

MCX/SEC/1794

January 30, 2020

The Dy. General Manager  
Corporate Relations & Service Dept.,  
**BSE Limited**,  
P.J. Towers,  
Dalal Street, Fort,  
Mumbai 400 001.

**Ref: Scrip Code: 534091, Scrip Name: MCX**

**Sub: Investor Presentation for quarter and nine months ended December 31, 2019**

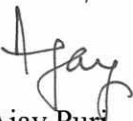
Dear Sir / Madam,

Please find enclosed herewith investor presentation for quarter and nine months ended December 31, 2019.

Kindly take the same on record.

Thanking you,

**For Multi Commodity Exchange of India Limited**



Ajay Puri  
**Company Secretary**  
Encl: as above



# INVESTOR OVERVIEW

JANUARY 2020

**MCX**  
METAL & ENERGY  
Trade with Trust

**ADT**

Rs.30,854 Cr. ↑  
 (Rs.26,614 Cr.) ↑16%

**OPERATING REVENUE**

Rs.89.27 Cr. ↑  
 (Rs.76.93 Cr.) ↑16%

**Total Revenue**

Rs.112.74 Cr. ↑  
 (Rs.109.10 Cr.) ↑3%

**PAT**

Rs.55.57 Cr. ↑  
 (Rs.41.99 Cr.) ↑32%

**EBIDTA**

Rs.62.67 Cr. ↑  
 (Rs.53.13 Cr.) ↑18%

**SGF**

Rs.390.47 Cr.\*  
 (Rs.312.31 Cr.)

**IPF**

Rs.196.70 Cr.\*  
 (Rs.202.53 Cr.)

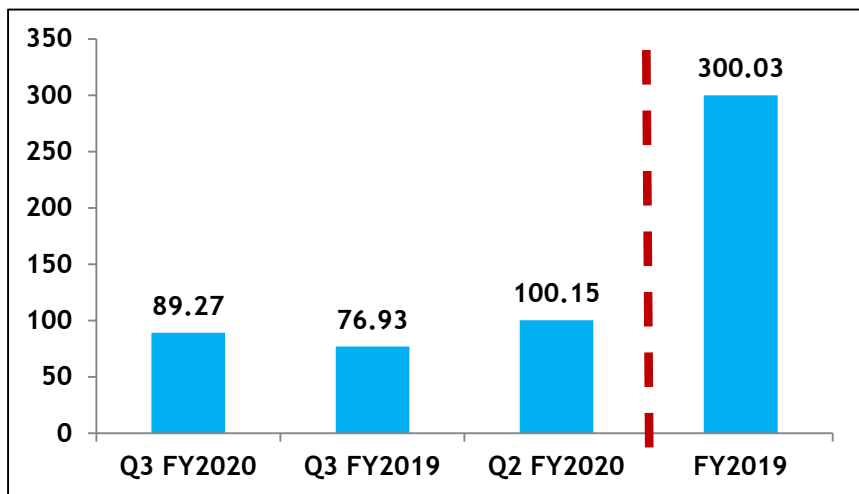
**Book Value per share**

Rs.254\*\*  
 (Rs.245^)

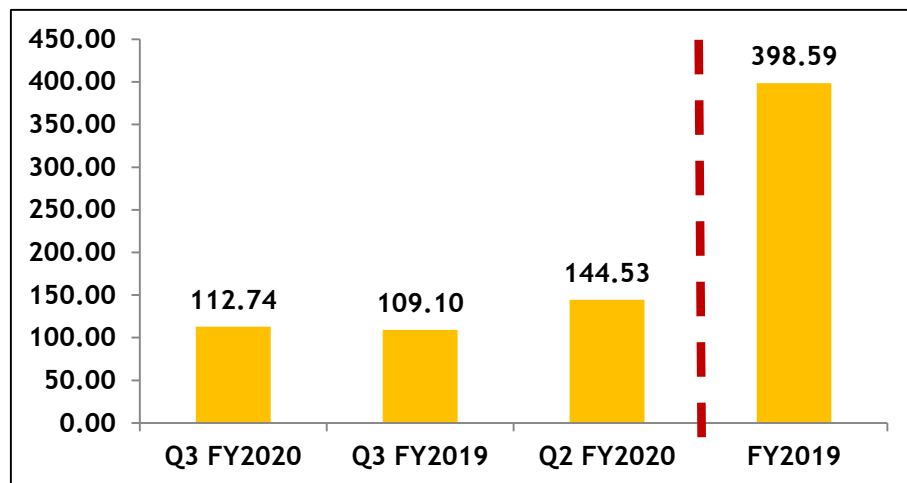
**AVERAGE REALISATION**

Rs.2.10 Per lakh  
 (Rs.2.15)

