

## **METROPOLITAN STOCK EXCHANGE OF INDIA LIMITED**

Registered Office: 205(A), 2nd Floor, Piramal Agastya Corporate Park,  
Kamani Junction, L.B.S. Road, Kurla (West), Mumbai – 400070, Maharashtra, India  
CIN: U65999MH2008PLC185856, LEI: 3358002YCEYDX7UK4352  
Tel. +91 22 6112 9000/ Website: www.msei.in / E-mail: secretarial@msei.in

### **NOTICE OF 16<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 16th Annual General Meeting (“AGM”) of Shareholders of Metropolitan Stock Exchange of India Limited (“MSE”) will be held on Thursday, 19th December 2024 at 02:00 p.m. (IST) through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) to transact the following businesses:

#### **ORDINARY BUSINESS**

**1) ADOPTION OF FINANCIAL STATEMENTS:**

To receive, consider and adopt the Audited Financial statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.

**2) RE-APPOINTMENT OF NON-INDEPENDENT DIRECTOR, WHO RETIRES BY ROTATION**

To appoint a Director in place of Mr. Manoj Kunkalienkar (DIN: 00019200), Non-Independent Director, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment, subject to approval of Securities and Exchange Board of India (SEBI).

**3) APPOINTMENT OF AUDITORS:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to provisions of Section 139, 142, and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, the appointment of M/s. R Kabra & Co LLP, Chartered Accountants (FRN: 104502W/W100721) be and are hereby appointed as the Statutory Auditors of the Company to hold such office for a period of five years from the conclusion of this Annual General Meeting (AGM) till the conclusion of 21st Annual General Meeting of the Company at such remuneration plus actual out of pocket expenses and applicable taxes, etc. as may be mutually agreed to between the Board of Directors and the Auditors.”

#### **SPECIAL BUSINESS**

**4) TO APPOINT MR. ASHOK KUMAR DOGRA (DIN: 07074297) AS AN (INDEPENDENT DIRECTOR) PUBLIC INTEREST DIRECTOR.**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors through circular resolution passed on January 16, 2024 and in accordance with the provisions of Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (hereinafter referred as ‘SECC Regulations, 2018’), as amended from time to time and Articles of Association of the Company, and in terms of the approval of the Securities and Exchange Board of India vide its letter dated January 8, 2024, and such other approvals as may be necessary, and such conditions as may be prescribed by the authorities, consent of the Members be and is hereby accorded for the appointment of Mr. Ashok Kumar Dogra (DIN: 07074297) as (Independent Director) Public Interest Director of the Company w.e.f. January 16, 2024, for 3 (three) consecutive years, not liable to retire by rotation, commencing from January 16, 2024 upto January 15, 2027 and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a shareholder proposing his candidature for the office of Director.

**RESOLVED FURTHER THAT** any Director, Managing Director and Chief Executive Officer, Chief Financial Officer, Chief Regulatory Officer & Compliance Officer and Head-Legal & Company Secretary be and are hereby severally authorized to take necessary steps as may be required to give effect to the resolution and matters related thereto.”

**By Order of the Board of Directors**

Date: 11th November, 2024  
Place: Mumbai

**Durgesh Kadam**  
Head - Legal & Company Secretary  
Membership no. F8496

## Notes:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) in respect of the businesses to be transacted at the AGM along with details pursuant to Regulations issued by Securities and Exchange Board of India (“SEBI”) and other applicable laws annexed hereto.
2. All the documents referred to in the accompanying Notice and Explanatory Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to [secretarial@msei.in](mailto:secretarial@msei.in)
3. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021, Circular 09/2024 dated September 19, 2024 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
4. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
8. Since the AGM will be held through VC/ OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located at 205(A), 2nd Floor, Piramal Agastya Corporate Park, Kamani Junction, L.B.S Road, Kurla (West), Mumbai - 400070 which shall be the deemed venue of AGM.
9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the copy of Annual Report along with the Notice of the AGM has been uploaded on the website of the Company at [www.msei.in](http://www.msei.in). The copy of Annual Report along with the Notice of the AGM is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body resolution/ authorization etc., authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to vote through e-voting during the AGM. The said resolution/ authorization shall be sent through the registered email address to the Scrutinizer at [ramakant.kini@sterlingassociates.in](mailto:ramakant.kini@sterlingassociates.in) and/ or on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) (agency providing e-voting facility). Institutional/ Corporate Shareholders are encouraged to attend and vote at the AGM through VC/ OAVM.
11. Pursuant to Regulation 46 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, (“SECC”) the securities of a Recognized Stock Exchange are required to be maintained in Demat mode. Further, in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), securities of listed companies can only be transferred in Demat mode w.e.f. April 1, 2019. 100% of the securities of the Exchange are held in Demat mode.
12. Members who have not yet registered their e-mail addresses are requested to register the same with their DP in case the shares are held by them in demat mode.
13. To register e-mail address for all future correspondence and for updating other details, please get the details registered/updated only by contacting respective DP.
14. SEBI has mandated submission of PAN by every participant in the securities market. Members holding shares in demat mode are, therefore, requested to submit their PAN to their DP.
15. As per the provisions of Section 72 of the Act, the facility for submitting nomination is available for Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same with their DP in case the shares are held by them in demat mode.
16. At the Eleventh Annual General Meeting held on September 23, 2019, M/s T. R. Chadha & Co. LLP, Chartered Accountants (Firm Registration No. 006711N/N500028), Mumbai (“TRC”) were appointed as the Statutory Auditors of the Company for from the conclusion of the Eleventh Annual General Meeting until the conclusion of the Sixteenth Annual General Meeting of the Company to be held in FY 2024.

In view of the tenure of the existing Auditor of the Company i.e. M/s T. R. Chadha & Co. LLP, Chartered Accountants (Firm Registration No. 006711N/N500028), Mumbai, ending at the Sixteenth AGM of the Company, based on the recommendation of Audit Committee,

the Board of Directors of the Company, at its meeting held on June 19, 2024 had approved the appointment of M/s R Kabra & Co LLP, Chartered Accountants (Firm Registration No. 104502W/W100721) as Statutory Auditors of the Company, for a period of five consecutive years viz. FY 2024-25 to FY 2029-30 from the conclusion of the Sixteenth AGM till the conclusion of the Twenty first Annual General Meeting of the Company to be held in 2029, subject to approval of the Shareholders. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection electronically from 0→3:00 P.M till the conclusion of the meeting on the date of AGM. Once clicked on the link for inspection, window of 30 minutes will be made available to the concerned member.

17. The term 'Members' has been used to denote Shareholders of Metropolitan Stock Exchange of India Limited.
18. The Audited Accounts of the Company and its subsidiary Company are available on the Company's website at [www.msei.in](http://www.msei.in).
19. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021, Circular 09/2024 dated September 19, 2024.

## 20. PROCEDURE AND INSTRUCTIONS FOR E-VOTING

1. Shareholders will be able to attend the Meeting through VC/OAVM by using their remote e-voting login credentials and selecting the EVENT for the Meeting. The facility to join the Meeting shall be kept open 15 minutes before the scheduled time of commencement of the Meeting. Shareholders are requested to join the Meeting by following the procedure given in this Notice
2. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against Company name. You are requested to click on VC/ OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVENT of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
4. Members are requested to join the Meeting through Laptops for better experience and will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.
5. Members facing any technical issue in login before / during the AGM can contact NSDL helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at toll free no.: 1800-21-09911 and 022 - 4886 7000

## 21. PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

1. Speaker Registration prior to AGM: As the Meeting is being conducted through VC / OAVM, Shareholders can express their views 1800-21-09911 and 022 - 4886 7000 send their queries in advance mentioning their name, DP Id / Client Id / Folio Number, and mobile number to [secretarial@msei.in](mailto:secretarial@msei.in) to enable smooth conduct of Meeting. Members may register themselves as speakers for the AGM to post their queries and speaker registration shall commence on Monday, December 16, 2024 at 9:00 A.M. and close on Wednesday, December 18, 2024 at 5:00 P.M. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
2. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
3. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

## 22. PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM

1. Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e., Thursday, December 12, 2024 shall only be entitled to attend and vote at the AGM. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
2. Any person who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Thursday, December 12, 2024, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800-21-09911 and 022 - 4886 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding

shares as of the cut-off date i.e. Thursday, December 12, 2024, may follow steps mentioned in the Notice of the AGM under **Step 1: "Access to NSDL e-Voting system"**.

3. The remote e-voting period commences on Monday December 16, 2024 (9:00 A.M. IST) and ends on Wednesday, December 18, 2024 (5:00 P.M. IST). During this period, Members of the Company, holding shares as on the cutoff date i.e., Thursday, December 12, 2024, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.

## 23. Procedure and instruction for attending AGM through VC/ OAVM, remote E Voting and E-VOTING at the AGM

The remote e-voting period begins on Monday December 16, 2024 (9:00 A.M. IST) and ends on Wednesday, December 18, 2024 (5:00 P.M. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Thursday, December 12, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, December 12, 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

### Step 1: Access to NSDL e-Voting system




#### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the " <b>Beneficial Owner</b> " icon under " <b>Login</b> " which is available under ' <b>IDeAS</b> ' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on " <b>Access to e-Voting</b> " under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to <b>e-Voting website of NSDL</b> for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> . Select " <b>Register Online for IDeAS Portal</b> " or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>
	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider</b> i.e. <b>NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	4. Shareholders/Members can also download NSDL Mobile App " <b>NSDL Speede</b> " facility by scanning the QR code mentioned below for seamless voting experience.

**NSDL Mobile App is available on**

Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login & New System Myeasi Tab and then click on registration option.
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [ramakant.kini@sterlingassociates.in](mailto:ramakant.kini@sterlingassociates.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board

Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to Ms. Veena Suvarna at [evoting@nsdl.com](mailto:evoting@nsdl.com)

**24. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [secretarial@msei.in](mailto:secretarial@msei.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([secretarial@msei.in](mailto:secretarial@msei.in)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**25. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**26. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at ([secretarial@msei.in](mailto:secretarial@msei.in)). The same will be replied by the company suitably.

**Declaration of Voting Results:**

27. Mr. Ramakant Kini, (Enrol.no. MAH/2538/2006) Partner, Sterling Associates, has been appointed as the Scrutinizer to scrutinize the e-voting and remote e-voting process in a fair and transparent manner. The Scrutinizer will submit the report to the Chairman or any person authorised by him after completion of the scrutiny and the results of voting will be announced after the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM. The result will also be displayed on the website of the Company [www.msei.in](http://www.msei.in) and <https://www.evoting.nsdl.com> (agency providing e-voting facility).

28. To enable ease of participation of the Members, we are providing below the key details regarding the meeting for your reference.

Sr. No.	Particulars	Details
1	Cut-off date for e-Voting	Thursday, December 12, 2024
2	For updating Email ID & other details before the Cut-off date for e-Voting	Refer point no. 12
3	Time period for remote e-Voting	Commences on Monday, December 16, 2024 at 9:00 AM
		Ends on Wednesday, December 18, 2024 at 5:00 PM
4	Speaker Registration/ Post your Queries	Refer point no. 22

By Order of the Board of Directors

Date: 11th November, 2024  
Place: Mumbai

Durgesh Kadam  
Head - Legal & Company Secretary  
Membership no. F8496

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

##### Item No. 4:

SEBI had vide letter dated January 08, 2024 approved the appointment of Mr. Ashok Kumar Dogra as Public Interest Director of the Exchange for a period of three years under provisions of SECC Regulations, 2018. The Board Vide Circular resolution dated January 16, 2024 approved the name of Mr. Ashok Kumar Dogra as Public Interest Director ('PID') on the Board of Exchange. As per SECC Regulations, 2018 Mr. Ashok Kumar Dogra is not liable to retire by rotation.

As per SECC Regulation 2(1)(o), Public Interest Director is an Independent Director and as per Section 150(2) of the Companies Act 2013, appointment of Independent Director shall be approved by shareholders in a general meeting.

Mr. Dogra is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Company has also received declaration from him that he meets with the criteria of independence as prescribed under subsection 149(6) of the Act. In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013 for such appointment as Independent Director.

Accordingly, the Board recommends the Resolution at Item No. 4 of the accompanying Notice for appointment of Mr. Dogra as an Independent Director.

None of the Directors except Mr. Dogra, or key managerial personnel, or their relatives are concerned or interested, financially or otherwise, in this resolution.

#### Details of Director seeking appointment at the forthcoming Annual General Meeting (In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings).

Name of Director	Mr. Manoj Kunkalienkar	Mr. Ashok Kumar Dogra
Category	Non-Independent Director	Public Interest Director
DIN	00019200	07074297
Date of first appointment on the Board	January 16, 2024	January 16, 2024
Item No.	2	4
Date of Birth	August 08, 1959	May 23, 1962
Brief Resume and Expertise in specific functional area	Mr. Manoj Kunkalienkar completed his education from IIT Bombay, India's premier institute, with B. Tech in Electrical Engineering (1981) and M. Tech in Computer Science (1983). Specializes in application system performance consulting and has improved performance of various applications in sectors namely the Banking, Finance and Insurance sector. He has been working closely with Dr. Deepak Phatak and Dr. N. L. Sarda of IIT Bombay providing consulting services	Mr. Ashok Kumar Dogra is a retired Director from Department of Financial Services, Ministry of Finance, Govt. of India. Having spent more than 34 years across different ministries with an emphasis on Financial Services for last 10 years. He had also been on the Board of Directors of eminent banks and other financial services companies as Independent Director and Nominee Director (GOI). Led key initiatives like Implementation of MUDRA scheme, Standup



Brief Resume and Expertise in specific functional area	to prestigious organizations such as IIT Bombay, MTNL, Rashtriya Chemical Fertilizers Limited. At 3i Infotech his focus was on handling the software services. He was elevated to the board and his responsibility included global technology services business, top and bottom line responsibility for Indian geography and support services like quality, PMO etc. After 3i Infotech, he was entrusted with a role of MD & CEO at Saraswat Infotech where he transformed SIL from an inward focused services company (providing services to the parent) to customer focused organization by offering bouquet of products and services. Currently he runs an IP-Led Services business, Soft. Com India Pvt. Ltd.	India, Finance Minister's Annual Review Meeting, monitoring of Budget announcements and matters related to Standing Committee on Audit observations. Rich experience of working on Parliament matters including Parliament Questions, Parliament Assurances matters relating to Parliamentary Committees
Qualifications	IIT Bombay, India's premier institute, with B. Tech in Electrical Engineering (1981) and M. Tech in Computer Science (1983).	Bachelor of Science, Jammu University (1983), Executive International MBA in Finance, United Business Institute, Brussels, Belgium (2014)
Terms and Conditions of appointment/ re appointment	Liable to retire by rotation	Not liable to retire by rotation
Number of Meetings of the Board attended during the year	2	2
Remuneration drawn, if any	Sitting fees. As permitted under the Companies Act, 2013.	Sitting fees. As permitted under the Companies Act, 2013.
Other Directorships	2	1
Chairman/Member of the Committees of the Board of Directors of other companies in which he/she is a Director	2	Nil
Committee position held in MSE*	Standing Committee on Technology, Chairman Stakeholders Relationship Committee, Chairman Audit Committee, Member Members Committee, Member Nomination and Remuneration Committee, Member	Members Committee, Chairman Audit Committee, Chairman Nomination and Remuneration Committee, Member Standing Committee on Technology, Member Regulatory Oversight Committee, Member

\*Chairmanship and membership of Advisory Committee, Stakeholder Relationship Committee, Standing Committee on Technology, Regulatory Oversight Committee, Risk Management, Delisting Committee, Member and Core Settlement Guarantee Fund Committee (MCSGF), Public Interest Directors, Investment Committee, MSEI-Investor Protection Fund have been considered.

**By Order of the Board of Directors**

**Durgesh Kadam**  
Head - Legal & Company Secretary  
Membership no. F8496

Date: 11th November, 2024  
Place: Mumbai

Registered and Corporate Office:  
205(A), 2nd Floor, Piramal Agastya Corporate Park,  
Kamani Junction, LBS Road, Kurla (West),  
Mumbai – 400070, Maharashtra, India.

# Stock Exchange

ANNUAL  
**REPORT**  
2023-24

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Form AOC - 1

Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint venture



METROPOLITAN STOCK EXCHANGE

# ANNUAL REPORT 2023-24

## Board of Directors

- **Mr. Dinesh C Patwari**  
Chairman & Public Interest Director  
- Appointed as a director w.e.f. May 22, 2023  
and Chairman w.e.f. June 13, 2023
- **Mr. Ashok Kumar Dogra**  
Public Interest Director  
- Appointed w.e.f. January 16, 2024
- **Mr. Rakesh Kumar Srivastava**  
Public Interest Director  
- Appointed w.e.f. November 18, 2023
- **Mr. Manoj Kunkalienkar**  
Non-Independent Director  
- Appointed w.e.f. January 16, 2024
- **Ms. Latika S. Kundu**  
Managing Director & CEO

### Chief Financial Officer

- **Mr. Saket Bhansali**

### Company Secretary

- **Mr. Durgesh Kadam**

### Statutory Auditors

- **M/s. T. R. Chadha & Co. LLP**  
Chartered Accountants

### Internal Auditors

- **M/s. Mittal and Associates**  
Chartered Accountants

### Registrar And Share Transfer Agents

- **KFin Technologies Private Limited**  
Selenium Tower B, Plot No. 31 & 32,  
Financial District, Gachibowli,  
Hyderabad-500 032, India.  
Tel: +91-040-6716 2222  
e-mail: einward.ris@kfintech.com

### Registered Office

- **Metropolitan Stock Exchange of India Limited**  
Building A, Unit 205(A), 2nd Floor,  
Piramal Agastya Corporate Park,  
L.B.S Road, Kurla (West), Mumbai - 400 070.  
Tel: +91- 022-6112 9000  
Fax: : +91-022-6112 9009  
Email: Secretarial@msei.in  
CIN: U65999MH2008PLC185856  
LEI Number: 3358002YCEYDX7UK4352

# From MD & CEO's Desk



**Latika S Kundu**  
MD & Chief Executive Officer

**At MSE, our purpose is to build the Marketplace of the Future by advancing economic opportunities for all!**

The last few years have been challenging in terms of the pandemic, rebuilding the institution from scratch, and gearing up the momentum, and yet MSE emerged a more resilient institution. And this would not have been possible without you!

At MSE, our purpose is to build the Marketplace of the Future by advancing economic opportunities for all! As we navigate an increasingly complex operating environment, with rapidly evolving technological and financial landscape, we are committed to build a marketplace that caters to all.

Our pursuit in making markets more open, transparent, accessible, and fair are yielding positive results. 2023-24 showed early precedence in attaining a growing market share in our business

**In 2023, MSE hosted its first ever symposium on the theme 'Millennials and Responsible Investing' with around 2000 students attending across the country, including premier institutions such as IITs, IIMs and XLRI.**

**MSE also plans to expand its horizon to support and diversify entrepreneurship and help them with resources to improve access to capital.**

**we have the power to transform lives, communities, and the world by creating and leading a thriving financial market.**

and we have multiplied our efforts in re-establishing ourselves as a competent market player amongst fierce competition. Further, we focused on strengthening the organization by systemically resolving the barriers hindering our growth. MSE's Currency derivatives contract has also featured as the top 10 global Currency Derivatives Contracts traded in 2023 in 'FY 2023 Market Highlights' by World Federation of Exchanges (WFE). At present, our small, yet confident team is focused on a hypergrowth model by creating a niche in the market and building a moat for the business. This blended model of technology and product innovation will be crucial for our success and will leave an indelible mark in the ecosystem.

Our collaborative efforts empowering investors through financial literacy programs among under-represented communities during the World Investor Week for the past few years equips diverse investors with the financial knowledge and confidence that they need to share in the wealth that markets can create. In 2023, MSE hosted its first ever symposium on the theme 'Millennials and Responsible Investing' with around 2000 students attending across the country, including premier institutions such as IITs, IIMs and XLRI. Dedicated to build a pioneering and inclusive multi-stakeholder ecosystem, MSE with the support of SEBI partnered with the industry which included the Wealth Management, Mutual Fund, and Brokerage firms to address the existing challenges and collectively educate and grow the ecosystem. In the coming days, MSE also plans to expand its horizon to support and diversify entrepreneurship and help them with resources to improve access to capital.

Our goal is to democratize investing across asset classes and continue to show the world that the diverse communities across the Global South are more than just a demographic – we have the power to transform lives, communities, and the world by creating and leading a thriving financial market.

Join us as we continue to grow in our game-changing efforts to democratize investing.

Let's Begin!

# Board's Report

## To the Members of Metropolitan Stock Exchange of India Limited (MSE)

The Directors are pleased to present the Sixteenth Annual Report on the business and operations of the Metropolitan Stock Exchange of India Limited (referred herein as the 'MSE' or 'your Company' or 'the Exchange') along with Audited Financial Statements for the year ended March 31, 2024.

### 1. BACKGROUND

Metropolitan Stock Exchange of India Limited ('MSE' or 'your Company' or 'the Exchange') is a recognized as a Stock Exchange by Securities and Exchange Board of India (SEBI) under section 4 of the Securities Contracts (Regulation) Act, 1956 with effect from September 16, 2008. The Exchange was notified a "Recognised Stock Exchange" under Section 2(39) of the Companies Act, 1956 by Ministry of Corporate Affairs, Govt. of India, on December 21, 2012. The Company provides the platform for trading in Currency Derivatives, Debt Segment, Interest Rate Futures, Equity Cash and F&O segments.

### 2. FINANCIAL SUMMARY AND HIGHLIGHTS

The financial performance for Financial Year ("FY") 2023-24 and FY 2022-23 is summarized in the following table:

Particular	Standalone		Consolidated	
	For the Year ended March 31, 2024	For the Year ended March 31, 2023#	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>I Income</b>				
(a) Revenue from operations	736	921	736	921
(b) Other income	1,368	4,544	1,369	4,544
<b>Total Revenue</b>	<b>2,104</b>	<b>5,465</b>	<b>2,105</b>	<b>5,465</b>
<b>II Expenditure</b>				
(a) Operating expenses	2,898	2,325	2,898	2,325
(b) Employee benefits expenses	1,657	1,897	1,657	1,897
(c) Finance costs	98	39	98	39
(d) Advertisement and business promotion expenses	487	379	487	379
(e) Depreciation and amortization expense	606	1,065	606	1,065
(f) Administration and Other expenses	1,118	1,232	1,118	1,233
<b>Total Expenses</b>	<b>6,864</b>	<b>6,937</b>	<b>6,864</b>	<b>6,938</b>
<b>III Profit / (Loss) before exceptional items and tax</b>	<b>(4,760)</b>	<b>(1,472)</b>	<b>(4,759)</b>	<b>(1,473)</b>
Exceptional items – Software Written off	-	(521)	-	(521)
<b>IV Profit / (Loss) before tax</b>	<b>(4,760)</b>	<b>(1,993)</b>	<b>(4,759)</b>	<b>(1,994)</b>
Less: Current tax	63	-	63	-
Less: Earlier Year Tax	52	(0)	52	(0)
Less: Deferred tax	-	(127)	-	(127)
<b>V Profit / (Loss) for the year</b>	<b>(4,875)</b>	<b>(1,866)</b>	<b>(4,874)</b>	<b>(1,867)</b>
<b>Other comprehensive income</b>				
1) Items that will not be reclassified to profit or (loss) (net of tax)	12	27	12	27
2) Income tax relating to item will not reclassified to profit or (loss)	-	-	-	-
<b>Total other Comprehensive Income for the year, net of tax</b>	<b>12</b>	<b>27</b>	<b>12</b>	<b>27</b>
<b>VI Total Comprehensive Income for the year</b>	<b>(4,863)</b>	<b>(1,839)</b>	<b>(4,862)</b>	<b>(1,840)</b>
<b>IX Earnings per equity share of face value of Rs.1 each</b>				
Basic (in Rs.)	(0.10)	(0.04)	(0.10)	(0.04)
Diluted (in Rs.)	(0.10)	(0.04)	(0.10)	(0.04)

# Restated pursuant to the Scheme of Arrangement (refer note 3 of the Boards' Report)

### I. Consolidated Results

#### Revenue

During the year, Total Revenue decreased to Rs. 2,105 Lakhs in FY 2023-24 compared to Rs. 5,465 Lakhs in FY 2022-23. Operating

Revenue decreased to Rs. 736 Lakhs in FY 2023-24 compared to Rs. 921 Lakhs in FY 2022-23. Transaction fees income increased to Rs. 374 Lakhs in FY 2023-24 compared to Rs. 350 Lakhs in FY 2022-23. Processing fees decreased to Rs. 81 Lakhs in FY 2023-24 compared to Rs. 86 Lakhs in FY 2022-23. The Listing

Fees income decreased to Rs. 168 Lakhs in FY 2023-24 compared to Rs. 171 Lakhs in FY 2022-23 and other income decreased to Rs. 1,369 Lakhs in FY 2023-24 compared to Rs. 4,544 Lakhs in FY 2022-23.

#### Expenditure

Total Expenses has decreased to Rs. 6,864 Lakhs in FY 2023-24 as Compared to Rs. 6,938 Lakhs in FY 2022-23. The operating expenses increased to Rs. 2,898 Lakhs in FY 2023-24 as compared to Rs. 2,325 Lakhs in FY 2022-23, Employee benefit expenses decreased to Rs. 1,657 in FY 2023-24 as compared to Rs. 1,897 in FY 2022-23, Advertising and business promotion expenses increased to Rs. 487 Lakhs in FY 2023-24 as compared to Rs. 379 Lakhs in FY 2022-23, The Finance cost has increased to Rs. 98 Lakhs in FY 2023-24 as compared to Rs. 39 Lakhs for FY 2022-23. Administration and other expenses decreased to Rs. 1,118 Lakhs in FY 2023-24 as compared to Rs. 1,233 Lakhs in FY 2022-23. Depreciation and amortization expenses decreased to Rs. 606 Lakhs in FY 2023-24 as compared to 1,065 Lakhs in FY 2022-23.

## II. Standalone Results

#### Revenue

During the year, Total Revenue decreased to Rs. 2,104 Lakhs in FY 2023-24 compared to Rs. 5,465 Lakhs in FY 2022-23. Operating Revenue decreased to Rs. 736 Lakhs in FY 2023-24 compared to Rs. 921 Lakhs in FY 2022-23. Transaction fees income increased to Rs. 374 Lakhs in FY 2023-24 compared to Rs. 350 Lakhs in FY 2022-23. Processing fees decreased to Rs. 81 Lakhs in FY 2023-24 compared to Rs. 86 Lakhs in FY 2022-23. The Listing Fees income decreased to Rs. 168 Lakhs in FY 2023-24 compared to Rs. 171 Lakhs in FY 2022-23 and other income decreased to Rs. 1,368 Lakhs in FY 2023-24 compared to Rs. 4,544 Lakhs in FY 2022-23.

#### Expenditure

Total Expenses has decreased to Rs. 6,864 Lakhs in FY 2023-24 as Compared to Rs. 6,937 Lakhs in FY 2022-23. The operating expenses increased to Rs. 2,898 Lakhs in FY 2023-24 as compared to Rs. 2,325 Lakhs in FY 2022-23, Employee benefit expenses decreased to Rs. 1,657 in FY 2023-24 as compared to Rs. 1,897 in FY 2022-23, Advertising and business promotion expenses increased to Rs. 487 Lakhs in FY 2023-24 as compared to Rs. 379 Lakhs in FY 2022-23, The Finance cost has increased to Rs. 98 Lakhs in FY 2023-24 as compared to Rs. 39 Lakhs for FY 2022-23. Administration and other expenses decreased to Rs. 1,118 Lakhs in FY 2023-24 as compared to Rs. 1,232 Lakhs in FY 2022-23. Depreciation and amortization expenses decreased to Rs. 606 Lakhs in FY 2023-24 as compared to 1,065 Lakhs in FY 2022-23.

## 3. KEY DEVELOPMENTS DURING THE YEAR - MERGER

The Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') in accordance with Sections 230 to 232 of the Companies Act, 2013 and rules thereunder, vide its order dated June 6, 2024 approved the Scheme of Arrangement ("Scheme") by pooling of interest of MSE Enterprises Limited (MEL) (formerly known as Metropolitan Clearing Corporation of India Limited) with the Company. Upon receipt of all requisite approvals, the Parent Company filed form INC 28 with Registrar of Companies on June 11, 2024 and accordingly, the Scheme became effective on April 01, 2023. The scheme has become effective from April 01, 2023.

The Scheme has been accounted under the "pooling of interest" method as prescribed in Ind AS 103 (Business Combinations)

notified under section 133 of the Companies Act, 2013 and under the Companies (India Accounting Standards) Rules, 2015, as may be amended from time to time. As per the Scheme, the appointed date for the Amalgamation of MEL with and into the Exchange is the same as effective date of the Scheme i.e. April 01, 2023. As per the Appendix C of Ind AS 103 (Business Combinations), "the financial information in the financial statements in respect of prior periods should be restated as if the business combinations had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, the financial statements have been restated from the beginning of the preceding period, accordingly, the results for the year ended March 31, 2024 and March 31, 2023 include the operations of MEL and the figures and disclosures pertaining to previous periods / years have been restated / recasted taking effect of the Scheme. All assets and liabilities of MEL are reflected at their carrying amounts. Further, the difference between the amount of investment in the Equity Shares of MEL and the networth of MEL (after the minority share of INR 519 Lakhs) have been transferred to capital reserve in the books of account of the Exchange.

Consequent upon Scheme becoming effective, the authorised share capital of the Exchange stood increased to INR 85,000 lakhs (8,50,00,00,000 shares of INR 1/- each) on account of transfer to and combination of authorised share capital of MEL with the authorised share capital of the Exchange. Upon the Scheme becoming effective, the issued, subscribed and paid up equity share capital of MEL shall be reduced by INR 519 lakhs comprising of 51,99,545 equity shares of INR 10 each. In consideration of such cancellation of share capital, MEL shall pay INR 10/- per share to the eligible shareholders of MEL as on the effective date against cancellation of their respective shareholding in MEL.

## 4. PRODUCTS & SERVICES:

### (A) Existing Products

MSE offers a variety of products and services across multiple asset classes in India which enables it to be responsive to the market demands. Its state of the art technology and robust network is a pioneer in technology and ensures reliability and performance of its systems. MSE's products and services foster digital transformation on technology, cyber security, innovation and intelligence solutions.

Given below are the products offered by MSE across various segments to Proprietary, Retail Participants, Institutional Participants (Domestic and Foreign).

Segments	Products and Services
Currency Derivatives Segment	Currency Futures
	Currency Options
	Cross Currency Futures
	Cross Currency Options
	Interest Rate Futures
Equity Capital Market	Equity shares of companies
	Sovereign Gold Bonds
	Exchange Traded Funds (ETFs)
	Offer for Sale
Equity Derivatives Segment	Stock Futures
	Stock Options
	Index Futures
	Index Options



**(B) Index**

SX40, our flagship, a free float based Index of 40 large cap-liquid stocks represents diversified sectors of the economy. SX40 measures the economic performance with better representation of various industries. The Index is devised to offer cost effective support for investment and structured products such Index Futures and Index Options, Index portfolio, Exchange Traded Funds, Index Funds etc.

SXBANK is designed to measure the performance of stocks of banking sector – the sector that funds various economic activities of the nation. The Index will have 10 stocks from the banking sector. Weights of individual stocks in the index have been capped at 15% to reduce concentration and thereby provide a cost-effective support for investment/portfolio management.

**(C) Upcoming Products and Services**

Though MSE continues its focus on increasing its market share in existing segments and products, over a long term MSE plans to introduce and implement a wide range of additional products including SME platform, Book Building System, Offer to Buy and Mutual Fund System.

**New Developments****New functionalities introduced in TWS and MAT****Cancel on Logout (COL) facility.**

As a part of our continuous endeavour to provide secure and robust trading platform to the market participants and for security risk controls, the Exchange has introduced new functionality of Cancellation on logout (COL) in trading system. If the user is disconnected from their respective TWS/CTCL/FIX terminals either willingly or due to connectivity issues, then all the pending orders of such users would get cancelled.

Members willing to avail this facility have to inform the exchange and get the facility enabled to allow/disallow this facility to their lower hierarchy users.

Standardisation of Exchange to Member Interface files in Unified Distilled File Formats (UDiFF)

The Market Data Advisory Committee (MDAC) of SEBI observed that the formats of existing standardized data files generated by all MIs in all segments are different and there is a need for these formats to be standardized and harmonized in conformance to the ISO standards, which will facilitate ease of doing business in the Indian securities market.

In view of the above, initially as a first phase (Phase 1) of standardization, it was decided that the fields which were common in the file across MIs or exclusively applicable to an MI shall be retained to harmonize the file. Further, ISO tags were identified for each field of a harmonized file and provided as header in each such standardized file.

In the second phase (Phase 2) as per holistic approach taken by SEBI along with consultation with all MIs, it was concluded that to harmonize and standardize the files, rationalization of both files and fields was necessary. Accordingly, the approach was changed from the file-based standardization to information based one. The fields in each of the formats were also distilled to keep only rationally required fields. Additionally, few more fields as suggested by the market participants were added to facilitate them in development and processing of these files.

In accordance to the above and as per recommendations of SEBI's MDAC, the new UDiFF (Unified Distilled File Formats) file formats applicable for Capital Market (CM), Futures and Options (FO) and

Currency Derivatives (CD) are designed and being developed.

**Introduction of Investor Risk Reduction Access (IRRA)**

In coordination with other Exchanges and Clearing Corporations, All MIs jointly have provided the Investor Risk Reduction Access (IRRA) which is accessible to Trading Members across Exchanges from October 3, 2023 under circumstances where a Trading Member faces challenges conducting regular business due to reasons like technical glitches or outages.

Once the affected TM requests or qualifies for invocation of IRRA, post completion of invocation process, IRRA platform will send SMS and email notifications to all the UCCs of the affected Trading Member, informing the investors about the availability of the IRRA platform for exiting or squaring off their open positions.

- Investors can login using their UCC or PAN along with the OTP sent to their registered mobile number and email id.
- Once logged in, investors can monitor, cancel pending orders, and square off open positions using the 'Order book' and 'Net position screen', respectively. The IRRA platform will fetch the respective trading day's orders, trades from respective Exchanges, and previous end-of-day net open positions across Exchanges from Clearing Corporations.
- The IRRA platform facilitates squaring off open positions and cancelling pending orders. Fresh positions or new orders cannot be placed through IRRA platform. However, the positions built in securities / contracts which are permitted to settle only on gross basis shall not be available for square off.

**j. Commodity price risk or foreign exchange risk and hedging activities**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For details on foreign exchange please refer to Management Discussion and Analysis Report.

**5. MEMBERSHIP**

The details of Segment wise members registered with SEBI as on March 31, 2024 are as follows:

Currency Derivatives	Equity Cash	Equity Futures & Options
470	295	274
Particulars	FY 2023-24	FY 2022-23
Centres participating across India*	840**	729**

Note:

\* Data includes cities of active and inactive users / dealers.

\*\* As on March 31, 2024 and March 31, 2023

**6. TECHNOLOGY**

The Exchange has prioritized performance, reliability, redundancy, and security in the design of its IT infrastructure. The Trading System operates on a Fault Tolerant Infrastructure consisting of Fault Tolerant Servers, routers, and firewalls equipped with Intrusion Prevention and Detection System, ensuring High Availability. The robust technology infrastructure supports efficient operations, fast order routing, immediate trade execution, trade reporting, market data dissemination, risk management, and market surveillance. The Exchange achieved 100% uptime during the Financial Year 2023-24 without any technical difficulties and is committed to continuous improvement through customer feedback by adding new security features and functionalities for an enhanced experience. The MSE trading system is user-friendly

and has a sound architecture that meets the Exchange's system requirements, which has gained greater acceptance among traders and investors. The Exchange's systems and processes are designed to uphold market integrity and promote transparency in operations. Additionally, the Exchange's interoperability framework enables the settlement of trades executed at MSE at designated Clearing Corporations.

The Exchange's Surveillance system has the capability to generate alerts with user-configurable thresholds that trigger investigations into any unusual trading trends. The system complies with SEBI's specified norms to ensure efficient security watch systems and reports. The Exchange is committed to continuously improving member satisfaction and providing world-class technology. The Exchange's online trading system is accessible to members across the country through multiple modes of connectivity, including Multi-Protocol Label Switching (MPLS), colocation, and the internet. The IT components are hosted in a state-of-the-art data center designed to support mission-critical operations, monitored 24/7.

MSE maintains a Disaster Recovery Site (DRS) at a different seismic zone and a Near Site near its Primary Site to achieve minimal data loss (near to zero data loss). The Exchange implements a state-of-the-art DR solution with real-time data replication from the Primary Site to the Near Site and DR Site. Synchronization between the Primary Site and the Near Site is synchronous, while synchronization between the Primary Site and the DR Site is asynchronous. The Exchange's Recovery Time Objective (RTO) and Recovery Point Objective (RPO) are 45 minutes and 15 minutes, respectively, for all critical systems like Trading, Surveillance, and Risk Management. Periodic mock tests and unannounced live trading from the DR site ensure proper functioning of DR systems.

The Exchange offers real-time price information through its "Data feed" service to interested parties. Additionally, the Exchange provides delayed data feed at no cost to data feed vendors. The data feed includes information about products traded on the Exchange platform.

### **GRC (Governance Risk and Compliance) & Quality Management System**

MSE adheres to all controls mandated by SEBI's Cyber Security & Cyber Resilience Framework. The Exchange has implemented various IT security features to ensure the safety and integrity of its systems and data. The Exchange conducts comprehensive system audits through independent system auditors. Information security is a crucial aspect of MSE's day-to-day business processes, and as such, the Exchange maintains its ISO/IEC 27001:2013 certification for effective Information Security Management System. MSE has also implemented the Quality Management System ISO 9001:2015 standard to provide quality-driven services to members. The systems at MSE are identified as "Protected Systems" by the National Critical Information Infrastructure Protection Centre (NCIIPC) and are closely monitored by NCIIPC.

## **7. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES**

Your Company has one subsidiary i.e. MSE Fintech Limited ("MSE Fintech"). No new subsidiaries were incorporated during the year and the subsidiary didn't cease to be a subsidiary of the Company during the year. There are no joint ventures entered into by the Company during the year and the Company does not have any Associate Company.

MSE Fintech is a wholly owned subsidiary of your Company which was initially proposed to act as Know Your Customer Registration Agency subject to receipt of necessary Regulatory approvals. MSE Fintech is yet to commence its operations and now proposes to

carry out IT, Application Service Provider (ASP) and other related services.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiary in Form AOC-1 is attached to the financial statements. The annual report of the subsidiary and the related documents are placed on the website of the Company i.e. www.msei.in/about-us/financials. In accordance with the provisions of Section 136 of the Companies Act, 2013, shareholders may download the annual consolidated financial statements with relevant documents and detailed information of the subsidiaries from the Company's website or may write to the Company for the same on secretarial@msei.in

## **8. DIVIDEND AND RESERVES**

The Board of Directors does not recommend any dividend on the equity capital of the Company and no amounts is proposed to be transferred to the General Reserve.

## **9. CHANGES IN THE SHARE CAPITAL**

During the year under review, there was no change in the authorized, issued and paid up share capital of the Company. As at March 31, 2024, the share capital of the Company were as below:

- The Authorized Share Capital of the Company stood at Rs. 550,00,00,000 divided into 550,00,00,000 equity shares of Re.1/- each.
- The issued and paid up Share Capital of the Company stood at Rs. 481,02,17,033 divided into 481,02,17,033 equity shares of Re.1/- each.
- No new shares have been issued by the Exchange.

Pursuant to the sanction of the Composite Scheme of Arrangement between the Company and MSE Enterprises Limited, the Amalgamating Company and their respective Shareholders (the Scheme), by Hon'ble NCLT – Mumbai Bench vide its order dated June 06, 2024, the authorised share capital of Rs. 3,00,00,00,000 of the Amalgamating Company as on the effective date of the Scheme was transferred to the Amalgamated Company i.e. MSE. Hence, the authorised share capital of the Company was increased from Rs. 550,00,00,000 to Rs. 850,00,00,000 having face value of Rs. 1 each.

## **10. EMPLOYEES STOCK OPTION PLAN**

The Stock Options granted to the employees operate under Employees Stock Option Scheme, 2009. There has been no variation in the terms of the above scheme during the year. During the financial year under review, no stock options were granted nor exercised by the employees under ESOP scheme. The details of the employee stock options are set out in **Annexure I** to the Board's Report.

## **11. DEPOSITS**

The Company has not invited, accepted or renewed any deposits under Chapter V of the Companies Act, 2013 during the financial year under review and as such no amount of principal or interest on any public deposits was outstanding as on the date of the balance sheet.

### **Details of deposits not/ in compliance with the requirements of the Act**

Since, the Company has not accepted any deposits during the Financial Year ended March 31, 2024, there has been no non-compliance with the requirements of the Act.

## 12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of Investments made by the Company are provided in Note nos. 5 and 9 of the Notes of the Standalone Financial Statements. During the year, your Company has not provided any guarantee or security to any person or entity and has not made any loans and advances in the nature of loans to firms/ companies in which directors of the Company are interested.

## 13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has formulated Policy on Related Party Transactions (RPT). The same is available on Company's website at web-link <https://www.msei.in/SX-Content/common/MCX-SX-About-Us/policy/2021/May/Policy-on-Related-Party-Transactions.pdf>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. This Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. The transactions with related parties are in Ordinary Course of Business and on arm's length basis. Accordingly, the disclosure of RPT as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 and is set out in the Annexure-II to the Board's Report. Approval of the shareholders for the RPTs with its subsidiaries has been obtained in the Annual General Meeting of the Company held on September 23, 2019. Approvals are also obtained for the RPTs from the Audit Committee & the Board.

## 14. DIRECTORS

The current strength of Board of the Company is Five (5). Being a Stock Exchange, the Board comprises of Four (4) Public Interest Directors ("PIDs"), One (1) Non-Independent Director ("NID") and One (1) Managing Director (MD & CEO).

### Changes during the year

During the period under review, Mr. Dinesh C. Patwari was appointed as a PID w.e.f. May 22, 2023 and as Chairman on the Governing Board of Exchange w.e.f. June 20, 2023 and the same was approved by SEBI. Mr. S.V.D. Nageswara Rao resigned as the Chairman and PID w.e.f. May 08, 2023. Mr. Rakesh Kumar Srivastava has been appointed as PID w.e.f. November 18, 2023. Mr. Ajai Kumar's 3 year tenure as PID has ended on October 22, 2023. Mr. Ashok Kumar Dogra and Mr. Manoj Kunkalienkar have been appointed as PID and NID, respectively, w.e.f. January 16, 2024. Mr. Trishna Guha has completed her second term as a PID and ceased to be a Director w.e.f. October 3, 2024.

The tenure of Ms. Latika S. Kundu, MD & CEO was till March 11, 2023. SEBI vide their various communications, granted extensions without change in terms of the appointment.

### DECLARATIONS BY PUBLIC INTEREST DIRECTORS

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further, all PID's have also given the declarations that they satisfy "Fit and Proper" criteria as stipulated under Regulation 20 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ("SECC Regulations").

All PIDs have also complied with Code for Independent Directors prescribed in Schedule IV to the Act. All PIDs have also given their annual affirmation on compliance with the Code of Conduct for the Board of Directors and Senior Management of the Company.

Further, there has been no change in the circumstances affecting their status as PIDs of the Company.

In compliance with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, all the PIDs of the Company have registered themselves with the Indian Institute of Corporate Affairs (IICA), Manesar and have included their names in the databank of Independent Directors within the statutory timeline.

### DECLARATION BY THE COMPANY

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164 (2) of the Act read with Rule 14 of Companies (Appointment and Qualifications of Directors) Rules, 2014. The Company has formulated and implemented a comprehensive Code of Conduct for the Board of Directors and Committee Members and Key Managerial Personnel (KMP) and Employees of the Company which is available on the Company's website: <https://www.msei.in/about-us/code>.

## 15. MEETINGS OF THE BOARD

During the FY 2023-24, thirteen (13) meetings of the Board of Directors were held. Details of Board meetings are provided in Corporate Governance Report which forms part of the Annual Report. Separate meetings of the PIDs were held in June 2023 and December 2023.

### MEETINGS OF THE COMMITTEES OF THE BOARD

There are various Board constituted Committees as stipulated under the Act and Listing Regulations namely Audit Committee, Stakeholders Relationship (SRC), Nomination and Remuneration Committee (NRC), Risk Management Committee (RMC). Brief details pertaining to composition, terms of reference, meetings held and attendance thereof of these Committees held during the year have been provided in Corporate Governance Report forming part of this Annual Report. Additionally, Company being an Exchange, has also constituted other Regulatory Committees as stipulated under SECC Regulations and other applicable laws.

