



MCX/SEC/1821

May 31, 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 year ended March 31, 2020

Dear Sir / Madam,

Please find enclosed herewith investor presentation for quarter and year ended March 31, 2020.

Kindly take the same on record.

Thanking you,

For Multi Commodity Exchange of India Limited

Ajay Puri
Company Secretary
Encl: as above

INVESTOR OVERVIEW

MAY 2020

MCX
METAL & ENERGY
Trade with Trust

ADT

Rs.32,424 Cr. ↑
 (Rs.25,648 Cr.) 26%

OPERATING REVENUE

Rs.374.15 Cr. ↑
 (Rs.300.03 Cr.) 25%

Total Revenue

Rs.503.11 Cr. ↑
 (Rs.398.59 Cr.) 26%

PAT

Rs.236.50 Cr. ↑
 (Rs.146.24 Cr.) 62%

EBIDTA

Rs.283.63 Cr. ↑
 (Rs.192.52 Cr.) 47%

SGF

Rs.409.77 Cr.*
 (Rs.329.80 Cr.)

IPF

Rs.197.96 Cr.*
 (Rs.210.22 Cr.)

Book Value per share

Rs.267**
 (Rs.245)

AVERAGE REALISATION

Rs.2.10 Per lakh
 (Rs.2.17)

ADT

Rs.36,626 Cr. ↑
 (Rs.26,981 Cr.) 36%

OPERATING REVENUE

Rs.105.28 Cr. ↑
 (Rs.79.14 Cr.) 33%

Total Revenue

Rs.134.94 Cr. ↑
 (Rs.110.80 Cr.) 22%

PAT

Rs.65.50 Cr. ↑
 (Rs.60.95 Cr.) 7%

EBIDTA

Rs.70.35 Cr. ↑
 (Rs.56.84 Cr.) 24%

SGF

Rs.409.77 Cr.*
 (Rs.329.80 Cr.)

IPF

Rs.197.96 Cr.*
 (Rs.210.22 Cr.)

Book Value per share

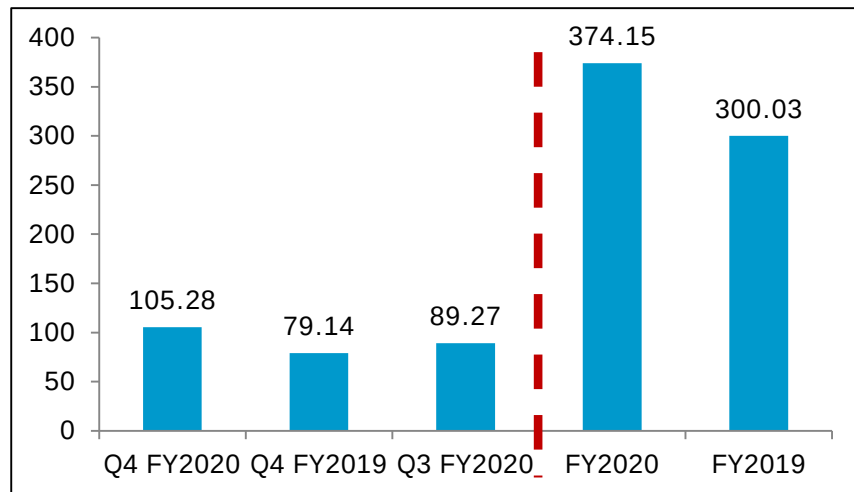
Rs.267**
 (Rs.245^)