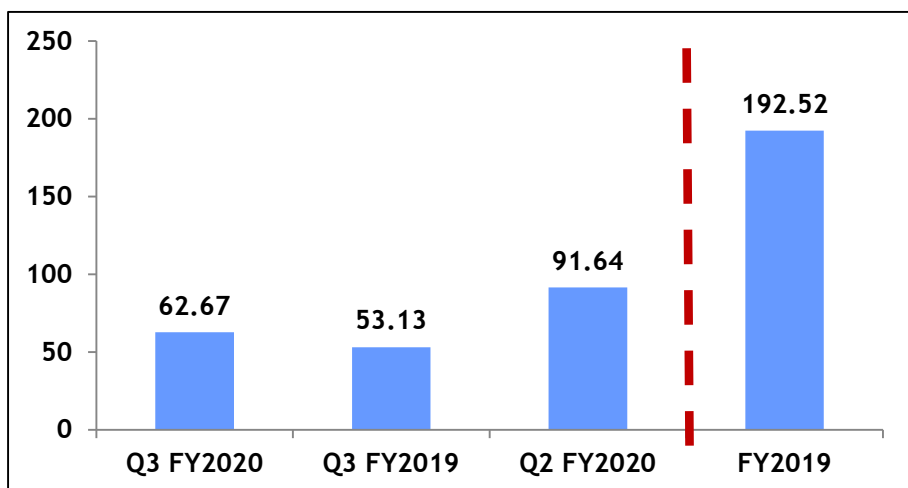
**OPERATING REVENUE (IN RS. CRORE)**



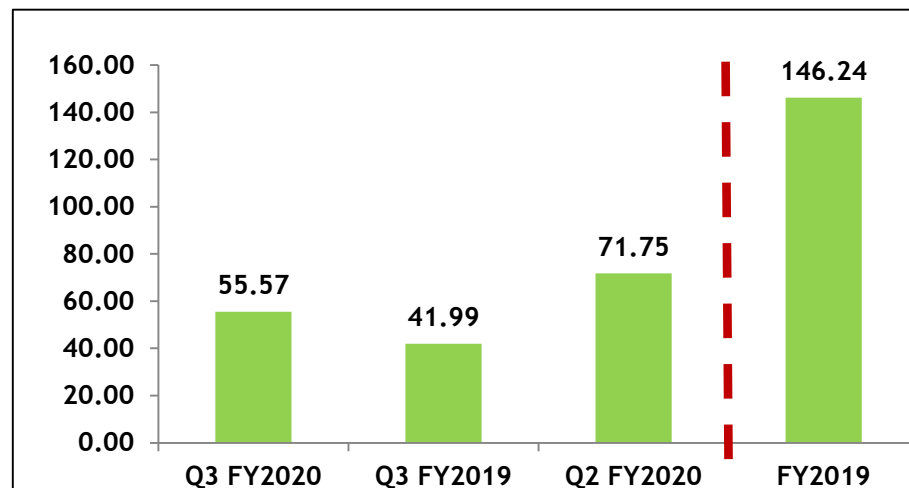
**TOTAL REVENUE (IN RS. CRORE)**



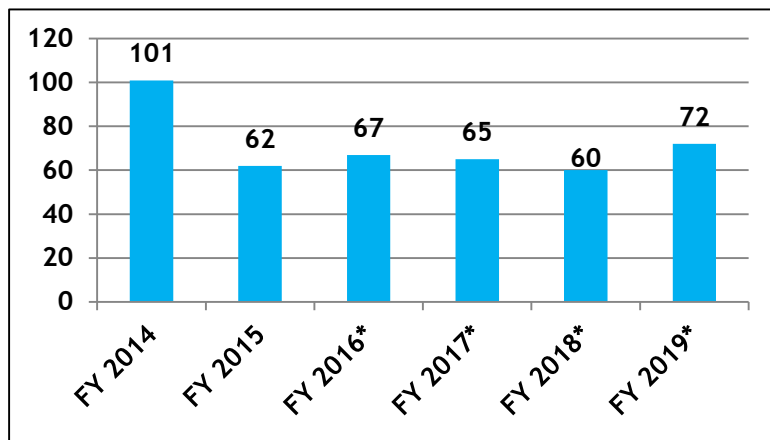
**EBIDTA (IN RS. CRORE)**



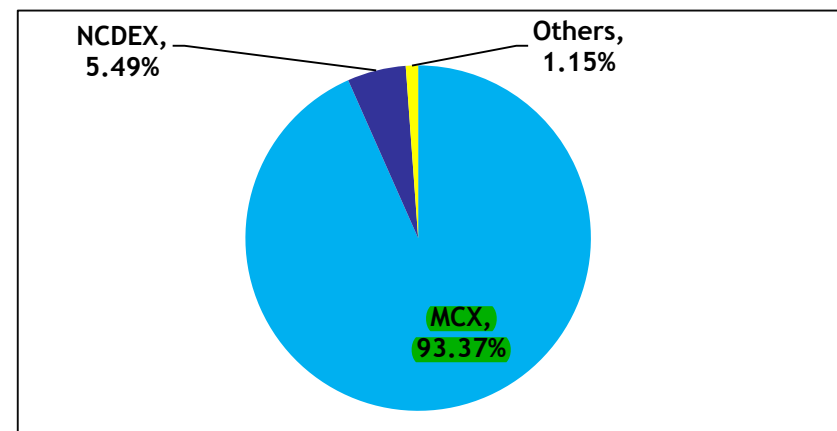
**PAT (IN RS. CRORE)**



**INDIAN COMMODITIES MARKET IN TERMS OF VALUE OF FUTURES TRADED (INR TN)**



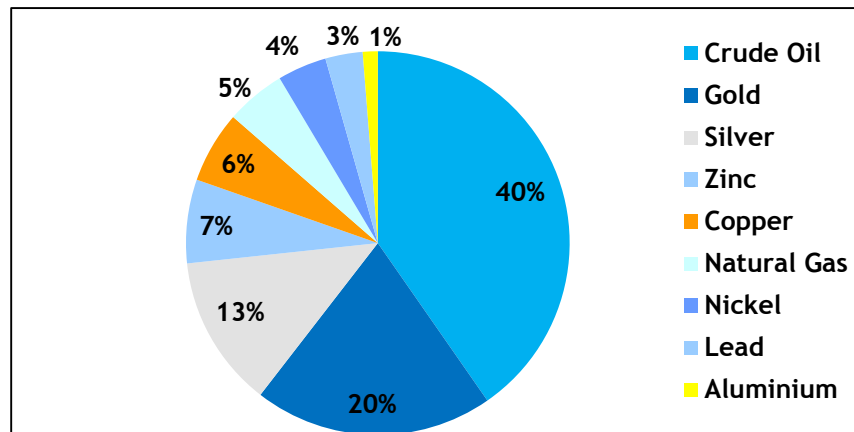