### AUDIT COMMITTEE RECOMMENDATIONS

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

## 16. EVALUATION OF BOARD, ITS COMMITTEES AND DIRECTORS

With the objective of enhancing the effectiveness of the Board, the Nomination and Remuneration Committee (NRC) formulated the methodology and criteria to evaluate the performance of the Board and each director. The Independent Directors evaluated the performance of all Non-Independent Directors and the Chairman on various parameters such as structure, composition, diversity, experience, corporate governance competencies, performance of specific duties and obligations, quality of decision and overall Board effectiveness. The results of evaluation were discussed in the Board meeting held on 10th October, 2024. The Board discussed the performance evaluation reports of the Board, Board Committees, and Individual Directors and noted the suggestions/ inputs of the Directors. The Board deliberated the recommendations of the entire process to enhance its effectiveness and optimize individual strengths of the Directors. The detailed procedure followed for the performance evaluation of the Board is enumerated in the Corporate Governance Report

## 17. CHANGES IN KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, the Key Managerial Personnel (KMPs) of the Company are Ms. Latika Kundu, Managing Director & CEO, Mr. Saket Bhansali, Chief Financial Officer & Head – Human Resources and Mr. Durgesh Kadam, Company Secretary.

KMPs of the Company in terms of the SECC Regulations as on the date of this report are given below.

Sr. No	Name of the KMP	Designation
1.	Ms. Latika S. Kundu	MD & CEO
2.	Mr. Saket Bhansali	Chief Financial Officer & Head HR
3.	Mr. P. K. Ramesh	Chief Regulatory Officer
4.	Mr. Sachin Nayak	Head - Market Operations
5.	Mr. Durgesh M Kadam	Head – Legal & Company Secretary
6.	Mr. Isidorio Fernandes	Chief Technology Officer
7.	Mr. Laxmi Narayan Sahu	Chief Information Security Officer

Mr. Utkarsh Sharma has resigned as Head – Business Development w.e.f. September 20, 2023. Mr. Manish Gupta, Chief Technology Officer resigned w.e.f. July 13, 2023. Mr. Isidorio Fernandes, Chief Technology Officer appointed w.e.f. July 03, 2023. Mr. Sarvesh Shahare, Chief Information Security Officer (CISO) appointed on April 05, 2023 and resigned w.e.f. September 20, 2023. Mr. Laxmi Narayan Sahu was appointed as CISO w.e.f. August 21, 2023. Mr. Abhisheka Srivastava was designated as KMP w.e.f. June 23, 2023 and he ceased to be a KMP w.e.f. February 09, 2024.

## 18. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company has to comply with the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (**"SECC Regulations"**), for appointment of directors on the governing board. Further, the remuneration payable to the Executive Directors is also governed by the SECC Regulations. In compliance with the requirements of Section 197(12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SECC Regulations, a statement containing the remuneration details of Directors and KMPs is annexed as annexure V of this report.

## 19. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013 and based on the information provided by the Management, your Directors state that:

- In the preparation of the annual accounts for the financial year 2023-24, the applicable accounting standards have been followed and there are no material departures;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2023-24 and of the loss of the Company for that period;
- The Directors have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting

frauds and other irregularities;

- The Directors have prepared the annual accounts on a going concern basis (Auditors Qualification and the Directors' explanation thereto has been provided in the Directors' Report);
- The Directors have laid down internal financial controls to be followed by the Company and that such Internal financial controls are adequate and were operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 20. HUMAN RESOURCES AND PARTICULARS OF EMPLOYEES

The employee count stood at 119 as on March 31, 2024 as against 125 as on March 31, 2023. Disclosures with respect to the remuneration of Directors, Key Managerial Personnel and employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and in accordance with Regulation 27(5) of SECC Regulations, are given at Annexure IV & V of this report respectively.

### Vigil Mechanism/ Whistle Blower Policy

The Company has adopted a Vigil Mechanism/ Whistle Blower Policy (the "Policy") pursuant to Section 177(10) of the Act for Directors and Employees to report their genuine concerns and grievances. The Policy is available on website of the Company i.e. <https://www.msei.in/SX-Content/common/MCX-SX-About-Us/Code/2021/July/Whistle-Blower-Policy.pdf>

During the year under review, no employee has been denied access to the Audit Committee. In the previous years, certain complaints were received from two ex-employees of the Exchange. These complaints were taken up at appropriate level at the Exchange. In the meanwhile, the SEBI has directed ("SEBI Directive") that a committee of Public Interest Directors be formed to look into the said complaints and other matters. The Committee of Public interest Directors had appointed an Independent and reputed investigation firm to investigate the matters as per the SEBI Directives. The investigation has been completed and the report has been submitted to SEBI in December 2018.

## 21. PARTICULARS RELATING TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 ('POSH ACT')

The Company has a duly constituted Internal Complaints Committee (ICC) under POSH Act and the rules made thereunder. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

The Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices and lays down the guidelines for identification, reporting and prevention of undesired behaviour.

During the financial year ended March 31, 2024, no complaints pertaining to sexual harassment have been received.

## 22. STATUTORY AUDITORS

At the Eleventh Annual General Meeting held on September 23, 2019, M/s T. R. Chadha & Co. LLP, Chartered Accountants (Firm Registration No. 006711N/N500028), Mumbai ("TRC") were appointed as the Statutory Auditors of the Company for from the conclusion of the Eleventh Annual General Meeting until

the conclusion of the Sixteenth Annual General Meeting of the Company to be held in FY 2024.

In view of the tenure of the existing Auditor of the Company i.e. M/s T. R. Chadha & Co. LLP, Chartered Accountants (Firm Registration No. 006711N/N500028), Mumbai, ending at the Sixteenth AGM of the Company, based on the recommendation of Audit Committee, the Board of Directors of the Company, at its meeting held on June 19, 2024 had approved the appointment of M/s R Kabra & Co LLP, Chartered Accountants (Firm Registration No. 104502W/W100721) as Statutory Auditors of the Company, for a period of five consecutive years viz. FY 2024-25 to FY 2029-30 from the conclusion of the Sixteenth AGM till the conclusion of the Twenty First Annual General Meeting of the Company to be held in 2029, subject to approval of the Shareholders. The members of the Company may refer to the accompanying Notice of the AGM of the Company.

### 23. ADEQUACY OF INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT

The Company has maintained adequate internal financial controls over financial reporting. These includes policies and procedures –

- (a) pertaining to the maintenance of records that is reasonably detailed, accurately, and fairly reflects the transactions and dispositions of the assets of the Company,
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and that receipts and expenditures of the Company are being made only in accordance with authorization of management and Directors of the Company, and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material impact on the financial statements.

The Company identifies risk based internal audit scope; and assesses the inherent risk in the processes and activities of all departments to ensure that appropriate risk management limits, control mechanisms and mitigation strategies are in place. The Internal Auditors report observations relating to the deficiencies/ non-compliance of various audit areas and give suggestions/ recommendations and control directives to mitigate the shortcomings and make the process, procedure, systems and functions more robust, accountable, reliable and compliant. The observations made by the Internal Auditors and the compliances thereof are placed before the Audit Committee.

The Company has further implemented pre-audit of vendor payments based on a set criteria. It strives to put in checks and controls like internal approvals, budgetary controls, documentary controls, compliance to statutory requirements, etc.

The Company conducts in-house monitoring of the important applicable statutory and regulatory compliances. The status of compliances and the monitoring along with significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management systems.

### Risk Management and Compliance

Risk Management is one of the critical element of operating framework at MSE. Enterprise Risk Management ("ERM") framework encompasses practices relating to the identification, evaluation, mitigation and monitoring of strategic, operational, financial, compliance risks and emerging risks to achieve key business objectives and to minimise the adverse impact of risks., enabling effective leveraging of market opportunities and enhancement of long-term competitive advantage.

The Board of Directors of the Company has formed a Risk Management Committee ("RMC") to oversee the ERM Framework, mitigation and monitoring the risk management plan and ensuring its effectiveness. Following are the members of the RMC of the Exchange:

Mr. Ashok K Dogra, PID(C)- (Appointed with effect from February 09,2024)

Mr. Dinesh C. Patwari, PID - (appointed w.e.f. June 17, 2023)

External Expert:

Mr. Suresh Viswanathan

The Company's risk management framework is broadly categorized as risk pertaining to (a) Business and Strategy, (b) Information Technology & Cyber Security, (c) Regulatory and Compliance, (d) Finance and Accounts, (e) Operations, (f) Human Resources and (g) Admin and Environmental Health & Safety.

### Risk Management Objectives

The objective of Risk Management is to help management make informed decisions which will:

- Provide a sound basis for good corporate governance;
- Avoid major surprises related to the overall risk and control environment;
- Protect & enhance shareholders' value;
- Promote an innovative, risk aware culture in pursuit of opportunities to benefit the company;
- Promote qualitative and consultative risk taking;
- Risk Management framework ensures that information about risk derived from the risk management process is adequately reported and used as a basis for decision making and accountability at all relevant organizational levels.

### Risk Management Procedure:

**Risk Identification:** Risk Management is a continuous interplay of actions that the Company has to face. It is brought in to effect by the Company's Risk Committee, Management and other personnel. At MSE all Risks are categories into two i.e. Departmental Risk and Organisation Risk. The Risk Management process of the Company aims at providing reasonable assurance regarding achievement of the Company's objectives. In order to provide reasonable assurance, the Company's risk management process endeavors to help Identify, assess and escalate new risks impacting the objectives of the Company, Define mitigation actions to respond to the new risks effectively, Monitor effectiveness of existing risk management mitigation actions and Report risks and risk management mitigation actions to the Risk Management Committee on a periodic basis. The risk analysis and evaluation are carried out using scenario-based assessments to decide the potential impact, likelihood of occurrence and in some cases, the detectability of the risk. In all departments, Risk Champions are

identified who along with Risk Department review the internal process and identifies if any new risk is coming into the system and reports the same to Internal Risk Management Committee (IRMC) and RMC.

**Risk Mitigation:** Mitigation actions are prepared and finalised, owners are identified and the progress of mitigation actions are monitored and reviewed. IRMC and RMC periodically reviews and monitors the mitigation actions, its effectiveness and provides its advice and insights to the mitigation teams.

**Risk Reporting:** The top risks from the risk registers, its mitigation plans, periodic review of processes and new risks emanating from such reviews, a detailed update on Risks is presented and deliberated upon in the meetings of the RMC which are conducted on a periodic basis.

### Risk Management Framework for the year

During the year, as part of monitoring the key risks, the risk management team:

- (a) Reviewed the risk management practices, which were primarily focused on the effectiveness of strategic programs in improving our competitive position and differentiation in market segments.
- (b) Reviewed the momentum of new initiatives to achieve our long term business aspirations, our preparedness to address any incident that may cause business disruptions to our physical and technological infrastructure, strengthening operational and internal controls to detect fraudulent activity, leadership development and succession, planning and monitoring possible impact of changes in our regulatory environment.
- (c) Reviewed Technology, Information Security risks including cyber-attacks and threat intelligence and continue to monitor the progress of mitigation actions. In addition to this, mitigation plan is executed for data access, its preservation and monitoring measures for internal users is implemented.
- (d) Reviewed key operational risks and actions based on inputs from internal risk register, external assessment, internal audit findings and incidents.
- (e) Reviewed operational risk areas including client service level standards, retentions and engagement of employees, reskilling of employees, brand attractiveness, women's safety, physical securities, adequacy of insurance coverage, succession planning, and business continuity management.
- (f) Monitoring by regulatory department, the key developments in the regulatory environment.

Due to the inherent risks in the Company's business activities, it is vital that MSE keeps improving risk management practices to strengthen the organisation through informed strategic and business decisions.

### Risk Management Charter

The Company is committed to implement a robust Risk Management process to:

- improve its ability to prevent or timely detect risk event,
- identify, discuss, escalate and provide suggestions to deal with critical risk issues;
- standardize risk management principles and language across the company;
- improve sharing of risk information
- provide flexibility for managing upside and downside

scenarios

This information complements and does not replace other existing compliance programs.

This information is built on the established principles of sound risk management as detailed in recognised sources such as the Risk Management Standard ISO: 31000.

## 24. INTERNAL AUDIT

Internal Audit for the financial year 2023-24 was conducted by M/s. Mittal & Associates. Internal Audit Reports for all quarters of Financial Year 2023- 24 were placed before the Audit Committee and the meetings of the Board of Directors.

## 25. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company appointed M/s. Alwyn Jay & Co. to undertake the Secretarial Audit Report. The Secretarial Audit Report duly signed by Mr. Alwyn Dsouza, Partner (Membership no. 3058 and Certificate of practice no. 6915) of the said firm is annexed as **Annexure VI** to this report.

There were no qualifications, reservations or adverse remarks made by Secretarial Auditor.

## 26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

### (A) The steps taken and their impact on conservation of energy:

- a) Your Company regularly replaces high energy consuming electrical equipment with modern efficient devices such as installing all LED lights which are less in electricity consumption. Additionally, your Company also conserves energy by switching off lights & other equipment when they are not required. Your Company has also put sun control films on the glass windows to reduce the heat entering the office area which reduces the air-conditioning load and instead of AHU (Air Handling Unit), the Company is using chilled water line which results in reduction in electricity cost. Your Company continuously strives to optimize its energy usage and efficiency.
- b) **The steps taken by the Company for utilising alternate sources of energy:** Your Company's building has glass windows all around and we also use the ambient light for lighting purposes as much as possible which reduces the electricity consumption due to lesser need of lighting during the day.
- c) **The capital investment on energy conservation equipment:** The Company has not done any capital investment on energy conservation equipment during the year.

- (B) The earnings in foreign currency during financial year 2023-24 amounted to Rs. 22,50,000/- as compared to Rs. 22,50,000/- in the previous year. The expenditure in foreign currency during the financial year 2023-24 amounted to Rs. 21,25,505/- as compared to Rs. 20,03,544/- in the previous year.

## 27. CORPORATE SOCIAL RESPONSIBILITY

The Company has not registered profits in the last three years hence does not fall within the purview of the provisions of the Section 135 of the Companies Act, 2013 and the rules made thereunder; hence the Board of Directors have at their meeting held on May 13, 2017, dissolved the Corporate Social Responsibility

Committee.

## 28. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company i.e. March 31, 2024 to which the financial statements relate and the date of this Report.

## 29. CHANGE IN THE NATURE OF BUSINESS

Your Company has not undergone any changes in the nature of business during the Financial Year 2023-24.

## 30. EXTRACT OF ANNUAL RETURN

The Annual Return for financial year 2023-24 as per provisions of the Act and Rules thereto, is available on the Company's website at <https://www.msei.in/about-us/financials>

## 31. SECRETARIAL STANDARDS

The Company complies with the applicable Secretarial Standards issued by the 'Institute of Company Secretaries of India' (ICSI), as amended from time to time.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the ICSI and such systems are adequate and operating effectively. During the year under review, the Company was in compliance with the Secretarial Standards (SS) i.e., SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively.

## 32. IMPLEMENTATION OF CORPORATE ACTION

During the year under review, the Company has not failed to implement any Corporate Actions within the specified time limit.

## 33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

The significant and material orders passed by the regulators or courts or tribunals are as follows:

### (i) Composite Scheme of Arrangement amongst the Company ("Amalgamated Company") and MSE Enterprises Limited ("MEL" or "Amalgamating Company") and their respective Shareholders.

The Hon'ble NCLT – Mumbai Bench vide its order dated June 06, 2024, had sanctioned the Composite Scheme of Arrangement between Metropolitan Stock Exchange of India Limited ("MSE" or "Amalgamated Company") and MSE Enterprises Limited ("MEL" or "Amalgamating Company") and their respective Shareholders. The appointed date of the Scheme was April 1, 2023 and the Scheme became effective from June 12, 2024. Consequently, the Amalgamating Company which was subsidiary of the Company has merged with the Company and is no more in existence upon scheme becoming effective.

### (ii) Matters under litigation before Income Tax Department

Sr. No	Assessment Year	Amount of disallowed Expenses under appeal	Remarks
1	A.Y. 2012-13	28,04,95,853/-	Appeal is pending with CIT
2	A.Y. 2022-23	67,92,343/-	Appeal is pending with CIT

Above expenses incurred by the Exchange is being appealed before the Income Tax Department. If this appeal is unfavourable it may impact the Exchange.

### (iii) Update on the matter before the Hon'ble Supreme Court of India and NCLAT against NSE

NSE has appealed before the Hon'ble Supreme Court on September 16, 2014 against the order dated August 5, 2014 passed by the Hon'ble Competition Appellate Tribunal, COMPAT (now merged with NCLAT) wherein it had upheld the order passed by Competition Commission of India (CCI) on predatory pricing by NSE. The Exchange has continuously endeavoured to get the matter listed at Supreme Court.

The application claiming compensation from NSE filed by the Company before the Hon'ble COMPAT has been stayed pursuant to Hon'ble Supreme Court's Order dated February 12, 2018.

## 34. MAINTENANCE OF COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013, are not applicable for the business activities carried out by the Company.

## 35. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Company has not declared any dividend, so the applicable provisions related to IEPF are not applicable to the Company.

## 36. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OF THE ACT OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

No fraud has been reported by the Auditors to the Audit Committee or the Board.

## 37. RESOURCES COMMITTED TOWARDS STRENGTHENING REGULATORY FUNCTIONS AND TOWARDS ENSURING

SEBI from time to time has issued various regulations and guidelines applicable to the Company. The Company ensures compliances with the same and aims to remain at the forefront by creating a precedent for others to follow, in terms of compliance by implementing the best governance practices and disclosures.

Disclosure pertaining to resources committed towards strengthening regulatory functions and towards ensuring compliance with regulatory requirements, backed by an activity based accounting and applicable to the recognised stock exchange, forming part of this report, is as under:

The Company has segregated its regulatory departments as per Regulation 28 of SECC Regulations. The Company has dedicated resources to manage regulatory functions of the regulatory departments as specified in Part C of SECC Regulations which includes Surveillance, Listing, Member registration, Compliance, Inspection, Enforcement, Arbitration, Default, Investor Protection and Investor Services and is in compliance of Regulation 33 (3) of the SECC Regulations.

As on March 31, 2024, there are 40 dedicated resources in regulatory departments/ functions in various designations. Senior officials of the Company Lead the various regulatory departments and report to the Chief Regulatory Officer and Compliance Officer, who in turn reports to the Managing Director and CEO, Regulatory Oversight Committee and Board of Directors, as required. The resources committed towards strengthening regulatory functions and towards ensuring compliance with regulatory requirements are activity / segment based. The same applies for various activities

carried out in Regulatory Functions. It includes cost incurred by the Exchange towards Manpower, Set-up of segregated regulatory division, Online Surveillance Activity, System driven disclosures by listed companies, XBRL reporting format for listed companies, database to maintain listing and member related details and compliance monitoring. Of these, resources committed toward manpower in regulatory functions stands at INR 3.74 crores for FY 2023-24.

Further, the Exchange had incurred close to approx. INR 16.19 crores towards technology to run Trading and Surveillance Activities which is a coupled activity. Other resources committed towards set-up of segregated regulatory division and other hardware / software are unallocated, however, Exchange has ensured and committed the resources to regulatory functions in such a way that regulatory functions are well strengthened to discharge regulatory activities.

The Company has ensured to make disclosures of various mandatory regulatory requirements along with reporting of the same to various regulatory authorities in addition to informing the same to the Board of Directors and Committee members.

### 38. GREEN INITIATIVE

During the Financial Year 2023-24, all the agenda items of Board and Committee meetings were sent electronically to the Directors/ Members and were uploaded on an application, thereby reducing/ eliminating circulation of printed agenda's and promoting the Green Initiative objective of the Government of India.

### 39. OTHER DISCLOSURES

#### A. Management Discussion & Analysis

Pursuant to Regulation 34(2)(e) of the Listing Regulations, the Management Discussion and Analysis Report forms part of this Annual Report and is annexed as **Annexure - VII**.

#### B. Corporate Governance

Pursuant to the SECC Regulations, Listing Regulations and the Act, report on Corporate Governance as on March 31, 2024, forms part of this Annual Report as an **Annexure VIII**. A Certificate from Practicing Company Secretary, confirming status of compliances of the conditions of Corporate Governance is annexed to the Corporate Governance Report.

#### C. Insider Trading Regulations

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has formulated a Code of Conduct for Prevention of Insider Trading ("Insider Trading Code").

#### D. Amendment in the Bye-laws, Rules and Regulations

The proposed amendments in Bye-laws and Rules of the Exchange

have been published in State Gazette on August 19, 2024 and on 27th September 2024 in Central Gazette of India.

#### E. Other Matter

SEBI in July / August, 2023 issued order against the Exchange, MD&CEO and the CFO of the Exchange for alleged violation of SOP and imposed penalty. The appeal was filed against the said SEBI order with Hon. Securities Appellate Tribunal (SAT) on August 31, 2023. Hon. SAT issued order on October 24, 2024, stating that all the charges levied in the SEBI order are unsustainable and the appellants do not suffer for any legal infirmity. Hence, the appeal is allowed and the impugned order of penalty is quashed.

### 40. MARKETING AND COMMUNICATIONS

#### Investor Awareness Programme

As per SEBI directives, The Exchange has established the Metropolitan Stock Exchange Investor Protection Fund Trust (MSEIPFT). The main focus of MSEIPFT is to conduct Investor Education and Awareness programmes (IAP) to ensure better protection for investors. These programs have proven to be effective in engaging with retail and potential clients.


In the fiscal year 2023-24, the exchange initiated a comprehensive series of regional investor awareness programs to educate and empower individuals across different locations. A total of 158 programs were conducted as Regional Investor Seminar for Awareness (RISA) and Securities Market Trainers (SMARTs) programme, reaching out to a substantial audience of over 10150 participants of which 111 were conducted by MSE in collaboration with SEBI, the depositories, NSDL and CDSL. These programs were strategically designed to enhance the knowledge and understanding of investors in various regions, fostering a culture of informed decision-making and responsible investment practices.

Out of 158 programs, 97 were webinars to ensure wider accessibility and inclusivity in investor education. These online sessions allowed individuals from different locations to participate conveniently from the comfort of their homes or workplaces. The webinars covered a broad range of investment-related subjects, such as financial planning, investment instruments, regulatory frameworks, and ethical investing. By leveraging digital platforms, the exchange successfully reached out to a diverse audience, transcending geographical boundaries and connecting with investors in 93 locations.

The programs played a crucial role in fostering a culture of informed investment decision-making, equipping individuals with the necessary knowledge and tools to navigate the complexities of the financial markets.

The exchange's commitment to investor education demonstrates its dedication to promoting a sustainable and thriving investment ecosystem in the region.



The background features a collage of financial data visualizations. At the top, a pie chart shows segments in yellow, pink, and purple, with the number '3.0' visible in a yellow segment and '5.19' in a pink segment. Below this, a line graph with a red line shows an upward trend. In the foreground, a magnifying glass with a gold frame is positioned over a bar chart with red bars and a line graph with a red line. The bar chart has a y-axis with '0' and '20' marked. The overall theme is financial analysis and growth.

A Landmark Celebration  
of  
Financial Literacy:  
**World Investor Week**  
**2023**

**MSE Investor Expo**  
(October 9, 2023)

# World Investor Week 2023



The World Investor Week 2023 marked a significant milestone in the journey of financial literacy and investor education in India. This year, the MSE Investor Protection Fund (MSE IPF) hosted a remarkable Opening Bell ceremony at the MSE Investor Expo, centered around the theme "**Millennials and Responsible Investing.**" The event was more than just a ceremonial beginning; it was a clarion call to the young, dynamic, and digitally savvy generation that represents the future of India's financial markets.



The event's Opening Bell ceremony was symbolic of this commitment. As the bell rang, it signaled not just the start of the trading day but also the beginning of a new chapter in MSE's investor education initiatives. The ceremony was followed by the signing of a Memorandum of Understanding (MoU) between MSE IPF and ATLAS SkillTech University, aimed at promoting financial literacy and investor education among the millennial community. This partnership is expected to pave the way for a series of educational programs, workshops, and initiatives that will empower young investors with the knowledge and skills they need to succeed in the financial markets.





As the world's largest democracy, India is witnessing an unprecedented demographic shift. Millennials, now form the largest cohort in the workforce and are on the cusp of becoming the most influential group of investors. Their approach to investing, driven by values, technology, and a desire for sustainability, is redefining the contours of the financial landscape. Recognizing this, MSE IPF chose to focus on this group, aiming to instill the principles of responsible investing among these young investors at a time when their financial journeys are just beginning.



# Engaging the Millennial Mindset

The first of kind event was a resounding success, with more than 1,700 college / university students from various colleges of Mumbai attending in person. The physical turnout was a testament to the growing interest in financial literacy among the youth. These students, hailing from fields as diverse as engineering, management, arts, and commerce, converged at the ATLAS SkillTech University's BKC Equinox campus, a modern hub of innovation and learning in the heart of Mumbai's business district. The energy and enthusiasm in the air were palpable as students eagerly awaited the start of the day's events.



The event also saw online participation from over 300 students from some of India's most prestigious institutions, including the Indian Institutes of Management (IIMs), Indian Institutes of Technology (IITs), and Xavier Labour Relations Institute (XLRI). This hybrid model of participation underscored the evolving nature of educational events in a post-pandemic world, where digital and physical engagements seamlessly blend to create inclusive and far-reaching experiences.

# A Confluence of THOUGHT LEADERS

The event was graced by a distinguished panel of guests, including officials from the Securities and Exchange Board of India (SEBI), industry bodies, and representatives from the mutual fund and wealth management industries. Their presence not only added gravitas to the event but also underscored the importance of investor education in building a robust and resilient financial ecosystem.

One of the highlights of the event was the release of a series of animated videos for investor education,

launched by Mr. Ananth Narayan Gopalakrishnan, Whole Time Member of SEBI. These videos, featuring MSE’s mascot, were designed to simplify complex financial concepts and make them accessible to a broader audience, particularly young and first-time investors. The choice of animated content was strategic, catering to the visual learning preferences of millennials, who are known to consume information through digital and multimedia channels.



**Mr. Gopalakrishnan’s** address during the launch was a powerful reminder of SEBI’s commitment to investor protection, market development, and regulation. He emphasized SEBI’s role in ensuring that investors are well-informed and capable of making sound financial decisions. “SEBI’s responsibility is to ensure that investors are aware. SEBI’s three mandates are investor protection, market development, and market regulation. SEBI’s job is to ensure sustainable capital formation in India,” he remarked. His comments highlighted the regulator’s focus on creating an environment where informed investing is the norm, and not the exception.

# The Power of Knowledge: Insights from INDUSTRY LEADERS



Following the keynote address, the event featured a panel discussion on the theme "Empowering Bharat: The Journey of Resilience and Responsible Investing." **Ms. Latika S Kundu**, Managing Director and CEO of MSE highlighted "Investing is not just about financial transactions; it is about building future, supporting dreams, and creating lasting legacies. It is about empowering Bharat, our beloved nation, to stand tall in the global financial landscape."

**Mr. Dinesh Patwari**, Chairman of the Metropolitan Stock Exchange, passionately advocated for the importance of early financial education in his recent address. He emphasized, "Finance and investment should be a compulsory subject in schools, starting from the age of 12 through 17. By teaching our young minds how to manage basic finances and the fundamentals of investing, we empower them to make informed decisions that can have a profound impact on their futures. This early education can lead to greater financial literacy and broader participation in our economy."

Mr. Patwari further urged the members of SEBI and the Government of India to consider integrating this essential curriculum into the education system, envisioning a future where the entire population is better equipped to participate in the financial markets.



The panel brought together some of the most respected names in the industry, including Mr. Anup Maheshwari, Co-Founder and CIO of 360 ONE Asset; Mr. Nilesh Shah, Managing Director of Kotak AMC; Mr. Vijay Chandok, Managing Director and CEO of ICICI Securities; and the discussion was moderated by a seasoned financial journalist who ensured that the conversation was both engaging and informative.



The MSE Investor Expo 2023 was a day packed with insightful sessions, thought-provoking discussions, and inspirational speeches. The event kicked off with a keynote address by **Mr. Ananth Narayan Gopalakrishnan**, who set the tone for the day with his comprehensive overview of SEBI's role in fostering a transparent and resilient financial system. He spoke about the remarkable growth in the number of investor accounts in India, which has crossed the 10-crore mark, and the potential to reach 50 crore unique investors in the future. His emphasis on the importance of financialization of savings as a booster for capital formation resonated strongly with the audience.

Mr. Gopalakrishnan also touched upon the inherent volatility of financial markets and the need for investors to assess their own risk tolerance. "Volatility is a critical part of investments. It is only the investor who by himself or herself can decide what the level of risk that they can take is," he said. This message was particularly relevant for the millennial audience, many of whom are still developing their understanding of market dynamics and the relationship between risk and reward.







The panelists shared their perspectives on the challenges and opportunities in expanding financial inclusion across Bharat, the term often used to refer to the non-urban, rural, and semi-urban parts of India. **Mr. Nilesh Shah**, with his deep understanding of the Indian markets, spoke about the diversity of India and the need for regulations that cater to this diversity. “India is a heterogeneous country. You need to take into account the diversity of India. Good regulation is needed. India is neither physical nor digital. We need to provide both. There is no one standard solution for India,” he mentioned. His remarks underscored the complexity of creating financial products and services that are accessible to all segments of the population.



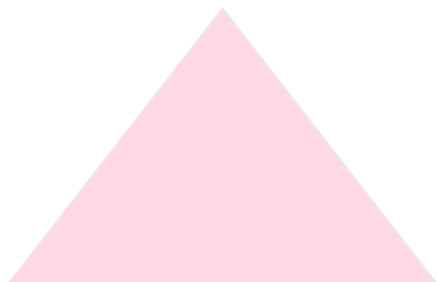
**Mr. Anup Maheshwari** added to the discussion by highlighting the importance of investing as a means of wealth creation. “It is all about earning, spending, giving but the most important is investing. Investing is one of the places to create long-term wealth and capital,” he said. His emphasis on long-term investing aligned with the theme of responsible investing, encouraging millennials to think beyond short-term gains and focus on building a sustainable financial future.



**Mr. Vijay Chandok**, known for his insights on digital transformation, spoke about the role of digitalization in driving financial inclusion. “Digitalization has really helped for financial inclusion in a large way. The three most important things to look into are Digitalization, basic learning about finance, and access to people,” he stated. His comments reflected the reality that digital platforms are increasingly becoming the entry point for new investors, particularly in the millennial age.



The event also featured **Mr. Kalpen Parekh**, MD & CEO of DSP Mutual Fund, emphasizing the importance of starting early in one’s investing career. Prof. Prabina Rajib from IIT Kharagpur delivered a lecture on risk management, advising millennials on navigating investment risks.



# Industry Participation: Bridging Knowledge Gaps

The event saw participation from 15 Industry Expo Partners, each a leader in their respective domains of mutual funds, retail brokerages, and wealth management. These partners set up interactive stalls at the expo, creating a vibrant marketplace of ideas and opportunities for the young attendees. The participating industry partners included well-known names such as **360 ONE Asset, Aditya Birla Finance, Globe Capital, ICICI Prudential Mutual Fund, ICICI Securities, Invesco Mutual Fund, Kotak Asset Management, Nippon Mutual Fund, Nirmal Bang Securities, Philip Capital, Share India, SMC, and StockGro.**



#### 41. ACKNOWLEDGEMENTS

The Board is grateful to the members of various committees constituted during the year.

The Board places on record their gratitude for the valuable guidance and support received from the Government of India, particularly Ministry of Finance and Ministry of Corporate Affairs, Securities and Exchange Board of India and Reserve Bank of India and for the continuous support given by participating banks, shareholding banks and institutions, NSDL, CDSL, FICCI, CII, ASSOCHAM, IMC and various other international, national and regional chambers of commerce, trade associations and all other broker-members, lawyers and law firms, consulting firms, vendors, technology partners and all other business associates to the Company.

The Board members are also deeply touched by the efforts, sincerity and loyalty displayed by the employees and the Board wishes to convey their appreciation to the Company's employees for their continuous efforts as well as their collective contribution which enabled the Company to meet the challenges set before it and look forward for their support in future as well.

Further, the Board expresses its gratitude to you our Shareholders for the confidence reposed in the Management of the Company.

#### For and on behalf of the Board of Directors

**Latika S. Kundu**

Managing Director & CEO  
DIN: 08561873

**Dinesh C Patwari**

Chairman  
DIN: 10060352

Date: 11th November 2024

Place: Mumbai

**DISCLOSURES OF THE EMPLOYEE STOCK OPTION SCHEME, 2009 (ESOP SCHEME 2009) UNDER THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA**

Sr. No.	Particulars	Round I	Round II	Round III	Round IV
A	Options granted	11,25,000 (on November 27, 2009)	40,55,100 (on March 20, 2012)	5,53,250 (on November 1, 2012)	1,45,800 (on March 12, 2013)
B	The pricing formula	Based on the fair price of the shares on the date of grant.			
C	Options vested	11,25,000	40,55,100	5,53,250	1,45,800
D	Options exercised till March 31, 2024	7,05,000	6,02,666	NIL	Nil
E	The total number of shares arising as a result of exercise of options	Not Applicable, as ESOPs are intended to be offered through Trust			
F	Options lapsed as at March 31, 2024	4,20,000	34,52,434	5,53,250	1,45,800
G	Variation of terms of options (as at March 31, 2024)	None			
H	Money realized by exercise of options by ESOP Trust	Rs. 7,05,000	Rs. 12,65,599	Nil	Nil
I	Total number of options (vested and unvested) in force (as at March 31, 2024)	NIL			
J	Employee wise details of options granted during FY 2023-24 i) KMPs/ Senior managerial personnel ii) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year iii) identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of options	Nil			
K	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Indian Accounting Standard 33 'Earnings Per Share'	NA			
L	i) Method of calculation of employee compensation cost ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the Options iii) The impact of this difference on profits and on EPS of the Company	NA			
M	Weighted average exercise price and Weighted average fair value				
N	Fair value of options: Assumptions, Risk Free rate, Expected life of options, Expected Volatility				
	Expected Dividends	No dividend declared			
	Closing market price of share on a date prior to option grant	N.A.			

**Notes:**

- Options under the ESOP Scheme are offered through the Trust.
- The shares of the Company are not listed on any Stock Exchange.
- No options were granted, vested or exercised during the FY 2023-2024.

**For and on behalf of the Board of Directors**

**Latika S. Kundu**  
Managing Director & CEO  
DIN: 08561873

**Dinesh C Patwari**  
Chairman  
DIN: 10060352

Date: 11th November 2024

Place: Mumbai

**FORM NO. AOC-2****(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under fourth proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis- Metropolitan Stock Exchange of India Limited (the Company) has not entered into any contract/arrangement/ transaction with its related parties, which is not in ordinary course of business or at arm's length during FY-2023-2024. The Company has laid down policies and processes/ procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

(a) Name(s) of the related party and nature of relationship: **Not Applicable.**

(b) Nature of contracts / arrangements / transactions: **Not Applicable**

(c) Duration of the contracts / arrangements / transactions: **Not Applicable.**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable.**

(e) Justification for entering into such contracts or arrangements or transactions: **Not Applicable.**

(f) Date(s) of approval by the Board: **Not Applicable.**

(g) Amount paid as advances, if any: **Not Applicable.**

(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013: **Not Applicable.**

2. Details of material contracts or arrangement or transactions at arm's length basis:-

(a) Name(s) of the related party and nature of relationship: **Please see Annexure to AOC -2**

(b) Nature of contracts/arrangements/transactions: **Please see Annexure to AOC -2**

(c) Duration of the contracts / arrangements/transactions: **On-going transaction (Continuous)**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Please see Annexure to AOC -2**

(e) Date(s) of approval by the Board, if any: The transactions are on arms' length basis and in ordinary course of business. Approval of the Board wherever necessary were obtained for this purpose from time to time.

(f) Amount paid as advances, if any: **Nil**

For and on behalf of the Board of Directors

**Latika S. Kundu**  
Managing Director & CEO  
DIN: 08561873

**Dinesh C Patwari**  
Chairman  
DIN: 10060352

Date: 11th November 2024

Place: Mumbai

## Details of Transactions with Related Parties

Nature of Transaction	MSE Fintech Limited	MSEI-IPF CDS Trust (Others)#	Metropolitan Stock Exchange ESOP Trust (Others)
Reimbursement of Expenses	0	-	-
	0	-	-
Amount Receivable	0	-	1
	0	-	0
Closing Balance of Investments in equity shares	5	-	-
	5	-	-
Closing Balance of Loan to ESOP Trust	-	-	60
	-	-	60

# The Company acts as an intermediary for collection of penalties and share of listing fees to be transferred to MSE – IPF Trust accordingly those transactions have not been considered above.

- Related party relationship is as identified by the Company and relied upon by the auditors.
- There are no amounts written off or written back in the year in respect of debts due from or to related parties.
- Figures in italics represent previous year's amounts.
- The transactions with the related parties are disclosed only till the relation exists.

## For and on behalf of the Board of Directors

**Latika S. Kundu**

Managing Director & CEO

DIN: 08561873

**Dinesh C Patwari**

Chairman

DIN: 10060352

Date: 11th November 2024

Place: Mumbai

**NOMINATION AND REMUNERATION POLICY**

The detailed Nomination and Remuneration policy is available on MSE's website at <https://www.msei.in/about-us/policy>.

**STATEMENT PURSUANT TO RULE 5(3) and 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND REGULATION 27(5) OF THE SECC REGULATIONS 2018 FOR THE PERIOD FROM APRIL 1, 2023 TO MARCH 31, 2024**

Name & Qualifications	Age	Designation	Remuneration received (Rs.)	Experience in years	Date of commencement of employment	Previous employment
Latika S Kundu# MBA, ACCP-ICCP, BCOM	54	MD & CEO	87,50,000	25+	12-Mar-20	Singapore Diamond Investment Exchange Pte. Ltd
Saket Bhansali B.com / PGDBA	46	Chief Financial Officer & Head – Human Resources	64,97,260	24	03-Apr-20	Singapore Diamond Investment Exchange Pte. Ltd
P. K. Ramesh BSc., MA (Economics), MBA (Finance), LLB and PG in Securities Law	62	Chief Regulatory Officer & Compliance Officer	46,00,000	41	24-May-19	United Stock Exchange
Sachin Nayak Chartered Accountant	42	Head Market Operation	35,30,000	17	08-Sep-08	City Group Global Services
Durgesh Kadam B.Com., FCS, LLB, ACG (UK)	51	Head – Legal and Company Secretary	28,00,020	22	13-Apr-22	SICOM Ltd
Abhisheka Srivastava* MMS & LLB, LLM	50	Assistant Vice President – Human Resources	16,44,211	24	01-09-2020	WheelsEMI Pvt.Ltd.
Isidorio Fernandes MBA Systems, PGD-Computer Science	54	Chief Technology Officer	33,75,000	25	03-07-2023	Equirus Securities Pvt. Ltd
Laxmi Narayan Sahu B. Tech.	44	Chief Information Security Officer	20,83,883	21	21-08-2023	Microscan Communication Pvt Ltd
Manish Gupta** MCA, PGDCA	43	Chief Technology Officer (From 27-06-2022 to 13-07-2023)	13,10,300	21	27-06-2022	CIFL
Utkarsh Sharma*** CFA	46	Head – Business Development (From 11-04-2022 to 20-09-2023)	20,80,993	24	11-04-2022	Indian Commodity Exchange
Sarvesh Radheshyam Shahare****	45	Assistant Vice President (From 05-04-2023 to 20-09-2023)	16,15,143	20	05-04-2023	FIS Global

\*Mr. Abhisheka Srivastava stepped down as KMP w.e.f. February 09, 2024

\*\*Mr. Manish Gupta resigned w.e.f. July 13, 2023

\*\*\*Mr. Utkarsh Sharma resigned w.e.f. September 20, 2023

\*\*\*\* Mr. Sarvesh Radheshyam Shahare resigned w.e.f. September 20, 2023.

#includes first tranche of variable pay for the period March 12, 2021 to March 11, 2022, which was due to be paid on March 12, 2022

**Notes:**

- None of the above employees is a relative of any Director of the Company.
- Except Mr. Saket Bhansali and Mr. Sachin Nayak, as on March 31, 2024, none of the employees hold any equity shares in the Company within the meaning of clause (iii) of sub- rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- Nature of employment : Above employees are / were KMP's of the Company.

**For and on behalf of the Board of Directors**

**Latika S. Kundu**  
Managing Director & CEO  
DIN: 08561873

**Dinesh C Patwari**  
Chairman  
DIN: 10060352

Date: 11th November 2024  
Place: Mumbai

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12)  
OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND  
REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary and other KMPs during the financial year 2023-24 and ratio of the remuneration to the median remuneration of all the employees of the Company:

Sr. No.	Name of Director/ KMP and Designation	% increase (decrease) in Remuneration in the Financial Year 2023-24	Ratio of remuneration of each Director/ KMP to median remuneration of employees
1	Mr. Ajai Kumar	*	01:1.15
2	Ms. Trishna Guha****	*	01:2.15
3	Mr. Dinesh Patwari	*	01:2.20
4	Mr. Ashok Kumar Dogra	*	01:0.41
5	Mr. Rakesh Kumar Srivastava	*	01:0.81
6	Mr. Manoj Kunkalienkar	*	01:0.69
7	Ms. Latika S Kundu \$ MD & CEO	No increase or decrease in the remuneration	01:10.00
8	Mr. Saket Bhansali \$\$ Chief Financial Officer	No increase or decrease in the remuneration	01:8.66
9	Mr. P K Ramesh Chief Regulatory officer	No increase or decrease in the remuneration	01:6.13
10	Mr. Sachin Nayak Head - Market Operations	No increase or decrease in the remuneration	01:4.71
11	Mr. Manish Gupta * Chief Technology Officer / Vice President	No increase or decrease in the remuneration	01:4.87
12	Mr. Durgesh M Kadam Head - Legal & Company Secretary	No increase or decrease in the remuneration	01:3.73
13	Mr. Utkarsh Sharma ** Sr. Vice President	No increase or decrease in the remuneration	01:2.77
14	Mr. Sarvesh Radheshyam Shahare *** Assistant Vice President	No increase or decrease in the remuneration	01:2.15
15	Mr. Abhisheka Srivastava Assistant Vice President	No increase or decrease in the remuneration	01:2.19
16	Mr. Isidorio Fernandes Chief Technology Officer / Sr. Vice President	No increase or decrease in the remuneration	01:4.50
17	Mr. Laxmi Narayan Sahu CISO / Vice President	No increase or decrease in the remuneration	01:2.78

\$ This includes the variable pay component of Rs.25,00,000/-p.a., which is governed by Malus and Clawback arrangement as per SECC Regulations and is paid. The figure excludes the variable payment of Rs 12,50,000/- for the period March 12, 2021- March 11, 2022, which was due on March 12, 2022 and was paid during the year.

\$\$ This includes variable payment of Rs.9,97,260/- which is governed by Malus and Clawback arrangement as per SECC Regulations and is paid to the KMP.

\*Mr. Manish Gupta resigned w.e.f. July 13, 2023

\*\* Mr. Utkarsh Sharma resigned w.e.f. September 20, 2023

\*\*\* Mr. Sarvesh Radheshyam Shahare resigned w.e.f. September 20, 2023

\*\*\*\* Ms. Trishna Guha ceased to be director w.e.f. October 3, 2024.

**Note:**

- (i) The percentage decrease in the median remuneration of employees in the financial year 2023-24 is 0.87%.
- (ii) The number of permanent employees on the rolls of company as on March 31, 2024 is 119 employees.
- (iii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptions circumstances for increase in the managerial remuneration; - The average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is 1.9%
- (iv) It is hereby affirmed that the remuneration paid during the year is as per the remuneration policy of the Company.



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

**The Members,**

**Metropolitan Stock Exchange of India Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Metropolitan Stock Exchange of India Limited** (CIN: U65999MH2008PLC185856) (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and has required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2024** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder and The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ('SECC Regulations') and other Circulars;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for compliance to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **as amended from time to time:**

The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable to the Company;**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable to the Company;**

The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not Applicable to the Company;**

The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Not Applicable to the Company;

The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company;**

The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable to the Company;**

The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not Applicable to the Company;**

The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

- (vi) The Company has complied with the provisions of the Prevention of Money Laundering Act, 2002 and other applicable general laws, rules, regulations and guidelines.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and
- (ii) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 **to the extent applicable.**

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Director and Public Interest Directors/ Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for a meaningful participation at the meeting.

The minutes of the Board Meetings and Committee Meetings have not identified any dissent by members of the Board/Committee of the Board. The Minutes of the Board Meetings and Committee Meetings were duly approved at the meeting by the Chairman of the Meeting.

**We further report** that there are adequate systems and processes in the Company commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period, following specific events/actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

1. In the matter of National Stock Exchange of India Ltd Vs Competition Commission of India & Metropolitan Stock Exchange of India Limited (Civil Appeal No.8974 of 2014) before Supreme Court of India, National Stock Exchange of India Ltd (NSE) had filed an appeal to set aside the impugned judgement and final order dated 5th August, 2014 passed by the Competition Appellate Tribunal, New Delhi in Appeal No.15 of 2011 wherein a penalty of Rs.55.5 Crores was imposed on NSE stating that NSE had abused its dominant position by carrying out predatory pricing in the securities market of stock exchange services. Further, pursuant to the order passed by the Supreme Court on 20th February, 2023, NSE had admitted petition. The matter is still pending for final hearing.
2. Cogencis Information Service Ltd (Cogencis) has filed a Commercial Suit before the Hon'ble High Court Bombay against the Company under the Commercial Courts Act, 2015 for recovery of debt of Rs.1,29,90,975/-, Cogencis was appointed by the Company in 2016 for providing data feed services for 2 years which the Company terminated services as per Clause 3 of the subscription form by giving 90 days' advance notice on 26.12.2016. As per clause 2 of the subscription form, the minimum tenure of the agreement was 2 years before which there could be no termination. It was alleged by Cogencis that it continued to provide its services to the Company & hence raised invoices until completion of 2 years. the Company had refuted the above allegations & clarified that Clause 2 mentions the minimum initial term for the agreement unless terminated in accordance with clause 3. Cogencis filed petition with NCLT, Mumbai u/s 9 of the IBC code against the Company claiming an alleged operational debt amounting to Rs.94,56,511/-. A notice dt 12.03.2021 was received from Cogencis for mediation before the Mumbai District Legal Services Authority, City Civil &

sessions court to which MSE did not consent. Accordingly, a non-starter report was submitted to the Court. Thereafter Cogencis filed a commercial suit before Hon'ble High Court, Mumbai in September,2021. The matter is pending for pre-admission hearing before Bombay High Court. MSE had filed its written statement to the suit. The matter is still pending.