AVERAGE REALISATION

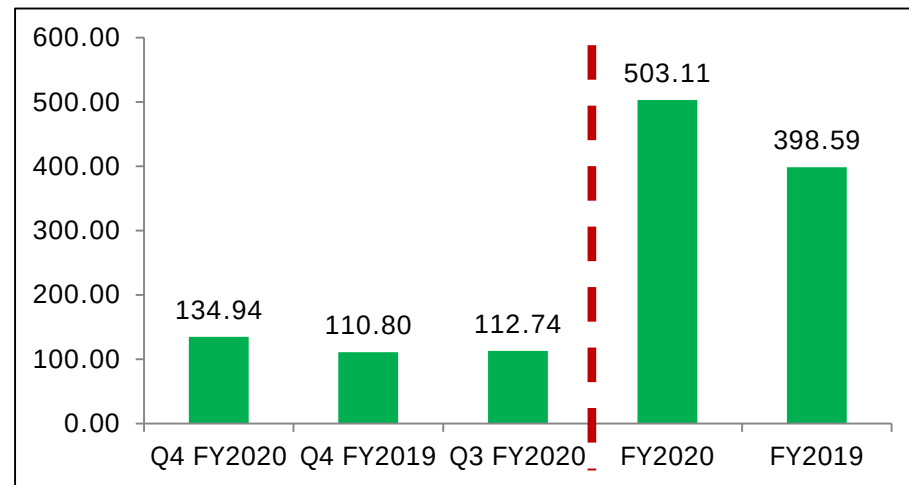
Rs.2.10 Per lakh
 (Rs.2.16)

CONSOLIDATED KEY FINANCIALS

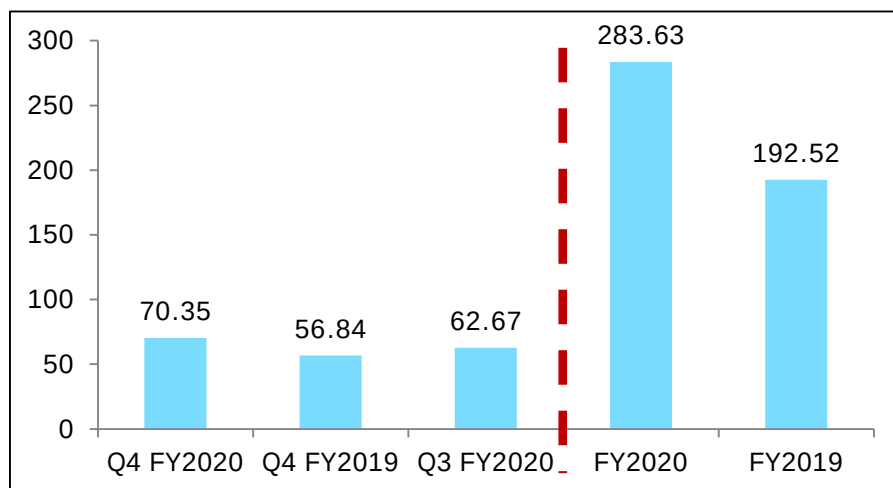
OPERATING REVENUE (IN RS. CRORE)



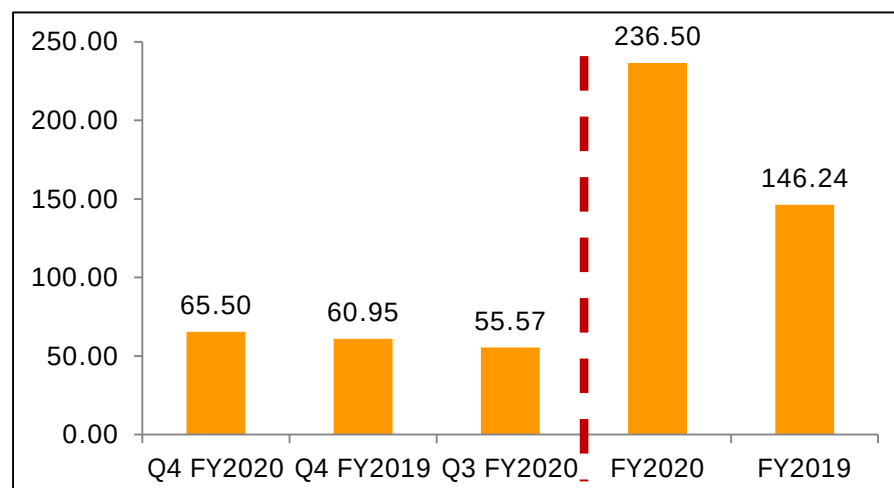
TOTAL REVENUE (IN RS. CRORE)



EBIDTA (IN RS. CRORE)