**COMMODITY DERIVATIVES MARKET SHARE 9M FY2020\***



**MCX: MARKET SHARE IN KEY SEGMENTS FOR 9M FY2020\***

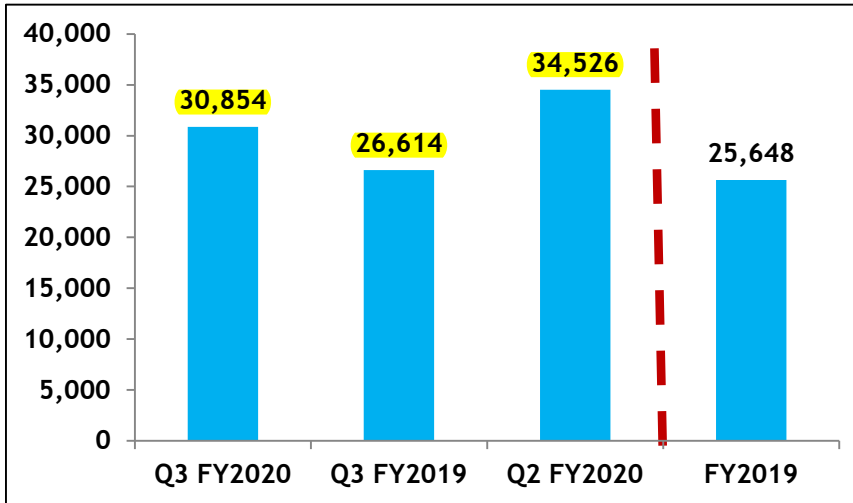
Commodity Segment	MCX Market Share in Indian Commodity Futures space	Proportion of MCX's turnover
Precious Metals & Stones	98.37%	33.16%
Energy	99.98%	44.96%
Base Metals	100.00%	20.74%
Agri- Commodities	14.99%	1.14%