3. SEBI imposed a penalty of Rs. 4 lakhs on the Company vide its order dated 31st July 2023. Hon'ble Securities Appellate Tribunal has stayed the matter vide its order dated September 06, 2023.
4. Pursuant to the order dated 18th October, 2023 passed by National Company Law Tribunal, Mumbai Bench, the Meeting of the Equity Shareholders of the Company was held on 7th December, 2023 for the approval of the Composite Scheme of Arrangement amongst the Company and MSE Enterprises Ltd. (Formerly known as MCCIL) and their respective shareholders pursuant to Section 230 and 232 read with Section 66 of the Companies Act, 2013.

Place : Mumbai  
Date : 11th November 2024

**ALWYN JAY & Co.**  
Company Secretaries

Office Address :  
Annex-103, Dimple Arcade,  
Asha Nagar, Kandivali (East),  
Mumbai 400101.

**[ Jay D'Souza FCS.3058 ]**  
(Partner)  
[ Certificate of Practice No.6915 ]  
[UDIN : F003058E000781000]

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
 FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024  
 [Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
 (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

**The Members,**

**Metropolitan Stock Exchange of India Limited**

Our Secretarial Audit Report of even date is to be read along with this letter.

The compliance of provisions of all laws, rules, regulations, standards applicable to Metropolitan Stock Exchange of India Limited (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.

Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further part of the verification was done on the basis of electronic data provided to us by the Company and on test check basis to ensure that correct facts as

reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai

Date : 11th November 2024

**ALWYN JAY & Co.**

Company Secretaries

Office Address :

Annex-103, Dimple Arcade,  
 Asha Nagar, Kandivali (East),  
 Mumbai 400101.

**[ Jay D'Souza FCS.3058 ]**

(Partner)

[ Certificate of Practice No.6915]

[UDIN : F003058E000781000]

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Metropolitan Stock Exchange of India Limited ("MSE") is a recognized national level stock exchange in India. MSE offers an electronic platform for trading in Currency Derivatives, Interest Rate Derivatives and Equity Cash & Equity Derivatives segments. The Exchange employs advanced trading technology and IT infrastructure with significant scalable capacity and proven capability of handling high volume trades.

### 1. Corporate and Business Background

MSE is a full-service National level Stock Exchange with license from Securities and Exchange Board of India (SEBI) to operate in Equity, Equity Derivatives, Currency Derivatives and Debt. The Exchange has live trading electronic platform in all segments.

The current ownership of the Exchange is well diversified between corporates, banks and individuals. At present in Currency Derivatives Segment (CDS), Currency Futures and Options contracts are available for trading in USD/INR, GBP/INR, EUR/INR and JPY/INR contracts along with cross currency pairs of EUR/USD, USD/JPY, GBP/USD. Currency Derivatives Segment also provides trading of Interest Rate futures where futures contracts are available on 6 GOI Bonds with maturity buckets of 6 years, 10 years and 13 years.

In the Equity cash segment, 2112 companies are available for trading. In Equity Derivatives, Stock Futures and Stock Options are available for trading in the Exchange on 181 stocks. Also Index Futures and Index Options are available for trading on MSE Index SX40. 48 ETFs are available for trading and 42 Sovereign Gold Bonds issued by RBI are also available for trading on the Exchange.

### 2. Industry Structure and Developments

Bharat is poised to be a global hub of opportunities. India stood out as one of the few bright spots for global IPO activity during FY 2023-24. A strong domestic economy and rising corporate earnings enabled India to deliver more IPOs than any other jurisdiction. In 2023, India IPO proceeds totaled US\$7.89 billion, which is in line with the US\$7.99 billion recorded in 2022. The growth in the number of IPOs, however, is what has encouraged investors, with the IPO count for 2023 coming in at 234, the highest annual total since 2017 and an increase of 56 percent on the 150 listings recorded in 2022. The positive outlook for IPO activity in India is bolstered by a blend of favorable fundamentals.

### 3. Growth Drivers

Strong consumption demand, a robust government capex push, rapid digitization, and favorable policies drive India's success story. The capital market is dynamic and well-regulated, influenced by global economic conditions, geopolitical events, and technological changes. With a market capitalization of ~\$5 trillion, India's stock market is now the world's fourth largest. In September 2023, JP Morgan announced India's inclusion in the Global Bond Index from June, expected to bring about \$25 billion in inflows by FY25. Technological innovations and advancements have led to increased incorporation of Indian companies and a rise in new demat accounts. On 23 January 2024, Bloomberg reported the combined value of shares listed on Indian exchanges

reached US\$4.33 trillion compared with US \$4.23 trillion for Hong Kong and overtaking it as the world's fourth largest stock market. India had crossed the US \$4 trillion threshold on 5 December 2023 with half of that rise occurring during the past four years.

Indian financial markets are evolving due to regulatory changes, technological advancements, enhanced investor protection and improved cybersecurity norms.

A significant regulatory shift was the transition from a T+2 to a T+1 settlement cycle on January 27, 2023. This change provides investors quicker access to funds, enhancing liquidity and capital efficiency. Additional SEBI reforms have strengthened governance in market infrastructure, improved sustainability reporting, and streamlined the onboarding of Foreign Portfolio Investors (FPIs). SEBI's mandate to protect investors and regulate the securities market remains crucial. The introduction of a common Online Dispute Resolution (ODR) Portal aims to streamline dispute resolution with online conciliation and arbitration.

### 4. Global Economic Outlook

The baseline forecast envisions the world economy maintaining a steady growth rate of 3.2% through 2024 and 2025, mirroring the pace observed in 2023. While advanced economies are anticipated to experience a slight uptick in growth—from 1.6% in 2023 to 1.7% in 2024, and 1.8% in 2025—this will be counterbalanced by a modest deceleration in emerging market and developing economies, with growth tapering from 4.3% in 2023 to 4.2% in both 2024 and 2025. Projections for global growth five years hence stand at a modest 3.1%, the lowest in decades.

Global inflation is expected to decline steadily, from 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in 2025. Advanced economies are likely to return to their inflation targets more swiftly than their emerging market and developing counterparts. Core inflation is forecasted to decline at a more gradual pace. The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability.

The global economy, while demonstrating remarkable resilience to recent shocks, faces a sobering reality: its medium-term growth prospects have consistently been revised downward since the 2008–09 global financial crisis. This reflects a downward trend in actual global growth, with the slowdown starting in the early 2000s in advanced economies and after the crisis in emerging market and developing economies. This deceleration was driven in part by increased misallocation of capital and labor across firms within sectors. A widespread drop in post-crisis private capital formation and slower working-age-population growth in major economies exacerbated the slowdown. Without timely policy interventions or a boost from emerging technologies, global growth will be only 2.8% by the end of the decade, significantly below its pre-pandemic (2000–19) average by a gap of 1 percentage point. This highlights the urgent need for policies and structural reforms that enhance growth by improving capital and labour allocation to more productive firms, enhancing labour force participation, and harnessing the potential of artificial intelligence. Such measures are critical, especially in light of challenges such as high public

debt and geo-economic fragmentation, which could further constrain global growth.

After more than two decades of impressive growth— averaging almost 6% a year—the emerging markets of the Group of Twenty (G20) now account for about 30% of global economic activity and about one quarter of global trade. At the same time, these economies have become increasingly systemic through their integration into global value chains (GVCs), with the potential to move global markets. This implies that spillovers to growth from shocks originating in these economies—as well as from their structural slowdown over the past decade—can have far greater ramifications for global activity. Since 2000, spillovers from domestic shocks in G20 emerging markets—particularly China—have increased and are now comparable in size to those from shocks in advanced economies. Shocks in G20 emerging markets can explain as much as 10% of output variation after three years in other emerging markets and 5% in advanced economies. Trade, notably through Global Value Chains (GVCs), is a key propagation channel that has strengthened over time. Firms more dependent on demand from G20 emerging markets experience higher revenue growth after an unexpected increase in G20 emerging market growth, whereas downstream spillovers can reduce firm revenues in countries more exposed to import competition. In response to a negative productivity shock in GVC-intensive sectors in G20 emerging markets, most sectors across emerging market and developing economies tend to contract, especially in Asia, whereas many manufacturing sectors expand, mostly in advanced economies. Looking ahead, simulations suggest that a plausible growth acceleration in G20 emerging markets, even excluding China, could support global growth over the medium term and spill over to other countries. The task for policymakers in recipient economies—whether advanced or not—is to maintain sufficient buffers and strengthen policy frameworks to manage the possibility of larger shocks from G20 emerging markets.

## 5. Indian Economic Outlook

Investment in infrastructure, growth in manufacturing, and steady consumer spending have positioned India as the fastest-growing economy in the G-20. Moody's has forecasted a GDP growth of just under 7 percent for 2024, further solidifying this optimistic outlook, with emerging sectors in spotlight. The next seven fiscals will see the Indian economy crossing the \$5 trillion mark and inching closer to \$7 trillion. After a better-than-expected 7.6% this fiscal, India's real GDP growth will likely moderate to 6.8% in fiscal 2025. The transmission of the rate hikes effected by the Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) between May 2022 and February 2023 still continues and is likely to weigh on demand next fiscal. On the other hand, regulatory actions to tame unsecured lending will have a bearing on credit growth. A lower fiscal deficit will mean the fiscal impulse to growth will be curtailed. But the nature of spending will provide some support to the investment cycle and rural incomes.

A normalization of the net tax impact on GDP will also be witnessed this fiscal. Uneven economic growth for key trade partners and an escalation of the ongoing Red Sea crisis can be a drag on exports. That said, some factors will continue to underpin growth next fiscal. Continued disinflation will support the purchasing power of consumers. This assumes a spell of normal monsoon in calendar 2024, which can lift agricultural growth on a low base. And a gradual pick-up in private sector capex will make investment

growth more broad-based. Net-net, amid the interplay of these factors, India will retain its position as the fastest growing large economy.

Interestingly, the next seven fiscals (2025-2031) will see the Indian economy crossing the \$5 trillion mark and inching closer to \$7trillion. A projected average expansion of 6.7% in this period will make India the third-largest economy in the world and lift per capita income to the upper middle-income category by 2031.

Additionally, India has experienced increasing inflows of foreign capital, as investors seek to diversify their Asia-Pacific portfolios in response to the cooling growth in China. Capital inflows from overseas investors reached record levels over the past year.

Concurrently, rapid growth in digital infrastructure has significantly boosted retail investment in Indian equities. The number of share trading accounts in the country has reached an unprecedented high of nearly 140 million. Consequently, India's mutual fund industry is thriving, with assets under management increasing continuously. This surge reflects a growing middle class that is increasingly investing their savings in equity markets. As India's economy, investor base, and stock markets flourish, Indian businesses and regulators are beginning to cast their gaze beyond domestic confines, seeking international opportunities.

The Indian rupee, long subject to stringent government foreign exchange controls, has historically restrained local businesses from pursuing overseas listings. However, the establishment of an international finance center in Gujarat, known as GIFT City, heralds a new era. Here, Indian issuers can now raise capital in foreign currencies from global investors, signalling a transformative shift. Traditionally, Indian companies could secure capital from overseas exchanges only through American or Global Depositary Receipts. The prospect of listing in GIFT City promises to open doors to larger pools of global capital, enabling domestic companies to achieve more favorable valuations.

As India solidifies its standing as a burgeoning global economy, the nation's businesses and policymakers are increasingly poised to leverage domestic triumphs on the international stage, amplifying their success and influence worldwide.

## 6. MSE Outlook

Our aim is to empower Bharat by transforming the financial and economic systems in the country, creating resilient capital market ecosystems, enabling competition, and generating sustainable growth. We are dedicated to bridging gaps and making markets accessible to those who have been historically excluded. At the core of our ethos is the commitment to forging connections, cultivating opportunities, and consistently delivering outstanding results. Our guiding principles of discipline, integrity, and resilience help individuals realize their full potential.

We have set out a vision to attract liquidity by providing broader and more effective access, thus enabling financial inclusion. We aspire to create a competitive and comprehensive one-stop solution for investors, facilitating their needs through secure, effective, and transparent channels across various asset classes. The Exchange firmly believes that innovation is a key growth metric in this competitive market. Moving forward, we will continue to allocate sufficient resources to research and market innovation. MSE aims to transform by reaching the grassroots levels and collaborating with various enablers in the value chain and ecosystem. From

institutions to small businesses, proprietary trading firms to retail investors, we strive to lead the change and help all people gain access to the privileges of the right financial education, skillsets, products, and accessibility. Our goal is to make financial systems inclusive for all, regardless of gender, sexuality, caste, class, and creed.

As per Market Highlights 2023 report of WFE, MSE's USD INR Futures contract featured as the top 10 Currency Derivatives Contracts traded across the globe.

With reference to RBI circular No. 13 dated January 5, 2024, on Risk Management and Inter-Bank Dealings – Hedging of Foreign Exchange Risk, recognized Stock Exchanges may offer foreign exchange derivative contracts involving INR to users for the purpose of hedging contracted exposure.

This circular came into effect at a pivotal moment for MSE, as it was diligently fostering competition in the domestic marketplace, steadily reclaiming an annual market share of approximately 3% in the last fiscal year and around 5.16% in the Q4FY2023-24. The said circular has dried Currency Derivatives Business at Indian bourses including MSE at the point when MSE was regaining back its feat in the marketplace and promoting competition to the existing marketplaces.

Our value proposition at MSE would be to develop differentiated offerings and various products that expand the market, meet the needs of market participants, and address current gaps. The Exchange has entered the next phase of its evolution to create a long-term sustainable moat. We will leverage technology to offer advantages such as high latency speed and seamless execution processes. Additionally, we will develop asset classes and products suitable for easy market adoption and ensure quality customer service. A key component of our strategy involves building market products in close cooperation with market participants. We aim to support them with technological benefits and help them develop easy-to-adopt user interfaces for potential customers. By doing so, we will enhance the overall market experience and foster greater participation.

MSE plans to diversify into different asset classes as part of its business plan. The Exchange is working on a succinct value proposition that includes creating differentiated products, new technology, and innovative pricing structures to make capital market products accessible to all. We recognize that expanding our offerings and enhancing our technological capabilities are critical to our success and the success of our participants.

Furthermore, we are committed to fostering a culture of innovation within the Exchange. This involves continuously exploring new technologies and methodologies to improve our services and products. By staying at the forefront of technological advancements, we can provide our participants with cutting-edge solutions that meet their evolving needs. The Exchange also plans to implement a robust customer feedback system to ensure that we are responsive to the needs and concerns of our participants. This will help us maintain high standards of customer service and continuously improve our offerings. By listening to our participants and incorporating their feedback into our decision-making processes, we can create a more inclusive and effective market environment.

In addition to these efforts, we will focus on building strong partnerships with key stakeholders in the financial ecosystem.

This includes working closely with regulatory bodies to ensure compliance and foster a stable and transparent market environment. By collaborating with industry leaders and experts, we can drive innovation and create value for all market participants.

MSE is committed to creating a more inclusive and accessible financial system that benefits everyone. Our focus on innovation, collaboration, and customer-centricity will enable us to achieve our goals and contribute to the overall growth and development of the economy. As we continue to evolve and scale, we remain dedicated to empowering individuals and fostering a vibrant and resilient capital market ecosystem.

## 7. OTHER SEBI MEASURES AND UPDATES

SEBI notified various circulars under its various regulations for streamlining and additional governance requirements.

DATE	SUBJECT
11-Apr-23	Formulation of price bands for the first day of trading pursuant to Initial Public Offering (IPO), re-listing etc. in normal trading session
13-Apr-23	Contribution by eligible Issuers of debt securities to the Settlement Guarantee Fund of the Limited Purpose Clearing Corporation for repo transactions in debt securities
20-Apr-23	Issue of Master Circular by Stock Exchanges, Clearing Corporations and Depositories
20-Apr-23	Issue of Master Circular by Stock Exchanges, Clearing Corporations and Depositories
20-Apr-23	Issue of Master Circular by Stock Exchanges, Clearing Corporations and Depositories
20-Apr-23	Issue of Master Circular by Stock Exchanges, Clearing Corporations and Depositories
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20-Apr-23	Issue of Master Circular by Stock Exchanges, Clearing Corporations and Depositories
20-Apr-23	Issue of Master Circular by Stock Exchanges, Clearing Corporations and Depositories
20-Apr-23	Issue of Master Circular by Stock Exchanges, Clearing Corporations and Depositories
25-Apr-23	Bank Guarantees (BGs) created out of clients' funds
26-Apr-23	Procedure for implementation of Section 12A of the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 –Directions to stock exchanges and registered intermediaries.
3-May-23	Introduction of Legal Entity Identifier (LEI) for issuers who have listed and/ or propose to list non-convertible securities, securitised debt instruments and security receipts
4-May-23	Additional requirements for the issuers of transition bonds
5-May-23	Testing Framework for the Information Technology (IT) systems of the Market Infrastructure Institutions (MIIs)

19-May-23	Risk disclosure with respect to trading by individual traders in Equity Futures & Options Segment	19-Jul-23	Trading Window closure period under Clause 4 of Schedule B read with Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") –Extending framework for restricting trading by Designated Persons ("DPs") by freezing PAN at security level to all listed companies in a phased manner.
25-May-23	Model Tripartite Agreement between the Issuer Company, Existing Share Transfer Agent and New Share Transfer Agent as per Regulation 7(4) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	27-Jul-23	Framework for Corporate Debt Market Development Fund (CDMDF)
30-May-23	Comprehensive guidelines for Investor Protection Fund and Investor Services Fund at Stock Exchanges and Depositories	31-Jul-23	Online Resolution of Disputes in the Indian Securities Market.
2-Jun-23	Transactions in Corporate Bonds through Request for Quote (RFQ) platform by Stock Brokers(SBs)	3-Aug-23	Offer for Sale framework for sale of units of Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs)
8-Jun-23	Upstreaming of clients' funds by Stock Brokers (SBs) / Clearing Members (CMs) to Clearing Corporations (CCs)	4-Aug-23	Corrigendum cum Amendment to Circular dated July 31, 2023 on Online Resolution of Disputes in the Indian Securities Market.
8-Jun-23	Online processing of investor service requests and complaints by RTAs	9-Aug-23	Reduction of timeline for listing of shares in Public Issue from existing T+6 days to T+3 days
16-Jun-23	Amendment to Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money-laundering Act, 2002 and Rules framed the	11-Aug-23	Simplification of KYC process and rationalisation of Risk Management Framework at KYC (Know Your Client) Registration Agencies(KRAs)
16-Jun-23	Adherence to provisions of regulation 51A of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 by Online Bond Platform Providers on product offerings on Online Bond Platforms	24-Aug-23	Modification in Cyber Security and Cyber Resilience framework of Stock Exchanges, Clearing Corporations and Depositories
23-Jun-23	Trading supported by Blocked Amount in Secondary Market	29-Aug-23	Guidelines for MIs regarding Cyber security and Cyber resilience
26-Jun-23	Investor Service Centres of Stock Exchanges	24-Aug-23	Mandating additional disclosures by Foreign Portfolio Investors (FPIs) that fulfil certain objective criteria
21-Jun-23	Trading Preferences by Clients	4-Sep-23	New format of Abridged Prospectus for public issues of Non-Convertible Debt Securities and/or Non-convertible Redeemable Preference Shares
26-Jun-23	Format for Annual Secretarial Compliance Report for InvITs	4-Sep-23	Change in Mode of Payment w.r.t. SEBI Investor Protection and Education Fund Bank A/c
26-Jun-23	Format for Annual Secretarial Compliance Report for REITs	11-Sep-23	Board nomination rights to unit holders of Infrastructure Investment Trusts (InvITs)
26-Jun-23	Format of Compliance Report on Governance for REITs	11-Sep-23	Board nomination rights to unit holders of Infrastructure Investment Trusts (REITs)
26-Jun-23	Format of Compliance Report on Governance for InvITs	20-Sep-23	Redressal of investor grievances through the SEBI Complaint Redressal (SCORES) Platform and linking it to Online Dispute Resolution platform.
30-Jun-23	Implementation of circular on upstreaming of clients' funds by Stock Brokers (SBs) / Clearing Members (CMs) to Clearing Corporations (CCs)	26-Sep-23	Extension of timelines (i) for nomination in eligible demat accounts and (ii) for submission of PAN, Nomination and KYC details by physical securityholders; and voluntary nomination for trading accounts
27-Jun-23	Manner of achieving minimum public unitholding-REITs	30-Sep-23	Extension of timeline for verification of market rumours by listed entities
27-Jun-23	Manner of achieving minimum public unitholding-InvITs	3-Oct-23	Centralized mechanism for reporting the demise of an investor through KRAs
5-Jul-23	Amendments to guidelines for preferential issue and institutional placement of units by a listed InvIT	7-Oct-23	Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 –Reg.
5-Jul-23	Amendments to guidelines for preferential issue and institutional placement of units by a listed REIT	13-Oct-23	Amendment to the Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money-laundering Act, 2002 and Rules framed there under
12-Jul-23	BRSR Core –Framework for assurance and ESG disclosures for value chain		
13-Jul-23	Disclosure of material events / information by listed entities under Regulations 30 and 30A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015		

19-Oct-23	Ease of doing business and development of corporate bond markets –revision in the framework for fund raising by issuance of debt securities by large corporates(LCs)
6-Oct-23	Limited relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
31-Oct-23	Revision in manner of achieving minimum public unitholding requirement–Infrastructure Investment Trusts (InvITs)
8-Nov-23	Procedural framework for dealing with unclaimed amounts lying with entities having listed non-convertible securities and manner of claiming such amounts by investors
8-Nov-23	Procedural framework for dealing with unclaimed amounts lying with Infrastructure Investment Trusts (InvITs) and manner of claiming such amounts by unitholders
8-Nov-23	Procedural framework for dealing with unclaimed amounts lying with Real Estate Investment Trusts (REITs) and manner of claiming such amounts by unitholders
13-Nov-23	Most Important Terms and Conditions (MITC)
17-Nov-23	Simplified norms for processing investor’s service requests by RTAs and norms for furnishing PAN, KYC details and Nomination
1-Dec-23	Extension of timeline for implementation of provisions of circular SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 on Redressal of investor grievances through the SEBI Complaint Redressal(SCORES) Platform and linking it to Online Dispute Resolution platform.
12-Dec-23	Upstreaming of clients’ funds by Stock Brokers (SBs) / Clearing Members (CMs) to Clearing Corporations (CCs)
20-Dec-23	Business Continuity for Clearing Corporations through Software as a Service (SaaS) Model
20-Dec-23	Amendment to Circular dated July 31, 2023 on Online Resolution of Disputes in the Indian Securities Market
27-Dec-23	Extension of timelines for providing ‘choice of nomination’ in eligible demat accounts and mutual fund folios
28-Dec-23	Modifications to provisions of Chapter XXI of NCS Master Circular dealing with registration and regulatory framework for Online Bond Platform Providers (OBPPs)
28-Dec-23	Settlement of Running Account of Client’s Funds lying with Trading Member
5-Jan-24	Framework for Short Selling
12-Jan-24	Ease of doing business-Changes in reporting
12-Jan-24	SEBI CIRCULAR_Ease of Doing Investments by Investors-Facility of voluntary freezing/ blocking of Trading Accounts by Clients
23-Jan-24	Framework for Offer for Sale (OFS) of Shares to Employees through Stock Exchange Mechanism
25-Jan-24	Extension of timeline for verification of market rumours by listed entities

6-Feb-24	Guidelines for returning of draft offer document and its resubmission
8-Feb-24	Revised Pricing Methodology for Institutional Placements of Privately Placed Infrastructure Investment Trust (InvIT)
20-Feb-24	Centralization of certifications under Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard(CRS) at KYC Registration Agencies (KRAs)
11-Mar-24	Measures to instill trust in securities market – Expanding the framework of Qualified Stock Brokers (QSBs) to more stock brokers
13-Mar-24	Repeal of circular(s) outlining procedure to deal with cases where securities are issued prior to April 01, 2014, involving offer / allotment of securities to more than 49 but up to 200 investors in a financial year.
19-Mar-24	Entities allowed to use e-KYC Aadhaar Authentication services of UIDAI in Securities Market as sub-KUA
20-Mar-24	Amendment to Circular for mandating additional disclosures by FPIs that fulfil certain objective criteria
21-Mar-24	Introduction of Beta version of T+0 rolling settlement cycle on optional basis in addition to the existing T+1 settlement cycle in Equity Cash Markets

## 8. OPPORTUNITIES AND THREATS

### Opportunities for the Exchange

The financial sector is an ever-evolving space, with new opportunities and pitfalls. MSE as a Market Infrastructure Institution is committed to providing a diverse product basket with Currency Futures, Currency Options, Interest Rate Futures, Equity and Equity Derivatives, along with efficient operational parameters and customer-oriented service offerings to enable an efficient and robust marketplace. Your Company explores all opportunities to ensure continuous growth.

### Risks to the Exchange

#### (A) Decline in Industry activities

The Exchange performance relies heavily on volume and value of trades executed on its trading platform, the number of companies listed/new listing, the number of active Trading Members etc. Though the Exchange strives and has taken a number of steps in this regard, there are number of factors beyond the control of the Exchange that can have an impact on these attributes. Particularly, adverse macro-economic scenario and political uncertainty may negatively affect the markets and the Exchange business.

#### (B) Regulatory changes impacting our ability to compete

The competitive landscape of the Exchange business in India continues to be challenging. MSE’s ability to compete in this environment and ensure that regulations continue to have level playing field, will be a major factor in ensuring growth of the Exchange.

#### (C) Cyber Security Threats

Risks of cyber-attacks are forever a threat and are fast-evolving in nature. There is also an increased risk on financial institutions due to various pandemic themed cyber threats. In addition to impact on business operations, a security breach could result in reputational damage, penalties and legal and financial liabilities. Further, the Exchange Industry is so interconnected that third parties



and other entities may also get impacted resulting in collateral damage. The threat landscape is constantly evolving— leading to a more complex cyber ecosystem every day. This makes it all the more critical have a proactive Cyber security posture when it comes to cyber security issues. Constant enhancement in the Cyber Security Framework and Information Security Management System has been MSE's top priority. Also, a continuous training to employees and improvement in cybersecurity policies and procedures is undertaken by MSE.

## 9. SEGMENT WISE PERFORMANCE

### Currency Derivatives Segment

Particulars	2023 - 24	2022 - 23
Annual Volume (No. of contracts)	2,98,62,428	2,84,20,818
Annual Turnover (Rs. Crore)	2,47,738.05	2,31,434.63
Average Daily Volume (No. of contracts)	123910	116003
Average Daily Turnover (Rs. Crore)	1027.96	944.63

#### Note:

1. Data includes Notional Value for Options
2. Excludes data of Interest Rate Futures
3. Data includes Cross currency contracts
4. Cross Currency was introduced w.e.f December 05, 2018

### Capital Market Segment

The Company commenced trading in Capital Market from February 11, 2013 onwards. 10 securities were traded on MSE platform during the FY 2023-24. Total volume i.e. traded quantity on MSE platform during the FY 2023-24 in the Capital Market Segment was 2022732 shares and the total value traded being Rs 29.34 crore.

#### Companies Listed on the Exchange:

- 266 listed Companies which included 211 exclusive MSE listed and 55 commonly listed

## 10. RISKS AND CONCERNS

### Business Risk

The performance of the Exchange depends heavily on volume of trades executed on our trading platform, number of new listings and consequent earnings through transaction charges and listing fees.

Adverse economic conditions could negatively affect our business and financial condition. Continuation or reoccurrence of global economic crisis, changes in political situations in India or globally, changes in economic policies could adversely affect our performance. Weak economic conditions of the country may adversely affect listing and trading volumes on the Exchange as Indian companies would be less attractive for foreign and local investors.

MSE operates in a highly competitive industry wherein we compete with a wide range of established market participants for trading volumes and listing. Increased competition may exert a downward pressure on our fees and transaction charges for us to remain competitive which however could adversely affect our financial condition.

Further, MSE renews and applies for its SEBI License every year which if not renewed will impact the business and operations of the Exchange. We operate in a business environment that experiences significant and rapid technological changes. However, the Exchange is well equipped to handle any

unresponsiveness or interruption in trade execution, clearing or settlement due to power or telecommunications failure, natural disasters, fire, sabotage, hardware or software malfunctions or defects, computer viruses/malwares, acts of vandalism or similar events. We have an approved business continuity plan and a data disaster recovery plan in effect, to mitigate business interruptions from the aforesaid risks.

A rapidly spreading infectious disease that causes a pandemic, or exacerbates a pandemic, thereby posing global threat, social and economic chaos can severely upset our business operations by disrupting operations, trading, settlement and high absenteeism and even fatality of our employees. Although the Exchange is fully prepared for business continuity, meeting all obligations and ensuring safety of our staff, it is possible that our ability to deliver satisfactory services to our customers may be affected.

Other factors beyond our control, that may materially adversely affect our business, financial condition and result of operations include:

- broad trends in business and finance, including industry specific circumstances, capital market trends and the mergers and acquisitions environment.
- social and civil unrest, terrorism and war.
- concerns over inflation and the level of institutional or retail confidence.
- changes in government monetary policy and foreign currency exchange rates.
- the availability of short-term and long-term funding and capital.
- the availability of alternative investment opportunities.
- changes and volatility in the prices of securities.
- changes in tax policy (including transaction tax) and tax treaties between India and other countries.
- the level and volatility of interest rates.
- legislative and regulatory changes, including the potential for regulatory arbitrage among regulated and unregulated markets, if significant policy differences emerge among markets.
- the perceived attractiveness, or lack of attractiveness, of Indian capital markets; and
- unforeseen market closures or other disruptions in trading.

### Regulatory and Compliance

We operate in a highly regulated industry and may be subject to fines and penalties or other restrictions, if we fail to comply with our legal and regulatory obligations. Also changes in regulatory policies may also affect participation at our exchange and may adversely affect our volumes.

The management and staff of MSE have risen to the situation and ensured that all segments of the Exchange continued to operate seamlessly and efficiently. The lockdown restrictions have truly tested the robustness of the Business continuity capability of MSE to run its operations in a business as usual mode, with employees working from office and from home. Despite the challenges, the Exchange has not compromised on any of its Regulatory function either in terms of monitoring or surveillance or enforcement or in terms of its service levels.

## 11. IMPAIRMENT OF SOFTWARE

As per Ind AS 36 regarding 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. In such a case, the asset is considered as impaired and Ind AS 36 'Impairment of

Assets' requires an entity to recognize an impairment loss.

The Company has carried out impairment testing of intangible assets during the financial year 2023-24 to ascertain the carrying value of predominantly Exchange software based on current and future expected activity and usage of the software deployed for various segments and accordingly concluded that carrying value of Intangible assets is not more than recoverable amount and no provision towards impairment of Intangible assets for the year ended March 31, 2024 is required.

## 12. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Exchange has put in place adequate internal control systems that are commensurate with the size of its operations. Internal Control system comprise of policies and procedures are designed to ensure sound management of Exchange operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information, and compliance. The Exchange has appointed internal auditors to test the effectiveness of the Internal Controls systems and System auditors to ensure that the operational mechanism and technological infrastructure are error free. The Audit Committee is in overall supervision of the internal controls and reports are being made to the Board in a periodic manner.

## 13. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Loss for the year increased to Rs. 4,760 Lakhs in FY 2023-24 as compared to Rs. 1,993 Lakhs FY 2022-23.

### Revenue

During the year, Total Revenue decreased to Rs. 2,104 Lakhs in FY 2023-24 compared to Rs. 5,465 Lakhs in FY 2022-23. Operating Revenue decreased to Rs. 736 Lakhs in FY 2023-24 compared to Rs. 921 Lakhs in FY 2022-23. Transaction fees income increased to Rs. 374 Lakhs in FY 2023-24 compared to Rs. 350 Lakhs in FY 2022-23. Processing fees decreased to Rs. 81 Lakhs in FY 2023-24 compared to Rs. 86 Lakhs in FY 2022-23. The Listing Fees income decreased to Rs. 168 Lakhs in FY 2023-24 compared to Rs. 171 Lakhs in FY 2022-23 and other income decreased to Rs. 1,368 Lakhs in FY 2023-24 compared to Rs. 4,544 Lakhs in FY 2022-23.

### Expenditure

Total Expenses has decreased to Rs. 6,864 Lakhs in FY 2023-24

as Compared to Rs. 6,937 Lakhs in FY 2022-23. The operating expenses increased to Rs. 2,898 Lakhs in FY 2023-24 as compared to Rs. 2,325 Lakhs in FY 2022-23, Employee benefit expenses decreased to Rs. 1,657 in FY 2023-24 as compared to Rs. 1,897 in FY 2022-23, Advertising and business promotion expenses increased to Rs. 487 Lakhs in FY 2023-24 as compared to Rs. 379 Lakhs in FY 2022-23, The Finance cost has increased to Rs. 98 Lakhs in FY 2023-24 as compared to Rs. 39 Lakhs for FY 2022-23. Administration and other expenses decreased to Rs. 1,118 Lakhs in FY 2023-24 as compared to Rs. 1,232 Lakhs in FY 2022-23. Depreciation and amortization expenses decreased to Rs. 606 Lakhs in FY 2023-24 as compared to 1,065 Lakhs in FY 2022-23.

### Balance Sheet

As on March 31, 2024, the Paid-up Share Capital stood at Rs. 481,02,17,033 divided into 481,02,17,033 equity shares of Rs. 1/- each. Total current and non-current assets stood at Rs. 16,156 lakhs and Rs. 8,765 lakhs, respectively as on March 31, 2024 as against Rs. 20,266 lakhs and Rs. 9,675 lakhs, respectively as on March 31, 2023. Total current and non-current liabilities stood at Rs. 3,733 lakhs and Rs. 1,905 lakhs, respectively as on March 31, 2024 as against Rs. 3,570 lakhs and Rs. 2,225 lakhs, respectively as on March 31, 2023. Investment in subsidiaries stood at Rs. 2 lakhs in as on March 31, 2024 as against Rs. 2 lakhs as on March 31, 2023. Networth of the Company stood at Rs. 19,283 lakhs as on March 31, 2024 as against Rs. 24,146 lakhs as on March 31, 2023.

## 14. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

Our headcount as on March 31, 2024 stood at 119 as against 125 as on March 31, 2023. The Company has successfully handled attrition and is building a team through acquisition of competent talent for various key Exchange functionalities. Effectively and efficiently managing our human capital, moreover, successfully leveraging our human capital can help us achieve our strategic business objectives and success in the marketplace. A strong internal culture – one marked by high employee morale and engagement, initiatives to increase workplace diversity can increase productivity, and ultimately, increase profits. The Company focuses to achieve such excellence through engagements in learning, quality, teamwork, and reengineering of the processes deployed at work.

## 15. DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS

Sr. No	Particulars	Standalone		Change in %	Consolidated		Change in %
		2023-24	2022-23		2023-24	2022-23	
i)	Debtor Turnover (Times)	3.76	3.34	13%	3.76	3.34	13%
ii)	Payable Turnover (Times)	25.66	52.69	(51%)	25.66	52.69	(51%)
iii)	Net capital turnover ratio (%)	3.82%	3.82%	0.00%	3.82%	3.82%	0.00%
iv)	Net profit ratio (%)	(661%)	(200%)	231%	(661%)	(200%)	231%
v)	Return on equity ratio	(25.28%)	(7.73%)	227%	(25.28%)	(7.73%)	227%
vi)	Return on capital employed	(24.69%)	(8.25%)	199%	(24.69%)	(8.25%)	199%

## 16. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR

Return on Net Worth is (24.69%) for FY 2023-24 as compared to (8.25%) in FY 2022-23. The change of 199% in Return of Net Worth is on account of increase in losses by 2,768 and reduction in Net Worth is due to current year loss of Rs.4,760 lakhs.

### DISCLAIMER ON FORWARD LOOKING STATEMENTS

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections,

outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Several factors could make significant difference to the Company's operations. These include economic conditions affecting demand and supply, government regulations and taxation, international scenario, macro-economic developments, natural calamities and so on over which the Company does not have any direct control.

## CORPORATE GOVERNANCE REPORT

**Metropolitan Stock Exchange of India Limited (MSE)** is a public limited company, the securities of which are not listed on any stock exchanges of India. The Corporate Governance report for Financial Year ("FY") 2023-24, which forms part of the Boards' Report, is prepared pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### Company's Philosophy on Code of Governance

Our aim is to empower Bharat by transforming the financial to economic systems in the country by creating resilient capital market ecosystems, enabling competition and generating sustainable growth by bridging the gaps and making the markets accessible to those it remained inaccessible. Our ethos centre around forging connections, cultivating opportunities, and consistently delivering outstanding results. Our tenets lie embedded in discipline; integrity and resilience helping individuals realize their full potential. We have set out a vision of attracting liquidity by providing broader and more effective access enabling financial inclusion. We plan to create a competitive and comprehensive one-stop solution for investors and facilitate further through secure, effective and transparent channels across asset classes. The Exchange continues its belief that innovation is the key growth metrics in this competitive market and going forward, the Exchange will continue to allocate sufficient resources in research and market innovation.

Have we ever wondered what is it for a kid from Kargil to have a typical school experience, an uninterrupted internet connection or an access to loan for higher education? Or have we ever pondered on the difficulties faced by a widowed mother from Jharkhand who spends 80% of her monthly income for the last 8 years on gold ornaments for her teenage daughter's marriage? What does it look like for a senior citizen from Chennai, whose children are settled in the US, to immediately transfer funds to the hospital during his wife's road accident? The answer to all of these lies in a robust financial system with increased education and awareness. The Government continues its attempt in steering growth through infrastructure development, financial inclusion, capital expenditure allocation and job creation. However, to strengthen the pillars of economy, an important enabler would be to spread the financial education and awareness which needs to be done from the grass root levels. Being in a privileged position and leading one of the financial institutions in the country, it is our responsibility to provide support to the Government by developing the next generation of financially aware, digitally independent citizens who can create a balance between individual pursuits and the entire community growth as a whole. Indian markets have evolved in the last two decades.

Our regulators, systems and processes are robust and resilient enough to be considered as one of the best in the world. High schools and colleges do not teach basic financial concepts. Post the pandemic, an influencer-led financial education era has advanced in the country via various social media platforms. However, the pertinent risk lying there is biased information, misinformation and incomplete education – which have often led retail investors to take erratic decisions and eventually, lose more money in the capital markets under pressure situations. Therefore, most people become more averse to investing and assume stock market akin to gambling and at best, stick to traditional modes of investments like fixed deposits, gold, chit funds or real estate. Although household savings has increased by 150% in the last 10 years, household investment in equities as a % of financial savings is still at 5% in India whereas in other emerging markets is much

higher between 15% -20%.

Imagine an ambitious high school or a college student understanding the time value of money, the currency markets and the volatility of different currencies as well as certain concepts of hedging. It will enable the student to make an informed choice and better planning for her higher education when she looks for financing options.

The kid from Kargil getting an access to the best loan option from a bank or an edu-fintech startup, the mother from Jharkhand becoming aware of instruments like gold bonds to invest her monies periodically or the senior citizen knowing how to use internet banking or UPI for money transfer – will not only impact their lives, but the people surrounding them as well. These stories are a reminder that financial education and awareness with robust strategies beyond business will not just change a person's life, but an entire family's future, across the country, for generations to come. The question is how many stories we are willing to rewrite.

MSE aims to transform the socio-economic systems by reaching to the grassroot levels and collaborating, partnering and co-creating with various enablers in the value chain and ecosystem (from institutions to small businesses, from proprietary trading firms to retail investors) to lead that change and help all people gain access to those privileges of right financial education, skillsets, products and accessibility and make it inclusive for all irrespective of gender, sexuality, caste, class and creed.

MSE's value proposition is to develop differentiated offerings various products which shall expand the market, meet the needs of the market participants and address current gaps. The Exchange is just entering the next phase of its evolution i.e. "Accelerate and Scale". For creation of a long-term sustainable moat, we need to focus on providing competitive pricing (affordable for market participants), leverage technology to provide advantages like high latency speed and seamless execution process, asset classes and products suitable for easy market adoption, and ensure quality customer service. Along with those, we intend to build the market products in close cooperation with the market participants. We would further support them with technology benefits and help them build easy-to-adopt user interfaces for potential customers.

## 2. Board of Directors

### A. Composition:

The Company being a Stock Exchange is regulated by Securities and Exchange Board of India ("SEBI") is required to comply with Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (hereinafter referred as 'SECC Regulations') and Securities Contracts (Regulation) Act, 1956 besides the Companies Act, 2013 and the rules made thereunder ("the Act") with respect to the composition of its Board of Directors.

Pursuant to the SECC Regulations, the number of Public Interest Directors in the Governing Board of MSE is not lesser than the number of Shareholder Directors with the Managing Director being included in the category of Shareholder Director. Public Interest Director is an Independent Director representing the interest of investors in securities market and who does not have any association directly or indirectly which in the opinion of SEBI is in conflict with the role.

Further, pursuant to Regulation 20 of SECC Regulations, all the Directors of the Company are required to be "fit and proper persons" at all times.

As on March 31, 2024, the Board of the Company comprised of six (6) Directors, including four (4) Public Interest Directors, one (1)

Shareholders Director and a Managing Director & CEO as under:

Sl. No.	Name of Director	Category & DIN
1.	Mr. Dinesh C. Patwari *	Chairman & Public Interest Director ("PID") 10060352
2.	Ms. Latika S. Kundu	Managing Director & CEO 08561873
3.	Ms. Trishna Guha**	Public Interest Director 08200779
4.	Mr. Ashok K. Dogra	Public Interest Director 07074297
5.	Mr. Rakesh K. Srivastava	Public Interest Director 08896124
6.	Mr. Manoj Kunkalienkar	Non-Independent Director ("NID") 00019200

\*Mr. Dinesh C Patwari appointed as Chairman w.e.f. June 13, 2023

\*\* Ms. Trishna Guha ceased to be director w.e.f. October 3, 2024.

## B. Attendance of Directors and Number of Directorships and Committee positions held

During the financial year ended March 31, 2024, thirteen (13) meetings of the Board of Directors were held. The dates of the Board Meetings were: April 17, 2023, May 30, 2023, June 23, 2023, July 6, 2023, August 10, 2023, September 09, 2023, September 29, 2023, November 06, 2023, November 20, 2023, December 07, 2023, December 11, 2023, February 09, 2024 and March 11, 2024.

The attendance details and number of directorships and committee positions held by the Directors as on March 31, 2024 are given below:

Sr. No	Name of the Director	Category	Attendance at Board Meetings during FY 2023-24		Whether attended last AGM held on 20-12-2023	No. of Directorship(s) held in other companies		No. of Committee positions held in other public companies		Directorships in other listed companies and category of directorship
			Held during the tenure of the Director	Attended		Chairman	Member	Chairman	Member	
1	Mr. Ajai Kumar*	PID	9	9	YES	7	-	3	4	#
2	Ms. Trishna Guha^	PID	13	13	YES	-	2	-	3	\$
3	Mr. S.V.D Nageswara Rao**	PID	1	0	NA	-	-	-	-	-
4	Mr. Dinesh C Patwari ****	PID	13	12	yes	-	-	--	-	-
5	Mr. Rakesh K. Srivastava *****	PID	5	5	YES	-	-	-	-	-
6	Mr. Ashok K Dogra *****	PID	2	2	NA	-	1	-	-	-
7	Mr. Manoj Kunkalienkar *****	NID	2	2	NA	-	2	-	2	&
6	Ms. Latika S. Kundu	MD & CEO	13	12	YES	-	1	-	-	Nil

• Mr. Ajai Kumar – Completed his term on October 22, 2023

\*\* Mr. S.V.D. Nageswara Rao resigned w.e.f. May 08, 2023.

\*\*\* Mr. Dinesh C Patwari appointed as a director w.e.f. May 22, 2023 and Chairman w.e.f. June 13, 2023

\*\*\*\* Mr. Rakesh Kumar Srivastava appointed as director w.e.f. November 18, 2023

\*\*\*\*\*Mr. Ashok Kumar Dogra appointed as director w.e.f. January 16, 2024

\*\*\*\*\* \*Mr. Manoj Kunkalienkar, appointed as NID w.e.f. January 16, 2024

^ Ms. Trishna Guha ceased to be director w.e.f. October 3, 2024.