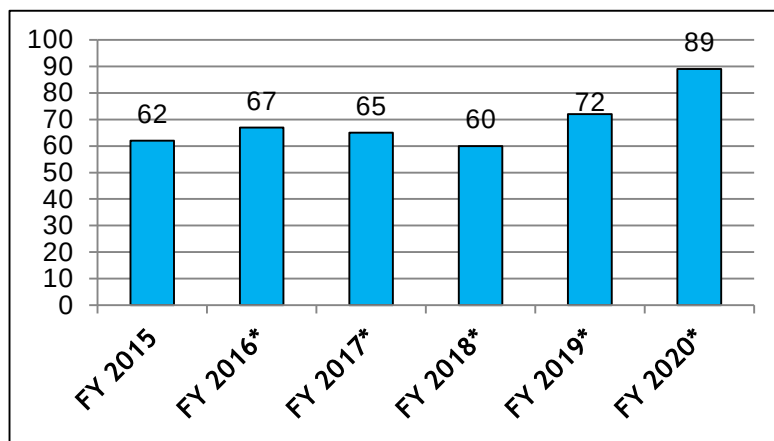
PAT (IN RS. CRORE)



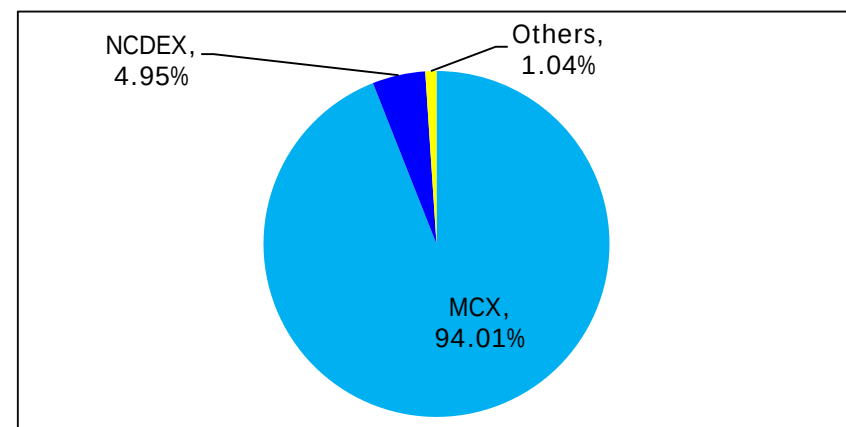
- Has been operational during the lockdown, as stock exchange and related services have been classified under essential services.
- Ever since nationwide lockdown, by and large, 'Work from Home' policy has been continuing and only minimal critical staff are operating from office premises.
- Due to restricted trading hours during early lockdown period, ADT slipped to Rs.15,658 crore in April '20 vis-à-vis Rs.26,356 crore in April '19.
- COVID 19 crisis led global demand crash and saturation in storage capacities for Crude Oil led prices fall into negative territory. As a result, MCX April Crude Oil contract was settled at negative price.
- Some of our members and their clients who were adversely affected owing to negative price settlement have filed legal petitions in different courts. However, no court has granted interim relief to petitioners so far.
- After restoration of normal trading hours for non-agricultural commodities from 9 a.m. to 11.30 p.m. from April 23, 2020, the ADT recovered to Rs 23,765 crore during May '20 vis-à-vis Rs 27,252 crore in May '19.
- Disruptions in the physical market of commodities and to logistics infrastructure during lockdown had adversely affected availability of labour and spot prices, and impacted warehousing operations.
- At present, operations/ services at all designated warehouses are restored.

- Increments to all employees in the grade G6 (Sr. Manager) & above put on hold
- Reduction in gross salary of all employees in grade G7 (Assistant Vice President) & above
- **Fees of Consultants'/Advisors' be re-negotiated for downward revision**
- Reduction in sitting fees payable to directors for attending the Board/Committee meetings
- Reduction in Board related expenses i.e. travelling/boarding and lodging, etc.
- Reduction in marketing, business promotion and advertisement expenses
- All these cost control measures would be reviewed by the Board on periodic basis