**MCX MAJOR COMMODITIES TURNOVER 9M FY2020**



# OPERATIONAL HIGHLIGHTS

## AVERAGE DAILY TURNOVER - Single Side (INR Crore)\*



## EXTENSIVE REACH

694 Members

57,374 Authorised Persons

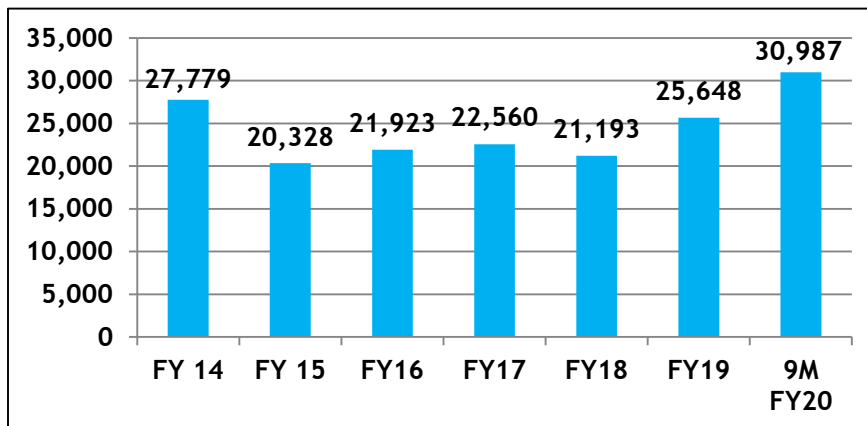
20,96,546 terminals (including IBT, WT, CTCL)

1049 cities/towns across India

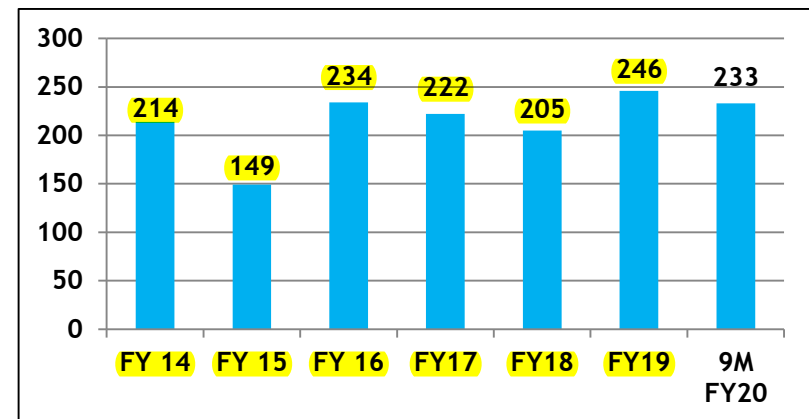
##No. of UCCs - 31,05,834

## Unique Client Code

## AVERAGE DAILY TURNOVER - Single Side (INR Crore)\*



## VOLUME OF CONTRACTS (Lots in MN)\*



- Gold Petal contract witnesses successful delivery of 5000 one gram coins.
- Crude Palm Oil futures contracts witnessed highest turnover of Rs. 779 crore on December 27, 2019 since introduction of CTT.
- Exchange has introduced Delhi, Chennai, Mumbai, Agra, Salem, Rajkot and Jaipur as additional delivery centres for silver futures contract expiring from May 2020 and onwards
- Base metals delivery details:-

Commodities	Total Delivery in 9M FY2020 (in MT)
Aluminum	22,881
Copper	11,675
Lead	2,077
Nickel	681
Zinc	14,344

## Distribution

- Banks sponsored broking entities are allowed to provide services in commodity derivatives market
- Banks are allowed to serve as Professional Clearing Members (PCM)
- Integration of brokers: fungibility enabled at members level, resulting in ease of doing businesses at client level

## Participation

- **SEBI allowed participation of institutional investors such as Mutual Funds & Portfolio Managers (PMS)**
  - Mutual Funds to participate in exchange-traded commodity derivatives except in commodity derivatives on 'Sensitive Commodities' as clients through following schemes:-
    - Hybrid schemes & multi asset schemes
    - Gold ETFs
  - PMS to participate in Exchange Traded Commodity Derivatives on behalf of their clients