# 1. CANFIN Homes Limited – Independent Director 2. HFCL Limited – Independent Director

\$ 1. East India Pharmaceutical Works Limited 2. Shalimar Wires Industries Limited

& - EMudra Limited , 2) EMudra DMCC

## Changes during the year and till the date of this report:

- Mr. Ajai Kumar ceased to be a PID from the Board of the Company upon completion of his term on October 22, 2023.
- Mr. S.V.D. Nageswara Rao resigned as a PID w.e.f. May 08, 2023.
- Mr. Dinesh C Patwari appointed as a director w.e.f. May 22, 2023.
- Mr. Ashok Kumar Dogra appointed as a director w.e.f. January 16, 2024.
- Mr. Rakesh Kumar Srivastava appointed as a director w.e.f. November 18, 2023.
- Mr. Manoj Kunkalienkar appointed as NID w.e.f. January 16, 2024.

## C. Confirmation of Independence

In terms of Regulation 25(8) of the Listing Regulations, Public Interest Directors ("Independent Directors") have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Public Interest Directors, the Board of Directors has confirmed that they meet the criteria as mentioned under Section 149(6) of the Act and under Regulation 16(1)(b) and 25(8) of the Listing Regulations and they are independent of the management.

## D. Code of Conduct and Code of Ethics

The Company has formulated and implemented a comprehensive Code of Conduct for the Board of Directors and Senior Management of the Company which is available on the Company's website at <https://www.msei.in/about-us/code>. The Board Members and the Senior Management Personnel affirm compliance with the Code

of Conduct on an annual basis. The necessary declaration by the MD & CEO as required under Regulation 34(3) read with Schedule V (D) of the Listing Regulations regarding adherence to the Code of Conduct has been obtained for FY 2023-24 and is attached as Annexure A to this Corporate Governance Report.

#### NOTES:

- All Public Interest Directors are Independent Directors.
- The Directorship(s)/ Committee Membership(s) held by Directors as mentioned above, do not include private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.
- Membership(s)/Chairmanship(s) of only the Audit Committee and Stakeholders' Relationship Committee of all Public Companies have been considered above.
- None of the Directors are related to each other.
- None of the Director holds any shares in the Company.
- The Exchange arrange to impart training for Directors as required under SECC Regulations.
- Details of Directors

The profiles of the directors are available on the Company's website at the following link: <https://www.msei.in/about-us/board-of-directors>

### 3. Audit Committee:

#### A. Composition, Meetings and Attendance:

The Audit Committee comprised of five (5) members as at March 31, 2024, which included Mr. Ashok Kumar Dogra as Chairman and Mr. Dinesh Patwari, Ms. Trishna Guha, Mr. Rakesh K. Srivastava & Mr. Manoj Kunkalienkar as members.

During the year the Committee met four (4) times i.e. on May 30, 2023, August 10, 2023, November 06, 2023 and February 09, 2024.

Besides, the members of the Audit Committee, MD &CEO, Chief Financial Officer, Company Secretary and the representatives of the Statutory Auditors are permanent invitees to the Audit Committee meeting. The Internal Auditors are invited on case to case basis. The Company Secretary acts as the Secretary to the Committee.

The details of the Composition and attendance of the members of the committee as on March 31, 2024 are listed below:

Members	Category	Meetings held during the tenure	Meetings Attended during the Year
Mr. Ashok K. Dogra * Public interest Director and Chairman of the Committee	Independent Director	1	1
Ms. Trishna Guha^ Public interest Director	Independent Director	4	4
Mr. Dinesh C. Patwari ** Public interest Director	Independent Director	4	4
Mr. Rakesh K. Srivastava *** Public Interest Director Independent Director		1	1
Mr. Manoj Kunkalienkar **** Non Independent Director	Non Independent Director	1	1
Mr. Ajai Kumar ***** Public interest Director and Chairman of the Committee	Independent Director	2	2

\*Mr. Ashok K. Dogra, appointed as the chairman of the Committee w.e.f January 17, 2024

\*\*Mr. Dinesh C. Patwari, appointed as a member w.e.f May 24,

2023

\*\*\* Mr. Rakesh K Srivastava, appointed as a member w.e.f November 18, 2023

\*\*\*\*Mr. Manoj Kunkalienkar, appointed as a member w.e.f January 17, 2024

\*\*\*\*\*Mr. Ajai Kumar completed his term on October 22, 2023.

^ Ms. Trishna Guha ceased to be director w.e.f. October 3, 2024.

#### B. Terms of Reference (TOR):

The terms of reference of the Audit Committee pursuant to Section 177 (4) of the Act read with Regulation 18 of Listing Regulations, is as stated below-

- To oversee the Company's financial reporting process and the disclosure of its financial statements to ensure that the financial statement is correct, sufficient and credible;
- To recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- To approve the payment to statutory auditors for any other services rendered by the statutory auditors.
- To review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, focusing primarily on:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3) (c) of the Companies Act, 2013
  - Any changes in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by the management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements.
  - The going concern assumption;
  - Compliance with accounting standards;
  - Compliance with legal requirements concerning financial statements;
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report
- To review with the management, the quarterly financial statements before submissions to the Board;
- To review with the management, the statement of uses/ applications of funds raised through an issue (rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a rights issue and making appropriate recommendations to the Board to take up steps in this matter.
- To review and monitor the auditors independence and performance and effectiveness of audit process.
- To grant approval or any subsequent modification of transactions of the Company with related parties.
- To scrutinize inter corporate loans and investments.
- To undertake valuation of undertakings or assets of the Company wherever it is necessary.
- To evaluate internal financial control and risk management systems.
- To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems

13. To review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the Department, reporting structure coverage and frequency of internal audit.
14. To discuss with internal auditors any significant findings and follow up thereon;
15. To review the findings of internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control system of a material nature and report to Board;
16. To discuss with the statutory auditors before the audit commences, about the nature and the scope of audit as well as have post- audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review Company's financial risk management policies.
19. To examine financial statement and the auditor's report thereon.
20. To review the functioning of the Whistle Blower mechanism
21. To approve the appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
22. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition to the above, the Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

#### 4. Nomination and Remuneration Committee (NRC):

##### A. Composition, meetings and attendance:

The Nomination and Remuneration Committee comprised three (3) members as at March 31, 2024, which included Mr. Rakesh K. Srivastava as Chairman and Mr. Dinesh Patwari & Mr. Ashok Kumar Dogra as members.

The Committee met eleven (11) times during the year i.e. on June 12, 2023, June 23, 2023, June 30, 2023, July 06, 2023, August 10, 2023, September 09, 2023, September 29, 2023, November 06, 2023, December 07, 2023, December 11, 2023 and February 9, 2024.

The Committee meetings are also attended by such company officials, as may be considered appropriate. The minutes of the meetings of the Committee are placed before the Board for noting.

The Company Secretary acts as the Secretary to the Committee.

The details of Composition and participation of the members at the meetings of the Committee as on March 31, 2024 were as under:

Members	Category	Meetings held during the tenure	Meetings Attended during the Year
Mr. Ashok K. Dogra * Public interest Director and Chairman of the Committee	Independent Director	1	1
Ms. Trishna Guha^ Public interest Director	Independent Director	4	4
Mr. Dinesh C. Patwari ** Public interest Director	Independent Director	4	4
Mr. Rakesh K. Srivastava *** Public Interest Director Independent Director		1	1
Mr. Manoj Kunkalienkar **** Non Independent Director	Non Independent Director	1	1
Mr. Ajai Kumar ***** Public interest Director and Chairman of the Committee	Independent Director	2	2

Members	Category	Meetings held during the tenure	Meetings attended during the tenure
Ms. Trishna Guha^ Public Interest Director	Independent Director	10	10
Mr. Rakesh K. Srivastava* Public interest Director	Independent Director	3	3
Mr. Dinesh C. Patwari** Public Interest Director	Independent Director	11	11
Mr. Ashok K. Dogra*** Public Interest Director	Independent Director	1	1
Mr. Ajai Kumar**** Public Interest Director	Independent Director	8	8

\*Mr. Rakesh K. Srivastava appointed as the Chairman to the Committee w.e.f. November 18, 2023 in place of Mr. Ajai Kumar

\*\* Mr. Dinesh C. Patwari, appointed as a member w.e.f on May 24, 2023

\*\*\*Mr. Ashok K. Dogra appointed as a member w.e.f. January 17, 2024 in place of Ms. Trishna Guha

\*\*\*\* Mr. Ajai Kumar completed his term on October 22, 2023.

^ Ms. Trishna Guha ceased to be director w.e.f. October 3, 2024.

##### B. Terms of Reference (TOR):

The Terms of Reference of the NRC of the Company pursuant to Section 178 of the Act read with Regulation 33 of the SECC Regulations and Regulation 19 of the Listing Regulations is given below:

- 1) Identifying a Key management personnel, other than personnel as specifically provided in its definition under SECC Regulations, 2018.
- 2) Laying down the policy for compensation of key management personnel in terms of the compensation norms prescribed by SEBI.
- 3) Determining the compensation of KMPs in terms of the

compensation policy.

- 4) Determining the tenure of a key management personnel, other than a director, to be posted in a regulatory department.
- 5) Selecting the Managing Director.
- 6) Framing & reviewing the performance review policy to carry out evaluation of every director's performance, including that of Public Interest Director (PID).
- 7) Recommending whether to extend the term of appointment of the PID.
- 8) Besides the above, it will also discharge the function as Nomination & Remuneration Committee under the Companies Act, 2013 and SEBI (LODR) regulations, 2015 as amended from time to time.

### C. Nomination and Remuneration Policy

The Company has formulated the Nomination and Remuneration policy ("the Policy") which has been revised in accordance with the SECC Regulations and the Act, approved in the Board meeting held on February 11, 2021, for remunerating the Executive Directors, Non-Executive Directors, Key Managerial Personnel and the Employees. The updated policy has been placed at MSE's website i.e. [www.msei.in](http://www.msei.in).

### D. Performance Evaluation Criteria for Independent directors

With the objective of enhancing the effectiveness of the Board, the NRC formulated the methodology and criteria to evaluate the performance of the Board and each director. The NRC reviewed the criteria for evaluating the performance of all the directors. Criteria in this respect includes; (a) Board composition, size, mix of skill, experience, members' participation and role, (b) attendance, preparedness and deliberation in the meetings, (c) contribution/suggestions for effective functioning, development of strategy, board process, policies and others. The evaluation process includes review, discussion and feedback from directors in reference to set criteria and questions. The Directors are satisfied with the performance and evaluation.

The criteria for evaluation is as follows:

#### i. Internal Evaluation of Individual Directors

The individual Director's performance has largely been evaluated based on his/ her level of participation and contribution to the performance of Board/ Committee(s). Furthermore, the skills, knowledge, experience, attendance record, devotion of sufficient time and efficient discharge of responsibilities towards the Company, Board and Committees of which he/ she is a member are considered for evaluation. Additionally, timely disclosure of personal interest, compliance of Code of Conduct and Ethics, Code for Independent Directors etc., are also taken into account.

#### ii. External Evaluation of Public Interest Directors

As per the amended SECC Regulations, Public Interest Directors can be nominated by SEBI on the Board of a recognized stock exchange for an initial term of three years, extendable by another term of three years subject to performance review prescribed by SEBI. SEBI vide its circular dated February 5, 2019, has mandated the Public Interest Directors of a stock exchange to be subjected to an external evaluation during the last year of their term by a management or a human resources consulting firm.

#### iii. Chairman's Performance Evaluation

Providing effective leadership, setting effective strategic agenda of the Board, encouraging active engagement by the Board members, establishing effective communication with all stakeholders, etc.

#### iv. Performance evaluation of the Board as a whole

The performance of the Board of Directors is evaluated on

the basis of various criteria which inter-alia, includes providing entrepreneurial leadership to the Company, understanding of the business, strategy and growth, responsibility towards stakeholders, risk management and financial controls, quality of decision making, monitoring performance of management, maintaining high standards of integrity and probity, etc.

#### v. Evaluation of the Board Committees

The performances of the Committees are evaluated on the basis of following parameters:

- a. Mandate and composition
- b. Effectiveness of the Committees
- c. Structure of the Committees and their meetings
- d. Independence of the Committees from the Board
- e. Contribution to the decisions of the Board

#### vi. Observations of Board evaluation carried out for the year:

- (i) Gist of observations on performance evaluation of Board: NIL
- (ii) Observations of Board evaluation carried out for Previous year: NIL
- (iii) Proposed actions based on current year observations: NA

The detailed policy is available on the website <https://www.msei.in/about-us/policy>

### 5. Remuneration of Directors

- a) All pecuniary relationship or transactions of the non-executive directors

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors apart from sitting fees. The Company has not granted any stock options to any of its Non-Executive Directors and none of the directors hold any shares in the Company.

- b) Sitting fees paid to Non-Executive Directors/Public Interest Directors during the year are as follows:

NAME OF THE DIRECTOR	SITTING FEES (IN RS.)
Mr. Dinesh C. Patwari *	16,50,000
Ms. Trishna Guha^	16,10,000
Mr. Ashok K. Dogra**	3,10,000
Mr. Rakesh K. Srivastava ***	6,10,000
Mr. S V D Nageswara Rao****	NIL
Mr. Ajai Kumar *****	8,60,000

\*Mr. Dinesh C. Patwari, appointed w.e.f May 22, 2023

\*\*Mr. Ashok K. Dogra, appointed January 16, 2024

\*\*\* Mr. Rakesh K Srivastava, appointed w.e.f November 18, 2023

\*\*\*\*Mr. S.V.D. Nageswara Rao resigned w.e.f. May 08, 2023.

\*\*\*\*\* Mr. Ajai Kumar completed his term as on October 22, 2023.

^Ms. Trishna Guha ceased to be director w.e.f. October 3, 2024.

- c) MSE Enterprises Ltd (MEL), a subsidiary MSE got merged with the Company by Hon'ble NCLT Order dated June 06, 2024. The appointed date for the said merger is April 01, 2023. Accordingly the merged accounts for FY 2023-24 were prepared. The Sitting fees paid to the MEL Directors during the year are as follows:

NAME OF THE DIRECTOR	SITTING FEES (IN RS.)
Mr. Rakesh Kumar Srivastava	4,10,000
Mr. Ashok Kumar Dogra	4,10,000
Ms. Neha Gada	3,10,000
Mr. Prasad Hari Chaudhari	80,000

- d) The details of remuneration paid to Executive Director for the financial year ended March 31, 2024 are provided hereunder:

Particulars	Ms. Latika S Kundu
	<b>MD &amp; CEO</b>
Salary and allowances	Rs. 75,00,000/-
Period of Service Contracts	For a period of three years commencing on and from March 12, 2020 to March 11, 2023, which has been further extended time to time upto September 11, 2024, vide the approval of SEBI and governing board of the Exchange
Notice Period	Three Months

This 'Salary and allowances' includes variable pay component of Rs.25,00,000/-p.a., which is governed by Malus and Clawback arrangement as per SECC Regulations and is yet to be paid.

#### 6. Stakeholder Relationship Committee:

The Stakeholder Relationship Committee comprised three (3) members as at March 31, 2024, which included Mr. Manoj Kunkalienkar as the Chairman and Mr. Dinesh Patwari & Ms. Latika S. Kundu as members.

The Company has complied with the requirements of Section 178(5) of the Act, Regulation 20 of the Listing Regulations, as applicable to the constitution of the Stakeholders' Relationship/ Share Allotment Committee.

#### A. Composition and Terms of Reference

The Committee met twice during the year i.e. on June 27, 2023 and December 21, 2023. The details of Composition and participation of the members at the meetings of the Committee as on March 31, 2024 were as under:

Members	Category	Meetings held during the Year	Meetings attended during the Year
Mr. Dinesh C. Patwari*	Public Interest Director	2	2
Ms. Latika S. Kundu	MD & CEO	2	2
Mr. Manoj Kunkalienkar **	Non-Independent Director	0	0

\*Mr. Dinesh C. Patwari appointed as the member to the Committee w.e.f. June 17, 2023

\*\* Mr. Manoj Kunkalienkar appointed as the Chairman to the Committee w.e.f. January 17, 2024

#### B. Terms of Reference:

The Terms of Reference of the Stakeholders Relationship Committee pursuant to Regulation 33 of SECC Regulation read with Regulation 20 of the Listing Regulations is given below:

- Resolving the grievances of the security holders of the Exchange including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Noting status of dematerialization, rematerialization, share transfer, transposition of names, transmission requests, etc.;
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the

Exchange in respect of various services being rendered by the Registrar & Share Transfer Agent.

- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Any other specific stakeholder matters as may be specified by the Board from time to time;

The Exchange has received 'anonymous' complaints during the Financial Year 2020-21, claiming to be complaints from shareholders. These complaints were forwarded to the Exchange by SEBI, which were responded from time to time.

- Name and Designation of Compliance Officer  
Mr. P. K. Ramesh - Chief Regulatory Officer & Compliance Officer.
- Name and Designation of Company Secretary  
Mr. Durgesh Kadam, Head – Legal & Company Secretary
- Details of Shareholders complaints received and redressed during the year.

The Exchange received complaints from its shareholders and resolved those complaints during the year: NIL

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	0	0	0

#### 7. Risk Management Committee:

The Risk Management Committee comprised four (4) members as at March 31, 2024, which included Mr. Dinesh Patwari as Chairman; Mr. Rakesh K. Srivastava, Mr. Ashok Kumar Dogra & Mr. Suresh Vishwanathan, External Expert as members.

The Company has complied with the requirements of Regulation 21 of the Listing Regulations, Regulation 29 of SECC Regulations and the Act, applicable in relation to composition of the Risk Management Committee.

#### A. Composition, Meetings and Attendance:

During the year, the Committee met twice i.e. on September 29, 2023 and March 28, 2024

Members	Category	Meetings held during the Year	Meetings Attended during the Year
Mr. Dinesh C. Patwari* Public Interest Director	Independent Director	2	2
Mr. Ashok Kumar Dogra** Public Interest Director	Independent Director	1	1
Mr. Ajai Kumar*** Public Interest Director	Independent Director	1	1
Mr. Suresh Viswanathan	External Expert	2	1

\* Mr. Dinesh C. Patwari appointed as a member w.e.f. June 17, 2023

\*\* Mr. Ashok Kumar Dogra appointed as the chairman to the Committee w.e.f. February 9, 2024

\*\*\* Mr. Ajai Kumar completed his term on October 22, 2023

#### B. Terms of Reference

- To formulate a detailed risk management policy which shall be approved by the governing board
- To review the Risk Management Framework & risk mitigation measures from time to time.



- c) To monitor and review enterprise-wide risk management plan and lay down procedures to inform Board members about the risk assessment and minimization procedures.
- d) The head of the risk management department shall report to the risk management committee and to the managing director of the Exchange.
- e) The risk management committee shall monitor implementation of the risk management policy and keep the Board and the governing board informed about its implementation and deviation, if any.

#### 8. Public Interest Director Committee:

The Public Interest Director Committee comprised five (5) members as at March 31, 2024, which included Mr. Dinesh Patwari as Chairman and Mr. Ashok Kumar Dogra, Ms. Trishna Guha & Mr. Rakesh K. Srivastava as members.

The Company has complied with Regulation 26 read with part A of Schedule II of SECC Regulations. As per the aforesaid Regulations, Public Interest Directors shall meet separately, at least once in six months to exchange views on critical issues. The Company Secretary facilitates conduct of Public Interest Directors Meetings.

#### A. Composition, Meetings and Attendance:

During the year the Committee met twice, in the month of June 2023 & December 2023. The Company Secretary acts as the Secretary to the Committee. The details of the Composition and attendance of the members of the Committee as on March 31, 2024 are listed below:

Members	Category	Meetings held during the Year	Meetings Attended during the Year
Mr. Dinesh C. Patwari* Public Interest Director	Independent Director	2	2
Ms. Trishna Guha ^ Public Interest Director	Independent Director	2	2
Mr. Rakesh K Srivastava** Public Interest Director	Independent Director	1	1
Mr. Ashok Kumar Dogra*** Public Interest Director	Independent Director	-	-
Mr. Ajai Kumar**** Public interest Director	Independent Director	1	1

\* Mr. Dinesh C. Patwari appointed as the Chairman to the Committee w.e.f. June 17, 2023

\*\* Mr. Rakesh Kumar Srivastava appointed as a member w.e.f. November 23, 2023 in place of Mr. Ajai Kumar

\*\*\* Mr. Ashok Kumar Dogra appointed as a PID w.e.f. February 9, 2024

\*\*\*\* Mr. Ajai Kumar completed his term on October 22, 2023.

^ Ms. Trishna Guha ceased to be director w.e.f. October 3, 2024.

#### B. Terms of Reference (TOR):

The Terms of Reference of the Committee pursuant to Regulation 26 read with Part A of Schedule II of SECC Regulation is given below:

1. Status of compliance with SEBI letters/ Circulars
2. Review the functioning of regulatory departments including the adequacy of resources dedicated to regulatory functions.
3. The PID's shall prepare a report on the working of the other committees where they are also the members. The report shall be circulated to the other public interest directors
4. A consolidated report shall then be submitted to the Governing Board of the stock exchange.
5. The PID's shall identify important issues which may involve conflict of interest for the stock exchange or may have significant impact on the market and report the same to SEBI.
6. It is confirmed that in the opinion of the Board, the Independent directors fulfil the conditions specified in these regulations and are independent of the management.

#### 9. General Body Meetings:

A. Details of Annual General Meetings held in last three years are as under:

Financial year	Date & Time	Venue of the meeting	Special resolution(s) passed
2022-23	December 20, 2023 at 2.00 pm	Registered office of the Company at Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, L.B.S Road, Kurla West, Mumbai - 400 070	<ol style="list-style-type: none"> <li>1) To consider and approve appointment of Mr. Manoj Kunkalienkar (DIN: 00019200), as Shareholder Director on the Board of the Company</li> <li>2) To appoint Mr. Dinesh C Patwari (DIN: 10060352) as an (Independent director) Public Interest Director</li> <li>3) To appoint Mr. Rakesh Kumar Srivastava (DIN: 08896124) as an (Independent Director) Public Interest Director</li> </ol>

Financial year	Date & Time	Venue of the meeting	Special resolution(s) passed
2021-22	December 01, 2022 at 2.30 pm	Registered office of the Company at Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, L.B.S Road, Kurla West, Mumbai - 400 070	No special resolutions passed
2020-21	December 20, 2021 at 2.30 pm	Registered office of the Company at Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, L.B.S Road, Kurla West, Mumbai - 400 070	<ol style="list-style-type: none"> <li>1) To consider and approve appointment of Mr. Raghunathan Srinivasa (DIN: 07615088), as Shareholder Director on the Board of the Company</li> <li>2) To consider and amend Memorandum of Association as per Companies Act, 2013</li> <li>3) To consider and amend Articles of Association as per Companies Act, 2013</li> <li>4) Re-appointment of Ms. Trishna Guha (DIN: 08200779) as an (Independent Director) Public Interest Director of the Company</li> <li>5) Re-appointment of Mr. S.V.D. Nageswara Rao (DIN: 02105323) as an (Independent Director) Public Interest Director of the Company</li> </ol>

**B. No Extraordinary general meeting of the members was held during FY 2023-24**

**C. NCLT convened meeting of Equity Shareholder**

The NCLT convened meeting of Equity Shareholder held on December 07, 2023 at 11.00 A.M.(IST) through VC/OAVM in compliance with order dated October 18th 2023, in Company Application No. C.A.(CAA)/86/(MB)/2023 filed with the Hon'ble National Company Law Tribunal for sanctioning the Composite Scheme of Arrangement between MSE, the Amalgamated Company and MSE Enterprises Limited, the Amalgamating Company and their respective Shareholders.

**D. Postal Ballot**

The Company did not pass any resolution by way of postal ballot during the financial year ended March 31, 2024.

**10. Means of Communication:**

The Exchange disseminates all material information to its Shareholders through its website: [www.msei.in](http://www.msei.in). It contains links to all important events and material information of the Exchange. The quarterly and annual financials results, shareholding pattern, press releases, Annual Reports etc. are provided on the website of the Company under Investor Relation section.

**11. General Shareholder Information:**

<b>Day, Date, Time of Annual General Meeting (2023-2024)</b>	Thursday, 19th December 2024 at 02:00 p.m. (IST) Venue:- The Company is conducting meeting through Video Conferencing/Other Audio Visual Means pursuant to the MCA Circular dated May 5, 2020 and December 28, 2022. For details, please refer Notice of this AGM. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located at Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, L.B.S Road, Kurla West, Mumbai - 400 070., which shall be the deemed venue of the AGM.
<b>Financial year</b>	April 01, 2023 to March 31, 2024
<b>Dividend payment date</b>	Not Applicable
<b>Listing on Stock Exchanges</b>	The Company is not listed on any stock exchange.
<b>Stock Market Code, Market Price Data and share price performance to broad based indices</b>	Not applicable as the Company is not listed on any stock exchange
<b>Registrars &amp; Share Transfer Agents</b>	KFin Technologies Private Limited Selenium Tower B, Plot No. 31 & 32, Financial District, Gachibowli, Hyderabad 500 032, India. Tel: +91-040-6716 2222
<b>Share transfer System</b>	100% of Equity Shares of the company are in electronic form. Transfer of shares is done through depositories with no involvement of the company.
<b>Dematerialization of Shares and liquidity</b>	As required under the Listing Regulations, the entire 4,810,217,033 equity shares of the Company as on March 31, 2024 are under dematerialized (electronic) form. The equity shares of the Company have been admitted for dematerialization with both the depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). ISIN of the equity shares of the Company is INE312K01010.

<b>Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity</b>	As at March 31, 2024, the Company had no outstanding Warrants.
<b>Exchange operations are located at and Address for Correspondence</b>	Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, L.B.S Road, Kurla West, Mumbai - 400 070 Tel: 61129000 Email id: secretarial@msei.in Website: www.msei.in
<b>Legal Identified Number (LEI)</b>	3358002YCEYDX7UK4352

## 12. Distribution of Shareholding as on March 31, 2024

Sr. No	Category	Shareholders		Shares held	
		No. of holders	% of Total	No. of shares	% of Total
1	up to 1 - 5000	16,857	29.44	5,10,54,981	1.06
2	5001 - 10000	11,772	20.56	10,66,81,846	2.22
3	10001 - 20000	8,115	14.17	13,10,15,577	2.72
4	20001 - 30000	5,014	8.76	13,01,35,262	2.71
5	30001 - 40000	1,994	3.48	7,31,58,407	1.52
6	40001 - 50000	3,444	6.01	16,86,29,140	3.51
7	50001 - 100000	5,392	9.42	45,94,63,076	9.55
8	100001 & ABOVE	4,672	8.16	3,69,00,78,744	76.71
	<b>Total</b>	<b>57,260</b>	<b>100.00</b>	<b>4,81,02,17,033</b>	<b>100.00</b>

## 13. Category – wise Shareholding Pattern as on March 31, 2024:

Sr. No	Category	No. of Shareholders	No. of shares held	% of shareholding
(A)	Promoter And Promoter Group	-	-	-
(B)	Public Shareholding			
(a)	Financial Institutions /Banks	14	71,87,83,832	14.94
(b)	Bodies Corporate	245	85,85,52,309	17.85
(c)	Individuals	55288	2,67,39,85,871	55.59
(d)	HUF	1367	19,85,42,845	4.13
(e)	Trusts	1	5672734	0.12
(f)	Non-Resident Indian	345	35,46,79,442	7.37
	<b>Total B</b>	<b>57260</b>	<b>481,02,17,033</b>	<b>100.00</b>
	<b>Total (A+B)</b>	<b>57260</b>	<b>481,02,17,033</b>	<b>100.00</b>

### Other Disclosures:

#### a. CEO

Certificate from CEO as required under Part D of Schedule V of the Listing Regulations containing declaration as to affirming compliance with the Code of Conduct, under SECC Regulations for the FY 2023-24, is annexed at the end of this report as ANNEXURE A.

#### b. Compliance with the conditions of Corporate Governance

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, to the extent as applicable, with regards to Corporate Governance. A certificate in this regard is attached as ANNEXURE B.

#### c. Disclosures on materially significant related party transactions

The materially significant related party transactions entered into by the Company are at arm's length basis and in the ordinary course of business. All the transactions with related parties are under the pre-existing arrangements. Nonetheless, transactions with related parties as required to be reported under "Indian Accounting Standard 24 – Related Party Disclosures" has been disclosed in the Financial Statements in the Annual Report. The

policy is hosted on the website of the Company and can be accessed at [www.msei.in/about-us/policy](http://www.msei.in/about-us/policy).

#### d. Penalties or strictures imposed on the Company by SEBI or any statutory authority on any matter related to the capital markets during the last three years:-

In 2023-24, there were no penalties or strictures imposed on the Exchange by SEBI or any statutory authority, on any matter related to the capital markets. SEBI had renewed the recognition of the Exchange for a further period of one year commencing from September 16, 2023 to September 15, 2024 subject to certain condition which has to be complied in a time bound manner.

#### e. Disclosure relating to Whistle Blower Policy

All Protected Disclosures concerning financial/accounting matters are addressed to the Chairman of the Audit Committee of the Company.

All other Protected Disclosures, those concerning the Compliance Officer and employees at the levels of Vice Presidents and above are addressed to the Chairman of the Audit Committee of the Company and those concerning other employees are addressed to the Compliance Officer of the Company

In the year 2023-2024, there were nil complaints received from

employees to the Compliance officer as per Whistle Blower Policy of the Exchange.

The Whistle blower policy is also hosted on the website of the Company and can be accessed at <http://www.msei.in/about-us/code>. None of the whistle blowers were denied access to the Audit Committee during FY 2023-24 to the knowledge of the Compliance Officer. The same is reviewed by the Audit Committee on a quarterly basis.

**f. Details of Compliance with mandatory and non-mandatory requirement**

- As per Regulation 11(1) of SECC Regulations, Stock Exchange shall pay the regulatory fees. The company has complied with the applicable mandatory requirements of payment of Regulatory Fees in terms of the said provision
- As per Regulation 12 (2) of SECC Regulations, 2018, a recognized Stock Exchange desirous of renewal of recognition shall make an application to the Board in Form A of Schedule-I of these regulations and such application shall reach the Board at-least three months prior to the date of expiry of the recognition. The company has complied with the mandatory requirement of renewal of recognition in Form A of Schedule-I of these regulations.

**g. Policy for determining material subsidiaries**

As on March 31, 2024, the Company had identified two material subsidiaries i.e. MSE Enterprises Limited (now merged with MSE) and MSE Fintech Limited.

The minutes of the Board meetings of the subsidiaries are placed before the Board meetings of the Company. The Company has formulated a policy for determining 'material' subsidiaries and such policy is hosted on the website of the Company and can be accessed at <https://www.msei.in/about-us/policy>.

**h. Dematerialization of shares and liquidity**

100% of the Company's shares are in dematerialized form as listed below as at March 31, 2024:

Category	No. of Shareholders	No. of shares	Percentage (%)
NSDL	21654	2,69,36,83,983	56
CDSL	35,608	2,11,65,33,050	44
<b>Total</b>	<b>57,260</b>	<b>481,02,17,033</b>	<b>100.00</b>

**i. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2024, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

**j. Commodity price risk or foreign exchange risk and hedging activities**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For details on foreign exchange please refer to Management Discussion and Analysis Report.

- k. A certificate has been received from Alwyn Jay & Co., Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI, MCA or any such statutory authority. The said certificate forms part of this Report as **ANNEXURE C**.
- l. In terms of Regulation 17(8) of the Listing Regulations, MD & CEO and Chief Financial Officer made a certification to the Board of Directors in the prescribed format for the year at the review, which

has been reviewed by the Audit Committee and taken on record by the Board as annexed in **ANNEXURE D**.

- m. Details of fees paid to Statutory Auditor Statutory Auditor: M/s. T.R. CHADHA & CO. LLP

Sr. No	Payment to Auditor	(Rs.)
1	Statutory Audit	10,12,000
2	Limited Review Audit	5,69,250
3	Tax Audit	2,58,750
4	Fees for other matters	5,60,660
	<b>Total</b>	<b>24,00,660</b>

- n. Details of Sexual Harassment complaints received and redressed

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

- o. Plant Location: **Not Applicable**
- p. Credit Ratings: **Not Applicable**
- q. Disclosures with respect to demat Suspense account/ unclaimed suspense account: **There are no shares held in demat suspense account/ unclaimed suspense account.**
- r. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of Listing Regulations: **No such issues were taken place during the year hence, Not Applicable.**
- s. The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board.

<b>Strategy and Planning</b>	Appreciation of long-term trends, strategic choices and experience in guiding and leading management team to make decisions in uncertain environments
<b>Governance</b>	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective shareholder engagements and driving corporate ethics and values.
<b>Specific Skill Set</b>	Capital/ Market understanding, Technology and Cyber Security, Legal and Compliance, Stakeholder Relationship, Strategy and Planning, Financial and Treasury Management, Audit, Corporate Governance, Taxation.

For and on behalf of the Board of Directors

**Latika S. Kundu**  
Managing Director & CEO  
DIN: 08561873

**Dinesh C. Patwari**  
Chairman  
DIN: 10060352

Date: 11th November 2024  
Place: Mumbai

ANNEXURE A – Corporate Governance Report

**RECEIPT OF AFFIRMATIONS ON COMPLIANCE WITH THE CODE OF CONDUCT**

I hereby declare that all the Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2023-24 as adopted by the Board of directors and applicable Regulations.

**Latika S. Kundu**

Managing Director & CEO

DIN: 08561873

Dated: 11th November 2024

Place: Mumbai

## PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
**Metropolitan Stock Exchange of India Limited,**

This is with reference to the disclosure and corporate governance norms specified in Regulation 33 of the Securities Contract (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, applicable to Stock Exchanges which stipulates that the disclosure requirements and corporate governance norms as specified for listed companies shall mutatis mutandis apply to a recognized stock exchange.

We have examined the compliance of conditions of Corporate Governance by **Metropolitan Stock Exchange of India Limited (“the Company”)** for the financial year ended **March 31, 2024**, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**).

We state that the compliance of conditions of Corporate Governance is the responsibility of the management and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us and representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of the SEBI Listing Regulations to the extent relevant and practicable in accordance with the nature of the Company's operations, its constitution and to ensure appropriate governance.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai  
Date : 11th November 2024

**ALWYN JAY & Co.**  
Company Secretaries

Office Address :  
Annex-103, Dimple Arcade,  
Asha Nagar, Kandivali (East),  
Mumbai 400101.

[ **Jay D'Souza FCS.3058** ]  
( Partner )  
[ Certificate of Practice No.6915 ]  
[ **UDIN : F003058F002058815** ]

## ANNEXURE C – Corporate Governance Report

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Metropolitan Stock Exchange of India Limited**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Metropolitan Stock Exchange of India Limited, having CIN U65999MH2008PLC185856 and having registered office at 205(A), 2nd Floor, Piramal Agastya Corporate Park Kamani Junction, LBS Road, Kurla (West), Mumbai – 400 070, Maharashtra, India, (hereinafter referred to as “the Company”) produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2024 or a part thereof of their appointment, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Designation	Date of Appointment as per MCA Records
1.	Mr. Ajai Kumar	02446976	Director	October 23, 2020
2.	Ms. Trishna Guha	08200779	Director	October 4, 2018
3.	Mr. S.V.D. Nageswara	02105323	Director	October 4, 2018
4.	Ms. Latika S. Kundu	08561873	Managing Director	March 12, 2020
5.	Mr. Rakesh Kumar Srivastava	08896124	Director	November 18, 2023
6.	Mr. Manoj Pundalik Kunkalienkar	00019200	Director	December 20, 2023
7.	Mr. Ashok Kumar Dogra	07074297	Additional Director	January 16, 2024
8.	Mr. Dinesh Chander Patwari	10060352	Director	May 22, 2023

**Note:**

- (1) Mr. Ajai Kumar retired from directorship of the Company w.e.f. October 22, 2023
- (2) Mr. S.V.D. Nageswara Rao resigned from directorship of the Company w.e.f. May 08, 2023
- (3) Mr. Dinesh C Patwari appointed as an Additional Director of the Company w.e.f. May 22, 2023.
- (4) Mr. Ashok Kumar Dogra appointed as an Additional Director of the Company w.e.f. January 16, 2024.
- (5) Mr. Rakesh Kumar Srivastava appointed as an Additional Director of the Company w.e.f. November 18, 2023.
- (6) Mr. Manoj Kunkalienkar appointed as an Additional Director of the Company w.e.f. January 16, 2024.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai  
Date : 11th November 2024

**ALWYN JAY & Co.**  
Company Secretaries

Office Address :  
Annex-103, Dimple Arcade,  
Asha Nagar, Kandivali (East),  
Mumbai 400101.

[ Jay D'Souza FCS.3058 ]  
( Partner )  
[ Certificate of Practice No.6915 ]  
[ UDIN : F003058F002058815 ]

**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

(In accordance with the provisions of Regulation 33 of SECC Regulations 2018 read with Regulation 17(8) of the SEBI (LODR) Regulations, 2015)

The Board of Directors  
Metropolitan Stock Exchange of India Limited, Mumbai

Dear Members of the Board,

We, Latika S. Kundu, MD & CEO and Saket Bhansali, Chief Financial Officer of Metropolitan Stock Exchange of India Limited, to best of our knowledge and belief, certify that:

1. We have reviewed the Financial Statement and the Cash flow Statement of the Company for the financial year ended March 31,2024;
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs, and are in compliance with the existing accounting standards and/ or applicable laws and regulations, except as disclosed in the notes to the financial statement.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 which are fraudulent, illegal or in violation of the Company's Code of Conduct, except as disclosed to the Company's Board of Directors;
  1. We accept responsibility for establishing and maintaining internal controls for financial reporting for the Company, and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting, and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken, to rectify the deficiencies. In our opinion there are adequate internal controls over financial reporting.
  2. We have indicated to the auditors and the Audit Committee:
    - i. significant changes in internal control financial reporting during the year;
    - ii. There are no significant changes in accounting policies made during the year, except as disclosed in the notes to the financial statements and;
    - iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal control system over financial reporting.

Yours Sincerely,

**Saket Bhansali**  
Chief Financial Officer

**Latika S. Kundu**  
MD & CEO (DIN: 08561873)

Dated: June 19, 2024  
Place: Mumbai



## Independent Auditor's Report

To the Members of  
**Metropolitan Stock Exchange of India Limited**  
**Report on the Audit of the Standalone Financial Statements**

### 1. Opinion

We have audited the accompanying Standalone Financial Statements of Metropolitan Stock Exchange of India Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### 2. Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibility for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### 3. Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Identification of Onerous Contract

As per Ind AS 37 "Provision, contingent liabilities and contingent assets", an onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The Company has an unavoidable long-term contract with one of the service providers which constitutes approx. 48% of the Operating Expenses (refer note 28) for the year ended March 31, 2024.

**Auditor's Response:** Our procedure in relation to identification of onerous contract included, review of material contract with service providers, assessing the related cost and economic benefits expected to be received/are received and critically assessing the

management's estimates with regard to plan for utilization of such costs. Based on above audit procedures the said contract has not been treated as onerous contract as on March 31, 2024.

### 4. Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Company's Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon. The Company's Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

### 5. Responsibilities of Management and the Board of Directors for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with, the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### 6. Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or

in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most

significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 7. Other Matter

The amalgamation of the Company and MEL is pursuant to the Scheme of Arrangement ("Scheme") which has been approved by the National Law Company Tribunal ('NCLT') vide its order dated June 06, 2024. The Scheme is effective from the appointed date of April 01, 2023, and the amalgamation being a common control business combination, the comparative financial statements of the Company have been restated to record the amalgamation from April 01, 2022. Further, the adjustment on account of amalgamation for the year ended March 31, 2023 is based on the financial statements of MEL which were audited by the auditors of MEL who expressed unmodified opinion (vide their unmodified report dated May 08, 2023) and whose report has been furnished to us by the Management, and has been relied upon by us for the purpose of audit of these standalone financial results. Our opinion is not modified in respect of this matter with respect to the report of the other auditor.

Our opinion is not modified in respect of these matters.

## 8. Report on Other Legal and Regulatory Requirements

- a. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- b. As required by Section 143(3) of the Act, based on our audit we report that:
  - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - iii. The standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - iv. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.
  - v. On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
  - vi. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statement.
  - vii. With respect to the other matters to be included in

the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations as on March 31, 2024 on its financial position in its Standalone Financial Statements – Refer Note 33 to the Standalone Financial Statements.
- b. The Company has entered into various contracts including long term contracts with a Company towards software license and maintenance agreements etc. The continuance of these contracts shall depend on the future running of the business including raising required resources for the same. Hence, the chances of termination of these contracts and the impact of the same on the Standalone Financial Statements including penalty and charges if any cannot be commented upon.
- c. There were no amounts which were required to be transferred to the investor's education and protection fund by the Company during the year ended March 31, 2024.
- d. (i) Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 52 to the Standalone Financial Statements);
- (ii) Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 52 to the Standalone Financial Statements); and
- (iii) Based on audit procedures that we have considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- e. During the year the Company has neither declared nor paid any dividend, as such compliance of section 123 of the Act is not applicable.
- f. Based on the audit procedure performed that have been considered reasonable and appropriate in the circumstances by us, which includes test checks, the Company has used an accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and that has operated throughout the financial year for all relevant transactions recorded in the respective software, however, in case of merged entity, the said configuration was enabled only from 08 June, 2023 instead of 01 April, 2023. During the course of performing our procedure, we did not come across any instance of audit trail feature being disabled and tempered with.
- g. As per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
- c. With respect to the matter to be included in the Auditor's Report under section 197 (16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations give to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act.

For **T R Chadha & Co LLP**  
Chartered Accountants  
Firm's Registration No. 006711N/N500028

**Pramod Tilwani**  
Partner  
Membership No. 076650  
**UDIN:** 24076650BKEFZZ4009

**Place:** Mumbai  
**Date:** June 19, 2024

## Annexure A to the Independent Auditor's Report of even date to the members of the Metropolitan Stock Exchange of India Limited ("the Company") on the standalone financial statements for the year ended March 31, 2024

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that;

### (i) Property, Plant and Equipment

- a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a regular programme of physical verification to cover Property, Plant and Equipment except the routers equipment which are at member's location. Management is of the view that it is not possible to verify these assets due to their nature and location. In our opinion, the periodicity of the physical verification is reasonable having regard to the size of the Company and the nature of its assets. For the assets where physical verification exercise was completed in the current year, no material discrepancies were noticed on such verification for material items.
- c) There are no immovable assets held by the Company. Accordingly, reporting under paragraph 3(i)(c) of the Order is not applicable to the Company.
- d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e) As disclosed by the management in note no. 53, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988), as amended, and rules made thereunder.

### (ii) Inventories

- a) The nature of business of the Company does not require to have any physical inventory. Accordingly, reporting under paragraph 3(ii) (a) of the Order is not applicable to the Company.
- b) The Company has not been sanctioned working capital limits in excess of rupees five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, reporting under paragraph 3(ii)(b) of the Order is not applicable to the Company.

### (iii) Loans, Investments, Guarantees, Securities and Advances in nature of Loan

During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under paragraph 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

### (iv) Compliance of Sec. 185 & 186

In our opinion, and according to the information and explanations given to us, the Company has not given loans or guarantees to directors or other persons in which a director is interested or provide security in connection with a loan and as such section 185 of the Companies Act is not applicable. In respect of investments made, Section 186 of the Companies Act, 2013 have

been complied with.

### (v) Public Deposits

The Company has not accepted any deposits or amounts which are deemed to be deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under apply. Accordingly, reporting under paragraph 3(v) of the Order is not applicable to the Company.

### (vi) Cost Records

The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act. Accordingly, reporting under paragraph 3(vi) of the Order is not applicable to the Company.

### (vii) Statutory Dues

- a) The Company has generally been regular in depositing its undisputed statutory dues including Goods and Service tax, Provident Fund, Professional Tax, Securities Transaction Tax, Income-tax, Cess and other relevant material statutory dues, which are accounted in its books of account.

There are no undisputed amounts payable in respect of above statutory dues, which were in arrears as at 31 March 2024 for a period of more than six months from the date they become payable.

- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of disputes are given below:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Demand under section 156	921.38 (excl. interest)	AY 2012 – 13	CIT Appeal

(Refer Note 33 of the Standalone Financial Statements)

- (viii) As disclosed by management in note 53 of the Standalone Financial Statements, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

### (ix) Application & Repayment of Loans & Borrowings

- a. The Company has not availed any loan or other borrowings from any lender, during the year. Accordingly, reporting under paragraph 3(ix)(a) of the Order is not applicable to the Company.
- b. As disclosed by management in note 53 of the Standalone Financial Statements, and on the basis of our audit procedures, we report that the Company has not been declared as wilful defaulter by any bank or financial institution or other lender;
- c. The Company has not availed any term loans during the year, accordingly, reporting under paragraph 3(ix) (c) of the Order is not applicable to the Company.
- d. The Company has not borrowed funds as on March 31, 2024, Accordingly, reporting under paragraph 3(ix) (d) of the Order is not applicable to the Company.
- e. On an overall examination of the financial statements, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of

its subsidiaries. Accordingly, reporting under paragraph 3(ix) (e) of the Order is not applicable to the Company.

- f. On an overall examination of the financial statements, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Accordingly, reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company.