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



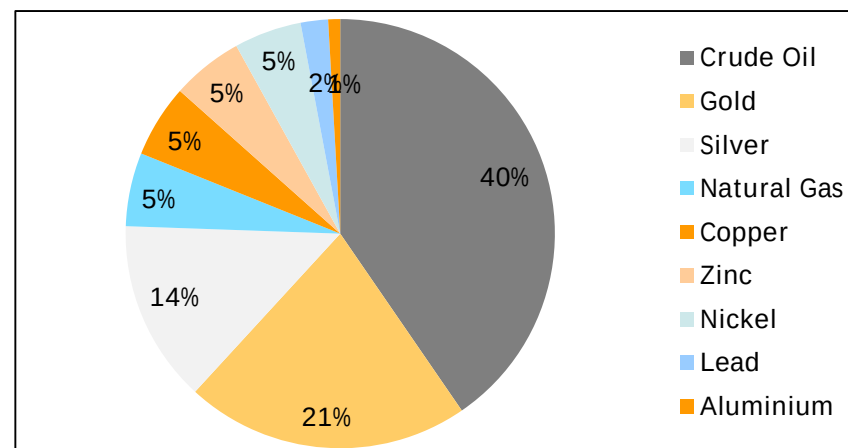
COMMODITY DERIVATIVES MARKET SHARE FY2020*



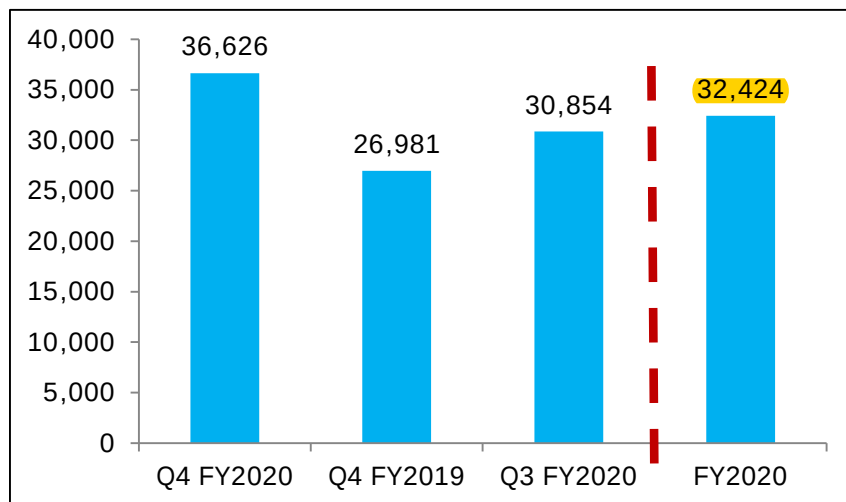
MCX: MARKET SHARE IN KEY SEGMENTS FOR FY2020*

Commodity Segment	MCX Market Share in Indian Commodity Futures space	Proportion of MCX's turnover
Precious Metals & Stones	98.57%	34.72%
Energy	99.95%	45.41%
Base Metals	100.00%	18.68%
Agri- Commodities	17.24%	1.20%

MCX MAJOR COMMODITIES TURNOVER FY2020



AVERAGE DAILY TURNOVER - Single Side (INR Crore)*



EXTENSIVE REACH

692 Members

54,900 Authorised Persons

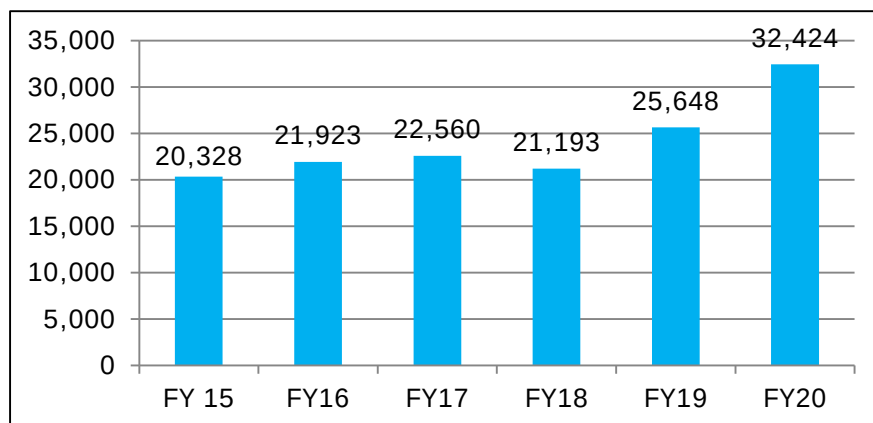
22,87,508 terminals (including IBT, WT, CTCL)