## Indices & Options

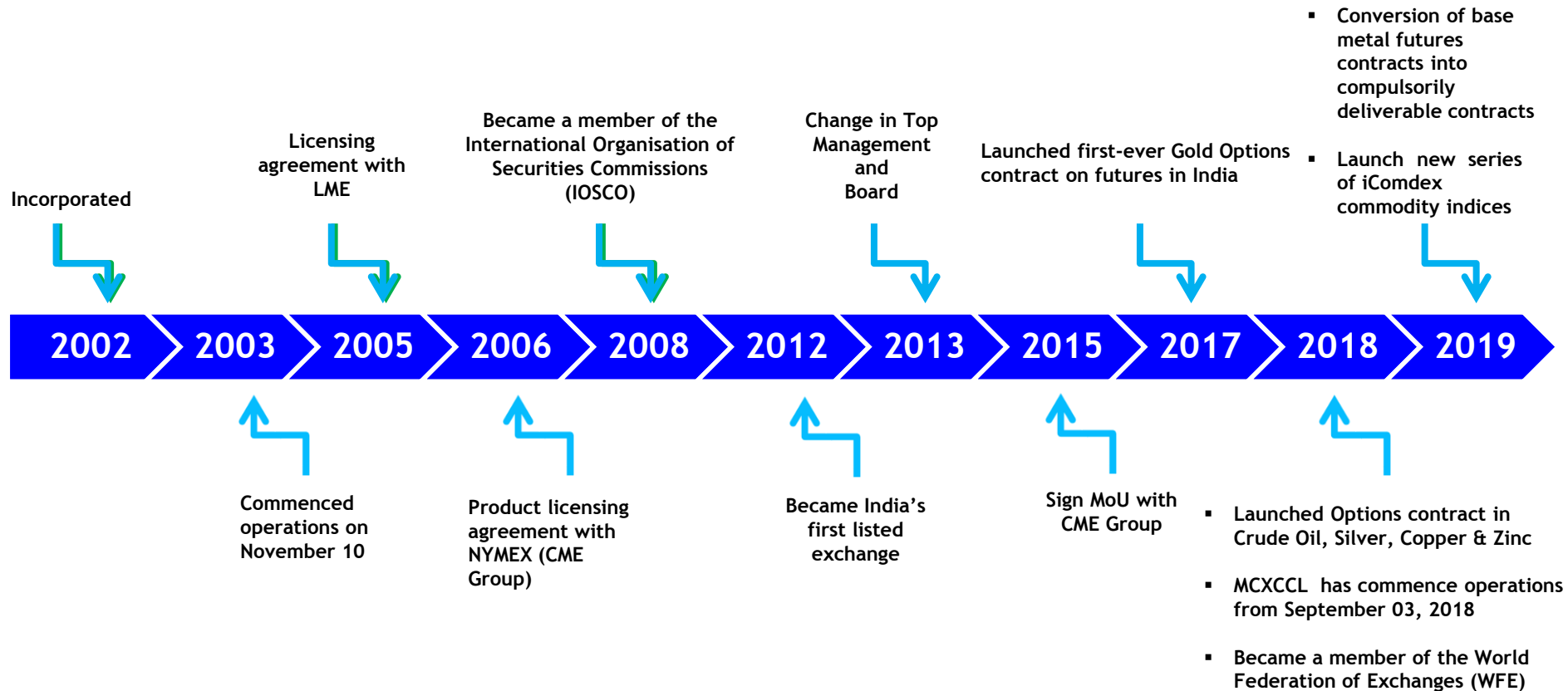
- Awaiting SEBI's approval to launch commodity index futures
- Option contracts on gold, silver, crude oil, copper and zinc futures have been introduced
- SEBI has allowed exchanges to launch 'Option in Goods'

