months	24,604	14,715
	Closing Cash and Bank Balance	24,793	16,011
	Component of cash & bank balance		
	In current account		
	Owned	135	890
	Earmarked	54	406
	Cash on hand	0	0
	Stamps in hand	0	1
		189	1,297

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CONSOLIDATED AUDITED SEGMENT INFORMATION FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

Primary Segment						
Business segments being Trading & Clearing						
(₹ in Lakh)						
Sr. No	Particulars	For the Quarter Ended			For the Year Ended	
		Mar 31, 2021 (Audited)	Dec 31, 2020 (Unaudited)	Mar 31, 2020 (Audited)	Mar 31, 2021 (Audited)	Mar 31, 2020 (Audited)
I	Segment Revenue					
	(a) Trading Services	196	149	140	585	524
	(b) Clearing Services	309	249	137	1,124	507
	Total	505	398	277	1,709	1,031
	Less : Inter Segment Revenue	194	133	0	646	3
	Total Income	312	265	277	1,063	1,029
II	Segment Results					
	(a) Trading Services	(804)	(852)	(959)	(3,488)	(5,456)
	(b) Clearing Services	(470)	(405)	(443)	(1,722)	(1,694)
	Profit / (Loss) before Interest and Taxation	(1,274)	(1,258)	(1,402)	(5,210)	(7,150)
	Less : Interest	50	10	(16)	83	160
	Add : Unallocable Income	361	717	546	2,226	2,809
	Profit / (Loss) before Taxation	(963)	(551)	(840)	(3,067)	(4,501)
	Less : Tax Expense (Net)	18	(1)	(42)	41	76
	Profit / (Loss) after Taxation	(981)	(550)	(798)	(3,108)	(4,577)
	Less : Non controlling Interest	(29)	2	(5)	(26)	10
	Other Comprehensive Income	39	(9)	(28)	11	(25)
	Profit / (Loss) for the period/year	(912)	(561)	(821)	(3,070)	(4,612)
III	Segment Assets (As at)					
	(a) Trading Services				16,254	13,487
	(b) Clearing Services				13,462	12,279
	(c) Unallocated				19,440	26,054
	Total Assets				49,157	51,820
IV	Segment Liabilities (As at)					
	(a) Trading Services				4,545	4,722
	(b) Clearing Services				10,746	10,151
	(c) Unallocated				3,272	3,082
	Total Liabilities				18,564	17,955

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 and Year Ended March 31, 2021: 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.

Notes :

- 1 The above audited consolidated financial results of the Group for the quarter and year ended March 31, 2021, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on June 22, 2021 and the Statutory Auditors of the Company have carried out limited review of the aforesaid result.
- 2 The above unaudited consolidated financial results for the quarter and year ended March 31, 2021 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 SEBI in its order dated March 19, 2014 stated that 63 moons technologies limited (63 moons) (Formerly known as Financial Technologies (India) Limited) 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 MCCIL, directly or indirectly, within 90 days of the order. In the same order, SEBI also stated that 63 moons and entities through whom it indirectly holds equity shares or any instrument entitling voting rights in MCCIL 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 the Company 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 the Company sent multiple letters to 63 moons regarding divestment of their stake in the Company; in reply to these letters 63 moons informed us that they are in search of the suitable buyer to acquire their stake in the Company. Further, SEBI vide letter no. SEBI/MRD/DRMNP/2019/15963 dated June 25, 2019 advised the Company to freeze the voting rights and corporate benefits of 63 moons technologies limited.
- 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.
- 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 Office of Regional Director, (WR), Ministry of Corporate Affairs vide letter dated March 25, 2021 intimated commencement of inspection u/s 206(5) of the Companies Act, 2013. The Exchange has submitted necessary documents.
- 7 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.
(A) Core SGF - For Segments other than Commodity Derivatives:
An amount of Rs. 41.65 crore is required to be maintained as the Minimum Required Corpus (MRC) of Core SGF for the segment other than commodity. As on March 31, 2021, an amount of Rs. 56.44 crore is maintained comprising of Rs. 23.35 crore contributed by the MCCIL, Rs. 10.41 crore contributed by MSEI, Rs. 4.26 crore as Penalties and Rs. 18.42 crore as Income earned / accrued on Core SGF Corpus."
(B) Core SGF- For Commodity 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 March 31, 2021, an amount of INR 48.26 crore is maintained comprising of INR 5 crore contributed by the MCCIL, INR 35.34 crore contributed by ICEX and INR 0.55 crore as Penalties , INR 7.37 crore as Income earned / accrued on Core SGF Corpus."
- 8 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. 10.41 crores (excluding interest earned thereon) 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, which SEBI has allowed to all the Exchanges vide its circular SEBI/HO/MRD2/DCAP/CIR/P/2021/03 dated January 8, 2021. As per the confirmation received from the MCCIL, MCCIL has transferred Rs 101.06 Lakhs to NCL and Rs. 75 Lakhs to ICCL as per the Core SGF requirement. Accordingly, MSE has complied with the core SGF requirement.
- 9 Impact of COVID 19: The Group 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 quarter and year ended March 31, 2021, the impact of CoVID-19 pandemic on Group's financials and Operations remained insignificant. However, going forward the full extent to which the pandemic will impact the future financial results of the Group 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 Group, if any."
- 10 The auditor in their review report on the consolidated financial result for the quarter and year ended March 31, 2021 expressed below qualification which is summarized along with the Group's comments on the same:
The holding company continues to prepare its Standalone Financial Result on going concern basis even though it has continued to incur significant losses during the current and preceding periods. As advised, the Company is adequately capitalised, it has gone live on interoperability, operations are functioning and gross revenue are expected to increase in future years and accordingly the company continues to prepare its Financial Result on going concern basis. However, the business volumes are not sufficient and there is no clarity on increasing revenue & making profits in future and the Company could not achieve its projected revenues so far. The management has also considered the GST Credit available amounting to Rs. 4,328 Lakh and MAT Credit Entitlement amounting to Rs.186 Lakh as recoverable treating the company as going concern. Considering the uncertainty, 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, 2021 stands at Rs.164.46 Crores as against minimum regulatory requirement of Rs. 100 Crore. Further, the Exchange has also gone live on regulatory requirement like interoperability and Exchange's operations are running smoothly & appropriately. It is pertinent to note that during the current FY 2020-21, the core transaction income of the Exchange increased on account of increased volumes. Apart from the above, the Exchange is taking various initiatives which will help in building further volumes and thereby revenue. Further, the Exchange has also adopted various cost reduction measures, which shall help the Exchange in availing the said Credit. Hence, over the period of time as MSE's business will enhance, this available CENVAT credit shall be utilized to offset government GST liabilities and shall act as cash savings for the organization. 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.
- 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

Latika S. Kundu
Managing Director & CEO