1010 cities/towns across India

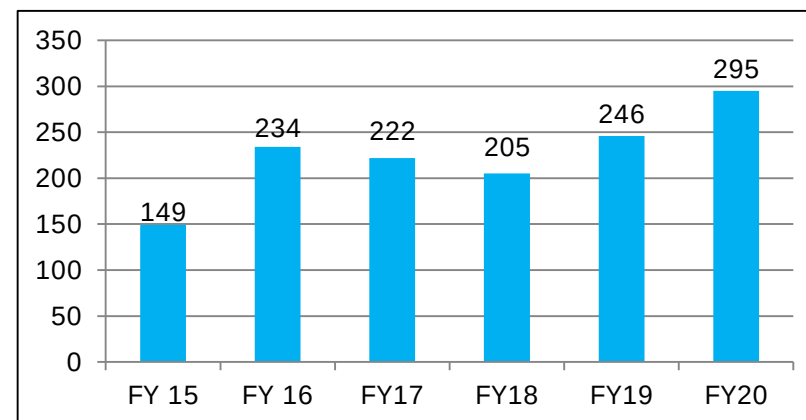
##No. of UCCs - 34,00,237

Unique Client Code

AVERAGE DAILY TURNOVER - Single Side (INR Crore)*



VOLUME OF CONTRACTS (Lots in MN)*



- Witnessed record quarterly average daily turnover of Rs. 36,626 crore in Q4 of FY2020 since imposition of CTT.
- The bullion segment witnessed highest turnover of Rs. 35,112.36 crore on March 16, 2020 since introduction of CTT.
- Newly designed Gold Petal futures contract witnesses successful delivery of 8290 one gram coins since November 2019.
- Base metals delivery details:-

Commodities	Total Delivery in FY2020 (in MT)
Aluminum	25,497
Copper	18,875
Lead	5,080
Nickel	1,141.50
Zinc	24,442

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

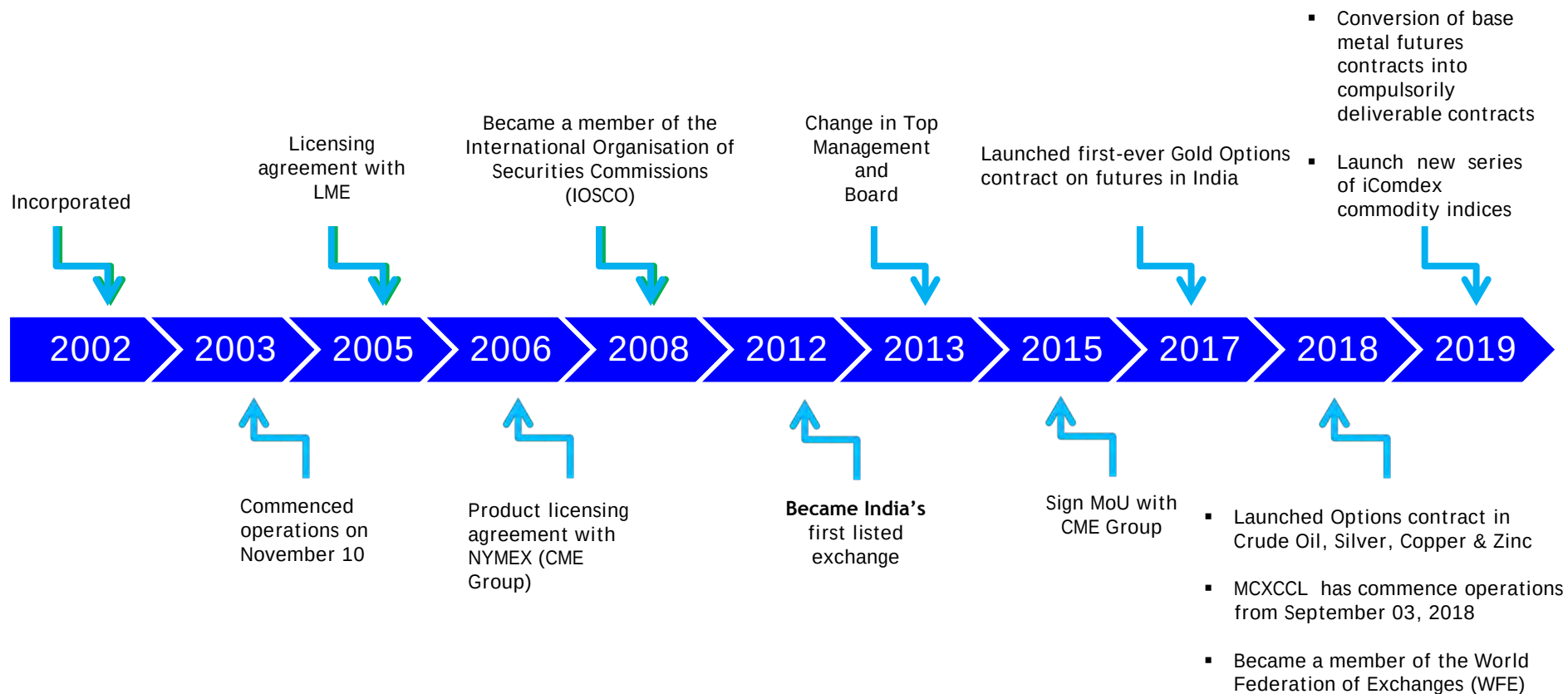
- SEBI allowed participation of institutional investors such as Mutual Funds & Portfolio Managers (PMS)
 - Mutual Funds to participate in exchange-traded commodity derivatives except in commodity derivatives on 'Sensitive Commodities' as clients through following schemes:-
 - Hybrid schemes & multi asset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