## Spot Initiatives

- Bullion and Natural Gas spot exchanges - awaiting policy and guidelines

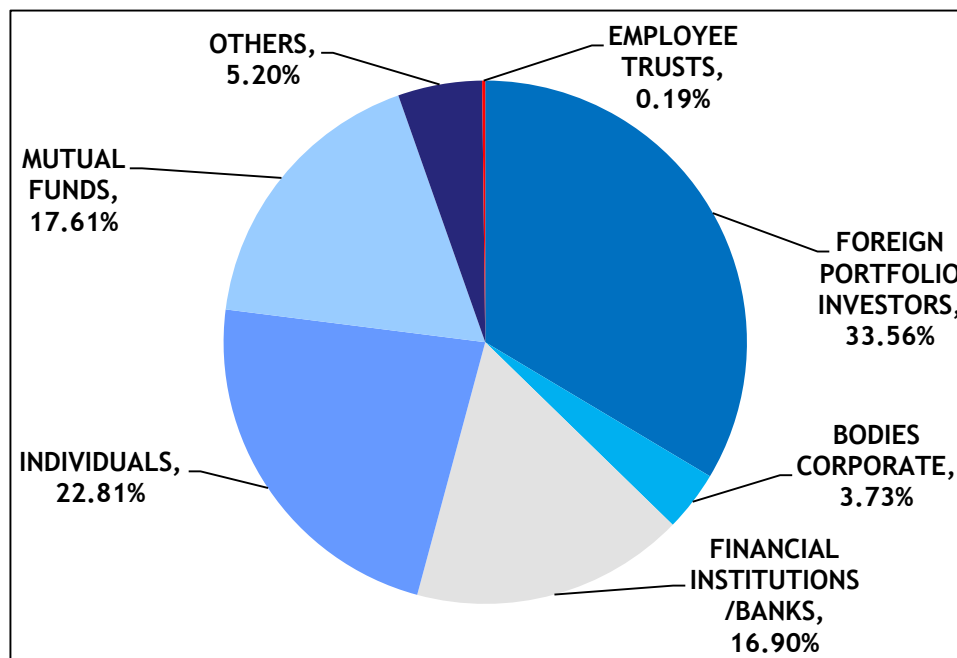


# KEY MILESTONES



- Ensure that all shareholders are ‘fit and proper’
- Shareholders who acquire **above two per cent** would have to seek approval from SEBI within 15 days of acquisition by submitting the application to the Exchange
- Shareholders who intend to acquire **beyond five per cent** would have to take a prior approval from SEBI
- Exchange to ensure **51 per cent** of shareholding is held by the public at all times
- Aggregate Shareholding of trading members, their associates or agents should **not exceed 49% paid-up capital** at any point of time
- Foreign entity (like Exchanges, Depository, Banking & Insurance) can acquire or hold upto 15 per cent of the paid-up equity share capital

## SHAREHOLDING STRUCTURE AS ON DECEMBER 31, 2019



### Stock Info:-

No. of Shares Outstanding (In MN) - 50.998

BSE - MCX - 52 Week - H -Rs. 1442.00 / L - Rs. 643.50 (per share)

NSE - MCX - 52 Week - H -Rs. 1443.00 / L - Rs. 643.50 (per share)

As per BSE Market Capitalisation (In Rs. Bn) - 59.56<sup>#</sup>

## MAJOR SHAREHOLDERS SHAREHOLDING MORE THAN 1%

Sr. No.	Name of Shareholders <sup>##</sup>	%
1	Kotak Mahindra Bank Limited	15.00
2	Jhunjhunwala Rakesh Radheshyam	3.92
3	UTI Mutual Fund*	3.82
4	Axis Mutual Fund*	3.28
5	Government Pension Fund Global	2.62
6	SBI Mutual Fund*	2.38
7	JP Morgan Indian Investment Company (Mauritius) Ltd	2.24
8	East Bridge Capital Master Fund I ltd	2.15
9	L&T Mutual Fund*	1.94
10	Reliance Mutual Fund*	1.75
11	College Retirement Equities Fund**	1.60
12	IDFC Multi Cap Fund	1.57
13	J P Morgan Funds	1.44
14	ICICI Prudential Life Insurance Co. Ltd.	1.35
15	Kontiki Master Fund	1.21
16	Prusik Umbrella Ucits Fund Plc/Prusik Asian Equity	1.16
17	HDFC Bank Ltd.	1.03
18	Aditya Birla Mutual Fund*	1.02

<sup>##</sup> Based on PAN

# EXPERIENCED BOARD OF DIRECTORS

## **SAURABH CHANDRA, IAS (Retd.), Chairman**

- Former Secretary to the Ministry of Petroleum and Natural Gas, GoI, & in the Department of Industrial Policy and Promotion (DIPP),
- Has over 39 years of experience in various assignments, with State & Central Govt; in the Ministry of Finance, Ministry of Commerce and Industry, Ministry of Chemicals & Fertilizers, in the Govt. of India

## **MS. PRAVIN TRIPATHI, Public Interest Director**

- Former Deputy Comptroller & Auditor General of India & Chairperson Audit Board.
- Was the member of Airport Economic Regulatory Authority Appellate and also the member of Competition Appellate Tribunal
- Director on the Boards of various companies in different sectors