**(x) Application of funds raised through Public Offer**

- a. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year, accordingly, reporting under paragraph 3(x) (a) of the Order is not applicable to the Company.
- b. The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year and accordingly, reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

**(xi) Fraud**

- a. No fraud by the Company or any fraud on the Company has been noticed or reported during the course of our audit nor have we been informed of any such case by the management.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c. As represented to us by the Management, there were no whistle blower complaints received by the Company during the year;

**(xii)** The Company is not a Nidhi Company and accordingly, reporting under paragraph 3(xii) of the Order is not applicable to the Company.

**(xiii)** In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, 2013 with respect to all applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

**(xiv) Internal Audit**

- (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the internal auditors issued to the Company for the period under audit.

**(xv)** During the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.

**(xvi) Registration u/s 45-IA of RBI Act**

- a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, reporting under paragraph 3(xvi)(a) of the Order is not applicable to the Company.
- b) The Company is not engaged in any Non-Banking Financial

or Housing Finance activities. Accordingly, reporting under paragraph 3(xvi)(b) of the Order is not applicable to the Company.

- c) The Company is not a core investment Company and accordingly, reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- d) As represented to us, the Group does not have any core investment Company as part of the Group and accordingly, reporting under paragraph 3(xvi)(d) of the Order is not applicable to the Company.

**(xvii)** The Company has incurred cash losses during the current financial year and the immediately preceding financial year, amounting to Rs. 4,249 lakhs and Rs. Nil respectively.

**(xviii)** There has been no resignation of the statutory auditors of the Company during the year and accordingly, reporting under paragraph 3(xviii) of the Order is not applicable to the Company.

**(xix)** According to the information and explanations given to us, and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**(xx)** As disclosed by management in note 51 of the Standalone Financial Statements and as verified by us, The Company was not required to spend any amount towards CSR as per Section 135 of the Companies Act, 2013, accordingly, reporting under paragraph 3(xx) of the Order is not applicable to the Company.

For **T R Chadha & Co LLP**  
Chartered Accountants  
Firm's Registration No. 006711N/N500028

**Pramod Tilwani**  
Partner  
Membership No. 076650  
**UDIN: 24076650BKEFZZ4009**

**Place:** Mumbai  
**Date:** June 19, 2024

**Annexure B to the Independent Auditor's Report of even date to the members of the Metropolitan Stock Exchange of India Limited ('the Company') on the standalone financial statements for the year ended March 31, 2024**

**Report on the Internal Financial Controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

**Opinion**

1. We have audited the internal financial controls with reference to standalone financial statements of Metropolitan Stock Exchange of India Limited ('the Company') as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on, the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on, the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013('Act').

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, both applicable to an audit of Internal Financial Controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

**Meaning of Internal Financial Controls with reference to standalone financial statements**

4. A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

**Inherent Limitations of Internal Financial Controls with reference to standalone financial statements**

5. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **T R Chadha & Co LLP**  
Chartered Accountants  
Firm's Registration No. 006711N/N500028

**Place:** Mumbai  
**Date:** June 19, 2024

**Pramod Tilwani**  
Partner  
Membership No. 076650  
**UDIN:** 24076650BKEFZZ4009

**STANDALONE BALANCE SHEET**

AS AT MARCH 31, 2024

(₹ in Lakh)

Particulars	Note	As at March 31, 2024		As at March 31, 2023 #	
<b>I ASSETS</b>					
<b>1 Non-Current Assets</b>					
(a) Property, plant and equipment	3	445		634	
(b) Intangible assets	4	708		781	
(c) Intangible assets under development	4	32		39	
(d) Right of use assets	3	110		287	
(e) Financial assets					
i. Investments					
a. Investment in subsidiary	5	2		2	
b. Other Investments	5	84		437	
ii. Other financial assets	6	610		900	
(f) Income tax assets (net)	7	338		605	
(g) Other non-current assets	8	6,436	<b>8,765</b>	5,990	<b>9,675</b>
<b>2 Current Assets</b>					
(a) Financial assets					
i. Investments	9	4,867		6,907	
ii. Trade receivables	10	261		130	
iii. Cash and cash equivalents	11	1,369		6,341	
iv. Bank balance other than (iii) above	12	105		2,876	
v. Other financial assets	13	9,045		3,468	
(b) Income tax assets (net)	14	124		91	
(c) Other current assets	15	385	<b>16,156</b>	453	<b>20,266</b>
<b>Total Assets</b>			<b>24,921</b>		<b>29,941</b>
<b>II EQUITY AND LIABILITIES</b>					
<b>3 Equity</b>					
(a) Equity Share capital	16	48,052		48,052	
(b) Other equity	17	(28,769)		(23,906)	
<b>Total Equity</b>			<b>19,283</b>		<b>24,146</b>
<b>Liabilities</b>					
<b>4 Non-Current Liabilities</b>					
(a) Financial liabilities					
i. Lease rental liability	18	-		142	
ii. Other financial liabilities	19	1,888		2,060	
(b) Provisions	20	17	<b>1,905</b>	23	<b>2,225</b>
<b>5 Current Liabilities</b>					
(a) Financial liabilities					
i. Lease rental liability	21	142		216	
ii. Trade payables					
a. Total outstanding dues of micro enterprises and small enterprises		3		2	
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	22	256		90	
iii. Other financial liabilities	23	2,494		2,498	
(b) Other current liabilities	24	834		742	
(c) Provisions	25	4	<b>3,733</b>	22	<b>3,570</b>
<b>Total Equity and Liabilities</b>			<b>24,921</b>		<b>29,941</b>

# Restated pursuant to the Scheme of Arrangement (refer note 35)

**Material Accounting Policies and Explanatory Information forming part of the financial statements**

2-61

As per our report of even date

**For T R Chadha & Co LLP**Chartered Accountants  
Firm Reg.No.006711N/N500028**Pramod Tilwani**Partner  
Membership No.076650

Mumbai

Dated : June 19, 2024

**For and on Behalf of the Board of Directors of**

Metropolitan Stock Exchange of India Limited

**Dinesh C. Patwari**Chairman & Public Interest Director  
DIN : 10060352**Saket Bhansali**

Chief Financial Officer

**Latika S. Kundu**Managing Director & CEO  
DIN : 08561873**Durgesh Kadam**Head - Legal & Company Secretary  
FCS 8496



# STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakh)

Particular	Note	For the Year 2023-24	For the Year 2022-23 #
<b>I Income</b>			
(a) Revenue from operations	26	736	921
(b) Other income	27	1,368	4,544
<b>Total Income</b>		<b>2,104</b>	<b>5,465</b>
<b>II Expenses</b>			
(a) Operating expenses	28	2,898	2,325
(b) Employee benefits expense	29	1,657	1,897
(c) Finance costs	30	98	39
(d) Advertisement and business promotion expenses	31	487	379
(e) Depreciation and amortisation expense		428	794
(f) Depreciation On Right to Use Assets	3 & 4	178	271
(g) Other expenses	32	1,118	1,232
<b>Total Expenses</b>		<b>6,864</b>	<b>6,937</b>
<b>III Loss before Exceptional items and tax (I - II)</b>		<b>(4,760)</b>	<b>(1,472)</b>
<b>IV Exceptional items</b>			
Software written off (refer note 37)		-	(521)
<b>V Loss before tax (III - IV)</b>		<b>(4,760)</b>	<b>(1,993)</b>
<b>VI Tax expense</b>			
Less : Current tax		63	-
Less : Earlier year tax		52	(0)
Less : Deferred tax		-	(127)
<b>VII Loss for the year (V - VI)</b>		<b>(4,875)</b>	<b>(1,866)</b>
<b>VIII Other comprehensive income</b>			
1) Items that will not reclassified to profit or (loss) (net of tax)		12	27
2) Income tax relating to item will not reclassified to profit or ( loss )		-	-
<b>Total other Comprehensive Income for the year, net of tax</b>		<b>12</b>	<b>27</b>
<b>IX Total Comprehensive Income for the year (VII- VIII)</b>		<b>(4,863)</b>	<b>(1,839)</b>
Earnings per equity share of face value of Rs. 1 each			
Basic (in Rs.)	36	(0.10)	(0.04)
Diluted (in Rs.)		(0.10)	(0.04)

# Restated pursuant to the Scheme of Arrangement (refer note 35)

## Material Accounting Policies and Explanatory Information forming part of the financial statements

2-61

As per our report of even date

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

**For and on Behalf of the Board of Directors of**  
Metropolitan Stock Exchange of India Limited

**Pramod Tilwani**  
Partner  
Membership No.076650

**Dinesh C. Patwari**  
Chairman & Public Interest Director  
DIN : 10060352

**Latika S. Kundu**  
Managing Director & CEO  
DIN : 08561873

Place : Mumbai  
Dated : June 19, 2024

**Saket Bhansali**  
Chief Financial Officer

**Durgesh Kadam**  
Head - Legal & Company Secretary  
FCS 8496

**STANDALONE STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023 #
<b>A. Cash flow from Operating Activities</b>		
Net Profit / (Loss) before tax as per Statement of Profit and Loss	(4,875)	(1,866)
<b>Adjustments for</b>		
Depreciation/Amortisation	428	794
Depreciation On Right to Use Assets	178	271
Property, plant and equipment / CWIP written off / provided for	21	657
Net fair value gain/loss on financial assets measured at fair value through profit and loss	3	(29)
Exchange Rate fluctuation	0	(1)
Interest income from financial assets at amortised cost	(1,238)	(2,815)
Discount income on bonds	(3)	(4)
Interest on IT Refund	(56)	(24)
Refund of Core SGF Contribution	-	(1,546)
Finance Costs - ROU Asset (net) & Write off Income	15	39
Interest Cost	83	-
Profit on sale of Property, plant and equipment (net)	(27)	(2)
Expected credit loss on trade receivables	12	10
Profit on sale of investments (net)	(37)	(58)
MAT Credit written off	-	186
Sundry balances written back	(1)	(20)
Remeasurement of Employee Benefit	12	27
<b>Operating profit/ (loss) before working capital changes</b>	<b>(5,485)</b>	<b>(4,381)</b>
<b>Adjustments for</b>		
Decrease/ (increase) in trade receivable	(130)	341
Decrease/ (increase) in financial & other assets	(318)	(40)
<b>Total decrease / (increase) in current and non current assets</b>	<b>(448)</b>	<b>301</b>
Increase / (decrease) in trade payables	167	34
Increase / (decrease) in financial & other liabilities	(84)	(12,862)
Increase / (decrease) in provision	(25)	(8)
<b>Total Increase / (decrease) in current and non current liabilities</b>	<b>58</b>	<b>(12,836)</b>
<b>Cash generated from/(used in) operations</b>	<b>(5,875)</b>	<b>(16,916)</b>
Less:( Taxes paid) / refund received	235	(294)
<b>Net cash generated from/(used in) operating activities</b>	<b>(5,640)</b>	<b>(17,210)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Property, plant and equipment (including Capital Work In Progress)	(181)	(306)
Proceeds from Property, plant and equipment (net)	-	2
Purchase of current investments	(3,552)	(5,197)
Proceeds from sale of current investments	3,757	6,087
Fixed deposit placed with banks	(9,383)	(7,466)
Fixed deposit matured	8,733	25,313
Corporate Deposits ( net )	(1,060)	1,395
Refund of Core SGF Contribution	-	1,546
Investment in Corporate Bonds (Including premium)	1,398	(1,539)
Profit on sale of investments (net)	34	87
Interest received (net of accrued interest)	1,154	2,474
<b>Net cash generated from/(used in) Investing Activities</b>	<b>900</b>	<b>22,396</b>

# STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024 (Contd..)

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023 #
<b>C. Cash flow from financing activities</b>		
Lease Liability Payment	(231)	(328)
<b>Net cash generated from/(used in) Financing Activities</b>	<b>(231)</b>	<b>(328)</b>
<b>Net Increase in Cash and Cash Equivalents [ A + B + C ]</b>	<b>(4,971)</b>	<b>4,858</b>
Cash and Cash Equivalents at Beginning of the Year	6,340	1,482
<b>Cash and Cash Equivalents at end of the Year</b>	<b>1,369</b>	<b>6,340</b>
(refer note 11)		
<b>Component of cash &amp; bank balance</b>		
<b>In current account</b>		
Owned	1,209	5,861
Earmarked	160	479
Cash on hand	-	0
Stamps in hand	0	0
<b>Balances as per statement of cash flows</b>	<b>1,369</b>	<b>6,340</b>

# Restated pursuant to the Scheme of Arrangement (refer note 35)

## Material Accounting Policies and Explanatory Information forming part of the financial statements

- The Cash Flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7 (Ind AS 7) "Statement of Cash Flows" prescribed under Companies Act, 2013.
- Figures in brackets represent cash outflows.
- Rupees "0" represent amount less than Rs. 50,000.

As per our report of even date

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

**Pramod Tilwani**  
Partner  
Membership No.076650

Place : Mumbai  
Dated : June 19, 2024

**For and on Behalf of the Board of Directors of**  
Metropolitan Stock Exchange of India Limited

**Dinesh C. Patwari**  
Chairman & Public Interest Director  
DIN : 10060352

**Saket Bhansali**  
Chief Financial Officer

**Latika S. Kundu**  
Managing Director & CEO  
DIN : 08561873

**Durgesh Kadam**  
Head - Legal & Company Secretary  
FCS 8496

# STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

## A. Equity Share Capital

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares at the beginning of the year	4,81,02,17,033	48,102	4,81,02,17,033	48,102
Changes in Equity Share Capital due to prior period errors	-	-	-	-
<b>Restated balance at the beginning of the reporting period</b>	<b>4,81,02,17,033</b>	<b>48,102</b>	<b>4,81,02,17,033</b>	<b>48,102</b>
Add:-Shares issued during the year	-	-	-	-
<b>Equity shares at the end of the year *</b>	<b>4,81,02,17,033</b>	<b>48,102</b>	<b>4,81,02,17,033</b>	<b>48,102</b>

\* Refer note 17.5 for amount of Rs. 49.78 lakhs deducted from the share capital account and the remaining amount shown as Equity Share Capital.

## B. Other Equity

(₹ in Lakh)

Particulars	Reserves & surplus				Other comprehensive Income	Dividend Distribution tax	Total
	Securities premium	Retained earnings	Capital Reserve	Capital Reserve pursuant to scheme of amalgamation (refer note 35)	Remeasurement of employees benefit		
<b>As at April 01, 2022 #</b>	<b>39,531</b>	<b>(61,358)</b>	<b>0</b>	<b>-</b>	<b>18</b>	<b>(258)</b>	<b>(22,067)</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
<b>Restated as at April 01, 2022</b>	<b>39,531</b>	<b>(61,358)</b>	<b>0</b>	<b>-</b>	<b>18</b>	<b>(258)</b>	<b>(22,067)</b>
Tax (remeasurement of employee defined benefit liability /asset)	-	-	-	-	27	-	27
Profit / (loss) for the year	-	(1,866)	-	-	-	-	(1,866)
<b>As at March 31, 2023</b>	<b>39,531</b>	<b>(63,224)</b>	<b>0</b>	<b>-</b>	<b>45</b>	<b>(258)</b>	<b>(23,906)</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Addition pursuant to scheme of arrangement (refer note 35)	-	9	-	(9)	-	-	-
<b>Restated as at April 01, 2023</b>	<b>39,531</b>	<b>(63,215)</b>	<b>0</b>	<b>(9)</b>	<b>45</b>	<b>(258)</b>	<b>(23,906)</b>
Tax (remeasurement of employee defined benefit liability /asset)	-	-	-	-	12	-	12
Profit / (loss) for the year	-	(4,875)	-	-	-	-	(4,875)
<b>As at March 31, 2024</b>	<b>39,531</b>	<b>(68,090)</b>	<b>0</b>	<b>(9)</b>	<b>57</b>	<b>(258)</b>	<b>(28,769)</b>

# Restated pursuant to the Scheme of Arrangement (refer note 35)

\* Rs. "0" represent amount less than Rs. 50,000.

### Material Accounting Policies and Explanatory Information forming part of the financial statements

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As per our report of even date

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

**For and on Behalf of the Board of Directors of**  
Metropolitan Stock Exchange of India Limited

**Pramod Tilwani**  
Partner  
Membership No.076650

**Dinesh C. Patwari**  
Chairman & Public Interest Director  
DIN : 10060352

**Latika S. Kundu**  
Managing Director & CEO  
DIN : 08561873

Place : Mumbai  
Dated : June 19, 2024

**Saket Bhansali**  
Chief Financial Officer

**Durgesh Kadam**  
Head - Legal & Company Secretary  
FCS 8496

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### Corporate Information and Material Accounting Policies

#### 1 Corporate Information

The Company was incorporated on August 14, 2008 and recognized as a stock exchange by Securities and Exchange Board of India (SEBI) under section 4 of the Securities Contracts (Regulation) Act, 1956 with effect from September 16, 2008. The Exchange was notified a "Recognised Stock Exchange" under Section 2(39) of the Companies Act, 1956 by Ministry of Corporate Affairs, Govt. of India, on December 21, 2012. The Company provides platform for trading in Currency Derivatives, Debt Segment, Interest Rate Futures, Equity Cash and F&O segment.

SEBI letter No. SEBI/LAD-NRO/GN/2023/150 dated September 13, 2023 renewed the recognition granted to the Stock Exchange for a period of one year commencing on the 16th day of September 2023 and ending on 15th day of September 2024.

#### 2 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements ("financial statements"). These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 2.1 Basis of preparation of financial statements

The standalone financial statements have been prepared and presented under the historical-cost convention on accrual basis, except as disclosed in the accounting policies below. The company has prepared these financials to comply in all material respect with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act") [(Indian Accounting Standards) Rules, 2015], as amended, relevant provisions of the Act, various regulatory guidelines to the extent relevant and applicable to the Company and in accordance with the generally accepted accounting principles in India. The accounting policies adopted in the preparation of the financial statements are consistent.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

The Standalone Financial Statements were authorized for issue by the Company's Board of Directors on June 19, 2024.

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value, and
- defined benefit plans - plan assets measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. The Company follows the fair value hierarchy for financial reporting purposes.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

**Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

**Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

**Level 3** inputs are unobservable inputs for the asset or liability.

##### 2.2 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Expected to be realised within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

##### 2.3 Foreign currency translation and transactions

###### i) Functional and presentation currency

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All financial information presented in Indian rupees has been rounded to the nearest lakh except share and per share data in terms of schedule III unless otherwise stated.

###### ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are restated at year end rates. Non-monetary foreign currency items are carried at cost.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit & Loss of the year.

##### 2.4 Revenue recognition

Revenue is recognised in the Statement of Profit and Loss through following steps:

- identification of the contract or contracts with the customers
- identification of the performance obligations in the contracts,
- determination of the transaction price
- allocation of the transaction price to the performance obligations in the contract

- v) recognition of revenue when company satisfy a performance obligation.

**Revenue mainly comprises :**

**Transaction Charges** are charged to members at the applicable rates based on the volume of transactions entered into by the members through the exchange. These are recognised at a point in time as an when the transaction is completed.

**Revenue from Clearing and Settlement Services** are recognized on accrual basis at a point in time as an when the services are rendered.

**Revenue from data feed charges** is recognised in the period in which the performance obligation is satisfied.

**Income from Annual Listing Fees** is recognised on a straight-line basis over a period to which they relate.

**Membership Admission fees** collected from new members for joining the exchange are recognized when received and membership approved by SEBI.

**Processing and other fees** collected from members are recognized on accrual basis at a point in time as an when the services are rendered.

**Connectivity Income** are apportioned over the period of connectivity on a pro rata basis from the date of activation of connectivity.

**Interest income** is recognized on time proportion basis into account the amount outstanding and the rates applicable. For all other financial assets measured at amortised cost interest income is recorded using the Effective Interest Rate (EIR).

**Dividend income** is recognized when the company's right to receive dividend is established.

The disclosure of material accounting reporting requirements relating to revenue from contracts with customers are provided in Note 50.

## 2.5 Business Combinations

Common Control business combinations, i.e. business combinations involving entities or businesses under common control, are accounted in accordance with Appendix C of IND AS 103 as per the pooling of interest method and the Ind AS Transition Facilitation Group Clarification Bulletin 9 (ITFG 9). ITFG 9 clarifies that, the carrying values of assets and liabilities as appearing in the standalone financial statements of the entities being combined shall be recognised by the combined entity. The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately

## 2.6 Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any. Income tax expense is recognised in the Statement of Profit or Loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

**Current income tax** for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions

where appropriate.

**Deferred tax** is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities and assets are recognized for all taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are to be apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised only to the extent that there is a probable that taxable profit will be available against which the deductible temporary differences, and carry forward of unused tax credits and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

## 2.7 Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

## 2.8 Property, plant and equipment

Property, plant and equipment are measured at cost of acquisition net of recoverable taxes less accumulated depreciation and impairment loss, if any. Cost includes expenses that is directly attributable to acquisition of the assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for their intended use before such date are shown as Capital Work in Progress.

Depreciation on property, plant and equipment is provided on straight line method over the useful lives as specified in Part 'C' of Schedule III

to the Companies Act, 2013, which is also estimated as useful lives by the management. The same is as given below:-

Sr. No	Classification of an asset	Useful life
1	Furniture and fixtures	10
2	Office Equipment's	5
3	Vehicles	5-8
4	Computer Hardware	
	(i) Computer Servers	6
	(ii) Networking Equipment's	6
	(iii) Desktop/Laptop etc.	3

Leasehold improvements are depreciated over the period of lease or at their estimated useful life, whichever is lower.

The Company provides pro-rata depreciation from the day the asset is ready to use and for any asset sold, till the date of sale.

Depreciation methods, useful lives and residual values are reviewed at each reporting date. With the effect of any changes in estimate accounted for on a prospective basis.

#### Intangible assets and Amortization

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Expenditure on an intangible item is expensed when incurred unless it forms part of the cost of intangible asset that meets the recognition criteria. Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization and impairment loss, if any.

Intangible assets comprising of software purchased and licensing cost are amortized on straight line basis over the useful life of the software up to a maximum period of 10 years.

#### Intangible assets under development

Intangible Assets under development comprises outstanding advances paid to acquire intangible assets and the cost of intangible assets that are not yet ready for its intended use.

### 2.9 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 2.10 Provisions, contingent liabilities and contingent assets

**Provisions** are recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the lower of the present value of expected net cost of fulfilling the contract and the present value of expected cost of terminating the contract.

Provision are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

**Contingent liability** is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably, is not recognised in the books of accounts but its existence is disclosed in the Financial Statements. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**Contingent assets** are not recognized but disclosed in the financial statements when economic inflow is probable.

### 2.11 Fair Value Measurement

The Company measures financial instruments at fair value in accordance with accounting policies at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### 2.12 Financial instrument

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (a) Financial Assets:

##### Initial recognition and measurement:

The Company measures its financial assets at fair value. In this context, quoted investments are fair valued adopting the techniques defined in Level 1 of fair value hierarchy of Ind-AS 113 "Fair Value Measurement" and unquoted investments, where the observable input is not readily available, are fair valued adopting the techniques defined in Level 3 of fair value hierarchy of Ind-AS 113 and securing the valuation report from the certified valuer. However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- The Company's business model for managing the financial asset and

ii. The contractual cash flow characteristics of the financial asset. Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

**i. Financial assets measured at amortized cost:**

A financial asset is measured at the amortized cost if both the following conditions are met:

- (a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

**ii. Financial assets measured at FVTOCI:**

A financial asset is measured at FVTOCI if both of the following conditions are met:

- (a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to Investments in Equity and Convertible Warrants. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI.

However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss.

On De-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss.

However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

**iii. Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

**Equity Investments (in subsidiaries, associates and joint venture)**

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

**De-recognition**

Financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;
  - (a) The Company has transferred substantially all the risks and rewards of the asset, or
  - (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On De-recognition of a financial asset, (except as mentioned in (ii) above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

**Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVTOCI)
- Financial assets measure at fair value through profit and loss (FVTPL)

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.



**(b) Financial Liabilities:****Initial recognition and measurement**

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Financial liabilities are initially measured at Fair value.

**Subsequent measurement**

All non-current financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

**De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**2.13 Employee benefits****Short Term Obligation**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period at the undiscounted in the Statement of Profit & Loss and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**Other Long-Term employees benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss. The liability for earned leave is also classified as current where it is expected to be availed/ encashed during the next 12 months. The remaining portion is classified as non-current. The amounts of current and non-current liability are based on actuarial estimates.

**Post-employment obligations**

Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks

fall on the employee. The expenditure for defined contribution plans is recognised as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company.

The Company operates following post-employment schemes:

- (a) defined benefit plans such as gratuity
- (b) defined contribution plans such as provident fund

**Defined Benefit Plans - Gratuity Obligation**

The Company has maintained a Gratuity Scheme with the MSEI Employees Group Gratuity Assurance Scheme ("Trust"). Trustees administer contributions made to the Trusts and contribution are invested in insurance company in the form of qualifying insurance policy. Company is contributing a sum determined by insurance company annually. The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

**Defined Contribution Plans - Provident Fund**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**2.14 Earnings per share**

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

**2.15 Cash & Cash Equivalents**

Cash and cash equivalent in the balance sheet comprises cash on hand and at bank and demand deposits with banks with an original maturity of three months or less from the date of acquisition, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above,

net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

## 2.16 Key Accounting Estimates and Judgement

As per Ind AS the accounting policy should also disclose the significant estimates and critical judgment used in preparation of financial statement. The same can be done based on following lines:

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

#### Minimum Alternate Tax

Minimum Alternate Tax ("MAT") paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an deferred tax asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company. The management estimate the Company to pay normal tax and benefit associated with MAT will flow to the Company within permissible time limit under Income Tax Act, 1961 to the extent MAT asset recognised.

#### Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

#### Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgments and assumptions.

#### Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses

judgment in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### Impairment of Non-financial assets

The impairment provisions for Non-financial assets are based on assumptions about recoverability. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### Going Concern Assumption

Going concern assumption has been applied on the basis that the company will able to continue its operation in the foreseeable future, and without there being any intention or necessity for it to either liquidate or curtail materially its scale of business operations.

## 2.17 Leases

The Company's lease asset primarily consists of leases for buildings. The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense.

The right-of-use assets initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right of use assets is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it exercises an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet, and lease payments have been classified as financing cash flows.

## 2.18 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## 3. Property, Plant and Equipment

(₹ in Lakh)

Particulars	Office Equipment's	Computer Hardware	Furniture & Fixtures	Vehicles	Leasehold Improvements	Subtotal (A)	Right of use assets (B)	Total C = A + B
<b>Gross Carrying amount as at April 01, 2022 #</b>	<b>139</b>	<b>3,397</b>	<b>45</b>	<b>30</b>	<b>338</b>	<b>3,949</b>	<b>1,256</b>	<b>5,207</b>
Addition	5	96	1	-	16	118	-	118
Disposals/Write off	40	322	20	-	-	382	186	569
<b>Gross Carrying amount as at March 31, 2023</b>	<b>104</b>	<b>3,171</b>	<b>26</b>	<b>30</b>	<b>354</b>	<b>3,685</b>	<b>1,070</b>	<b>4,756</b>
Addition	6	53	1	-	-	59	-	59
Disposals/Write off	1	25	-	11	-	38	-	38
<b>Gross Carrying amount as at March 31, 2024</b>	<b>109</b>	<b>3,199</b>	<b>26</b>	<b>18</b>	<b>354</b>	<b>3,706</b>	<b>1,070</b>	<b>4,777</b>
<b>Accumulated Depreciation as at April 01, 2022 #</b>	<b>92</b>	<b>2,839</b>	<b>37</b>	<b>13</b>	<b>78</b>	<b>3,059</b>	<b>511</b>	<b>3,571</b>
Depreciation charges during the year	14	172	4	2	181	373	271	644
Disposals/Write off	40	322	19	-	-	381	-	381
<b>Accumulated Depreciation as at March 31, 2023</b>	<b>66</b>	<b>2,689</b>	<b>22</b>	<b>15</b>	<b>259</b>	<b>3,051</b>	<b>783</b>	<b>3,834</b>
Depreciation charges during the year	12	169	1	2	63	247	178	425
Disposals/Write off	1	25	-	11	-	37	-	37
<b>Accumulated Depreciation as at March 31, 2024</b>	<b>76</b>	<b>2,833</b>	<b>24</b>	<b>6</b>	<b>322</b>	<b>3,261</b>	<b>960</b>	<b>4,221</b>
<b>Net Carrying amount as at March 31, 2024</b>	<b>33</b>	<b>366</b>	<b>2</b>	<b>12</b>	<b>32</b>	<b>445</b>	<b>110</b>	<b>556</b>
<b>Net Carrying amount as at March 31, 2023</b>	<b>38</b>	<b>482</b>	<b>4</b>	<b>15</b>	<b>95</b>	<b>634</b>	<b>287</b>	<b>922</b>

# Restated pursuant to the Scheme of Arrangement (refer note 35)

Note:- The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.

## 4 Intangible Assets and Intangible Assets under development

(₹ in Lakh)

Particulars	Computer Software*	Intangible asset under development	Total
<b>Gross Carrying amount as at April 01, 2022 #</b>	<b>11,009</b>	<b>176</b>	<b>11,185</b>
Addition	189	101	290
Disposals/write off	768	102	870
Provision for diminution of assets	-	136	136
<b>Gross Carrying amount as at March 31, 2023</b>	<b>10,431</b>	<b>39</b>	<b>10,469</b>
Addition	107	160	267
Disposals/write off	-	145	145
Provision for diminution of assets	-	21	21
<b>Gross Carrying amount as at March 31, 2024</b>	<b>10,538</b>	<b>32</b>	<b>10,571</b>
<b>Accumulated Depreciation as at April 01, 2022 #</b>	<b>9,475</b>	<b>-</b>	<b>9,476</b>
Depreciation charges during the year	421	-	421
Disposals/write off	247	-	247
<b>Accumulated Depreciation as at March 31, 2023</b>	<b>9,650</b>	<b>-</b>	<b>9,650</b>
Depreciation charges during the year	181	-	181
Disposals/write off	-	-	-
<b>Accumulated Depreciation as at March 31, 2024</b>	<b>9,831</b>	<b>-</b>	<b>9,831</b>
<b>Net Carrying amount as at March 31, 2024</b>	<b>708</b>	<b>32</b>	<b>740</b>
<b>Net Carrying amount as at March 31, 2023</b>	<b>781</b>	<b>39</b>	<b>819</b>

(Other than internally generated)

\* In certain cases the Company has only usage right and not the title or ownership, net carrying amount of Rs. 448 Lakhs (PY 445 lakh).

# Restated pursuant to the Scheme of Arrangement (refer note 35)

**Notes:-**

- (i) The Company has made provision of Rs.21 lakhs during the financial year ended March 31, 2024 and Rs. 136 lakh during the financial year ended March 31, 2023.
- (ii) The Company has not revalued its intangible assets during the current or previous year.

## Intangible Assets under development ageing as on March 31, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	31	53	23	162	269
Projects temporary suspended	-	-	-	-	-

## List of projects whose completion is overdue as on March 31, 2024

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years *	More than 3 years	
Development of Exchange matching engine	-	-	80	-	80
Development of CTCL platform	-	-	53	-	53
Development of changes to Order to Buy (OTB) platform for order collection system..	-	-	15	-	15
Development of SFTP module in OFS	-	-	3	-	3
<b>Total</b>	<b>-</b>	<b>-</b>	<b>151</b>	<b>-</b>	<b>151</b>

\* The Company has revised its estimation of completion of the above mentioned projects, hence the above table is updated to that extent.

## Intangible Assets under development ageing as on March 31, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	70	23	5	157	255
Projects temporary suspended	-	-	-	-	-

## List of projects whose completion is overdue as on March 31, 2023

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Development of Exchange matching engine	-	80	-	-	80
Development of CTCL platform	-	53	-	-	53
Development of changes to Order to Buy (OTB) platform for order collection system.	-	15	-	-	15
Development of SFTP module in OFS	-	3	-	-	3
<b>Total</b>	-	<b>151</b>	-	-	<b>151</b>

## 5 Non Current Investment

(₹ in Lakh)

Particulars	As at		As at	
	March 31, 2024		March 31, 2023	
<b>Investment in Equity Instrument</b>				
<b>Unquoted (at cost)</b>				
Subsidiary Company				
50,000 Equity Shares (PY 50,000) of MSE Fintech Limited of Rs.10 each fully paid-up.	5		5	
	<b>5</b>		<b>5</b>	
Less :- Provision for diminition in the value of Investments	(A)	3	2	3
				2
<b>Other Investments</b>				
<b>(i) Corporate Fixed Deposits *</b>				
HDFC Ltd (merged with HDFC Bank w.e.f. July 01, 2023) #	-		397	
Mahindra & Mahindra Finance Limited	84	84	-	397
<b>(ii) Corporate Bonds</b>				
8.50% State Bank of India Perpetual Bonds(Series II) (INE062A08223) Nil (PY: 4) Units face value of Rs. 10,00,000/- each	-		40	
Premium on Corporate Bonds	-	-	0	40
	(B)	<b>84</b>		<b>437</b>
<b>Total [ C = A + B ]</b>		<b>86</b>		<b>439</b>
Aggregate book value of quoted investments		-		40
Aggregate market value of quoted investments		-		41
Aggregate carrying value of un-quoted investments		86		399
Aggregate amount of impairment in value of investments		3		3
# HDFC Limited merged with HDFC Bank w.e.f. July 01, 2023, accordingly the figures for March 31, 2024 are disclosed as deposits with bank.				
* Rs. 84 Lakh (PY Rs. 84 Lakh/-) are towards making payments of the deposits of members.				

\* Rs. "0" represent amount less than Rs. 50,000.

## 6 Other Financial Assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non Current Bank Balance</b>		
Deposit with banks ( with Original Maturity more than 12 months )	411	674
<b>Earmarked</b>		
Towards investor service fund	95	21
Towards arbitration	-	11
Towards defaulter committee fund	-	31
<b>Others (unsecured, considered good)</b>		
Security Deposits	104	163
<b>Total</b>	<b>610</b>	<b>900</b>

## 7 Income Tax Assets (Net)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax (net)	338	605
<b>Total</b>	<b>338</b>	<b>605</b>

## 8 Other Non-Current Assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, considered good)</b>		
Tax recoverable, statutory deposits and dues from government	6,420	5,981
Prepaid expenses	16	9
<b>Total</b>	<b>6,436</b>	<b>5,990</b>

## 9 Current Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of units	Rupees in Lakh	No of units	Rupees in Lakh
<b>In Mutual Funds ( Quoted ) *</b>				
<b>Investments in mutual funds at FVTPL</b>				
BOI AXA Liquid Fund - Direct Plan - Growth	1079.7205	30	4,910.2140	127
Sundaram Liquid Fund Direct Plan Growth	2289.6530	49	3,166.9730	63
ICICI Prudential Liquid Fund D-G		-	16,013.8100	53
Tata Liquid Fund- Growth		-	1,295.9230	46
Nippon India Ultra Short Duration Fund – Direct Growth		-	781.6670	29
ABSL Liquid Fund - G-D	23185.3192	90	15,365.6530	56
<b>(A)</b>		<b>169</b>		<b>374</b>
<b>Other Investments</b>				
<b>(i) Corporate Fixed Deposits **</b>				
HDFC Ltd (merged with HDFC Bank w.e.f. July 01, 2023) #		-	1,444	
LIC Housing Finance Limited	577		1,495	
Mahindra & Mahindra Finance Limited	262		100	
Bajaj Finance Ltd	3,728		1,996	
<b>(B)</b>		<b>4,568</b>		<b>5,035</b>
<b>(ii) Corporate Bonds</b>				
9.05% Housing Development Finance Corporation Limited NCD (Series U-004) (INE001A07RJ2) Nil (PY: 50) Units face value of Rs.10,00,000/- each		-	500	
7.28% Housing Development Finance Corporation Limited NCD (Series AA-007) (INE001A07TM2) Nil (PY: 50) Units face value of Rs.10,00,000/- each		-	499	
5.75% Bajaj Finance Limited NCD (NE296A07RX9) Nil (PY: 50) Units face value of Rs.10,00,000/- each		-	489	
9.15% Kotak Infrastructure Debt Fund Limited SR 2019-20/001 NCD (INE905Y07043) 5 (PY: Nil) Units face value of Rs.10,00,000/- each	50		-	
9.00% India Infradebt Limited Series I 9 NCD (INE537P07463) 4 (PY: Nil) Units face value of Rs.10,00,000/- each	40		-	
8.60% India Infradebt Limited NCD (SERIES I - TRANCHE III) (INE537P07497) 1 (PY: Nil) Units face value of Rs.10,00,000/- each	10		-	
8.60% NIIF Infrastructure Finance Ltd NCD (SERIES NIIF IFL PP 4/2020) (INE246R07384) 3 (PY: Nil) Units face value of Rs.10,00,000 each	30		-	
Premium on Corporate Bonds	0		7	
Discount receivable on Corporate Bonds	-		4	
<b>(C)</b>		<b>130</b>		<b>1,498</b>
<b>Total [ D = A + B + C ]</b>		<b>4,867</b>		<b>6,907</b>
Aggregate book value of quoted investments		299		1,862
Aggregate market value of quoted investments		299		1,872
Aggregate carrying value of un-quoted investments		4,568		5,046
Aggregate amount of impairment in value of investments		-		-
* Rs. 90.35 Lakh (PY Rs. 55.79 Lakh/-) are towards making payments of the deposits of members.				
** Rs. 1,627 Lakh (PY Rs. 1,428 Lakh ) are towards making payments of the deposits of members.				
# HDFC Limited merged with HDFC Bank w.e.f. July 01, 2023, accordingly the figures for March 31, 2024 are disclosed as deposits with bank.				

\* Rs. "0" represent amount less than Rs. 50,000.

## 10 Trade receivables

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
Secured, considered good	-	-
Unsecured, considered good	261	130
Receivables which have significant increase in credit risk	-	-
Credit impaired	510	251
Less :- Allowance for credit impaired debts (including expected credit loss allowance)	510	251
<b>Total</b>	<b>261</b>	<b>130</b>

Note 1 Trade receivables are dues in respect of services rendered in the normal course of business.

Note 2 The Normal credit period allowed by the Company ranges from 0 to 60 days.

Note 3 The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a detailed analysis of trade receivables by individual departments.

Note 4 There are no dues by directors or other officers or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

## Movement in expected credit loss allowance

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	251	132
Impairment loss allowance on trade receivables	259	119
<b>Balance at the end of the year</b>	<b>510</b>	<b>251</b>

## Trade receivable ageing as on March 31, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 Months - 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade Receivables – Considered Goods	186	75	-	-	1	261
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	249	24	147	37	54	510
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-



## Trade receivable ageing as on March 31, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 Months - 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade Receivables – Considered Goods	115	15	0	-	1	130
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	111	35	40	33	33	251
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

\* Rs. "0" represent amount less than Rs. 50,000.

## 11 Cash and cash equivalent

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance with banks</b>		
- In current accounts		
Owned	68	29
<b>Earmarked</b>		
Towards investor service fund	1	2
Towards arbitration	5	5
Towards defaulter committee fund	0	0
	<b>(A)</b>	<b>36</b>
<b>Fixed Deposit with banks having maturity less than 3 months</b>		
Owned	1,141	5,832
<b>Earmarked</b>		
Towards members deposit	-	392
Towards investor service fund	-	10
Towards defaulter committee fund	125	70
Towards arbitration	11	-
Towards listing	19	-
Stamps in hand	0	0
Cash on hand	-	0
	<b>(B)</b>	<b>6,305</b>
<b>Total [ C = A + B ]</b>	<b>1,369</b>	<b>6,341</b>

\* Rs. "0" represent amount less than Rs. 50,000.

## 12 Other Bank balance

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other Bank Balances in Fixed Deposits</b>	25	2,046
<b>Earmarked</b>		
Towards Investor Service Fund	25	100
Towards Defaulter Committee fund	55	118
Towards Members Deposit fund	-	612
<b>Total</b>	<b>105</b>	<b>2,876</b>

## 13 Other Financial Assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Loan to Metropolitan Stock Exchange ESOP Trust	11	11
Less :- Provision for Doubtful Loan	11	11
<b>Current Bank Balance</b>		
Deposit with banks ( with Original Maturity more than 12 months )	7,245	2,332
<b>Earmarked</b>		
Towards members deposit	680	206
Towards investor service fund	195	139
Towards defaulter committee fund	168	118
<b>Interest accrued on Fixed Deposits</b>	461	327
Owned	411	260
Earmarked	50	67
<b>Interest Accrual on Corporate FD</b>	288	323
Owned	184	247
Earmarked	103	76
<b>Interest accrued on Corporate Bonds</b>	9	23
Owned	9	23
Other Receivable	0	0
<b>Total</b>	<b>9,045</b>	<b>3,468</b>

\* Rs. "0" represent amount less than Rs. 50,000.

## 14 Income Tax Assets (Net) - Current

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Income Tax (net)	124	91
<b>Total</b>	<b>124</b>	<b>91</b>

## 15 Other Current Assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, considered good, unless otherwise stated)</b>		
Advances to vendors	230	353
Advances to employees	0	0
Prepaid expenses	148	100
Gratuity receivable	7	-
<b>Total</b>	<b>385</b>	<b>453</b>

\* Rs. "0" represent amount less than Rs. 50,000.

## 16 Equity Share capital

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	Rupees in lakh	No of shares	Rupees in lakh
<b>Authorised :</b>				
8,50,00,00,000 (PY 8,50,00,00,000) Equity Shares face value of Rs.1/- each (refer note 35)		85,000		85,000
<b>Issued :</b>				
4,81,02,17,033 (PY 4,81,02,17,033 ) Equity Shares face value of Rs.1/- each		48,102		48,102
<b>Subscribed and Paid-up</b>		48,102		48,102
4,81,02,17,033 (PY 4,81,02,17,033 ) Equity Shares face value of Rs.1/- each				
<b>Less :-</b> Amount recoverable from Metropolitan Stock Exchange ESOP Trust (Refer Note 17.5) 49,77,671 [ (PY 49,77,671) equity shares of Rs.1/- each fully paid allotted to the Metropolitan Stock Exchange ESOP Trust ]		50		50
		48,052		48,052
<b>Total</b>		<b>48,052</b>		<b>48,052</b>

## 16.1 Rights of equity share holders

The Company has only one class of equity shares having a par value of Rs.1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## 16.2 Reconciliation of the shares outstanding at the beginning and at the end of year.

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	Rupees in lakh	No of shares	Rupees in lakh
<b>Equity shares</b>				
At the beginning of the Year	4,81,02,17,033	48,102	4,81,02,17,033	48,102
Issued during the Year	-	-	-	-
<b>Outstanding at the end of the Year</b>	<b>4,81,02,17,033</b>	<b>48,102</b>	<b>4,81,02,17,033</b>	<b>48,102</b>

## 16.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	%	No of shares	%
<b>Equity shares of Rs.1/- each fully paid-up</b>				
Multi Commodity Exchange Of India Ltd	33,17,77,008	6.90%	33,17,77,008	6.90%

## 16.4 List of shares held by Promoter

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	%	No of shares	%
N.A.	-	-	-	-

16.5 There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash / bonus shares / bought back.

16.6 There are no shares reserved for issue under Options and contract/commitments for the sale of shares or disinvestment.

## 17 Other Equity

(₹ in Lakh)

Particulars	Reserves & surplus				Other Comprehensive Income	Dividend Distribution tax	Total
	Securities premium	Retained earnings	Capital Reserve	Capital Reserve pursuant to scheme of amalgamation (refer note 35)	Remeasurement of employees benefit		
<b>As at April 01, 2022 #</b>	<b>39,531</b>	<b>(61,358)</b>	<b>0</b>	<b>-</b>	<b>18</b>	<b>(258)</b>	<b>(22,067)</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
<b>Restated as at April 01, 2022</b>	<b>39,531</b>	<b>(61,358)</b>	<b>0</b>	<b>-</b>	<b>18</b>	<b>(258)</b>	<b>(22,067)</b>
Tax (remeasurement of employee defined benefit liability /asset)	-	-	-	-	27	-	27
Profit / (loss) for the year	-	(1,866)	-	-	-	-	(1,866)
<b>As at March 31, 2023</b>	<b>39,531</b>	<b>(63,224)</b>	<b>0</b>	<b>-</b>	<b>45</b>	<b>(258)</b>	<b>(23,906)</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Addition pursuant to scheme of arrangement (refer note 35)	-	9	-	(9)	-	-	-
<b>Restated as at March 31, 2023</b>	<b>39,531</b>	<b>(63,215)</b>	<b>0</b>	<b>(9)</b>	<b>45</b>	<b>(258)</b>	<b>(23,906)</b>
Tax (remeasurement of employee defined benefit liability /asset)	-	-	-	-	12	-	12
Profit / (loss) for the year	-	(4,875)	-	-	-	-	(4,875)
<b>As at March 31, 2024</b>	<b>39,531</b>	<b>(68,090)</b>	<b>0</b>	<b>(9)</b>	<b>57</b>	<b>(258)</b>	<b>(28,769)</b>

\* Rs. "0" represent amount less than Rs. 50,000.

# Restated pursuant to the Scheme of Arrangement (refer note 35)

## 17.1 Securities premium

Securities premium reflects issuance of the shares by the Company at a premium i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a securities premium as per the provisions of the Companies Act, 2013. The premium is utilised in accordance with the provisions of the Companies Act, 2013.