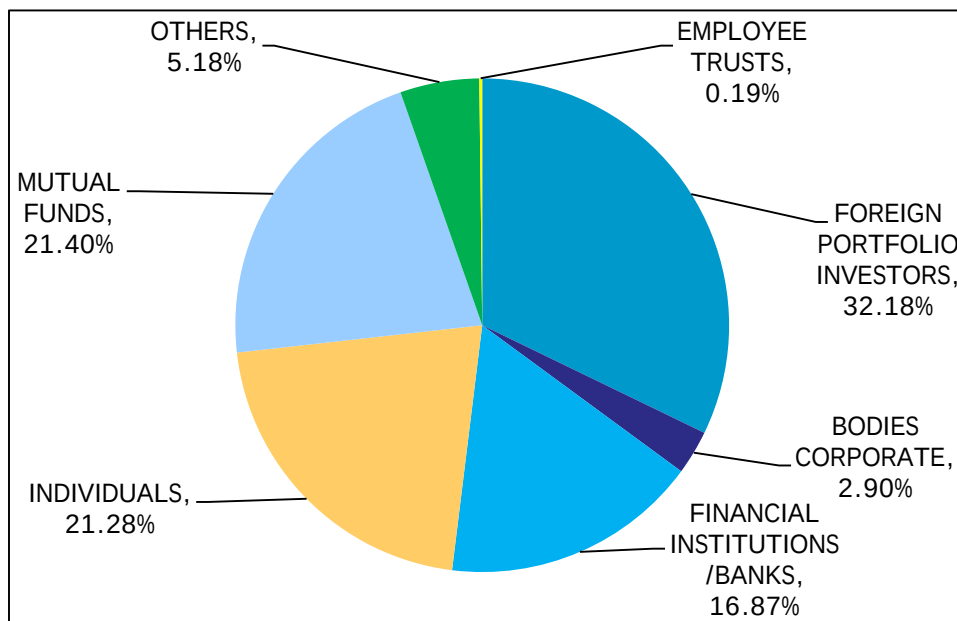
Spot Initiatives

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



- 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 MARCH 31, 2020



Stock Info:-

No. of Shares Outstanding (In MN) - 50.998

BSE - MCX - 52 Week - H -Rs. 1442.00 / L - Rs. 779.05 (per share)

NSE - MCX - 52 Week - H -Rs. 1443.00 / L - Rs. 778.65 (per share)

As per BSE Market Capitalisation (In Rs. Bn) - 57.65[#]