## **AMIT GOELA, Shareholder Director**

- Presently, Partner at Rare Enterprises
- Former AVP (Private Equity) Reliance Capital and CEO at Alchemy Share & Stock Brokers,
- Over 23 years of experience in Capital Market

## **MS. MADHU VADERA JAYAKUMAR, Shareholder Director**

- An independent investor in Financial Markets
- Founder CEO of E-Commodities Limited,
- Over 32 years of experience in Risk Management & Financial Services Industry

## **BASANT SETH, Public Interest Director**

- Currently on the Board of State Bank of India, Roto Pumps Ltd. and Accountscore India Pvt. Ltd.
- Former Central Information Commissioner
- Over 38 years of experience in finance & banking, management & administrative matters

## **DR. DEEPALI PANT JOSHI, Public Interest Director**

- Former Executive Director of Reserve Bank of India (RBI)
- Former Chief Appellate Authority under the Right to information Act and head of the RBI Legal Department
- Over 37 years of experience; held several senior positions with RBI

## **C. JAYARAM, Shareholder Director**

- Former Joint Managing Director of Kotak Mahindra Bank Limited
- Currently on the board of Kotak Mahindra Bank Ltd., as a Non-Executive and Non-Independent Director
- Over 40 years of diverse experience in Financial Sector & related businesses

## **MS. PADMA RAGHUNATHAN, Shareholder Director**

- Presently, working as Chief General Manager in Finance Department at NABARD
- Has closely worked with community-centred institutions engaged in upliftment of livelihood prospects of rural poor

## **DR. BHARTENDU KUMAR GAIROLA, Public Interest Director**

- Founding member of National Informatics Centre (NIC) and has served in various capacities at NIC
- Helping the State Government of Chattisgarh in setting up an International Institute of Information Technology at Naya Raipur (IIITNR), as member of the Board of Governors

## **SHANKAR AGGARWAL, Public Interest Director**

- Former Secretary to the Ministry of Labour and Employment, GoI
- Former Secretary to the Ministry of Urban Development, GoI
- Prior to working with the Central Government, he held diverse and important portfolios in the UP Government

## **HEMANG RAJA, Shareholder Director**

- Former, Country Advisor - India to Asia Growth Capital Advisors (AGCA) for managing India Investments
- Former MD and Head India at Ritchie Capital
- Over 35 year of experience in Financial Industry

## **P. S. REDDY, MD and CEO**

- Former MD & CEO of Central Depository Services (India) Limited (CDSL)
- Over 30 years of diverse experience in Indian Capital Market, especially in Stock Exchange, Clearing Corporation and its ecosystem businesses

**AJAY PURI, Company Secretary**

- Ex-President - Atherstone Capital,
- Over 39 years of experience in the field of Company Law, Legal, Secretarial & taxation functions with organisations such as Bharti Telecom, Weston Electronik, Crowne Plaza Toronto Centre

**PARESHNATH PAUL, Chief Information Officer**

- Former Chief Technology Officer at Indian Energy Exchange (IEX)
- Over 26 years of experience in the Information Technology Sector

**SANJAY GOLECHA, Chief Regulatory officer**

- Previously with MSEI Ltd and BSE Ltd
- Over 31 years of diverse experience in Capital Markets

**CHITTARANJAN REGE, Head - Base Metals**

- Previously with E&Y, Hindalco & Mecklai Financial
- Over 21 years of experience in financial and commodity risk management

**RAJENDRA GOGATE, Head HR & Administration**

- Ex-General Manager(Facilities) - TATA Teleservices & Dy. GM - Essar
- Over 36 years of experience in the field of General Administration, Facilities Management

**SHIVANSHU MEHTA, Head - Bullion**

- Previously worked with Aditya Birla Group (Hindalco and Grasim)
- Previously worked with NCDEX
- Over 20 years of experience in physical and financial markets of precious and base metals

**PRAVEEN DG, Head - Corporate Office and Projects, Risk Officer**



- Previously worked with MCX-SX & ICFAI - (Research Wing)
- Over 19 years of experience in financial markets

**RISHI NATHANY, Head - Business Development & Marketing**

- Former Chief- Financial Segment at NCDEX and CEO and COO of various broking companies
- Over 22 years of experience across the Financial Services domain