## 17.2 Retained earnings

The same reflects surplus/deficit after taxes in the statement of profit and loss. The amount that can be distributed by the Company as dividends to its equity share holders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

## 17.3 Capital Reserve

Capital Reserve represents the amount forfeited on 25,445 warrants against which Rs. 0.12 lakh has been collected.

## 17.4 Capital Reserve pursuant to scheme of amalgamation

Capital Reserve represents the difference between the amount of investment in the Equity Shares of MEL and the networth of MEL (after the minority share of INR 519 Lakhs), created on account of merger (refer note 35).

## 17.5 Loan to ESOP Trust

The Company's ESOP is administered through an ESOP Trust, which subscribes to shares of the Company and holds them until issuance thereof based on vesting and exercise of options by employees. At the time of formation of the trust, the Company has provided an interest free loan amounting to Rs. 60.00 Lakhs to the Trust to subscribe to 54,33,000 shares issued at Rs. 1 per share and were allotted on November 20, 2009. The amount of loan equivalent to the face value of securities subscribed and not allotted to employees 49.78 Lakhs ( Previous Year Rs. 49.78 Lakhs ) has been deducted from share capital account and the balance part of the loan representing the amount of Rs. 10.08 Lakhs ( Previous Year Rs. 10.08 Lakhs ) has been added to short term loans and advances in note no.13. The balance of such loan as at March 31, 2024 is Rs. 60.00 Lakhs. The repayment of the loan is primarily dependent upon the exercise of options by the employees, the price at which fresh or reissued options are granted and dividend income earned thereon till exercise of options.

## 18 Lease rental liability - Non Current

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease rental liability	-	142
<b>Total</b>	<b>-</b>	<b>142</b>

## 19 Other financial liabilities - Non Current

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Amount received from members towards :</b>		
- Deposits	1,837	2,006
Accrued expenses	51	54
<b>Total</b>	<b>1,888</b>	<b>2,060</b>

## 20 Provisions - Non Current

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Employee benefits</b>		
Provision for gratuity	-	5
Provision for leave encashment	17	18
<b>Total</b>	<b>17</b>	<b>23</b>

## 21 Lease rental liability - Current

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease rental liability	142	216
<b>Total</b>	<b>142</b>	<b>216</b>

## 22 Trade Payables

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (Refer note 43)	3	2
Total outstanding dues of creditors other than micro enterprises and small enterprises	256	90
<b>Total</b>	<b>259</b>	<b>92</b>

## Trade payable ageing as on March 31, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	3	-	-	-	3
(ii) Others	256	-	-	-	256
(iii) Disputed-MSME	-	-	-	-	-
(iv) Disputed-Others	-	-	-	-	-

## Trade payable ageing as on March 31, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	2	-	-	-	2
(ii) Others	90	-	-	-	90
(iii) Disputed-MSME	-	-	-	-	-
(iv) Disputed-Others	-	-	-	-	-

## 23 Other current financial liabilities

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits from members	1,025	1,130
Share application money refundable	0	0
Credit balance in debtors account	65	12
Accrued expenses	827	780
Other Payable as per the Scheme of arrangement (refer note no 35)	520	520
Sebi Regulatory Fees	57	56
<b>Total</b>	<b>2,494</b>	<b>2,498</b>

\* Rs. "0" represent amount less than Rs. 50,000.

## 24 Other Current Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Unearned income (Refer note 50)	21	25
Investor Protection Fund	6	10
TDS Payable	48	62
Other Liabilities including Statutory Liabilities		
- Provident Fund liability	11	15
- Provision for Salaries	5	5
- Goods and Service Tax	1	5
- Other Statutory liabilities	0	1
Other Payable as per the Scheme of Capital Reduction	406	331
Investor Service fund # [ Including interest earned of Rs. 21.59 lakh (PY 14.49 lakh)]	336	288
# Investor Service Fund was established by the Company in accordance with SEBI approval letter dated September 18, 2008. The fund is maintained to provide services to investors which include maintenance of investor grievance cell, education and awareness about securities market, price dissemination and other services that are in the interest of the investor. The balance amounting to Rs. 336 lakh ( PY Rs.288 lakh) as at March, 31, 2024 represents the Listing Fees Contribution, net of expenses and interest earned thereon.		
<b>Total</b>	<b>834</b>	<b>742</b>

\* Rs. "0" represent amount less than Rs. 50,000.

## 25 Provisions - Current

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Employee benefits</b>		
Provision for gratuity	-	13
Provision for leave encashment	4	9
<b>Total</b>	<b>4</b>	<b>22</b>

## 26 Revenue from operations

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from operations ( refer note 50 )</b>		
<b>Sale of services -</b>		
Transaction Fees	374	350
Clearing and Settlement Fees	-	129
<b>Other operating revenue -</b>		
Membership Admission Fees	3	11
Processing Fees	81	86
Listing Fees	168	171
Income related to Commodity Segment	-	6
Other connectivity charges	58	82
Data Feed Charges	30	44
Membership Surrender Fee	12	36
Other revenue from Operations	10	6
<b>Total</b>	<b>736</b>	<b>921</b>

## 27 Other income

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest Income</b>		
- on Bank Deposits	784	2,402
- on Corporate Deposits	353	328
- on Corporate Bonds	101	85
- Other Interest	62	28
Profit on sale of Current Investments (Net)	37	58
Fair valuation of Mutual fund	(3)	29
Core SGF Refund	-	1,546
Sundry balance written back	1	20
Exchange Rate Fluctuation (net)	-	1
Profit on sale of assets	27	2
Miscellaneous Income	6	45
<b>Total</b>	<b>1,368</b>	<b>4,544</b>

## 28 Operating expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Clearing and Settlement Charges	119	114
Technology Cost	1,619	1,679
Sebi Regulatory Charges	66	66
Direct Communication Expenses	119	53
POP / NPN Charges	-	41
Co-Location Charges	163	105
Electricity Expenses- Direct	127	97
Contribution to core settlement guarantee fund	685	168
Rent on equipment	-	2
<b>Total</b>	<b>2,898</b>	<b>2,325</b>

## 29 Employee benefits expense

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Allowances and Bonus	1,536	1,747
Contribution to Provident Fund and other funds (refer note 40)	93	128
Staff Welfare and Other Amenities	28	22
<b>Total</b>	<b>1,657</b>	<b>1,897</b>

## 30 Finance costs

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Finance cost - Right of use Asset-Ind AS	15	39
Interest cost	83	-
<b>Total</b>	<b>98</b>	<b>39</b>

## 31 Advertisement and Business Promotion Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Advertisement	85	82
Business Promotion Expenses	367	277
Sponsorships and Seminar	35	20
<b>Total</b>	<b>487</b>	<b>379</b>

## 32 Other expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rent	37	29
<b>Repairs and Maintenance</b>		
- Computers	30	31
- Others	114	89
Insurance	46	53
Travelling and Conveyance	28	30
Communication Expenses	15	10
Legal and Professional Charges	238	137
Electricity Expenses	31	43
Premium Amortisation on Bonds	12	12
Office Expenses	65	98
Security service charges	14	13
Directors Sitting Fees	66	100
<b>Payment to Auditors :</b>		
- Audit Fees (Incl. tax audit, ICFR report)	23	23
- Other matters (Certification)	1	6
- Reimbursement	-	29
Provision towards intangible asset under development	21	138
Exchange Rate Fluctuation (net)	0	-
Expected credit loss on trade receivables	12	10
Bad debts	-	1
Less:- Allowance for credit loss made earlier	-	(1)
Rates & Taxes	36	209
Contribution to ISF	30	32
Provision towards Members SEBI Fees	249	111
Miscellaneous Expenses	52	57
<b>Total</b>	<b>1,118</b>	<b>1,232</b>

\* Rs. "0" represent amount less than Rs. 50,000.



### 33 Contingent Liability

#### (i) Claim against the Company not acknowledged as debts :

- a. IL&FS Financial Service Limited (IFIN) a 100% subsidiary of Infrastructure Leasing and Financial Services Limited (IL&FS) has filed a suit before the Bombay High Court against MSE (Suit No. 295 of 2014), along with a Notice of motion for interim relief for breach of the Share Purchase Agreement dated August 20, 2009 entered into between IFIN (Plaintiff), MSE (Defendant No.1) and MCX (Defendant No.2) for purchase of shares of MSE by IFIN from MCX. Various reliefs have been sought by IFIN from MCX and MSE (on a joint and several basis), including monetary claim of INR 84.21 crore along with interest.

In Notice of Motion no. 530/2014 the Hon'ble Bombay High Court through its order dated June 12, 2019 disposed off the Notice of Motion and ordered that MSE and MCX, shall be restrained either directly or indirectly from issuing any further shares of MSE in any manner whatsoever without seeking the plaintiff's prior written consent in accordance with and/or in terms of Clause 5.5(a) of the SPA dated August 20, 2009.

However, it was clarified by the Court that if IFIN unreasonably withholds its consent then MSE shall be at liberty to approach the court for appropriate orders.

MSE has filed an Appeal along with Delay Condonation Application and Interim Application for Stay to the said order dated June 12, 2019. The delay condonation application was allowed. The Appeal along with the Interim Application for stay was last scheduled on 05/12/2022 for admission, but was not taken up for hearing. The next date is not yet listed by Registry of Bombay High Court. After 05/12/2022 the matter was listed on few occasions and lastly the matter was listed on 23/04/2024 but couldn't reach due to paucity of time. The matter is now scheduled on 21.06.2024.

- b. The Income Tax Department has raised tax demand of Rs. 921.38 lakhs for the assessment year 2012-13. The Company has filed an appeal and rectification request against the same. Further, the Company has received refund of Rs. 683.05 lakhs on May 04, 2019 on account of rectification order passed by the assessing officer. The Company have been advised that the demand raised by the department is likely to be deleted accordingly the Company has not made provision for the same in books of accounts.
- c. Claims not acknowledged as debt Rs.35 Lakh ( PY Rs.35 Lakh )
- d. Cogencis Information Services Limited has filed a Commercial Suit No: COMS/202/2021 before High Court of Bombay claiming a sum of approx Rs.130 lakhs along with interest on principal amount of Rs.69.90 lakhs at 18% p.a. towards the alleged services for the remaining term of one year under the subscription form executed between the parties for data feed services. It is pertinent to note here that MSE as per the terms of subscription form had duly terminated the services before the end of the first year itself by providing 3 (three) months' notice and all due payments were made till the expiry date of termination notice period and hence MSE is not liable to make any further payments to Cogencis.

The Exchange has filed Written Statement to the Suit filed by Cogencis on 13 June 2022. The commercial suit is at Pre-Admission stage and next date will be provided as per CMIS of the Bombay High Court. However no new date has been Listed as of now.

### 34 Capital Commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for ( net of advances ) is Rs 110.89 Lakhs as on March 31, 2024. ( PY Rs. 48.49 Lakhs).

- 35 The Exchange 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, MEL has been derecognized to operate as Clearing Corporation with effect from October 3, 2022. The Exchange has filed Scheme of Arrangement ("Scheme") with Hon'ble National Company Law Tribunal, Mumbai ("NCLT") on March 23, 2023 with the appointed date of April 01, 2023. NCLT has issued an order on 18.10.2023 to convene the meeting of MSE and MEL shareholders on 07.12.2023 to approve the proposed Scheme. The MSE and MEL have convened the meeting of their respective shareholders on 07.12.2023 as advised by the NCLT and the shareholders of both the companies have approved the Scheme in their respective meetings. The NCLT, in accordance with Sections 230 to 232 of the Companies Act, 2013 and rules thereunder, vide its order dated June 6, 2024 approved the Scheme. Upon receipt of all requisite approvals, the Exchange filed form INC 28 with Registrar of Companies on June 11, 2024 and accordingly, the Scheme became effective on April 01, 2023.

The Scheme has been accounted under the "pooling of interest" method as prescribed in Ind AS 103 (Business Combinations) notified under section 133 of the Companies Act, 2013 and under the Companies (India Accounting Standards) Rules, 2015, as may be amended from time to time. As per the Scheme, the appointed date for the Amalgamation of MEL with and into the Exchange is the same as effective date of the Scheme i.e. April 01, 2023. As per the Appendix C of Ind AS 103 (Business Combinations), "the financial information in the financial statements in respect of prior periods should be restated as if the business combinations had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, the financial statements have been restated from the beginning of the preceding period, accordingly, the results for the year ended March 31, 2024 and March 31, 2023 include the operations of MEL and the figures and disclosures pertaining to previous periods / years have been restated / recasted taking effect of the Scheme. All assets and liabilities of MEL are reflected at their carrying amounts.

This has resulted in restatement of financial statement as on March 31, 2023. The changes in major heads are as below:

(₹ in Lakh)

Particulars	Restated for merger	Reported
Property, plant and equipment	1,415	902
Total Equity	24,146	24,159

(₹ in Lakh)

Particulars	Restated for merger	Reported
Total Income	5,465	2,984
Profit/ (loss) before tax	(1,993)	(1,997)
Profit/ (loss) after tax	(1,866)	(1,997)
Basic earnings per share	(0.04)	(0.04)

Further, the difference between the amount of investment in the Equity Shares of MEL and the networth of MEL (after the minority share of INR 519 Lakhs) have been transferred to capital reserve in the books of account of the Exchange.

Consequent upon Scheme becoming effective, the authorised

share capital of the Exchange stood increased to INR 85,000 Lakhs (8,50,00,00,000 shares of INR 1/- each) on account of transfer to and combination of authorised share capital of MEL with the authorised share capital of the Exchange. Upon the Scheme becoming effective, the issued, subscribed and paid up equity

share capital of MEL shall be reduced by INR 519 lakhs comprising of 51,99,545 equity shares of INR 10 each. In consideration of such cancellation of share capital, MEL shall pay INR 10/- per share to the eligible shareholders of MEL as on the effective date against cancellation of their respective shareholding in MEL.

### 36 Earnings per share ('EPS')

Particulars	Apr-23 to Mar-24	Apr-22 to Mar-23
Profit/(Loss) after tax as per statement of profit and loss attributable to equity share holders (₹ in Lakh)	(4,875)	(1,866)
Weighted average number of equity shares outstanding during the year for basic EPS	4,81,02,17,033	4,81,02,17,033
Add-Shares Issued to ESOP Trust	49,77,671	49,77,671
Weighted average number of equity shares outstanding during the year for diluted EPS	4,81,51,94,704	4,81,51,94,704
Basic earnings per share of face value Rs. 1 each	(0.10)	(0.04)
Diluted earnings per share of face value Rs. 1 each	(0.10)	(0.04)

### 37 Exceptional Items

The Company has carried out Impairment testing on the intangible assets and requisite provision has been made and shown as Exceptional Item in the Audited Financial Statements for the FY 2022-23 and no provision required to be made for the FY 2023-24.

**38** 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.

**39** In some earlier years, MSE could not charge transaction fee in its Currency Derivatives Segment as its dominant competitor, National Stock Exchange of India Ltd. (NSE), was not charging the same. On the complaint of the Company, the Competition Commission of India (CCI) passed an order dated June 23, 2011 directing NSE to cease and desist from carrying on its unfair pricing policy and further levied a penalty of Rs. 5550 Lakhs on NSE. NSE had appealed against the said order before the Hon'ble Competition Appellate Tribunal (COMPAT), which vide its order dated August 5, 2014 upheld the order passed by the Hon'ble CCI and found NSE guilty of indulging in anti-competitive practices.

An appeal has been filed by NSE before the Hon'ble Supreme Court of India challenging the order passed by the COMPAT (Now NLCAT) on August 05, 2014. The Hon'ble Supreme Court granted NSE interim stay on the recovery of the penalty amount of Rs. 5550 Lakhs (@ 5% of the average turnover). on February 12, 2018, an interim stay was granted to the proceedings of damages before NCLAT during the pendency of the present appeal filed by NSE in Supreme Court. The appeal was last listed on April 13, 2018. The matter will be pending in NCLAT till the final decision of Supreme Court and NCLAT has given liberty to both parties to mention the matter after the final order passed by Supreme Court.

While the aforesaid Appeal filed by NSE is pending before the Supreme Court of India, the Exchange has filed an Application for award of compensation for Rs. 85699 Lakhs. under Section 53N (1) of the Competition Act, 2002 before the COMPAT (now NCLAT). Vide order dated 12.02.18 passed by Hon'ble Supreme Court in Civil Appeal No.8974 of 2014 an interim stay of proceeding of damages as pending before had been passed. In the circumstances, the Hon'ble Tribunal adjourned the case sine die with liberty to the parties to mention the matter after the decision of the Hon'ble Supreme Court. The appeal filed by NSE before Supreme Court

i.e Civil Appeal No.8974 of 2014 is admitted vide order dated 20th February 2023. Now the matter will be mentioned on the regular board of the supreme court. The matter was last scheduled twice on 26/04/2023 and 27/04/2023 on the board of the Court Room no. 5, before Hon'ble Mr. Justice Dinesh Maheshwari and Hon'ble Mr. Justice Sanjay Kumar of the Supreme Court. however the matter could not reach till the end of the day due to urgent hearing of other connected matters. The matter was again listed on 26/07/2023. After 26/07/2023 the matter was listed on few occasions and lastly the matter was listed in weekly cause list dated 03/04/2024 to 04/04/2024 in Court No.5 but couldn't reach due to paucity of time. Next date is not given yet by Registry of Supreme Court.

### 40 Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit

#### Defined Contribution Plan:

**Provident Fund** - The Company makes contribution towards provident fund as a specified percentage of the payroll cost to Regional Provident Fund Commissioner managed by the Employees' Provident Fund Organization, India. There are no other obligations other than the contribution payable to said fund.

Contribution to Defined Contribution Plan, recognised as expenses in the Statement of Profit & Loss for the year is as under:

(₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Employer's Contribution to Provident Fund	64	70

#### Defined benefit plan:

**Gratuity:** The gratuity is payable to all employees at the rate of 15 days salary for each year of service.

The scheme is funded with an insurance company in the form of qualifying insurance policy. The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2024 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at March 31, 2024 and March 31, 2023.

I Changes in the present value of Projected Benefit Obligation representing reconciliation of opening and closing balances thereof are as follows:

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24 (Funded)	FY 2022-23 (Funded)
Projected Value of Benefit Obligation at the beginning of the year	141	153
Current Service cost	12	22
Interest Cost	10	10
Actuarial (gain) / loss	2	10
Benefits paid	(41)	(54)
Defined Benefit obligation at the end of the year	124	141

II Reconciliation of opening and closing balance of the Fair value of Plan Assets-

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24	FY 2022-23
Fair Value of Plan Assets at the beginning of the year	122	143
Expected Return On Plan Assets	8	9
Contribution during the year	42	26
Benefit Paid From The Fund	(41)	(54)
Actuarial Gains/(Losses) On Plan Assets	(1)	(2)
Fair Value of Plan Assets at the end of the year	131	122

III The amount recognized in the Balance Sheet as follows:-

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24	FY 2022-23
Present value of Benefit Obligation at the end of the Project	(124)	(141)
Fair Value of Plan Asset at the end of the Period	131	122
Funded Status (Surplus / (Deficit))	7	(18)
Asset / (Net Liability) recognized in Balance Sheet (Current)	7	(18)

IV The amount recognized in the statement of Profit & Loss is as follows:-

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24 (Funded)	FY 2022-23 (Funded)
Current service cost	12	22
Interest Cost	2	0
<b>Net expenses</b>	<b>14</b>	<b>22</b>

\* Rs. "0" represent amount less than Rs. 50,000.

V The amount recognized in the Balance Sheet as follows:-

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24	FY 2022-23
Actuarial (Gains) / Losses on obligation for the period	2	10
Return on plan assets, excluding interest income	1	2
<b>Net (income) / expense for the period recognized in OCI</b>	<b>3</b>	<b>12</b>

VI Expected payout from the fund / employer

(₹ in Lakh)

Particulars	Fund		Employer	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Projected benefits payable in Future Years from Date of reporting				
1st Following year	39	53	-	-
2nd Following year	23	29	-	-
3rd Following year	21	24	-	-
4th Following year	15	16	-	-
5th Following year	14	10	-	-
6th - 10th Following years	29	23	-	-
11th year and above	9	11	-	-

VII Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24	FY 2022-23
Projected benefit obligation on Current Assumption	124	141
Effect of +1% change in Rate of discounting	(3)	(3)
Effect of -1% change in Rate of discounting	3	3
Effect of +1% change in Rate of Salary Increase	3	3
Effect of -1% change in Rate of Salary Increase	(3)	(3)
Effect of +1% change in Rate of Employee Turnover	(0)	(0)
Effect of -1% change in Rate of Employee Turnover	0	0

\* Rs. "0" represent amount less than Rs. 50,000.

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, asset liability matching risk, mortality risk, concentration risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest Risk	A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Asset Liability Matching Risk	The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
Mortality risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk
Concentration Risk	Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

#### VIII Principal actuarial assumptions at the Balance sheet date:

Particulars	Gratuity As at	
	March 31, 2024	March 31, 2023
Mortality Table(LIC)	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Rate of employee turnover	27%	38%
Discount rate (per annum)	7.16%	7.20%
Expected Return on Plan Asset	7.16%	7.20%
Rate of escalation in salary (per annum)	6.00%	6.00%

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets Management.

The company has taken a Gratuity Policy with Life Insurance Corporation of India, the funds of which are managed by Life Insurance Corporation of India. Therefore the composition of investments is not ascertainable

#### 41 Segment Reporting

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 Managing Director and CEO of the Company. The Company operates only in one Business Segment i.e. facilitating trading in securities and the activities incidental thereto within India, hence does not have any reportable

Segments as per Indian Accounting Standard 108 "Operating Segments". The Company while presenting the consolidated financial statements has disclosed the segment information to the extent applicable as required under Indian Accounting Standard 108 "Operating Segments".

#### 42 Ind AS 24 - Related party Disclosures

##### a) Names of related parties and nature of relationship:

##### (i) Subsidiary

- MSE Fintech Limited

##### (ii) Key Management Personnel (KMP)

- Ms. Latika S. Kundu (MD & CEO)
- Mr. Saket Bhansali (CFO)
- Mr. P. K. Ramesh (Chief Regulatory officer)
- Mr. Anish Kumar (Chief Risk Officer ) upto April 22, 2022
- Mr. Neeraj Gupta (Chief Technology Officer) upto July 02, 2022
- Mr. Manish Gupta (Chief Technology Officer) w.e.f. June 27, 2022 upto July 13, 2023
- Mr. Isidorio Fernandes ( Chief Technology Officer) w.e.f. July 03, 2023
- Mr. Sachin Nayak (Head – Market Operations) w.e.f. February 14, 2022 upto April 03, 2024
- Mr. Utkarsh Sharma (Head - Business Development) w.e.f. April 11, 2022 upto September 20, 2023
- Mr. Durgesh Kadam (Company Secretary) w.e.f. April 13, 2022
- Mr. Jagdish Asodekar (Chief Information Security Officer) upto June 01, 2022
- Mr. Jibananda Bain (Chief Information Security Officer) w.e.f. June 01, 2022 and upto March 29, 2023
- Mr. Sarvesh Shahare ( Chief Information Security Officer) w.e.f. April 05, 2023 upto September 20, 2023
- Mr. Laxmi Narayan Sahu ( Chief Information Security Officer) w.e.f. August 08, 2023
- Mr. Abhisheka Srivastava (AVP - Human Resource) w.e.f. June 23, 2023 to February 09, 2024

## (iii) Others

- Metropolitan Stock Exchange ESOP Trust
- Metropolitan Stock Exchange Investor Protection Fund Trust

## b) Details of transactions with related parties (₹ in Lakh)

Nature of Transaction	MSE Fintech Limited	Metropolitan Stock Exchange Investor Protection Fund#	Metropolitan Stock Exchange ESOP Trust (Others)
<b>Income</b>			
Reimbursement of Expenses	0	-	-
	0	-	-

\* Rs. "0" represent amount less than Rs. 50,000.

## c) Closing Balance of related parties (₹ in Lakh)

Nature of Transaction	MSE Fintech Limited	Metropolitan Stock Exchange Investor Protection Fund#	Metropolitan Stock Exchange ESOP Trust (Others)
Amount Receivable	0	-	1
	0	-	0
Closing Balance of Investments in equity shares	5	-	-
	5	-	-
Closing Balance of Loan to ESOP Trust	-	-	60
	-	-	60

\* Rs. "0" represent amount less than Rs. 50,000

# The company acts as an intermediary for collection of penalties and share of listing fees to be transferred to Metropolitan Stock Exchange Investor Protection Fund accordingly those transactions have not been considered above.

## d) Transactions with KMP:

Nature of transactions	Amount (Rs.) in lakhs
<b>Salary &amp; allowances*:</b>	
Ms. Latika S. Kundu	75
	75
Mr. Saket Bhansali	65
	65
Mr. P.K. Ramesh	46
	46
Mr. Durgesh M Kadam	28
	27
Mr. Isidorio Fernandes	34
	-
Mr. Laxmi Narayan Sahu	21
	-
Mr. Abhisheka Srivastava	16
	-
Mr. Sachin Nayak	35
	35

Nature of transactions	Amount (Rs.) in lakhs
<b>Salary &amp; allowances*:</b>	
Mr. Utkarsh Sharma	27
	45
Mr. Manish Gupta	14
	37
Mr. Anish Kumar	-
	3
Mr. Neeraj Gupta	-
	13
Mr. Jagdish Asodekar	-
	4
Mr. Jibananda Bain	-
	17
Mr. Sarvesh Shahare	16
	-

Nature of transactions	Amount (Rs.) in lakhs
<b>Director Sitting Fees</b>	
Mr. S V D Nageswara Rao	-
	19
Ms. Trishna Guha	16
	17
Mr. Vijay Sardana	-
	1
Mr. Ajai Kumar	9
	17
Mr. S. Raghunathan	-
	7
Mr. Dinesh Patwari	17
	-
Mr. Ashok Kumar Dogra	7
	8
Mr. Rakesh Kumar Srivastava	10
	8
Mr. Manoj Kunkalienkar	3
	-
Mr. Vijay Ranjan	-
	7
Mrs. Rita Menon	-
	7
Mr. Alok Mittal	-
	8
Ms. Neha Gada	3
	2
Mr. Prasad Hari Chaudhari	1
	-

\*Excludes gratuity and long term compensated absences which are actuarially valued and where separate amounts are not identifiable.

- Related party relationship is as identified by the Company and relied upon by the auditors.
- There are no amounts written off or written back in the year in respect of debts due from or to related parties.

- (iii) Figures in italic represent previous year's amounts.  
 (iv) The transactions with the related parties are disclosed only till the relation exists.  
 (v) There have been no guarantees provided or received for any related party receivables or payables.

#### 43 Details of dues to micro, small and medium enterprises

Under Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. Accordingly, Company on periodic basis collects the required information from the vendors as to whether they are covered under Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act, 2006). Based on the vendors identified as above the outstanding amounts payable to vendors covered under Micro, Small and Medium Enterprises Development Act 2006 are given below;

Particulars	FY 2023-24	FY 2022-23
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	Principal - Rs. 2,89,199 Interest-Rs.Nil	Principal - Rs. 2,29,112 Interest-Rs.Nil
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	N.A.	N.A.
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	N.A.	N.A.
The amount of interest accrued and remaining unpaid at the end of accounting year; and	N.A.	N.A.
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	N.A.	N.A.

#### 44 Operating lease

The Company's lease asset primarily consist of leases for office space having various lease terms. The Company also has certain leases of with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

- a) Carrying value of right of use assets and the movements thereof : (₹ in Lakh)

Particulars	For the year ended	
	FY 2023-24	FY 2022-23
Opening Gross Block	1,070	1,256
Addition	-	-
Deletion	-	186
<b>Closing Gross Block</b>	<b>1,070</b>	<b>1,070</b>
Opening Accumulated Depreciation	783	511
Addition	178	271
Deletion	-	-
<b>Closing Accumulated Depreciation</b>	<b>960</b>	<b>783</b>
<b>Net Block</b>	<b>110</b>	<b>287</b>

- b) Carrying value of Lease Liability and the movements thereof : (₹ in Lakh)

Particulars	For the year ended	
	FY 2023-24	FY 2022-23
Opening Balance	358	834
Addition	-	-
Interest Cost accrued during the year	15	39
Lease liability payment	232	310
Deletion	-	205
<b>Closing Balance</b>	<b>142</b>	<b>358</b>
<b>Current Lease Liability</b>	<b>142</b>	<b>216</b>
<b>Non Current Lease Liability</b>	<b>-</b>	<b>142</b>

- c) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rental expense recorded for short-term leases or cancellable in nature was Rs. 37 Lakhs (Previous Year Rs. 29 Lakhs).

- d) i The minimum lease rentals on operating leases recognized in the Statement of Profit & Loss and the future minimum lease payments under operating leases are as follows: (₹ in Lakh)

Particulars	As at	
	March 31, 2024	March 31, 2023
<b>Future minimum lease payments</b>		
Not later than one year	181	259
Later than one year and not later than five years	41	174
Later than five years	-	-

- d) ii Lease payments recognised in the statement of Profit & Loss is Rs. 230.19 Lakhs (Previous year Rs. 209.24 Lakhs).

#### 45 Fair value Measurement

Financial Instruments by category (₹ in Lakh)

Particulars	March 31, 2024			March 31, 2023		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Assets</b>						
Investments						
Equity Instruments	-	-	2	-	-	2
Other Instruments	-	-	4,781	-	-	6,971
Mutual Funds	169	-	-	374	-	-
Trade receivables	-	-	261	-	-	130
Cash and cash equivalents	-	-	1,369	-	-	6,341
Bank balances other than cash and cash equivalents	-	-	105	-	-	2,876
Deposits	-	-	104	-	-	163
Other financial assets	-	-	9,552	-	-	4,205
<b>Total financial assets</b>	<b>169</b>	<b>-</b>	<b>16,175</b>	<b>374</b>	<b>-</b>	<b>20,688</b>
<b>Financial liabilities</b>						
Trade payables	-	-	259	-	-	92
Other financial liabilities	-	-	4,383	-	-	4,558
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>4,642</b>	<b>-</b>	<b>-</b>	<b>4,650</b>

The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including creditors, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

#### Fair Value Hierarchy

##### (a) Fair value hierarchy - Recurring fair value measurements

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Financial assets</b>		
<b>At Fair value through profit &amp; loss</b>		
<b>Level 1</b>		
Mutual fund Investments	169	374
	<b>169</b>	<b>374</b>

#### Recognised fair value measurements

**Level 1:** Hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices of instruments

#### 46 Capital management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our

shareholders. The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

#### **Compliance with externally imposed capital requirements:**

In accordance with regulation 14 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, the Company shall have a minimum net worth of Rs. 10,000 Lakhs at all times.

#### **47 Financials Risk Management**

The Company's principal financial liabilities comprise of trade and other payables. The Company's principal financial assets include trade and other receivables, cash and short-term deposits that derive directly from its operations.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

The Company has an active Risk Management Committee which enables the Senior Management to establish a strong risk management framework and oversee the related risks from time to time. The business activities of the Company exposes it to certain financial risks which can be broadly categorized into : credit risk, liquidity risk, market risk and regulatory risk. The activities of the Risk Management Committee rotates around identifying, analyzing and categorizing potential risks, set appropriate metrics and controls to timely monitor them and ensure that they adhere to limits. The frameworks, policies and systems related to risk are reviewed on regular intervals by the Committee and proposed changes are reflected depending on factors like market conditions, industry developments, regulatory updates etc.

#### **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

#### **Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry in which the customer operates, also has an influence on credit risk assessment.

The Company has a large and diverse customer base and also collects members deposits as collateral which can be utilized in the case of Members default. The Company provides the stock exchange services to its listed companies and registered members and their clients. The revenue of the Exchange is not concentrated on small number of customers. All trade receivables are reviewed and assessed for default on a periodic basis. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Our historical experience of collecting receivables indicate that the credit risk is low.

#### **Other Financial Assets**

The Company also maintains cash exposure with banks, term deposits with banks/financial institutions and invests in marketable debt instruments (including mutual funds). For risk diversification, the Company invests into varied instruments across various organizations with secured credit ratings as per the approved Investment Policy. Individual limits are set on concentration and exposures, credit ratings, financial position of each segment and counter-party and it is ensured that regular monitoring of the mentioned criteria are being done by the Company. Due to diversification, secure ratings and proper monitoring on a timely basis, risk factor is very limited.

#### **Liquidity risk**

Liquidity risk is the risk that the Company faces in terms of obligations related to financial liabilities. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Company's net liquidity position through forecasts on the basis of expected cash flows. The Company's treasury department ensures that the day-to-day forecasts are being made in terms of cashflow requirements based on operational needs and any surplus cash generated is either retained as cash and cash equivalents or invested in allowed investible instruments as per the Investment Policy of the Company.



The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2024 and March 31, 2023. (₹ in Lakh)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
<b>As at March 31, 2024</b>				
<b>Liabilities</b>				
Trade payables	259	259	-	259
Other financial liabilities	4,383	2,494	1,888	4,383
<b>Assets</b>				
Trade Receivables	261	261	-	261
Investment	4,953	4,867	86	4,953
Cash and Cash equivalents	1,369	1,369	-	1,369
Bank balances other than cash and cash equivalents	105	105	-	105
Deposits	104	-	104	104
Other financial assets	9,552	9,045	506	9,552
<b>As at March 31, 2023</b>				
<b>Liabilities</b>				
Trade payables	92	92	-	92
Other financial liabilities	4,558	2,498	2,060	4,558
<b>Assets</b>				
Trade Receivables	130	130	-	130
Investment	7,347	6,907	439	7,347
Cash and Cash equivalents	6,341	6,341	-	6,341
Bank balances other than cash and cash equivalents	2,876	2,876	-	2,876
Deposits	163	-	163	163
Other financial assets	4,205	3,468	737	4,205

### Market risk

The Company's business, financial condition and operations are dependent upon the levels of activity on the Exchange and in particular upon the traded volume, number of listed companies / securities, the number of new listings and subsequent issuances, number of members added etc. All these contribute to our revenue.

The Company is exposed to interest rate risk due to its investments in debt-related instruments. The interest rate risk is directly linked to the future movements of yield in the market depending on RBI's decision and take on various factors.

The Company is mainly exposed to the price risk due to its investment in mutual funds and investments in equity shares. The price risk arises due to uncertainties about the future market values of these investments.

### Regulatory risk

The Company is a Stock Exchange recognized by Securities and Exchange Board of India (SEBI). The Company's operations are subject to continuous review as per the governing regulations as laid down by SEBI. The Company's regulatory team constantly monitors the compliance all applicable SEBI rules and regulations.

Post implementation of interoperability requirements, all Exchanges are required to contribute such amounts to the Core SGF of the Clearing Corporations as may be determined in accordance with the methodology specified by SEBI. The contribution to the Settlement Guarantee Fund of each Clearing Corporation is based on the ratio of Turnover of each Exchange

to the relevant Clearing Corporation. The Exchange has made already met necessary contribution to SGF and is in compliance with the requirement laid down.

SEBI letter No. SEBI/LAD-NRO/GN/2023/150 dated September 13, 2023 renewed the recognition granted to the Stock Exchange for a period of one year commencing on the 16th day of September 2023 and ending on 15th day of September 2024.

As per Securities contracts regulations ( stock exchange and clearing corporations) regulations 2018, a recognised stock exchange shall have a minimum net worth of Rs. 10,000 Lakhs at all times. The Exchange is in compliance of net-worth requirement as laid down under the regulation. The net-worth of the Exchange as on March 31, 2024 stands at INR 19,281 Lakhs.

## 48 Taxes

### a) Income Tax Expenses

The major components of income tax expenses for the year ended March 31, 2024 and March 31, 2023 are as follows:

Particulars	FY 2023-24	FY 2022-23
Current tax expense	63	-
Tax expense of earlier years	52	(0)
Deferred tax	-	(127)
<b>Total income tax expense recognised in profit or loss</b>	<b>116</b>	<b>(127)</b>

**Other comprehensive income section** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Re-measurements of the defined benefit plans;	-	-
<b>Total income tax expense recognised in Other comprehensive income</b>	<b>-</b>	<b>-</b>

**b) Reconciliation of effective tax rate** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
a) Income before income tax	(4,760)	(1,993)
b) Enacted tax rate in India	26%	26%
c) Expected tax expenses (a*b)	-	-
d) Other than temporary differences		
Investment income	-	-
Expenses disallowed / (allowed)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
e) Temporary difference	7,530	8,325
Temporary difference on which deferred tax assets not recognised	<b>(7,530)</b>	<b>(8,325)</b>
<b>Total</b>	<b>-</b>	<b>-</b>
<b>f) Net adjustments (d+e)</b>	<b>-</b>	<b>-</b>
<b>g) Current tax expense of earlier years</b>	<b>116</b>	<b>(127)</b>
<b>h) Tax expenses recognised in Profit or Loss (c+f+g)</b>	<b>116</b>	<b>(127)</b>

In the absence of reasonable certainty, deferred tax assets on account of unabsorbed depreciation and brought forward losses has not been recognized.

**49 Expenditure in foreign currency** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Repair, Maintenance & Sponsorship	21	20

**50 Revenue from contract with customer****a The revenue from contracts with customers to the amounts disclosed as total revenue is as under** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Revenue from contract with customer	726	916
Revenue from other sources	10	6
<b>Total</b>	<b>736</b>	<b>921</b>

**b The disaggregation of revenue from contracts with customers is as under :****i Geographical Location** (₹ in Lakh)

Particulars	FY 2023-24		FY 2022-23	
	India	Foreign	India	Foreign
Total Revenue	714	23	899	22

**ii At point in time / Over time** (₹ in Lakh)

Particulars	FY 2023 - 24			FY 2022 - 23		
	At point in time	Over Time	Total	At point in time	Over Time	Total
Total Revenue	480	257	736	624	298	921

**c The contract assets & liability from contract with customers are as under :****i Contract Assets** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Opening Balance of Contract Asset	60	20
Previous year - Contract Asset - reclassified to trade receivable on invoicing	60	20
Current year – Contract asset	68	60
Closing Balance of Contract Assets	68	60

**ii Contract Liability** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Opening Balance of Contract Liability	25	27
Previous year - Contract Liability - Revenue recognized during the year	12	6
Current year – Contract Liability Carried forward	8	5
Closing Balance of Contract Liability	21	25

**51 Corporate Social Responsibility**

The Company was not required to spend any amount towards CSR as per Section 135 of the Companies Act, 2013 as the networth of the Company is below Rs. 500 crore, turnover for current financial year is below Rs. 1,000 crore and the Company has made net loss during immediately preceding financial year.

**52 Utilisation of Borrowed funds and share premium**

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**53 Other disclosure required under Schedule III as amended:**

- a. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- b. No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereon.
- c. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- d. The company has filed application for merger and amalgamation u/s 230-232 of Companies Act 2013 before NCLT, Mumbai for merger with its subsidiary MSE Enterprises Ltd. NCLT vide its order dated June 06, 2024 approved the merger application (refer note 35)
- e. There are no charges or satisfaction required to be registered with ROC by the Company
- f. There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- g. The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee, whose title deeds are not held in the name of the

Company during the financial year ended March 31, 2024 and March 31, 2023.

- h. There are no core investment company (CIC) in the group

**54 Compliance with number of layers of Companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial year ended March 31, 2024 and March 31, 2023.

**55 Loans or advances to specified persons**

The Company has not granted any loans or advances to promoters, directors, KMPs and related parties either severally or jointly with any other person, that are:

- (a) repayable on demand or,
- (b) without specifying any terms or period for repayment.

**56 Details of transactions with Companies struck off under section 248 of the Companies Act, 2013:**

The Company have not undertaken any transactions with any company whose name is struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2024 and March 31, 2023.

**57 Ratios**

Particulars	Year ended	Numerator ( ₹ in Lakh )	Denominator ( ₹ in Lakh )	Final Ratio	Variance
Current Ratio	March 31, 2024	16,156	3,733	4	(24%)
	March 31, 2023	20,266	3,570	6	
		Current Assets:- Value of all assets it can reasonably expect to convert into cash within one year	Current Liability:- Obligations that are due within one year		

Return on equity ratio	March 31, 2024	(4,875)	19,283	(25%)	227%
	March 31, 2023	(1,866)	24,146	(8%)	
		Net income:- Net profit before dividend	Shareholder equity:- Assets minus liabilities	Increase in net loss during the FY 2023-24.	

Trade receivable turnover ratio	March 31, 2024	736	196	4	13%
	March 31, 2023	921	276	3	
		Net credit sales:- sales where the amount is realised at a later date.	Average accounts receivable:- sum of starting and ending accounts receivable over a time period (such as monthly or quarterly), divided by 2.		

Trade payable turnover ratio	March 31, 2024	4,503	175	26	(51%)
	March 31, 2023	3,936	75	53	
		Net credit purchase:- purchase where the amount is paid at a later date.	Average accounts payable:- sum of starting and ending accounts payable over a time period (such as monthly or quarterly), divided by 2.	Increase in net credit purchase during FY 2023-24.	

Particulars	Year ended	Numerator ( ₹ in Lakh )	Denominator ( ₹ in Lakh )	Final Ratio	Variance
Net capital turnover ratio	March 31, 2024	736	19,283	4%	0%
	March 31, 2023	921	24,146	4%	
		Total Sales:- Total annual turnover of the Company for the financial year	Shareholder equity:- Assets minus liabilities		

Net profit ratio	March 31, 2024	(4,863)	736	(661%)	231%
	March 31, 2023	(1,839)	921	(200%)	
		Net profit:- net profit / (loss) for the year	Net sales:-Total annual turnover of the Company for the financial year	Increase in net loss during the FY 2023-24.	

Return on capital employed	March 31, 2024	(4,760)	19,283	(25%)	199%
	March 31, 2023	(1,993)	24,146	(8%)	
		Earnings and before interest and tax	Shareholder equity:- Assets minus liabilities	Increase in net loss during the FY 2023-24.	

58 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 the information and documentation sought and the inspection is under process.

59 Balances grouped under Non-Current and Current Liabilities and Non-Current and Current Assets in certain cases are subject to confirmation and reconciliation from respective parties. Impact of the same, if any, shall be accounted as and when determined.

60 In the opinion of the management the loans and advances are approximately of the value stated, if realized, paid in ordinary course of business. The provision for all known liabilities are adequate and are not in excess of amount considered reasonably necessary.

61 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

As per our report of even date

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

**Pramod Tilwani**  
Partner  
Membership No.076650

Place : Mumbai  
Dated : June 19, 2024

**For and on Behalf of the Board of Directors of**  
Metropolitan Stock Exchange of India Limited

**Dinesh C. Patwari**  
Chairman & Public Interest Director  
DIN : 10060352

**Saket Bhansali**  
Chief Financial Officer

**Latika S. Kundu**  
Managing Director & CEO  
DIN : 08561873

**Durgesh Kadam**  
Head - Legal & Company Secretary  
FCS 8496

## Independent Auditor's Report

To the Members of

### Metropolitan Stock Exchange of India Limited

#### Report on the Audit of the Consolidated Financial Statements

##### 1. Opinion

We have audited the accompanying consolidated financial statements of Metropolitan Stock Exchange of India Limited (hereinafter referred to as the "Holding Company" or "Parent Company") and its subsidiary MSE Fintech Limited (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the consolidated Balance Sheet as at March, 31, 2024, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and its consolidated loss (including other comprehensive income), consolidated cash flows and its consolidated changes in equity for the year ended on that date.

##### 2. Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibility for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statement under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

##### 3. Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

###### Identification of Onerous Contract

As per Ind AS 37 "Provision, contingent liabilities and contingent assets", an onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The Holding Company has an unavoidable long-term contract with one of the service providers which constitutes approx. 48% of the Operating Expense of Holding Company (refer note 28) for the year ended

March 31, 2024.

**Auditor's Response:** Our procedure in relation to identification of onerous contract included, review of material contract with service providers, assessing the related cost and economic benefits expected to be received/are received and critically assessing the management's estimates with regard to plan for utilization of such costs. Based on above audit procedures the said contract has not been treated as onerous contract as on March 31, 2024.

##### 4. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report but does not include the consolidated financial statements and our auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Annual Report, if, based on the work performed, we conclude that there is a material misstatement of this other information, we are required to communicate that matter to those charged with governance.

##### 5. Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position and consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of the preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, Management and respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Management and Board of Directors either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those respective Board of Directors included in the Group are also responsible for overseeing the Group's financial reporting process of each company.

## 6. Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary company which is company incorporated in India, if any, has internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the consolidated financial statements of which we are independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 7. Other Matters

The amalgamation of the Holding Company and MEL is pursuant to the Scheme of Arrangement ('Scheme') which has been approved by the National Law Company Tribunal ('NCLT') vide its order dated June 06, 2024. The Scheme is effective from the appointed date of April 01, 2023, and the amalgamation being a common control business combination, the comparative financial statements of the Group have been restated to record the amalgamation from April 01, 2022. Further, the adjustment on account of amalgamation for the year ended March 31, 2023 is based on the financial statements of MEL which were audited by the auditors of MEL who expressed unmodified opinion (vide their unmodified report dated May 08, 2023) and whose report has been furnished to us by the Management, and has been relied upon by us for the purpose of audit of these consolidated financial results.