MAJOR SHAREHOLDERS SHAREHOLDING MORE THAN 1%

Sr. No.	Name of Shareholders ^{##}	%
1	Kotak Mahindra Bank Limited	15.00
2	Axis Mutual Fund*	4.90
3	Jhunjhunwala Rakesh Radheshyam	3.92
4	UTI Mutual Fund*	3.69
5	Government Pension Fund Global	2.62
6	Kontiki Master Fund	2.01
7	East Bridge Capital Master Fund I Ltd	1.97
8	L&T Mutual Fund*	1.94
9	SBI Mutual Fund*	1.86
10	IDFC Multi Cap Fund	1.85
11	Reliance Mutual Fund*	1.75
12	Canara Robeco Mutual Fund*	1.64
13	J P Morgan Funds	1.40
14	ICICI Prudential Life Insurance Co. Ltd.	1.35
15	Aditya Birla Mutual Fund*	1.31
16	JP Morgan Indian Investment Company (Mauritius) Ltd.	1.08
17	HDFC Bank Ltd.	1.03

^{##} 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

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. 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

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

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

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

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

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

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

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

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

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

SATYAJEET BOLAR, Chief Financial Officer

- Former Chief Operating Officer of a group company of BSE Ltd.
- Over 28 years of 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

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

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

SANJAY GOLECHA, Chief Regulatory officer

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

MULTI COMMODITY EXCHANGE CLEARING CORPORATION LIMITED (MCXCCL) – India's First Clearing Corporation in Commodity Derivatives Market



- ❖ 100% subsidiary of Multi Commodity Exchange of India Ltd. (MCX)
- ❖ Commenced operations on September 03, 2018
- ❖ Settlement Guarantee Fund (SGF) corpus is Rs. 409.77 crs. as on March 31, 2020
- ❖ Has a paid-up share capital of Rs. 240 cr as on March 31, 2020
- ❖ 13 clearing banks empanelled for funds settlement
- ❖ Central counterparty for all trades executed on MCX
- ❖ 209 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:-
 - o State of the art risk management system using SPAN based value-at-risk margining model
 - o Collection of margin from the members, effect pay-in and payout of funds and commodities
 - o 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			
	Q4 FY2020 (Audited)	Q4 FY2019 (Audited)	Q3 FY2020 (Unaudited)
Revenue from Operations	105.28	79.14	89.27
Other Income	29.66	31.66	23.47
Total Revenue	134.94	110.80	112.74
Employee Cost	21.29	18.79	17.77
Other Operating Expenditure	43.30	35.17	32.30
Total Operating Expenditure	64.59	53.96	50.07
EBITDA	70.35	56.84	62.67
Depreciation/Finance cost	5.74	4.13	4.31
Exceptional items	-	-	-
Share of Profit/(Loss) of Associate	(0.04)	0.21	0.26
Profit Before tax	64.58	52.92	58.62
Provision for tax	(0.92)	(8.03)	3.05
Profit After tax	65.50	60.95	55.57
Basic EPS* (INR) (Quarterly figures not Annualised)	12.87	11.98	10.92

INCOME STATEMENT (CONSOLIDATED)

INR in Crore, except for per share amounts		
	FY2020 (Audited)	FY2019 (Audited)
Revenue from Operations	374.15	300.03
Other Income	128.96	98.56
Total Revenue	503.11	398.59
Employee Cost	77.33	72.46
Other Operating Expenditure	142.15	133.61
Total Operating Expenditure	219.48	206.07
EBITDA	283.63	192.52
Depreciation/Finance cost	18.30	15.45
Exceptional items	-	23.80
Share of Profit/(Loss) of Associate	0.04	0.43
Profit Before tax	265.37	153.69
Provision for tax	28.87	7.45
Profit After tax	236.50	146.24
Basic EPS* (INR)	46.48	28.75

DISCLAIMER

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.

The material mentioned in this presentation is general background information about the Company's activities current at the date of the presentation. It is information given in summary form and does not purport to be complete, is subject to change without notice and its accuracy is not guaranteed. This presentation (including any information contained herein and any information, whether or not in writing, supplied in connection herewith) is strictly confidential.

INVESTOR RELATIONS CONTACT:

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