**DR. V. SHUNMUGAM, Head Research**

- Former, Chief Business Officer - Nomura Research Institute
- Over 26 years of experience in the field of market research, policy advocacy and finance

- ❖ 100% subsidiary of Multi Commodity Exchange of India Ltd. (MCX)
- ❖ Commenced operations on September 03, 2018
- ❖ Settlement Guarantee Fund (SGF) corpus is Rs. 390.47 crs. as on December 31, 2019
- ❖ Has a paid-up share capital of Rs. 240 cr as on March 31, 2019
- ❖ 13 clearing banks empanelled for funds settlement
- ❖ Central counterparty for all trades executed on MCX
- ❖ 217 Clearing Members
- ❖ Granted recognition by European Securities & Markets Authority (ESMA) as a “third-country CCP”
- ❖ Became a member of Asia-Pacific Central Securities Depository Group (ACG) and Primary member of CCP12.
- ❖ Accorded with ISO 27001:2013 & 9001:2015 certifications for its Information Security Management System (ISMS) & Quality Management System (QMS) respectively
- ❖ **Risk Management and Clearing & Settlement functions:-**
  - State of the art risk management system using SPAN based value-at-risk margining model
  - Collection of margin from the members, effect pay-in and payout of funds and commodities
  - Electronic Warehouse Receipts System
    - Commodity accounting and receipts tracking system (Non-Agri) 
    - Agri Commodities settled through CDSL Commodity Repository Ltd. (CCRL) 



# FINANCIAL OVERVIEW

## INCOME STATEMENT (CONSOLIDATED)

INR in Crore, except for per share amounts			
	Q3 FY2020 (Unaudited)	Q3 FY2019 (Unaudited)	Q2 FY2020 (Unaudited)
Revenue from Operations	89.27	76.93	100.15
Other Income	23.47	32.17	44.38
<b>Total Revenue</b>	<b>112.74</b>	<b>109.10</b>	<b>144.53</b>
Employee Cost	17.77	17.69	19.49
Other Operating Expenditure	32.30	38.28	33.40
<b>Total Operating Expenditure</b>	<b>50.07</b>	<b>55.97</b>	<b>52.89</b>
<b>EBITDA</b>	<b>62.67</b>	<b>53.13</b>	<b>91.64</b>
Depreciation	4.31	3.84	4.23
Exceptional items	-	-	-
Share of Profit/(Loss) of Associate	0.26	0.22	(0.29)
<b>Profit Before tax</b>	<b>58.62</b>	<b>49.51</b>	<b>87.12</b>
Provision for tax	3.05	7.52	15.37
<b>Profit After tax</b>	<b>55.57</b>	<b>41.99</b>	<b>71.75</b>
Basic EPS* (INR) (Quarterly figures not Annualised)	10.92	8.26	14.11



## INCOME STATEMENT (CONSOLIDATED)

INR in Crore, except for per share amounts		
	9M FY2020 (Unaudited)	9M FY2019 (Unaudited)
Revenue from Operations	268.86	220.90
Other Income	99.14	66.89
<b>Total Revenue</b>	<b>368.00</b>	<b>287.79</b>
Employee Cost	56.04	53.67
Other Operating Expenditure	98.68	98.45
<b>Total Operating Expenditure</b>	<b>154.72</b>	<b>152.12</b>
<b>EBITDA</b>	<b>213.28</b>	<b>135.66</b>
Depreciation	12.56	11.31
Exceptional items	-	23.80
Share of Profit/(Loss) of Associate	0.08	0.22
<b>Profit Before tax</b>	<b>200.80</b>	<b>100.77</b>
Provision for tax	29.79	15.53
<b>Profit After tax</b>	<b>171.01</b>	<b>85.24</b>
Basic EPS* (INR) (9M figures not Annualised)	33.61	16.76

Certain statements in this presentation contain forward-looking information about Multi Commodity Exchange of India Limited and its subsidiary companies, including their business operations, strategy and expected financial performance and condition. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or concern future financial performance (including revenues, earnings or growth rates), possible future plans and action of the company. Forward-looking statements are based on current expectations and understanding about future events.

They are inherently subject to, risks, uncertainties, and assumptions, etc. about the Company, economic factors and the industry in general. The Company's actual performance and events could materially differ from those expressed or implied by forward-looking statements made by the company due to, but not limited to, important factors such as general economic, political and market factors in India and internationally, competition, technological change, and changes in the government regulations.

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#### INVESTOR RELATIONS CONTACT:

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