Our above opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

## 8. Report on Other Legal and Regulatory Requirements

- a. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- b. As required by Section 143 (3) of the Act, based on our audit we report that:
  - i. We have sought and obtained, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

- iii. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the Statement of other Comprehensive Income, the Consolidated Statement of Cash Flows and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- iv. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- v. On the basis of the written representations received from the directors of the Holding Company and subsidiary company as on March 31, 2024, taken on record by the Board of Directors of the Holding Company and subsidiary company, none of the directors of the Group is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- vi. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and operating effectiveness of such financial controls, refer to our separate report Annexure B to our audit report of even date.
- vii. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under section 143(3)(b) and paragraph viii (e) below on reporting under rule 11(g).
- viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- a. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 33 to the consolidated financial statements;
  - b. The Holding Company has entered into various contracts including long term contracts with a company towards software license and maintenance agreements etc. The continuance of these contract shall depend on the future running of the business including raising required resources for the same. Hence, the chances of termination of these contracts and the impact of the same on the consolidated financial statements including penalty and charges if any cannot be commented upon.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Company incorporated in India.
  - d. (i) Management of the Holding Company has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its Subsidiary Company incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (ii) Management of the Holding Company has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company and its Subsidiary Company incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its Subsidiary Company incorporated in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, performed by us nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- e. During the year the Group has neither declared nor paid any dividend, as such compliance of section 123 of the Act is not applicable.
- f. Based on the audit procedure performed that have been considered reasonable and appropriate in the circumstances by us, which includes test checks, the Holding and Subsidiary Company has used an accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and that has operated throughout the financial year for all relevant transactions recorded in the respective software, however, in case of merged entity, the said configuration was enabled only from 08 June, 2023 instead of 01 April, 2023. During the course of performing our procedure, we did not notice any instance of audit trail feature being disabled and tempered with.
- g. As per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
- c. With respect to the matter to be included in the Auditor's Report under section 197 (16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations give to us, the remuneration paid by the Holding Company and its subsidiary which are incorporated in India, to its directors during the current year is in accordance with the provisions of section 197 of the Act.

For **T R Chadha & Co LLP**  
Chartered Accountants  
Firm's Registration No. 006711N/N500028

**Pramod Tilwani**  
Partner  
Membership No. 076650  
**UDIN:** 24076650BKEGAA1080

**Place:** Mumbai  
**Date:** June 19, 2024

## Annexure A to the Independent Auditor's Report of even date

The annexure referred to in Independent Auditors' Report to the member of the Metropolitan Stock Exchange of India Limited ("the Company") on the consolidated financial statements for the year ended March 31, 2024, we report that;

According to the information and explanations given to us, and based on the CARO reports issued by the auditors of the subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the company incorporated in India and included in the consolidated financial statements.

For **T R Chadha & Co LLP**  
Chartered Accountants  
Firm's Registration No. 006711N/N500028

**Place of Signature:** Mumbai  
**Date:** June 19, 2024

**Pramod Tilwani**  
Partner  
Membership No. 076650  
**UDIN:** 24076650BKEGAA1080



## Annexure B to the Independent Auditor's Report of even date

### Report on the Internal Financial Controls with reference to Consolidated financial statements, under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

#### Opinion

1. We have audited the internal financial controls with reference to consolidated financial statements of **Metropolitan Stock Exchange of India Limited ("the Holding Company")** and its subsidiary company, which is companies incorporated in India, as of March 31, 2024, in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

In our opinion, and based on the consideration of the reports of the other auditors as referred to in Other Matters paragraph below, on internal financial controls with reference to consolidated financial statement of subsidiary company, the Holding Company, which are companies covered under the Act, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to consolidated financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

#### Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements based on the criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to consolidated financial statement that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Holding company's internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies incorporate in India.

#### Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

4. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance

with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

5. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **T R Chadha & Co LLP**  
Chartered Accountants  
Firm's Registration No. 006711N/N500028

**Place of Signature:** Mumbai  
**Date:** June 19, 2024

**Pramod Tilwani**  
Partner  
Membership No. 076650  
**UDIN:** 24076650BKEGAA1080

# CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

(₹ in Lakh)

Particulars	Note	As at March 31, 2024		As at March 31, 2023	
<b>I ASSETS</b>					
<b>1 Non-Current Assets</b>					
(a) Property, plant and equipment	3	445		634	
(b) Intangible assets	4	708		780	
(c) Intangible assets under development	4	32		39	
(d) Right of use assets	3	110		287	
(e) Financial assets					
i. Investments	5	84		437	
ii. Other financial assets	6	610		900	
(f) Income tax assets (net)	7	338		605	
(g) Other non-current assets	8	6,435	<b>8,762</b>	5,990	<b>9,672</b>
<b>2 Current Assets</b>					
(a) Financial assets					
i. Investments	9	4,867		6,907	
ii. Trade receivables	10	261		130	
iii. Cash and cash equivalents	11	1,371		6,342	
iv. Bank balance other than (iii) above	12	105		2,875	
v. Other financial assets	13	9,045		3,468	
(b) Income tax assets (net)	14	124		91	
(c) Other current assets	15	384	<b>16,157</b>	453	<b>20,266</b>
<b>Total Assets</b>			<b>24,919</b>		<b>29,938</b>
<b>II EQUITY AND LIABILITIES</b>					
<b>3 Equity</b>					
(a) Equity Share capital	16	48,052		48,052	
(b) Other equity	17	(28,773)		(23,911)	
<b>Total Equity</b>			<b>19,279</b>		<b>24,141</b>
<b>Liabilities</b>					
<b>4 Non-Current Liabilities</b>					
(a) Financial liabilities					
i. Lease rental liability	18	-		142	
ii. Other financial liabilities	19	1,888		2,060	
(b) Provisions	20	17	<b>1,905</b>	23	<b>2,225</b>
<b>5 Current Liabilities</b>					
(a) Financial liabilities					
i. Lease rental liability	21	142		216	
ii. Trade payables					
a. Total outstanding dues of micro enterprises and small enterprises		3		2	
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	22	256		90	
iii. Other financial liabilities	23	2,495		2,499	
(b) Other current liabilities	24	834		742	
(c) Provisions	25	5	<b>3,735</b>	23	<b>3,572</b>
<b>Total Equity and Liabilities</b>			<b>24,919</b>		<b>29,938</b>

## Material Accounting Policies and Explanatory Information forming part of the financial statements

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As per our report of even date

For T R Chadha &amp; Co LLP

Chartered Accountants

Firm Reg.No.006711N/N500028

For and on Behalf of the Board of Directors of  
Metropolitan Stock Exchange of India Limited

Pramod Tilwani

Partner

Membership No.076650

Dinesh C. Patwari

Chairman &amp; Public Interest Director

DIN : 10060352

Latika S. Kundu

Managing Director &amp; CEO

DIN : 08561873

Place : Mumbai

Dated : June 19, 2024

Saket Bhansali

Chief Financial Officer

Durgesh Kadam

Head - Legal &amp; Company Secretary

FCS 8496

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakh)

Particular	Note	For the Year 2023-24	For the Year 2022-23
<b>I Income</b>			
(a) Revenue from operations	26	736	921
(b) Other income	27	1,369	4,544
<b>Total Income</b>		<b>2,105</b>	<b>5,465</b>
<b>II Expenses</b>			
(a) Operating expenses	28	2,898	2,325
(b) Employee benefits expense	29	1,657	1,897
(c) Finance costs	30	98	39
(d) Advertisement and business promotion expenses	31	487	379
(e) Depreciation and amortisation expense	3 & 4	428	794
(f) Depreciation On Right to Use Assets		178	271
(g) Other expenses	32	1,118	1,233
<b>Total Expenses</b>		<b>6,864</b>	<b>6,938</b>
<b>III Loss before Exceptional items and tax (I - II)</b>		<b>(4,759)</b>	<b>(1,473)</b>
<b>IV Exceptional items</b>			
Software written off (refer note 37)		-	(521)
<b>V Loss before tax (III - IV)</b>		<b>(4,759)</b>	<b>(1,994)</b>
<b>VI Tax expense</b>			
Less : Current tax		63	-
Less : Earlier year tax		52	(0)
Less : Deferred tax		-	(127)
<b>VII Loss for the year (V - VI)</b>		<b>(4,874)</b>	<b>(1,867)</b>
<b>VIII Other comprehensive income</b>			
1) Items that will not reclassified to profit or (loss) (net of tax)		12	27
2) Income tax relating to item will not reclassified to profit or ( loss )		-	-
<b>Total other Comprehensive Income for the year, net of tax</b>		<b>12</b>	<b>27</b>
<b>IX Total Comprehensive Income for the year (VII- VIII)</b>		<b>(4,862)</b>	<b>(1,840)</b>
Earnings per equity share of face value of Rs.1 each			
Basic (in Rs.)	36	(0.10)	(0.04)
Diluted (in Rs.)		(0.10)	(0.04)

**Material Accounting Policies and Explanatory Information forming part of the financial statements**

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As per our report of even date

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

**For and on Behalf of the Board of Directors of**  
Metropolitan Stock Exchange of India Limited

**Pramod Tilwani**  
Partner  
Membership No.076650

**Dinesh C. Patwari**  
Chairman & Public Interest Director  
DIN : 10060352

**Latika S. Kundu**  
Managing Director & CEO  
DIN : 08561873

Place : Mumbai  
Dated : June 19, 2024

**Saket Bhansali**  
Chief Financial Officer

**Durgesh Kadam**  
Head - Legal & Company Secretary  
FCS 8496

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from Operating Activities</b>		
Net Profit / (Loss) before tax as per Statement of Profit and Loss	(4,874)	(1,867)
<b>Adjustments for</b>		
Depreciation/Amortisation	428	794
Depreciation On Right to Use Assets	178	271
Property, plant and equipment / CWIP written off / provided for	21	657
Net fair value gain/loss on financial assets measured at fair value through profit and loss	3	(29)
Exchange Rate fluctuation	0	(1)
Interest income from financial assets at amortised cost	(1,238)	(2,815)
Discount income on bonds	(3)	(4)
Interest on IT Refund	(56)	(24)
Refund of Core SGF Contribution	-	(1,546)
Finance Costs - ROU Asset (net) & Write off Income	15	39
Interest Cost	83	-
Profit on sale of Property, plant and equipment (net)	(27)	(2)
Expected credit loss on trade receivables	12	10
Profit on sale of investments (net)	(37)	(58)
MAT Credit written off	-	186
Sundry balances written back	(1)	(20)
Remeasurement of Employee Benefit	12	27
<b>Operating profit/ (loss) before working capital changes</b>	<b>(5,484)</b>	<b>(4,382)</b>
<b>Adjustments for</b>		
Decrease/ (increase) in trade receivable	(130)	341
Decrease/ (increase) in financial & other assets	(317)	(40)
<b>Total decrease / (increase) in current and non current assets</b>	<b>(448)</b>	<b>301</b>
Increase / (decrease) in trade payables	167	34
Increase / (decrease) in financial & other liabilities	(84)	(12,862)
Increase / (decrease) in provision	(25)	(8)
<b>Total Increase / (decrease) in current and non current liabilities</b>	<b>58</b>	<b>(12,836)</b>
<b>Cash generated from/(used in) operations</b>	<b>(5,874)</b>	<b>(16,917)</b>
Less:( Taxes paid) / refund received	235	(294)
<b>Net cash generated from/(used in) operating activities</b>	<b>(5,639)</b>	<b>(17,211)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Property, plant and equipment (including Capital Work In Progress)	(181)	(306)
Proceeds from Property, plant and equipment (net)	-	2
Purchase of current investments	(3,552)	(5,197)
Proceeds from sale of current investments	3,757	6,087
Fixed deposit placed with banks	(9,384)	(7,466)
Fixed deposit matured	8,733	25,316
Corporate Deposits ( net)	(1,060)	1,395
Refund of Core SGF Contribution	-	1,546
Investment in Corporate Bonds (Including premium)	1,398	(1,539)
Profit on sale of investments (net)	34	87
Interest received (net of accrued interest)	1,154	2,474
<b>Net cash generated from/(used in) Investing Activities</b>	<b>899</b>	<b>22,399</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>C. Cash flow from financing activities</b>		
Lease Liability Payment	(231)	(328)
<b>Net cash generated from/(used in) Financing Activities</b>	<b>(231)</b>	<b>(328)</b>
<b>Net Increase in Cash and Cash Equivalents [ A + B + C ]</b>	<b>(4,971)</b>	<b>4,860</b>
Cash and Cash Equivalents at Beginning of the Year	6,342	1,482
<b>Cash and Cash Equivalents at end of the Year</b>	<b>1,371</b>	<b>6,342</b>
(refer note 11)		
<b>Component of cash &amp; bank balance</b>		
<b>In current account</b>		
Owned	1,211	5,863
Earmarked	160	479
Cash on hand	-	0
Stamps in hand	0	0
<b>Balances as per statement of cash flows</b>	<b>1,371</b>	<b>6,342</b>

**Material Accounting Policies and Explanatory Information forming part of the financial statements**

1. The Cash Flow statement has been prepared under the “Indirect Method” as set out in Indian Accounting Standard-7 (Ind AS 7) “Statement of Cash Flows” prescribed under Companies Act, 2013.
2. Figures in brackets represent cash outflows.
3. Rupees “0” represent amount less than Rs. 50,000.

As per our report of even date

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

**For and on Behalf of the Board of Directors of**  
Metropolitan Stock Exchange of India Limited

**Pramod Tilwani**  
Partner  
Membership No.076650

**Dinesh C. Patwari**  
Chairman & Public Interest Director  
DIN : 10060352

**Latika S. Kundu**  
Managing Director & CEO  
DIN : 08561873

Place : Mumbai  
Dated : June 19, 2024

**Saket Bhansali**  
Chief Financial Officer

**Durgesh Kadam**  
Head - Legal & Company Secretary  
FCS 8496

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

## A. Equity Share Capital

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares at the beginning of the year	4,81,02,17,033	48,102	4,81,02,17,033	48,102
Changes in Equity Share Capital due to prior period errors	-	-	-	-
<b>Restated balance at the beginning of the reporting period</b>	<b>4,81,02,17,033</b>	<b>48,102</b>	<b>4,81,02,17,033</b>	<b>48,102</b>
Add:-Shares issued during the year	-	-	-	-
<b>Equity shares at the end of the year *</b>	<b>4,81,02,17,033</b>	<b>48,102</b>	<b>4,81,02,17,033</b>	<b>48,102</b>

\* Refer note 17.5 for amount of Rs. 49.78 lakhs deducted from the share capital account and the remaining amount shown as Equity Share Capital.

## B. Other Equity

(₹ in Lakh)

Particulars	Reserves & surplus				Other comprehensive Income	Dividend Distribution tax	Total
	Securities premium	Retained earnings	Capital Reserve	Capital Reserve pursuant to scheme of amalgamation (refer note 35)	Remeasurement of employees benefit		
<b>As at April 01, 2022</b>	<b>39,531</b>	<b>(61,362)</b>	<b>0</b>	<b>-</b>	<b>18</b>	<b>(258)</b>	<b>(22,071)</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
<b>Restated as at April 01, 2022</b>	<b>39,531</b>	<b>(61,362)</b>	<b>0</b>	<b>-</b>	<b>18</b>	<b>(258)</b>	<b>(22,071)</b>
Tax (remeasurement of employee defined benefit liability /asset)	-	-	-	-	27	-	27
Profit / (loss) for the year	-	(1,867)	-	-	-	-	(1,867)
<b>As at March 31, 2023</b>	<b>39,531</b>	<b>(63,229)</b>	<b>0</b>	<b>-</b>	<b>45</b>	<b>(258)</b>	<b>(23,911)</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Addition pursuant to scheme of arrangement (refer note 35)	-	9	-	(9)	-	-	-
<b>Restated as at April 01, 2023</b>	<b>39,531</b>	<b>(63,220)</b>	<b>0</b>	<b>(9)</b>	<b>45</b>	<b>(258)</b>	<b>(23,911)</b>
Tax (remeasurement of employee defined benefit liability /asset)	-	-	-	-	12	-	12
Profit / (loss) for the year	-	(4,874)	-	-	-	-	(4,874)
<b>As at March 31, 2024</b>	<b>39,531</b>	<b>(68,094)</b>	<b>0</b>	<b>(9)</b>	<b>57</b>	<b>(258)</b>	<b>(28,773)</b>

\* Rs. "0" represent amount less than Rs. 50,000.

## Material Accounting Policies and Explanatory Information forming part of the financial statements

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As per our report of even date

**For T R Chadha & Co LLP**  
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**For and on Behalf of the Board of Directors of**  
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Managing Director & CEO  
DIN : 08561873

Place : Mumbai  
Dated : June 19, 2024

**Saket Bhansali**  
Chief Financial Officer

**Durgesh Kadam**  
Head - Legal & Company Secretary  
FCS 8496

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS****1 Corporate Information**

The Metropolitan Stock Exchange of India Limited (MSE or the Parent Company) was incorporated on August 14, 2008 and recognized as a stock exchange by Securities and Exchange Board of India (SEBI) under section 4 of the Securities Contracts (Regulation) Act, 1956 with effect from September 16, 2008. The Exchange was notified a “Recognised Stock Exchange” under Section 2(39) of the Companies Act, 1956 by Ministry of Corporate Affairs, Govt. of India, on December 21, 2012. MSE provides platform for trading in Currency Derivatives, Debt Segment, Interest Rate Futures, Equity Cash and F&O segment.

The Consolidated financial statement relates to parents and its subsidiary company namely MSE Fintech Limited (collectively referred to as ‘the Group’ or ‘Company’)

SEBI letter No. SEBI/LAD-NRO/GN/2023/150 dated September 13, 2023 renewed the recognition granted to the Parent Company for a period of one year commencing on the 16th day of September 2023 and ending on 15th day of September 2024.

**2 Material Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements (“financial statements”). These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.1 Basis of preparation of financial statements**

The Consolidated financial statements have been prepared and presented under the historical-cost convention on accrual basis, except as disclosed in the accounting policies below. The Group has prepared these financials to comply in all material respect with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, as amended, relevant provisions of the Companies Act 2013 including rules made thereunder, various regulatory guidelines to the extent relevant and applicable to the Group and in accordance with the generally accepted accounting principles in India. The accounting policies adopted in the preparation of the financial statements are consistent.

The Consolidated Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities and contingent consideration is measured at fair value,
- defined benefit plans - plan assets measured at fair value, and

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

**Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

**Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

**Level 3** inputs are unobservable inputs for the asset or liability.

**2.2 Basis of Consolidation**

The Company consolidate entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries (“the Group”). Control exists when the Parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns. Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Profit or Loss from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Parent Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- a) the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- b) potential voting rights held by the Company, other vote holders or other parties;
- c) rights arising from other contractual arrangements; and
- d) any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests are disclosed separately. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

**2.3 Changes in the Group’s ownership interests in existing subsidiaries**

Changes in the Group’s ownership interests in subsidiaries that



do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group cease control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable.

Particulars	Country of Incorporation	% of Voting Power As at March 31, 2024	% of Voting Power As at March 31, 2023
Subsidiary Company - Direct MSE Fintech Limited	India	100.00	100.00

**2.4 Basis of measurement**

The Consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

- (i) Financial assets and financial liabilities measured at fair value (refer accounting policy on financial instruments);
- (ii) Defined benefit and other long-term employee benefits.

**2.5 Current and non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

**2.6 Foreign currency translation and transactions**

**i) Functional and presentation currency**

Items included in the Consolidated Financial Statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in Indian Rupees (INR), which is the Group functional and presentation currency. All financial information presented in Indian rupees has been rounded to the nearest lakh except share and per share data in terms of schedule III unless otherwise stated.

**ii) Transactions and Balances**

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are restated at year end rates. Non-monetary foreign currency items are carried at cost.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit & Loss of the year.

**2.7 Revenue recognition**

Revenue from contract with customers is recognised in the Statement of Profit and Loss through following steps:

- i) identification of the contract or contracts with the customers
- ii) identification of the performance obligations in the contracts,
- iii) determination of the transaction price
- iv) allocation of the transaction price to the performance obligations in the contract
- v) recognition of revenue when company satisfy a performance obligation.

**Revenue mainly comprises :**

**Transaction Charges** are charged to members at the applicable rates based on the volume of transactions entered into by the members through the exchange. These are recognised at a point in time as an when the transaction is completed.

**Revenue from Clearing and Settlement Services** are recognized on accrual basis at a point in time as an when the services are rendered.

**Revenue from data feed charges** is recognised in the period in which the performance obligation is satisfied.

**Income from Annual Listing Fees** is recognised on a straight-line basis over a period to which they relate.

**Membership Admission fees** collected from new members for joining the exchange are recognized when received and membership approved by SEBI.

**Processing and other fees** collected from members are recognized on accrual basis at a point in time as an when the services are rendered.

**Connectivity Income** are apportioned over the period of connectivity on a pro rata basis from the date of activation of connectivity.

**Interest income** is recognized on time proportion basis into account the amount outstanding and the rates applicable. For

all other financial assets measured at amortised cost interest income is recorded using the Effective Interest Rate (EIR).

**Dividend income** is recognized when the company's right to receive dividend is established.

The disclosure of material accounting reporting requirements relating to revenue from contracts with customers are provided in Note 50.

## 2.8 Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any. Income tax expense is recognised in the Profit or Loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

**Current income tax** for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted at the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax** is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities and assets are recognized for all taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are to be apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised only to the extent that there is a probable that taxable profit will be available against which the deductible temporary differences, and carry forward of unused tax credits and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

## 2.9 Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are

classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

## 2.10 Property, plant and equipment

Property, plant and equipment are measured at cost of acquisition net of recoverable taxes less accumulated depreciation and impairment loss, if any. Cost includes expenses that is directly attributable to acquisition of the assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for their intended use before such date are shown as Capital Work in Progress.

Depreciation on property, plant and equipment is provided on straight line method over the useful lives as specified in Part 'C' of Schedule II to the Companies Act, 2013, which is also estimated as useful lives by the management. The same is as given below:-

Sr. No	Classification of an asset	Useful life
1	Furniture and fixtures	10
2	Office Equipment's	5
3	Vehicles	5-8
4	Computer Hardware	
	(i) Computer Servers	6
	(ii) Networking Equipment's	6
	(iii) Desktop/Laptop etc.	3

Leasehold improvements are depreciated over the period of lease or at their estimated useful life, whichever is lower.

The Group provides pro-rata depreciation from the day the asset is ready to use and for any asset sold, till the date of sale.

Depreciation methods, useful lives and residual values are reviewed at each reporting date. With the effect of any changes in estimate accounted for on a prospective basis.

## 2.11 Intangible assets and Amortization

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Expenditure on an intangible item is expensed when incurred unless it forms part of the cost of intangible asset that meets the recognition criteria. Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization and impairment loss, if any.

Intangible assets comprising of software purchased and licensing cost are amortized on straight line basis over the useful life of the software up to a maximum period of 10 years.

### Intangible assets under development

Intangible Assets under development comprises outstanding

advances paid to acquire intangible assets and the cost of intangible assets that are not yet ready for its intended use.

### 2.12 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 2.13 Provisions, contingent liabilities and contingent assets

**Provisions** are recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the lower of the present value of expected net cost of fulfilling the contract and the present value of expected cost of terminating the contract.

Provision are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

**Contingent liability** is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably, is not recognised in the books of accounts but its existence is disclosed in the Financial Statements. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**Contingent assets** are not recognized but disclosed in the financial statements when economic inflow is probable.

### 2.14 Fair Value Measurement

The company measures financial instruments at fair value in accordance with accounting policies at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most

advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### 2.15 Financial instrument

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (a) Financial Assets:

##### Initial recognition and measurement:

The company measures its financial assets at fair value. In this context, quoted investments are fair valued adopting the techniques defined in Level 1 of fair value hierarchy of Ind-AS 113 "Fair Value Measurement" and unquoted investments, where the observable input is not readily available, are fair valued adopting the techniques defined in Level 3 of fair value hierarchy of Ind-AS 113 and securing the valuation report from the certified valuer. However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

##### i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- (a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

#### ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- (a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to Investments in Equity and Convertible Warrants. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI.

However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss.

On De-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss.

However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

#### iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

#### Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

#### De-recognition

Financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily

derecognized (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;
  - (a) The company has transferred substantially all the risks and rewards of the asset, or
  - (b) The company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

On De-recognition of a financial asset, (except as mentioned in (ii) above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

#### Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVTOCI)
- Financial assets measure at fair value through profit and loss (FVTPL)

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

**(b) Financial Liabilities:****Initial recognition and measurement**

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Financial liabilities are initially measured at Fair value.

**Subsequent measurement**

All non-current financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

**De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**2.16 Employee benefits****Short Term Obligation**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period at the undiscounted in the Statement of Profit & Loss and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**Other Long-Term employees benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss. The liability for earned leave is also classified as current where it is expected to be availed/ encashed during the next 12 months. The remaining

portion is classified as non-current. The amounts of current and non-current liability are based on actuarial estimates.

**Post-employment obligations**

Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognised as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company.

The Company operates following post-employment schemes:

- (a) defined benefit plans such as gratuity
- (b) defined contribution plans such as provident fund

**Defined Benefit Plans - Gratuity Obligation**

The Company has maintained a Gratuity Scheme with the MSEI Employees Group Gratuity Assurance Scheme ("Trust"). Trustees administer contributions made to the Trusts and contribution are invested in insurance company in the form of qualifying insurance policy. Company is contributing a sum determined by insurance company annually. The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

**Defined Contribution Plans - Provident Fund**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**2.17 Earnings per share**

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

### 2.18 Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprises cash on hand and at bank and demand deposits with banks with an original maturity of three months or less from the date of acquisition, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

### 2.19 Key Accounting Estimates and Judgment

As per Ind AS the accounting policy should also disclose the significant estimates and critical judgment used in preparation of financial statement. The same can be done based on following lines:

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

#### Minimum Alternate Tax

Minimum Alternate Tax ("MAT") paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an deferred tax asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company. The management estimate the Company to pay normal tax and benefit associated with MAT will flow to the Company within permissible time limit under Income Tax Act, 1961 to the extent MAT asset recognised.

#### Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time

the asset is acquired and reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

#### Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgments and assumptions.

#### Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### Impairment of Non-financial assets

The impairment provisions for Non-financial assets are based on assumptions about recoverability. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### Going Concern Assumption

Going concern assumption has been applied on the basis that the company will be able to continue its operation in the foreseeable future, and without there being any intention or necessity for it to either liquidate or curtail materially its scale of business operations.

### 2.20 Leases

The Company's lease asset primarily consists of leases for buildings. The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments

as an operating expense.

The right-of-use assets initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right of use assets is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it exercises an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet, and lease payments have been classified as financing cash flows.

### 2.21 Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting standards) Rules as issued with time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

## 3 Property, Plant and Equipment

(₹ in Lakh)

Particulars	Office Equipment's	Computer Hardware	Furniture & Fixtures	Vehicles	Leasehold Improvements	Subtotal (A)	Right of use assets (B)	Total C = A + B
<b>Gross Carrying amount as at April 01, 2022</b>	<b>139</b>	<b>3,397</b>	<b>45</b>	<b>30</b>	<b>338</b>	<b>3,949</b>	<b>1,256</b>	<b>5,207</b>
Addition	5	96	1	-	16	118	-	118
Disposals/Write off	40	322	20	-	-	382	186	569
<b>Gross Carrying amount as at March 31, 2023</b>	<b>104</b>	<b>3,171</b>	<b>26</b>	<b>30</b>	<b>354</b>	<b>3,685</b>	<b>1,070</b>	<b>4,756</b>
Addition	6	53	1	-	-	59	-	59
Disposals/Write off	1	25	-	11	-	38	-	38
<b>Gross Carrying amount as at March 31, 2024</b>	<b>109</b>	<b>3,199</b>	<b>26</b>	<b>18</b>	<b>354</b>	<b>3,706</b>	<b>1,070</b>	<b>4,777</b>
<b>Accumulated Depreciation as at April 01, 2022</b>	<b>92</b>	<b>2,839</b>	<b>37</b>	<b>13</b>	<b>78</b>	<b>3,059</b>	<b>511</b>	<b>3,571</b>
Depreciation charges during the year	14	172	4	2	181	373	271	644
Disposals/Write off	40	322	19	-	-	381	-	381
<b>Accumulated Depreciation as at March 31, 2023</b>	<b>66</b>	<b>2,689</b>	<b>22</b>	<b>15</b>	<b>259</b>	<b>3,051</b>	<b>783</b>	<b>3,834</b>
Depreciation charges during the year	12	169	1	2	63	247	178	425
Disposals/Write off	1	25	-	11	-	37	-	37
<b>Accumulated Depreciation as at March 31, 2024</b>	<b>76</b>	<b>2,833</b>	<b>24</b>	<b>6</b>	<b>322</b>	<b>3,261</b>	<b>960</b>	<b>4,221</b>
<b>Net Carrying amount as at March 31, 2024</b>	<b>33</b>	<b>366</b>	<b>2</b>	<b>12</b>	<b>32</b>	<b>445</b>	<b>110</b>	<b>556</b>
<b>Net Carrying amount as at March 31, 2023</b>	<b>38</b>	<b>482</b>	<b>4</b>	<b>15</b>	<b>95</b>	<b>634</b>	<b>287</b>	<b>922</b>

Note:- The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.

## 4 Intangible Assets and Intangible Assets under development

(₹ in Lakh)

Particulars	Computer Software*	Intangible asset under development	Total
<b>Gross Carrying amount as at April 01, 2022</b>	<b>11,009</b>	<b>176</b>	<b>11,185</b>
Addition	189	101	290
Disposals/write off	768	102	870
Provision for diminution of assets	-	136	136
<b>Gross Carrying amount as at March 31, 2023</b>	<b>10,430</b>	<b>39</b>	<b>10,469</b>
Addition	107	160	267
Disposals/write off	-	145	145
Provision for diminution of assets	-	21	21
<b>Gross Carrying amount as at March 31, 2024</b>	<b>10,538</b>	<b>32</b>	<b>10,571</b>
<b>Accumulated Depreciation as at April 01, 2022</b>	<b>9,475</b>	-	<b>9,476</b>
Depreciation charges during the year	421	-	421
Disposals/write off	247	-	247
<b>Accumulated Depreciation as at March 31, 2023</b>	<b>9,650</b>	-	<b>9,650</b>
Depreciation charges during the year	180	-	180
Disposals/write off	-	-	-
<b>Accumulated Depreciation as at March 31, 2024</b>	<b>9,830</b>	-	<b>9,831</b>
<b>Net Carrying amount as at March 31, 2024</b>	<b>708</b>	<b>32</b>	<b>740</b>
<b>Net Carrying amount as at March 31, 2023</b>	<b>780</b>	<b>39</b>	<b>819</b>

(Other than internally generated)

\* In certain cases the Company has only usage right and not the title or ownership, net carrying amount of Rs. 448 Lakhs (PY 445 lakh).

**Notes:-**

- (i) The Company has made provision of Rs.21 lakhs during the financial year ended March 31, 2024 and Rs. 136 lakh during the financial year ended March 31, 2023.
- (ii) The Company has not revalued its intangible assets during the current or previous year.

## Intangible Assets under development ageing as on March 31, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	31	53	23	162	269
Projects temporary suspended	-	-	-	-	-

## List of projects whose completion is overdue as on March 31, 2024

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years *	More than 3 years	
Development of Exchange matching engine	-	-	80	-	80
Development of CTCL platform	-	-	53	-	53
Development of changes to Order to Buy (OTB) platform for order collection system..	-	-	15	-	15
Development of SFTP module in OFS	-	-	3	-	3
<b>Total</b>	-	-	<b>151</b>	-	<b>151</b>

\* The Company has revised its estimation of completion of the above mentioned projects, hence the above table is updated to that extent.



**Intangible Assets under development ageing as on March 31, 2023**

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	70	23	5	157	255
Projects temporary suspended	-	-	-	-	-

**List of projects whose completion is overdue as on March 31, 2023**

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Development of Exchange matching engine	-	80	-	-	80
Development of CTCL platform	-	53	-	-	53
Development of changes to Order to Buy (OTB) platform for order collection system.	-	15	-	-	15
Development of SFTP module in OFS	-	3	-	-	3
<b>Total</b>	-	<b>151</b>	-	-	<b>151</b>

**5 Non Current Investment**

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
<b>Investments</b>				
<b>(i) Corporate Fixed Deposits *</b>				
HDFC Ltd (merged with HDFC Bank w.e.f. July 01, 2023) #	-	-	397	-
Mahindra & Mahindra Finance Limited	84	84	-	397
<b>(ii) Corporate Bonds</b>				
8.50% State Bank of India Perpetual Bonds(Series II) (INE062A08223) Nil (PY: 4) Units face value of Rs.10,00,000/- each	-	-	40	-
Premium on Corporate Bonds	-	-	0	40
		<b>84</b>		<b>437</b>
Aggregate book value of quoted investments		-		40
Aggregate market value of quoted investments		-		41
Aggregate carrying value of un-quoted investments		84		397
Aggregate amount of impairment in value of investments		-		-
# HDFC Limited merged with HDFC Bank w.e.f. July 01, 2023, accordingly the figures for March 31, 2024 are disclosed as deposits with bank.				
* Rs. 84 Lakh (PY Rs. 84 Lakh/-) are towards making payments of the deposits of members.				

\* Rs. "0" represent amount less than Rs. 50,000.

**6 Other Financial Assets**

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non Current Bank Balance</b>		
Deposit with banks ( with Original Maturity more than 12 months )	411	674
<b>Earmarked</b>		
Towards investor service fund	95	21
Towards arbitration	-	11
Towards defaulter committee fund	-	31
<b>Others (unsecured, considered good)</b>		
Security Deposits	104	163
<b>Total</b>	<b>610</b>	<b>900</b>

**7 Income Tax Assets (Net)**

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax (net)	338	605
<b>Total</b>	<b>338</b>	<b>605</b>

**8 Other Non-Current Assets**

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Tax recoverable, statutory deposits and dues from government	6,420	5,981
Prepaid expenses	16	9
<b>Total</b>	<b>6,435</b>	<b>5,990</b>

## 9 Current Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of units	Rupees in Lakh	No of units	Rupees in Lakh
<b>In Mutual Funds ( Quoted ) *</b>				
<b>Investments in mutual funds at FVTPL</b>				
BOI AXA Liquid Fund - Direct Plan - Growth	1079.7205	30	4,910.2140	127
Sundaram Liquid Fund Direct Plan Growth	2289.6530	49	3,166.9730	63
ICICI Prudential Liquid Fund D-G		-	16,013.8100	53
Tata Liquid Fund- Growth		-	1,295.9230	46
Nippon India Ultra Short Duration Fund – Direct Growth		-	781.6670	29
ABSL Liquid Fund - G-D	23185.3192	90	15,365.6530	56
	<b>(A)</b>	<b>169</b>		<b>374</b>
<b>Other Investments</b>				
<b>(i) Corporate Fixed Deposits **</b>				
HDFC Ltd (merged with HDFC Bank w.e.f. July 01, 2023) #		-	1,444	
LIC Housing Finance Limited	577		1,495	
Mahindra & Mahindra Finance Limited	262		100	
Bajaj Finance Ltd	3,728		1,996	
	<b>(B)</b>	<b>4,568</b>		<b>5,035</b>
<b>(ii) Corporate Bonds</b>				
9.05% Housing Development Finance Corporation Limited NCD (Series U-004) (INE001A07RJ2) Nil (PY: 50) Units face value of Rs.10,00,000/- each		-	500	
7.28% Housing Development Finance Corporation Limited NCD (Series AA-007) (INE001A07TM2) Nil (PY: 50) Units face value of Rs.10,00,000/- each		-	499	
5.75% Bajaj Finance Limited NCD (NE296A07RX9) Nil (PY: 50) Units face value of Rs.10,00,000/- each		-	489	
9.15% Kotak Infrastructure Debt Fund Limited SR 2019-20/001 NCD (INE905Y07043) 5 (PY: Nil) Units face value of Rs.10,00,000/- each	50		-	
9.00% India Infradebt Limited Series I 9 NCD (INE537P07463) 4 (PY: Nil) Units face value of Rs. 10,00,000/- each	40		-	
8.60% India Infradebt Limited NCD (SERIES I - TRANCHE III) (INE537P07497) 1 (PY: Nil) Units face value of Rs.10,00,000/- each	10		-	
8.60% NIIF Infrastructure Finance Ltd NCD (SERIES NIIF IFL PP 4/2020) (INE246R07384) 3 (PY: Nil) Units face value of Rs.10,00,000 each	30		-	
Premium on Corporate Bonds	0		7	
Discount receivable on Corporate Bonds	-		4	
	<b>(C)</b>	<b>130</b>		<b>1,498</b>
<b>Total [ D = A + B + C ]</b>		<b>4,867</b>		<b>6,907</b>
Aggregate book value of quoted investments		299		1,862
Aggregate market value of quoted investments		299		1,872
Aggregate carrying value of un-quoted investments		4,568		5,046
Aggregate amount of impairment in value of investments		-		-
* Rs. 90.35 Lakh (PY Rs. 55.79 Lakh/-) are towards making payments of the deposits of members.				
** Rs. 1,627 Lakh (PY Rs. 1,428 Lakh ) are towards making payments of the deposits of members.				
# HDFC Limited merged with HDFC Bank w.e.f. July 01, 2023, accordingly the figures for March 31, 2024 are disclosed as deposits with bank.				

\* Rs. "0" represent amount less than Rs. 50,000.

## 10 Trade receivables

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
Secured, considered good	-	-
Unsecured, considered good	261	130
Receivables which have significant increase in credit risk	-	-
Credit impaired	510	251
Less :- Allowance for credit impaired debts (including expected credit loss allowance)	510	251
<b>Total</b>	<b>261</b>	<b>130</b>

Note 1 Trade receivables are dues in respect of services rendered in the normal course of business.

Note 2 The Normal credit period allowed by the Company ranges from 0 to 60 days.

Note 3 The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a detailed analysis of trade receivables by individual departments.

Note 4 There are no dues by directors or other officers or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

## Movement in expected credit loss allowance

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	251	132
Impairment loss allowance on trade receivables	259	119
<b>Balance at the end of the year</b>	<b>510</b>	<b>251</b>

## Trade receivable ageing as on March 31, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 Months - 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade Receivables – Considered Goods	186	75	-	-	1	261
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	249	24	147	37	54	510
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

## Trade receivable ageing as on March 31, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 Months - 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade Receivables – Considered Goods	115	15	0	-	1	130
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	111	35	40	33	33	251
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

\* Rs. "0" represent amount less than Rs. 50,000.

## 11 Cash and cash equivalent

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance with banks</b>		
- In current accounts		
Owned	69	31
<b>Earmarked</b>		
Towards investor service fund	1	2
Towards arbitration	5	5
Towards defaulter committee fund	0	0
	<b>(A)</b>	<b>75</b>
<b>Fixed Deposit with banks having maturity less than 3 months</b>		
Owned	1,141	5,832
<b>Earmarked</b>		
Towards members deposit	-	392
Towards investor service fund	-	10
Towards defaulter committee fund	125	70
Towards arbitration	11	-
Towards listing	19	-
Stamps in hand	0	0
Cash on hand	-	0
	<b>(B)</b>	<b>1,296</b>
<b>Total [ C = A + B ]</b>	<b>1,371</b>	<b>6,305</b>

\* Rs. "0" represent amount less than Rs. 50,000.

## 12 Other Bank balance

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other Bank Balances in Fixed Deposits</b>	25	2,046
<b>Earmarked</b>		
Towards Investor Service Fund	25	100
Towards Defaulter Committee fund	55	118
Towards Members Deposit fund	-	612
<b>Total</b>	<b>105</b>	<b>2,875</b>

## 13 Other Financial Assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Loan to Metropolitan Stock Exchange ESOP Trust	11	11
Less :- Provision for Doubtful Loan	11	11
<b>Current Bank Balance</b>		
Deposit with banks ( with Original Maturity more than 12 months )	7,245	2,332
<b>Earmarked</b>		
Towards members deposit	680	206
Towards investor service fund	195	139
Towards defaulter committee fund	168	118
<b>Interest accrued on Fixed Deposits</b>	461	327
Owned	411	260
Earmarked	50	67
<b>Interest Accrual on Corporate FD</b>	288	323
Owned	184	247
Earmarked	103	76
<b>Interest accrued on Corporate Bonds</b>	9	23
Owned	9	23
Other Receivable	0	0
<b>Total</b>	<b>9,045</b>	<b>3,468</b>

\* Rs. "0" represent amount less than Rs. 50,000.

## 14 Income Tax Assets (Net) - Current

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Income Tax (net)	124	91
<b>Total</b>	<b>124</b>	<b>91</b>

## 15 Other Current Assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, considered good, unless otherwise stated)</b>		
Advances to vendors	230	353
Advances to employees	0	0
Prepaid expenses	148	100
Gratuity receivable	7	-
<b>Total</b>	<b>384</b>	<b>453</b>

\* Rs. "0" represent amount less than Rs. 50,000.

## 16 Equity Share capital

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	Rupees in lakh	No of shares	Rupees in lakh
<b>Authorised :</b>				
8,50,00,00,000 (PY 8,50,00,00,000) Equity Shares face value of Rs.1/- each (refer note 35)		85,000		85,000
<b>Issued :</b>				
4,81,02,17,033 (PY 4,81,02,17,033 ) Equity Shares face value of Rs.1/- each		48,102		48,102
<b>Subscribed and Paid-up</b>		48,102		48,102
4,81,02,17,033 (PY 4,81,02,17,033 ) Equity Shares face value of Rs.1/- each				
Less :- Amount recoverable from Metropolitan Stock Exchange ESOP Trust (Refer Note 17.5) 49,77,671 [ (PY 49,77,671) equity shares of Rs.1/- each fully paid allotted to the Metropolitan Stock Exchange ESOP Trust ]		50		50
		48,052		48,052
<b>Total</b>		<b>48,052</b>		<b>48,052</b>

## 16.1 Rights of equity share holders

The Company has only one class of equity shares having a par value of Rs.1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## 16.2 Reconciliation of the shares outstanding at the beginning and at the end of year.

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	Rupees in lakh	No of shares	Rupees in lakh
<b>Equity shares</b>				
At the beginning of the Year	4,81,02,17,033	48,102	4,81,02,17,033	48,102
Issued during the Year	-	-	-	-
Outstanding at the end of the Year	<b>4,81,02,17,033</b>	<b>48,102</b>	<b>4,81,02,17,033</b>	<b>48,102</b>

## 16.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	%	No of shares	%
<b>Equity shares of Rs.1/- each fully paid-up</b> Multi Commodity Exchange Of India Ltd	33,17,77,008	6.90%	33,17,77,008	6.90%

## 16.4 List of shares held by Promoter

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	%	No of shares	%
N.A.	-	-	-	-

16.5 There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash / bonus shares / bought back.

16.6 There are no shares reserved for issue under Options and contract/commitments for the sale of shares or disinvestment.

## 17 Other Equity

(₹ in Lakh)

Particulars	Reserves & surplus				Other Comprehensive Income	Dividend Distribution tax	Total
	Securities premium	Retained earnings	Capital Reserve	Capital Reserve pursuant to scheme of amalgamation (refer note 35)	Remeasurement of employees benefit		
<b>As at April 01, 2022</b>	<b>39,531</b>	<b>(61,362)</b>	<b>0</b>	<b>-</b>	<b>18</b>	<b>(258)</b>	<b>(22,071)</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
<b>Restated as at April 01, 2022</b>	<b>39,531</b>	<b>(61,362)</b>	<b>0</b>	<b>-</b>	<b>18</b>	<b>(258)</b>	<b>(22,071)</b>
Tax (remeasurement of employee defined benefit liability /asset)	-	-	-	-	27	-	27
Profit / (loss) for the year	-	(1,867)	-	-	-	-	(1,867)
<b>As at March 31, 2023</b>	<b>39,531</b>	<b>(63,229)</b>	<b>0</b>	<b>-</b>	<b>45</b>	<b>(258)</b>	<b>(23,911)</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Addition pursuant to scheme of arrangement (refer note 35)	-	9	-	(9)	-	-	-
<b>Restated as at March 31, 2023</b>	<b>39,531</b>	<b>(63,220)</b>	<b>0</b>	<b>(9)</b>	<b>45</b>	<b>(258)</b>	<b>(23,911)</b>
Tax (remeasurement of employee defined benefit liability /asset)	-	-	-	-	12	-	12
Profit / (loss) for the year	-	(4,874)	-	-	-	-	(4,874)
<b>As at March 31, 2024</b>	<b>39,531</b>	<b>(68,094)</b>	<b>0</b>	<b>(9)</b>	<b>57</b>	<b>(258)</b>	<b>(28,773)</b>

\* Rs. "0" represent amount less than Rs. 50,000.

## 17.1 Securities premium

Securities premium reflects issuance of the shares by the Company at a premium i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a securities premium as per the provisions of the Companies Act, 2013. The premium is utilised in accordance with the provisions of the Companies Act, 2013.

## 17.2 Retained earnings

The same reflects surplus/deficit after taxes in the statement of profit and loss. The amount that can be distributed by the Company as dividends to its equity share holders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

## 17.3 Capital Reserve

Capital Reserve represents the amount forfeited on 25,445 warrants against which Rs. 0.12 lakh has been collected.

## 17.4 Capital Reserve pursuant to scheme of amalgamation

Capital Reserve represents the difference between the amount of investment in the Equity Shares of MEL and the networth of MEL (after the minority share of INR 519 Lakhs), created on account of merger (refer note 35).

## 17.5 Loan to ESOP Trust

The Company's ESOP is administered through an ESOP Trust, which subscribes to shares of the Company and holds them until issuance thereof based on vesting and exercise of options by employees. At the time of formation of the trust, the Company has provided an interest free loan amounting to Rs. 60.00 Lakhs to the Trust to subscribe to 54,33,000 shares issued at Rs. 1 per share and were allotted on November 20, 2009. The amount of loan equivalent to the face value of securities subscribed and not allotted to employees 49.78 Lakhs ( Previous Year Rs. 49.78 Lakhs ) has been deducted from share capital account and the balance part of the loan representing the amount of Rs. 10.08 Lakhs ( Previous Year Rs. 10.08 Lakhs ) has been added to short term loans and advances in note no.13. The balance of such loan as at March 31, 2024 is Rs. 60.00 Lakhs. The repayment of the loan is primarily dependent upon the exercise of options by the employees, the price at which fresh or reissued options are granted and dividend income earned thereon till exercise of options.

## 18 Lease rental liability - Non Current

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease rental liability	-	142
<b>Total</b>	<b>-</b>	<b>142</b>



## 19 Other financial liabilities - Non Current

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Amount received from members towards :</b>		
- Deposits	1,837	2,006
Accrued expenses	51	54
<b>Total</b>	<b>1,888</b>	<b>2,060</b>

## 20 Provisions - Non Current

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Employee benefits</b>		
Provision for gratuity	-	5
Provision for leave encashment	17	18
<b>Total</b>	<b>17</b>	<b>23</b>

## 21 Lease rental liability - Current

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease rental liability	142	216
<b>Total</b>	<b>142</b>	<b>216</b>

## 22 Trade Payables

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (Refer note 43)	3	2
Total outstanding dues of creditors other than micro enterprises and small enterprises	256	90
<b>Total</b>	<b>259</b>	<b>92</b>

## Trade payable ageing as on March 31, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	3	-	-	-	3
(ii) Others	256	-	-	-	256
(iii) Disputed-MSME	-	-	-	-	-
(iv) Disputed-Others	-	-	-	-	-

## Trade payable ageing as on March 31, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	2	-	-	-	2
(ii) Others	90	-	-	-	90
(iii) Disputed-MSME	-	-	-	-	-
(iv) Disputed-Others	-	-	-	-	-

**23 Other current financial liabilities**

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits from members	1,025	1,130
Share application money refundable	0	0
Credit balance in debtors account	65	12
Accrued expenses	827	781
Other Payable as per the Scheme of arrangement (refer note no 35)	520	520
Sebi Regulatory Fees	57	56
<b>Total</b>	<b>2,495</b>	<b>2,499</b>

\* Rs. "0" represent amount less than Rs. 50,000.

**24 Other Current Liabilities**

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Unearned income (Refer note 50)	21	25
Investor Protection Fund	6	10
TDS Payable	48	62
Other Liabilities including Statutory Liabilities		
- Provident Fund liability	11	15
- Provision for Salaries	5	5
- Goods and Service Tax	1	5
- Other Statutory liabilities	0	1
Other Payable as per the Scheme of Capital Reduction	406	331
Investor Service fund # [ Including interest earned of Rs. 21.59 lakh (PY 14.49 lakh)]	336	288
# Investor Service Fund was established by the Company in accordance with SEBI approval letter dated September 18, 2008. The fund is maintained to provide services to investors which include maintenance of investor grievance cell, education and awareness about securities market, price dissemination and other services that are in the interest of the investor. The balance amounting to Rs. 336 lakh ( PY Rs. 288 lakh) as at March, 31, 2024 represents the Listing Fees Contribution, net of expenses and interest earned thereon.		
<b>Total</b>	<b>834</b>	<b>742</b>

\* Rs. "0" represent amount less than Rs. 50,000.

**25 Provisions - Current**

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Employee benefits</b>		
Provision for gratuity	-	13
Provision for leave encashment	5	9
<b>Total</b>	<b>5</b>	<b>23</b>

## 26 Revenue from operations

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from operations ( refer note 50 )</b>		
<b>Sale of services -</b>		
Transaction Fees	374	350
Clearing and Settlement Fees	-	129
<b>Other operating revenue -</b>		
Membership Admission Fees	3	11
Processing Fees	81	86
Listing Fees	168	171
Income related to Commodity Segment	-	6
Other connectivity charges	58	82
Data Feed Charges	30	44
Membership Surrender Fee	12	36
Other revenue from Operations	10	6
<b>Total</b>	<b>736</b>	<b>921</b>

## 27 Other income

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest Income</b>		
- on Bank Deposits	784	2,402
- on Corporate Deposits	353	328
- on Corporate Bonds	101	85
- Other Interest	62	28
Profit on sale of Current Investments (Net)	37	58
Fair valuation of Mutual fund	(3)	29
Core SGF Refund	-	1,546
Sundry balance written back	2	20
Exchange Rate Fluctuation (net)	-	1
Profit on sale of assets	27	2
Miscellaneous Income	6	45
<b>Total</b>	<b>1,369</b>	<b>4,544</b>

## 28 Operating expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Clearing and Settlement Charges	119	114
Technology Cost	1,619	1,679
Sebi Regulatory Charges	66	66
Direct Communication Expenses	119	53
POP / NPN Charges	-	41
Co-Location Charges	163	105
Electricity Expenses- Direct	127	97
Contribution to core settlement guarantee fund	685	168
Rent on equipment	-	2
<b>Total</b>	<b>2,898</b>	<b>2,325</b>

## 29 Employee benefits expense

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Allowances and Bonus	1,536	1,747
Contribution to Provident Fund and other funds (refer note 40)	93	128
Staff Welfare and Other Amenities	28	22
<b>Total</b>	<b>1,657</b>	<b>1,897</b>

## 30 Finance costs

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Finance cost - Right of use Asset-Ind AS	15	39
Interest cost	83	-
<b>Total</b>	<b>98</b>	<b>39</b>

## 31 Advertisement and Business Promotion Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Advertisement	85	82
Business Promotion Expenses	367	277
Sponsorships and Seminar	35	20
<b>Total</b>	<b>487</b>	<b>379</b>

## 32 Other expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rent	37	29
<b>Repairs and Maintenance</b>		
- Computers	30	31
- Others	114	89
Insurance	46	53
Travelling and Conveyance	28	30
Communication Expenses	15	10
Legal and Professional Charges	238	137
Electricity Expenses	31	43
Premium Amortisation on Bonds	12	12
Office Expenses	65	98
Security service charges	14	13
Directors Sitting Fees	66	100
<b>Payment to Auditors :</b>		
- Audit Fees (Incl. tax audit, ICFR report)	23	23
- Other matters (Certification)	1	6
- Reimbursement	-	0
Provision towards intangible asset under development	21	138
Exchange Rate Fluctuation (net)	0	-
Expected credit loss on trade receivables	12	10
Bad debts	-	1
Less:- Allowance for credit loss made earlier	-	(1)
Rates & Taxes	36	209
Contribution to ISF	30	32
Provision towards Members SEBI Fees	249	111
Miscellaneous Expenses	52	58
<b>Total</b>	<b>1,118</b>	<b>1,233</b>

\* Rs. "0" represent amount less than Rs. 50,000.

### 33 Contingent Liability

#### (i) Claims against the Group not acknowledged as debts :

- a. IL&FS Financial Service Limited (IFIN) a 100% subsidiary of Infrastructure Leasing and Financial Services Limited (IL&FS) has filed a suit before the Bombay High Court against MSE (Suit No. 295 of 2014), along with a Notice of motion for interim relief for breach of the Share Purchase Agreement dated August 20, 2009 entered into between IFIN (Plaintiff), MSE (Defendant No.1) and MCX (Defendant No.2) for purchase of shares of MSE by IFIN from MCX. Various reliefs have been sought by IFIN from MCX and MSE (on a joint and several basis), including monetary claim of INR 84.21 crore along with interest.

In Notice of Motion no. 530/2014 the Hon'ble Bombay High Court through its order dated June 12, 2019 disposed off the Notice of Motion and ordered that MSE and MCX, shall be restrained either directly or indirectly from issuing any further shares of MSE in any manner whatsoever without seeking the plaintiff's prior written consent in accordance with and/or in terms of Clause 5.5(a) of the SPA dated August 20, 2009.

However, it was clarified by the Court that if IFIN unreasonably withholds its consent then MSE shall be at liberty to approach the court for appropriate orders.

MSE has filed an Appeal along with Delay Condonation Application and Interim Application for Stay to the said order dated June 12, 2019. The delay condonation application was allowed. The Appeal along with the Interim Application for stay was last scheduled on 05/12/2022 for admission, but was not taken up for hearing. The next date is not yet listed by Registry of Bombay High Court. After 05/12/2022 the matter was listed on few occasions and lastly the matter was listed on 23/04/2024 but couldn't reach due to paucity of time. The matter is now scheduled on 21.06.2024.

- b. The Income Tax Department has raised tax demand of Rs. 921.38 lakhs for the assessment year 2012-13. The Parent Company has filed an appeal and rectification request against the same. Further, the Parent Company has received refund of Rs. 683.05 lakhs on May 04, 2019 on account of rectification order passed by the assessing officer. The Parent Company have been advised that the demand raised by the department is likely to be deleted accordingly the Group has not made provision for the same in books of accounts.
- c. Claims not acknowledged as debt Rs.35 Lakh ( PY Rs.35 Lakh )
- d. Cogencis Information Services Limited has filed a Commercial Suit No: COMS/202/2021 before High Court of Bombay claiming a sum of approx Rs.130 lakhs along with interest on principal amount of Rs.69.90 lakhs at 18% p.a. towards the alleged services for the remaining term of one year under the subscription form executed between the parties for data feed services. It is pertinent to note here that MSE as per the terms of subscription form had duly terminated the services before the end of the first year itself by providing 3 (three) months' notice and all due payments were made till the expiry date of termination notice period and hence MSE is not liable to make any further payments to Cogencis.

MSE has filed Written Statement to the Suit filed by Cogencis on 13 June 2022. The commercial suit is at Pre-Admission stage and next date will be provided as per CMIS of the Bombay High Court. However no new date has been Listed as of now.

### 34 Capital Commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for ( net of advances ) is Rs 110.89 Lakhs as on March 31, 2024. ( PY Rs. 48.49 Lakhs).

- 35 The Exchange 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, MEL has been derecognized to operate as Clearing Corporation with effect from October 3, 2022. The Exchange has filed Scheme of Arrangement ("Scheme") with Hon'ble National Company Law Tribunal, Mumbai ("NCLT") on March 23, 2023 with the appointed date of April 01, 2023. NCLT has issued an order on 18.10.2023 to convene the meeting of MSE and MEL shareholders on 07.12.2023 to approve the proposed Scheme. The MSE and MEL have convened the meeting of their respective shareholders on 07.12.2023 as advised by the NCLT and the shareholders of both the companies have approved the Scheme in their respective meetings. The NCLT, in accordance with Sections 230 to 232 of the Companies Act, 2013 and rules thereunder, vide its order dated June 6, 2024 approved the Scheme. Upon receipt of all requisite approvals, the Exchange filed form INC 28 with Registrar of Companies on June 11, 2024 and accordingly, the Scheme became effective on April 01, 2023.

The Scheme has been accounted under the "pooling of interest" method as prescribed in Ind AS 103 (Business Combinations) notified under section 133 of the Companies Act, 2013 and under the Companies (India Accounting Standards) Rules, 2015, as may be amended from time to time. As per the Scheme, the appointed date for the Amalgamation of MEL with and into the Exchange is the same as effective date of the Scheme i.e. April 01, 2023. As per the Appendix C of Ind AS 103 (Business Combinations), "the financial information in the financial statements in respect of prior periods should be restated as if the business combinations had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, the financial statements have been restated from the beginning of the preceding period, accordingly, the results for the year ended March 31, 2024 and March 31, 2023 include the operations of MEL and the figures and disclosures pertaining to previous periods / years have been restated / recasted taking effect of the Scheme. All assets and liabilities of MEL are reflected at their carrying amounts.

This has resulted in restatement of financial statement as on March 31, 2023. The changes in major heads are as below:

(₹ in Lakh)

Particulars	Restated for merger	Reported
Property, plant and equipment	1,415	902
Total Equity	24,141	24,159

(₹ in Lakh)

Particulars	Restated for merger	Reported
Total Income	5,465	2,984
Profit/ (loss) before tax	(1,994)	(1,997)
Profit/ (loss) after tax	(1,867)	(1,997)
Basic earnings per share	(0.04)	(0.04)

Further, the difference between the amount of investment in the Equity Shares of MEL and the networth of MEL (after the minority share of INR 519 Lakhs) have been transferred to capital reserve in the books of account of the Exchange.

Consequent upon Scheme becoming effective, the authorised

share capital of the Exchange stood increased to INR 85,000 Lakhs (8,50,00,00,000 shares of INR 1/- each) on account of transfer to and combination of authorised share capital of MEL with the authorised share capital of the Exchange. Upon the Scheme becoming effective, the issued, subscribed and paid up equity

share capital of MEL shall be reduced by INR 519 lakhs comprising of 51,99,545 equity shares of INR 10 each. In consideration of such cancellation of share capital, MEL shall pay INR 10/- per share to the eligible shareholders of MEL as on the effective date against cancellation of their respective shareholding in MEL.

### 36 Earnings per share ('EPS')

Particulars	Apr-23 to Mar-24	Apr-22 to Mar-23
Profit/(Loss) after tax as per statement of profit and loss attributable to equity share holders (₹ in Lakh)	(4,874)	(1,867)
Weighted average number of equity shares outstanding during the year for basic EPS	4,81,02,17,033	4,81,02,17,033
Add-Shares Issued to ESOP Trust	49,77,671	49,77,671
Weighted average number of equity shares outstanding during the year for diluted EPS	4,81,51,94,704	4,81,51,94,704
Basic earnings per share of face value Rs. 1 each	(0.10)	(0.04)
Diluted earnings per share of face value Rs. 1 each	(0.10)	(0.04)

### 37 Exceptional Items

The Group has carried out Impairment testing on the intangible assets and requisite provision has been made and shown as Exceptional Item in the Audited Financial Statements for the FY 2022-23 and no provision required to be made for the FY 2023-24.

**38** 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.

**39** In some earlier years, MSE could not charge transaction fee in its Currency Derivatives Segment as its dominant competitor, National Stock Exchange of India Ltd. (NSE), was not charging the same. On the complaint of the Company, the Competition Commission of India (CCI) passed an order dated June 23, 2011 directing NSE to cease and desist from carrying on its unfair pricing policy and further levied a penalty of Rs. 5550 Lakhs on NSE. NSE had appealed against the said order before the Hon'ble Competition Appellate Tribunal (COMPAT), which vide its order dated August 5, 2014 upheld the order passed by the Hon'ble CCI and found NSE guilty of indulging in anti-competitive practices.

An appeal has been filed by NSE before the Hon'ble Supreme Court of India challenging the order passed by the COMPAT (Now NLCAT) on August 05, 2014. The Hon'ble Supreme Court granted NSE interim stay on the recovery of the penalty amount of Rs. 5550 Lakhs (@ 5% of the average turnover). On February 12, 2018, an interim stay was granted to the proceedings of damages before NCLAT during the pendency of the present appeal filed by NSE in Supreme Court. The appeal was last listed on April 13, 2018. The matter will be pending in NCLAT till the final decision of Supreme Court and NCLAT has given liberty to both parties to mention the matter after the final order passed by Supreme Court.

While the aforesaid Appeal filed by NSE is pending before the Supreme Court of India, the Exchange has filed an Application for award of compensation for Rs. 85699 Lakhs. under Section 53N (1) of the Competition Act, 2002 before the COMPAT (now NCLAT). Vide order dated 12.02.18 passed by Hon'ble Supreme Court in Civil Appeal No.8974 of 2014 an interim stay of proceeding of damages as pending before had been passed. In the circumstances, the Hon'ble Tribunal adjourned the case sine die with liberty to the

parties to mention the matter after the decision of the Hon'ble Supreme Court. The appeal filed by NSE before Supreme Court i.e Civil Appeal No.8974 of 2014 is admitted vide order dated 20th February 2023. Now the matter will be mentioned on the regular board of the supreme court. The matter was last scheduled twice on 26/04/2023 and 27/04/2023 on the board of the Court Room no. 5, before Hon'ble Mr. Justice Dinesh Maheshwari and Hon'ble Mr. Justice Sanjay Kumar of the Supreme Court. however the matter could not reach till the end of the day due to urgent hearing of other connected matters. The matter was again listed on 26/07/2023. After 26/07/2023 the matter was listed on few occasions and lastly the matter was listed in weekly cause list dated 03/04/2024 to 04/04/2024 in Court No.5 but couldn't reach due to paucity of time. Next date is not given yet by Registry of Supreme Court.

### 40 Disclosure under Indian Accounting Standard 19 (Ind As 19) on Employee Benefit

#### Defined Contribution Plan:

**Provident Fund** - The Group makes contribution towards provident fund as a specified percentage of the payroll cost to Regional Provident Fund Commissioner managed by the Employees' Provident Fund Organization, India. There are no other obligations other than the contribution payable to said fund. Contribution to Defined Contribution Plan, recognised as expenses in the Statement of Profit & Loss for the year is as under:

Particulars	(₹ in Lakh)	
	FY 2023-24	FY 2022-23
Employer's Contribution to Provident Fund	64	70

#### Defined benefit plan:

**Gratuity:** The gratuity is payable to all employees at the rate of 15 days salary for each year of service.

The scheme is funded with an insurance company in the form of qualifying insurance policy. The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2024 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following table sets out the status of the gratuity plan and the amounts recognized in the Group's financial statements as at March 31, 2024 and March 31, 2023.

- I Changes in the present value of Projected Benefit Obligation representing reconciliation of opening and closing balances thereof are as follows:

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24 (Funded)	FY 2022-23 (Funded)
Projected Value of Benefit Obligation at the beginning of the year	141	153
Current Service cost	12	22
Interest Cost	10	10
Actuarial (gain) / loss	2	10
Benefits paid	(41)	(54)
Defined Benefit obligation at the end of the year	124	141

- II Reconciliation of opening and closing balance of the Fair value of Plan Assets-

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24	FY 2022-23
Fair Value of Plan Assets at the beginning of the year	122	143
Expected Return On Plan Assets	8	9
Contribution during the year	42	26
Benefit Paid From The Fund	(41)	(54)
Actuarial Gains/(Losses) On Plan Assets	(1)	(2)
Fair Value of Plan Assets at the end of the year	131	122

- III The amount recognized in the Balance Sheet as follows:-

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24	FY 2022-23
Present value of Benefit Obligation at the end of the Project	(124)	(141)
Fair Value of Plan Asset at the end of the Period	131	122
Funded Status (Surplus / (Deficit))	7	(18)
Asset / (Net Liability) recognized in Balance Sheet (Current)	7	(18)

- IV The amount recognized in the statement of Profit & Loss is as follows:-

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24 (Funded)	FY 2022-23 (Funded)
Current service cost	12	22
Interest Cost	2	0
Net expenses	14	22

\* Rs. "0" represent amount less than Rs. 50,000.

- V The amount recognized in the Balance Sheet as follows:-

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24	FY 2022-23
Actuarial (Gains) / Losses on obligation for the period	2	10
Return on plan assets, excluding interest income	1	2
Net (income) / expense for the period recognized in OCI	3	12

- VI Expected payout from the fund / employer

(₹ in Lakh)

Particulars	Fund		Employer	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Projected benefits payable in Future Years from Date of reporting				
1st Following year	39	53	-	-
2nd Following year	23	29	-	-
3rd Following year	21	24	-	-
4th Following year	15	16	-	-
5th Following year	14	10	-	-
6th - 10th Following years	29	23	-	-
11th year and above	9	11	-	-

- VII Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

(₹ in Lakh)

Particulars	Gratuity	
	FY 2023-24	FY 2022-23
Projected benefit obligation on Current Assumption	124	141
Effect of +1% change in Rate of discounting	(3)	(3)
Effect of -1% change in Rate of discounting	3	3
Effect of +1% change in Rate of Salary Increase	3	3
Effect of -1% change in Rate of Salary Increase	(3)	(3)
Effect of +1% change in Rate of Employee Turnover	(0)	(0)
Effect of -1% change in Rate of Employee Turnover	0	0

\* Rs. "0" represent amount less than Rs. 50,000.

These plans typically expose the Group to actuarial risks such as: investment risk, interest risk, asset liability matching risk, mortality risk, concentration risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest Risk	A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Asset Liability Matching Risk	The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
Mortality risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk
Concentration Risk	Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

#### VIII Principal actuarial assumptions at the Balance sheet date:

Particulars	Gratuity As at	
	March 31, 2024	March 31, 2023
Mortality Table(LIC)	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Rate of employee turnover	27%	38%
Discount rate (per annum)	7.16%	7.20%
Expected Return on Plan Asset	7.16%	7.20%
Rate of escalation in salary (per annum)	6.00%	6.00%

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Group's policy for Plan Assets Management.

The Group has taken a Gratuity Policy with Life Insurance Corporation of India, the funds of which are managed by Life Insurance Corporation of India. Therefore the composition of investments is not ascertainable

#### 41 Segment Reporting

The Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Parent 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 Parent Company. The Company 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

#### 42 Ind AS 24 - Related party Disclosures

##### a) Names of related parties and nature of relationship:

##### (i) Key Management Personnel (KMP)

- Ms. Latika S. Kundu (MD & CEO)
- Mr. Saket Bhansali (CFO)
- Mr. P. K. Ramesh (Chief Regulatory officer)
- Mr. Anish Kumar (Chief Risk Officer ) upto April 22, 2022
- Mr. Neeraj Gupta (Chief Technology Officer) upto July 02, 2022
- Mr. Manish Gupta (Chief Technology Officer) w.e.f. June 27, 2022 upto July 13, 2023
- Mr. Isidorio Fernandes ( Chief Technology Officer) w.e.f. July 03, 2023
- Mr. Sachin Nayak (Head – Market Operations) w.e.f. February 14, 2022 upto April 03, 2024
- Mr. Utkarsh Sharma (Head - Business Development) w.e.f. April 11, 2022 upto September 20, 2023
- Mr. Durgesh Kadam (Company Secretary) w.e.f. April 13, 2022
- Mr. Jagdish Asodekar (Chief Information Security Officer) upto June 01, 2022
- Mr. Jibananda Bain (Chief Information Security Officer) w.e.f. June 01, 2022 and upto March 29, 2023
- Mr. Sarvesh Shahare ( Chief Information Security Officer) w.e.f. April 05, 2023 upto September 20, 2023
- Mr. Laxmi Narayan Sahu ( Chief Information Security Officer) w.e.f. August 08, 2023
- Mr. Abhisheka Srivastava (AVP - Human Resource) w.e.f. June 23, 2023 to February 09, 2024

##### (ii) Others

- Metropolitan Stock Exchange ESOP Trust
- Metropolitan Stock Exchange Investor Protection Fund Trust



## b) Closing Balance of related parties

(₹ in Lakh)

Nature of Transaction	Metropolitan Stock Exchange Investor Protection Fund#	Metropolitan Stock Exchange ESOP Trust (Others)
Amount Receivable	-	1
	-	0
Closing Balance of Loan to ESOP Trust	-	60
	-	60

\* Rs. "0" represent amount less than Rs. 50,000.

# The Parent Company acts as an intermediary for collection of penalties and share of listing fees to be transferred to Metropolitan Stock Exchange Investor Protection Fund accordingly those transactions have not been considered above.

## d) Transactions with KMP:

Nature of transactions	Amount (Rs.) in lakhs
<b>Salary &amp; allowances*:</b>	
Ms. Latika S. Kundu	75
	75
Mr. Saket Bhansali	65
	65
Mr. P.K. Ramesh	46
	46
Mr. Durgesh M Kadam	28
	27
Mr. Isidorio Fernandes	34
	-
Mr. Laxmi Narayan Sahu	21
	-
Mr. Abhisheka Srivastava	16
	-
Mr. Sachin Nayak	35
	35
Mr. Utkarsh Sharma	27
	45
Mr. Manish Gupta	14
	37
Mr. Anish Kumar	-
	3
Mr. Neeraj Gupta	-
	13
Mr. Jagdish Asodekar	-
	4
Mr. Jibananda Bain	-
	17
Mr. Sarvesh Shahare	16
	-

Nature of transactions	Amount (Rs.) in lakhs
<b>Director Sitting Fees</b>	
Mr. S V D Nageswara Rao	-
	19
Ms. Trishna Guha	16
	17
Mr. Vijay Sardana	-
	1
Mr. Ajai Kumar	9
	17
Mr. S. Raghunathan	-
	7
Mr. Dinesh Patwari	17
	-
Mr. Ashok Kumar Dogra	7
	8
Mr. Raksh Kumar Srivastava	10
	8
Mr. Manoj Kunkalienkar	3
	-
Mr. Vijay Ranjan	-
	7
Mrs. Rita Menon	-
	7
Mr. Alok Mittal	-
	8
Ms. Neha Gada	3
	2
Mr. Prasad Hari Chaudhari	1
	-

\*Excludes gratuity and long term compensated absences which are actuarially valued and where separate amounts are not identifiable.

- Related party relationship is as identified by the Group and relied upon by the auditors.
- There are no amounts written off or written back in the year in respect of debts due from or to related parties.
- Figures in italic represent previous year's amounts.
- The transactions with the related parties are disclosed only till the relation exists.
- There have been no guarantees provided or received for any related party receivables or payables.

**43 Details of dues to micro, small and medium enterprises**

Under Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. Accordingly, Group on periodic basis collects the required information from the vendors as to whether they are covered under Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act, 2006). Based on the vendors identified as above the outstanding amounts payable to vendors covered under Micro, Small and Medium Enterprises Development Act 2006 are given below;

Particulars	FY 2023-24	FY 2022-23
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	Principal - Rs. 2,89,199 Interest-Rs.Nil	Principal - Rs. 2,29,112 Interest-Rs.Nil
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	N.A.	N.A.
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	N.A.	N.A.
The amount of interest accrued and remaining unpaid at the end of accounting year; and	N.A.	N.A.
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	N.A.	N.A.

**44 Operating lease**

The Group's lease asset primarily consist of leases for office space having various lease terms. The Group also has certain leases of with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

a) Carrying value of right of use assets and the movements thereof : (₹ in Lakh)

Particulars	For the year ended	
	FY 2023-24	FY 2022-23
Opening Gross Block	1,070	1,256
Addition	-	-
Deletion	-	186
<b>Closing Gross Block</b>	<b>1,070</b>	<b>1,070</b>
Opening Accumulated Depreciation	783	511
Addition	178	271
Deletion	-	-
<b>Closing Accumulated Depreciation</b>	<b>960</b>	<b>783</b>
<b>Net Block</b>	<b>110</b>	<b>287</b>

b) Carrying value of Lease Liability and the movements thereof : (₹ in Lakh)

Particulars	For the year ended	
	FY 2023-24	FY 2022-23
Opening Balance	358	834
Addition	-	-
Interest Cost accrued during the year	15	39
Lease liability payment	232	310
Deletion	-	205
<b>Closing Balance</b>	<b>142</b>	<b>358</b>
<b>Current Lease Liability</b>	<b>142</b>	<b>216</b>
<b>Non Current Lease Liability</b>	<b>-</b>	<b>142</b>

c) The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rental expense recorded for short-term leases or cancellable in nature was Rs. 37 Lakhs (Previous Year Rs. 29 Lakhs).

- d) i The minimum lease rentals on operating leases recognized in the Statement of Profit & Loss and the future minimum lease payments under operating leases are as follows:

(₹ in Lakh)

Particulars	As at	
	March 31, 2024	March 31, 2023
<b>Future minimum lease payments</b>		
Not later than one year	181	259
Later than one year and not later than five years	41	174
Later than five years	-	-

- d) ii Lease payments recognised in the statement of Profit & Loss is Rs. 230.19 Lakhs (Previous year Rs. 209.24 Lakhs).

#### 45 Fair value Measurement

Financial Instruments by category

(₹ in Lakh)

Particulars	March 31, 2024			March 31, 2023		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Assets</b>						
Investments						
Other Instruments	-	-	4,781	-	-	6,971
Mutual Funds	169	-	-	374	-	-
Trade receivables	-	-	261	-	-	130
Cash and cash equivalents	-	-	1,371	-	-	6,342
Bank balances other than cash and cash equivalents	-	-	105	-	-	2,875
Deposits	-	-	104	-	-	163
Other financial assets	-	-	9,552	-	-	4,205
<b>Total financial assets</b>	<b>169</b>	<b>-</b>	<b>16,174</b>	<b>374</b>	<b>-</b>	<b>20,687</b>
<b>Financial liabilities</b>						
Trade payables	-	-	259	-	-	92
Other financial liabilities	-	-	4,383	-	-	4,559
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>4,642</b>	<b>-</b>	<b>-</b>	<b>4,651</b>

The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including creditors, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

#### Fair Value Hierarchy

##### (a) Fair value hierarchy - Recurring fair value measurements

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Financial assets</b>		
<b>At Fair value through profit &amp; loss</b>		
<b>Level 1</b>		
Mutual fund Investments	169	374
	<b>169</b>	<b>374</b>

#### Recognised fair value measurements

**Level 1:** Hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices of instruments

#### 46 Capital management

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our

shareholders. The capital structure of the Group is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

#### **Compliance with externally imposed capital requirements:**

In accordance with regulation 14 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, the Parent Company shall have a minimum net worth of Rs. 10,000 Lakhs at all times.

### **47 Financials Risk Management**

The Group's principal financial liabilities comprise of trade and other payables. The Group's principal financial assets include trade and other receivables, cash and short-term deposits that derive directly from its operations.

The Board of Directors of the Parent Company reviews and agrees policies for managing each of these risks, which are summarised below:

The Group has an active Risk Management Committee which enables the Senior Management to establish a strong risk management framework and oversee the related risks from time to time. The business activities of the Group exposes it to certain financial risks which can be broadly categorized into : credit risk, liquidity risk, market risk and regulatory risk. The activities of the Risk Management Committee rotates around identifying, analyzing and categorizing potential risks, set appropriate metrics and controls to timely monitor them and ensure that they adhere to limits. The frameworks, policies and systems related to risk are reviewed on regular intervals by the Committee and proposed changes are reflected depending on factors like market conditions, industry developments, regulatory updates etc.

#### **Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

#### **Trade and other receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry in which the customer operates, also has an influence on credit risk assessment.

The Group has a large and diverse customer base and also collects members deposits as collateral which can be utilized in the case of Members default. The Group provides the stock exchange services to its listed companies and registered members and their clients. The revenue of the Group is not concentrated on small number of customers. All trade receivables are reviewed and assessed for default on a periodic basis. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Our historical experience of collecting receivables indicate that the credit risk is low.

#### **Other Financial Assets**

The Group also maintains cash exposure with banks, term deposits with banks/financial institutions and invests in marketable debt instruments (including mutual funds). For risk diversification, the Group invests into varied instruments across various organizations with secured credit ratings as per the approved Investment Policy. Individual limits are set on concentration and exposures, credit ratings, financial position of each segment and counter-party and it is ensured that regular monitoring of the mentioned criteria are being done by the Group. Due to diversification, secure ratings and proper monitoring on a timely basis, risk factor is very limited.

#### **Liquidity risk**

Liquidity risk is the risk that the Group faces in terms of obligations related to financial liabilities. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Group's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Group's net liquidity position through forecasts on the basis of expected cash flows. The Group's treasury department ensures that the day-to-day forecasts are being made in terms of cashflow requirements based on operational needs and any surplus cash generated is either retained as cash and cash equivalents or invested in allowed investible instruments as per the Investment Policy of the Group.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2024 and March 31, 2023.

(₹ in Lakh)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
<b>As at March 31, 2024</b>				
<b>Liabilities</b>				
Trade payables	259	259	-	259
Other financial liabilities	4,383	2,495	1,888	4,383
<b>Assets</b>				
Trade Receivables	261	261	-	261
Investment	4,951	4,867	84	4,951
Cash and Cash equivalents	1,371	1,371	-	1,371
Bank balances other than cash and cash equivalents	105	105	-	105
Deposits	104	-	104	104
Other financial assets	9,552	9,045	506	9,552
<b>As at March 31, 2023</b>				
<b>Liabilities</b>				
Trade payables	92	92	-	92
Other financial liabilities	4,559	2,499	2,060	4,559
<b>Assets</b>				
Trade Receivables	130	130	-	130
Investment	7,345	6,907	437	7,345
Cash and Cash equivalents	6,342	6,342	-	6,342
Bank balances other than cash and cash equivalents	2,875	2,875	-	2,875
Deposits	163	-	163	163
Other financial assets	4,205	3,468	737	4,205

### Market risk

The Group's business, financial condition and operations are dependent upon the levels of activity on the Exchange and in particular upon the traded volume, number of listed companies / securities, the number of new listings and subsequent issuances, number of members added etc. All these contribute to our revenue.

The Group is exposed to interest rate risk due to its investments in debt-related instruments. The interest rate risk is directly linked to the future movements of yield in the market depending on RBI's decision and take on various factors.

The Group is mainly exposed to the price risk due to its investment in mutual funds and investments in equity shares. The price risk arises due to uncertainties about the future market values of these investments.

### Regulatory risk

The Parent Company is a Stock Exchange recognized by Securities and Exchange Board of India (SEBI). The Parent Company's operations are subject to continuous review as per the governing regulations as laid down by SEBI. The Parent Company's regulatory team constantly monitors the compliance all applicable SEBI rules and regulations.

Post implementation of interoperability requirements, all Exchanges are required to contribute such amounts to the Core SGF of the Clearing Corporations as may be determined in accordance with the methodology specified by SEBI. The contribution to the Settlement Guarantee Fund of each Clearing Corporation is based on the ratio of Turnover of each Exchange to

the relevant Clearing Corporation. The Parent Company has made already met necessary contribution to SGF and is in compliance with the requirement laid down.

SEBI letter No. SEBI/LAD-NRO/GN/2023/150 dated September 13, 2023 renewed the recognition granted to the Stock Exchange for a period of one year commencing on the 16th day of September 2023 and ending on 15th day of September 2024.

As per Securities contracts regulations (stock exchange and clearing corporations) regulations 2018, a recognised stock exchange shall have a minimum net worth of Rs. 10,000 Lakhs at all times. The Parent Company is in compliance of net-worth requirement as laid down under the regulation. The networth of the Parent Company as on March 31, 2024 stands at INR 19,281 Lakhs.

### 48 Taxes

#### a) Income Tax Expenses

The major components of income tax expenses for the year ended March 31, 2024 and March 31, 2023 are as follows:

**Profit or loss section** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Current tax expense	63	-
Tax expense of earlier years	52	(0)
Deferred tax	-	(127)
<b>Total income tax expense recognised in profit or loss</b>	<b>116</b>	<b>(127)</b>

**Other comprehensive income section** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Re-measurements of the defined benefit plans;	-	-
<b>Total income tax expense recognised in Other comprehensive income</b>	-	-

**b) Reconciliation of effective tax rate** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
a) Income before income tax	(4,759)	(1,994)
b) Enacted tax rate in India	26%	26%
c) Expected tax expenses (a*b)	-	-
d) Other than temporary differences	-	-
Investment income	-	-
Expenses disallowed / (allowed)	-	-
<b>Total</b>	-	-
e) Temporary difference	7,531	8,326
Temporary difference on which deferred tax assets not recognised	(7,531)	(8,326)
<b>Total</b>	-	-
<b>f) Net adjustments (d+e)</b>	-	-
<b>g) Current tax expense of earlier years</b>	<b>116</b>	<b>(127)</b>
<b>h) Tax expenses recognised in Profit or Loss (c+f+g)</b>	<b>116</b>	<b>(127)</b>

In the absence of reasonable certainty, deferred tax assets on account of unabsorbed depreciation and brought forward losses has not been recognized.

**49 Expenditure in foreign currency** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Repair, Maintenance & Sponsorship	21	20

**50 Revenue from contract with customer****a) The revenue from contracts with customers to the amounts disclosed as total revenue is as under** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Revenue from contract with customer	726	916
Revenue from other sources	10	6
<b>Total</b>	<b>736</b>	<b>921</b>

**b) The disaggregation of revenue from contracts with customers is as under :****i) Geographical Location** (₹ in Lakh)

Particulars	FY 2023-24		FY 2022-23	
	India	Foreign	India	Foreign
Total Revenue	714	23	899	22

**ii) At point in time / Over time** (₹ in Lakh)

Particulars	FY 2023 - 24			FY 2022 - 23		
	At point in time	Over Time	Total	At point in time	Over Time	Total
Total Revenue	480	257	736	624	298	921

**c) The contract assets & liability from contract with customers are as under :****i) Contract Assets** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Opening Balance of Contract Asset	60	20
Previous year - Contract Asset - reclassified to trade receivable on invoicing	60	20
Current year – Contract asset	68	60
Closing Balance of Contract Assets	68	60

**ii) Contract Liability** (₹ in Lakh)

Particulars	FY 2023-24	FY 2022-23
Opening Balance of Contract Liability	25	27
Previous year - Contract Liability - Revenue recognized during the year	12	6
Current year – Contract Liability Carried forward	8	5
Closing Balance of Contract Liability	21	25

## 51 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Year Ended March 31, 2024

Sr. No.	Name of the Entity in the Group	Net Asset i.e. Total assets minus total liabilities		Share in Profit		Share in Other Comprehensive Income (OCI)		Share in total Comprehensive Income	
		As % of Consolidated Net asset	Amount (₹ in Lakh)	As % of Consolidated Profit / Loss	Amount (₹ in Lakh)	As % of Consolidated OCI	Amount (₹ in Lakh)	As % of total comprehensive income	Amount (₹ in Lakh)
<b>A</b>	<b>Parent</b>								
	Metropolitan Stock Exchange of India Ltd.	100%	24,918	100%	(4,874)	100%	12	100%	(4,863)
<b>B</b>	<b>Indian Subsidiary</b>								
i	MSE Fintech Limited	0%	2	0%	0	0%	-	0%	0
	<b>Total</b>	<b>100%</b>	<b>24,919</b>	<b>100%</b>	<b>(4,874)</b>	<b>100%</b>	<b>12</b>	<b>100%</b>	<b>(4,862)</b>

\* Rs. "0" represent amount less than Rs. 50,000.

Year Ended March 31, 2023

Sr. No.	Name of the Entity in the Group	Net Asset i.e. Total assets minus total liabilities		Share in Profit		Share in Other Comprehensive Income (OCI)		Share in total Comprehensive Income	
		As % of Consolidated Net asset	Amount (₹ in Lakh)	As % of Consolidated Profit / Loss	Amount (₹ in Lakh)	As % of Consolidated OCI	Amount (₹ in Lakh)	As % of total comprehensive income	Amount (₹ in Lakh)
<b>A</b>	<b>Parent</b>								
	Metropolitan Stock Exchange of India Ltd.	100%	29,936	100%	(1,866)	100%	27	100%	(1,839)
<b>B</b>	<b>Indian Subsidiary</b>								
i	MSE Fintech Limited	0%	2	0%	(0)	0%	-	0%	(0)
	<b>Total</b>	<b>100%</b>	<b>29,938</b>	<b>100%</b>	<b>(1,867)</b>	<b>100%</b>	<b>27</b>	<b>100%</b>	<b>(1,840)</b>

\* Rs. "0" represent amount less than Rs. 50,000.

## 52 Corporate Social Responsibility

The Group was not required to spend any amount towards CSR as per Section 135 of the Companies Act, 2013 as the networth of the Parent Company and subsidiary is below Rs. 500 crore, turnover for current financial year is below Rs. 1,000 crore and the Group has made net loss during immediately preceding financial year.

## 53 Utilisation of Borrowed funds and share premium

The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Group has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## 54 Other disclosure required under Schedule III as amended:

- The Group has not traded or invested in crypto currency or virtual currency during the financial year.
- No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereon.
- The Group has not been declared willful defaulter by any

bank or financial institution or government or any government authority.

- The Parent Company has filed application for merger and amalgamation u/s 230-232 of Companies Act 2013 before NCLT, Mumbai for merger with its subsidiary MSE Enterprises Ltd. NCLT vide its order dated June 06, 2024 approved the merger application (refer note 35)
- There are no charges or satisfaction required to be registered with ROC by the Group.
- There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961
- The Group does not possess any immovable property (other than properties where the Parent Company is the lessee and the lease agreements are duly executed in favour of the lessee, whose title deeds are not held in the name of the Parent Company during the financial year ended March 31, 2024 and March 31, 2023).
- There are no core investment company (CIC) in the group

## 55 Compliance with number of layers of Companies

The Parent Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial year ended March 31, 2024 and March 31, 2023.

## 56 Loans or advances to specified persons

The Group has not granted any loans or advances to promoters, directors, KMPs and related parties either severally or jointly with any other person, that are:

- repayable on demand or,
- without specifying any terms or period for repayment.

**57 Details of transactions with Companies struck off under section 248 of the Companies Act, 2013:**

The Group have not undertaken any transactions with any company whose name is struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2024 and March 31, 2023.

**58 Ratios**

Particulars	Year ended	Numerator ( ₹ in Lakh )	Denominator ( ₹ in Lakh )	Final Ratio	Variance
Current Ratio	March 31, 2024	16,157	3,735	4	<b>(24%)</b>
	March 31, 2023	20,266	3,572	6	
		Current Assets:- Value of all assets it can reasonably expect to convert into cash within one year	Current Liability:- Obligations that are due within one year		
Return on equity ratio	March 31, 2024	(4,874)	19,279	(25%)	<b>227%</b>
	March 31, 2023	(1,867)	24,141	(8%)	
		Net income:- Net profit before dividend	Shareholder equity:- Assets minus liabilities	Increase in net loss during the FY 2023-24.	
Trade receivable turnover ratio	March 31, 2024	736	196	4	<b>13%</b>
	March 31, 2023	921	276	3	
		Net credit sales:- sales where the amount is realised at a later date.	Average accounts receivable:- sum of starting and ending accounts receivable over a time period (such as monthly or quarterly), divided by 2.		
Trade payable turnover ratio	March 31, 2024	4,504	176	26	<b>(51%)</b>
	March 31, 2023	3,936	75	52	
		Net credit purchase:- purchase where the amount is paid at a later date.	Average accounts payable:- sum of starting and ending accounts payable over a time period (such as monthly or quarterly), divided by 2.	Increase in net credit purchase during FY 2023-24.	
Net capital turnover ratio	March 31, 2024	736	19,279	4%	<b>0%</b>
	March 31, 2023	921	24,141	4%	
		Total Sales:- Total annual turnover of the Company for the financial year	Shareholder equity:- Assets minus liabilities		
Net profit ratio	March 31, 2024	(4,862)	736	(660%)	<b>231%</b>
	March 31, 2023	(1,840)	921	(200%)	
		Net profit:- net profit / (loss) for the year	Net sales:-Total annual turnover of the Company for the financial year	Increase in net loss during the FY 2023-24.	
Return on capital employed	March 31, 2024	(4,759)	19,279	(25%)	<b>199%</b>
	March 31, 2023	(1,994)	24,141	(8%)	
		Earnings and before interest and tax	Shareholder equity:- Assets minus liabilities	Increase in net loss during the FY 2023-24.	



- 59** 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 Parent Company has submitted the information and documentation sought and the inspection is under process.
- 60** Balances grouped under Non-Current and Current Liabilities and Non-Current and Current Assets in certain cases are subject to confirmation and reconciliation from respective parties. Impact of the same, if any, shall be accounted as and when determined.
- 61** In the opinion of the management the loans and advances are approximately of the value stated, if realized, paid in ordinary course of business. The provision for all known liabilities are adequate and are not in excess of amount considered reasonably necessary.
- 62** The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

As per our report of even date

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

**For and on Behalf of the Board of Directors of**  
Metropolitan Stock Exchange of India Limited

**Pramod Tilwani**  
Partner  
Membership No.076650

**Dinesh C. Patwari**  
Chairman & Public Interest Director  
DIN : 10060352

**Latika S. Kundu**  
Managing Director & CEO  
DIN : 08561873

Place : Mumbai  
Dated : June 19, 2024

**Saket Bhansali**  
Chief Financial Officer

**Durgesh Kadam**  
Head - Legal & Company Secretary  
FCS 8496

**Form AOC – 1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint venture

**Part “A”: Subsidiaries**

(Rs. In Lakhs)

Sr. No.	Name of the subsidiary	Date of Acquisition	Share Capital	Reserves & surplus	Total Assets	Total Liabilities	Investments (Current)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of share-holding
1.	MSE Fintech Limited	March 02, 2012	5.00	(3.62)	1.77	0.39	NIL	NIL	0.13	NIL	0.13	NIL	100%

- Name of subsidiary which are yet to commence operations: **MSE Fintech Limited**
- Name of subsidiaries which have been liquidated or sold during the year: **None**

**Part “B”**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Venture – **Not Applicable**

# M

# S

# E



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