

MCX/SEC/875

February 05, 2016

The Dy. General Manager,
Corporate Relations & Services Dept.,
The Bombay Stock Exchange Limited
Phirojsha Jeejibhoy Towers,
Dalal Street, Mumbai - 400 001.

Ref.: Scrip code: 534091 Scrip ID: MCX
Sub. : Investor Presentation for quarter ended December 31, 2015


Dear Sir,

Please find enclosed herewith investor presentation for quarter ended December 31, 2015 for necessary action.

Kindly take the same on record and acknowledge receipt.

Thanking you,

Yours faithfully,
For Multi Commodity Exchange of India Limited


Ajay Puri
Company Secretary



INVESTOR OVERVIEW



February 2016

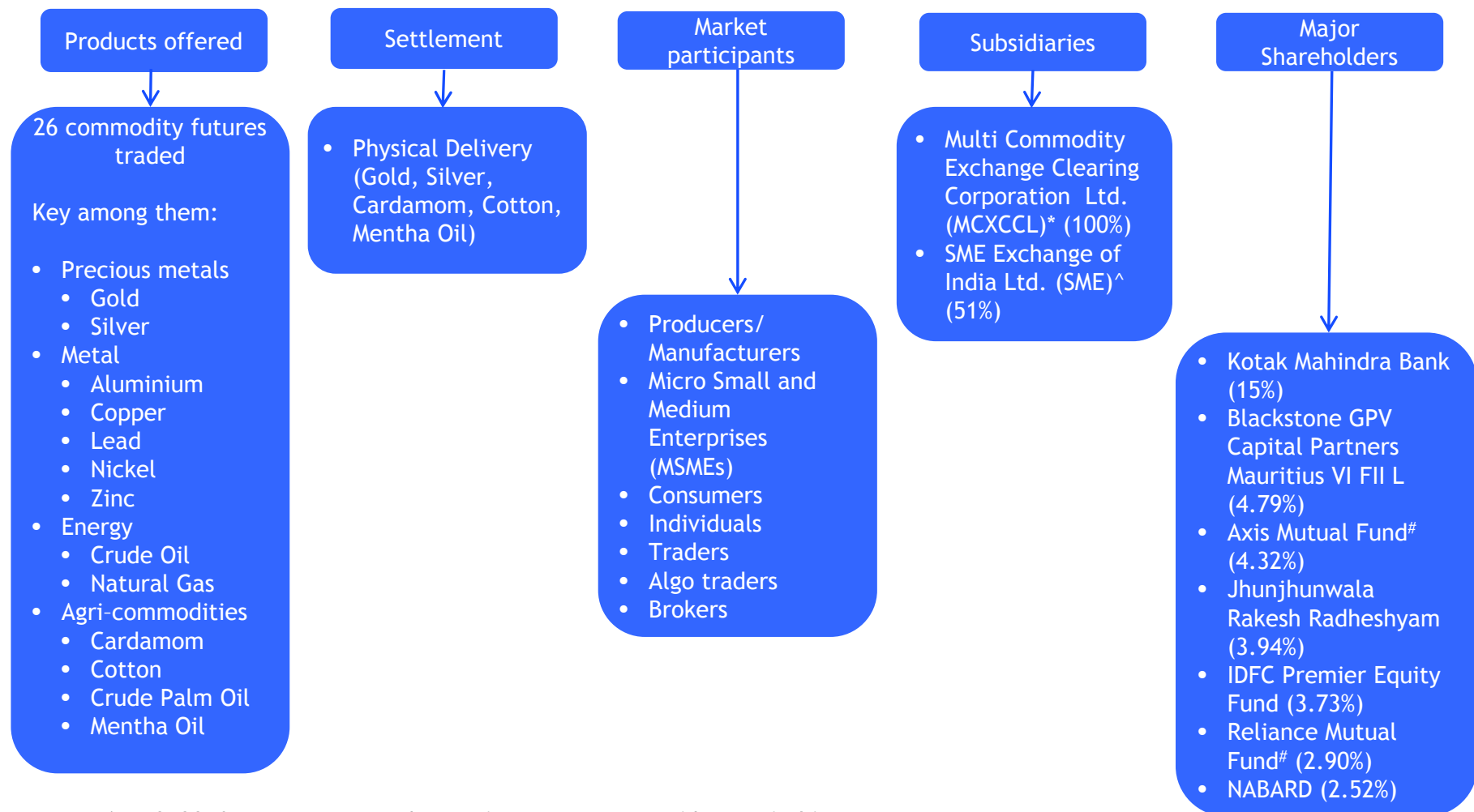
DISCLAIMER

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.

- Commenced operations on November 10, 2003
- As proposed in the Union Budget 2015, FMC (the erstwhile regulator of commodity markets) and SEBI were formally merged on September 28th, 2015. As a result, SEBI commenced regulating the commodity derivatives market under Securities Contracts Regulation Act (SCRA) 1956 with effect from 28th September, 2015 and the Forward Contracts Regulation Act (FCRA) 1952 got repealed with effect from 29th September, 2015. The Act also provides that all recognised associations under FCRA shall be deemed to be recognised stock exchanges under the SCRA.
- The Exchange offers:
 - online trading, and clearing and settlement of commodity futures transactions
 - a platform for price discovery and price risk management
 - neutral, secure and transparent trade mechanisms
 - scalable technology framework

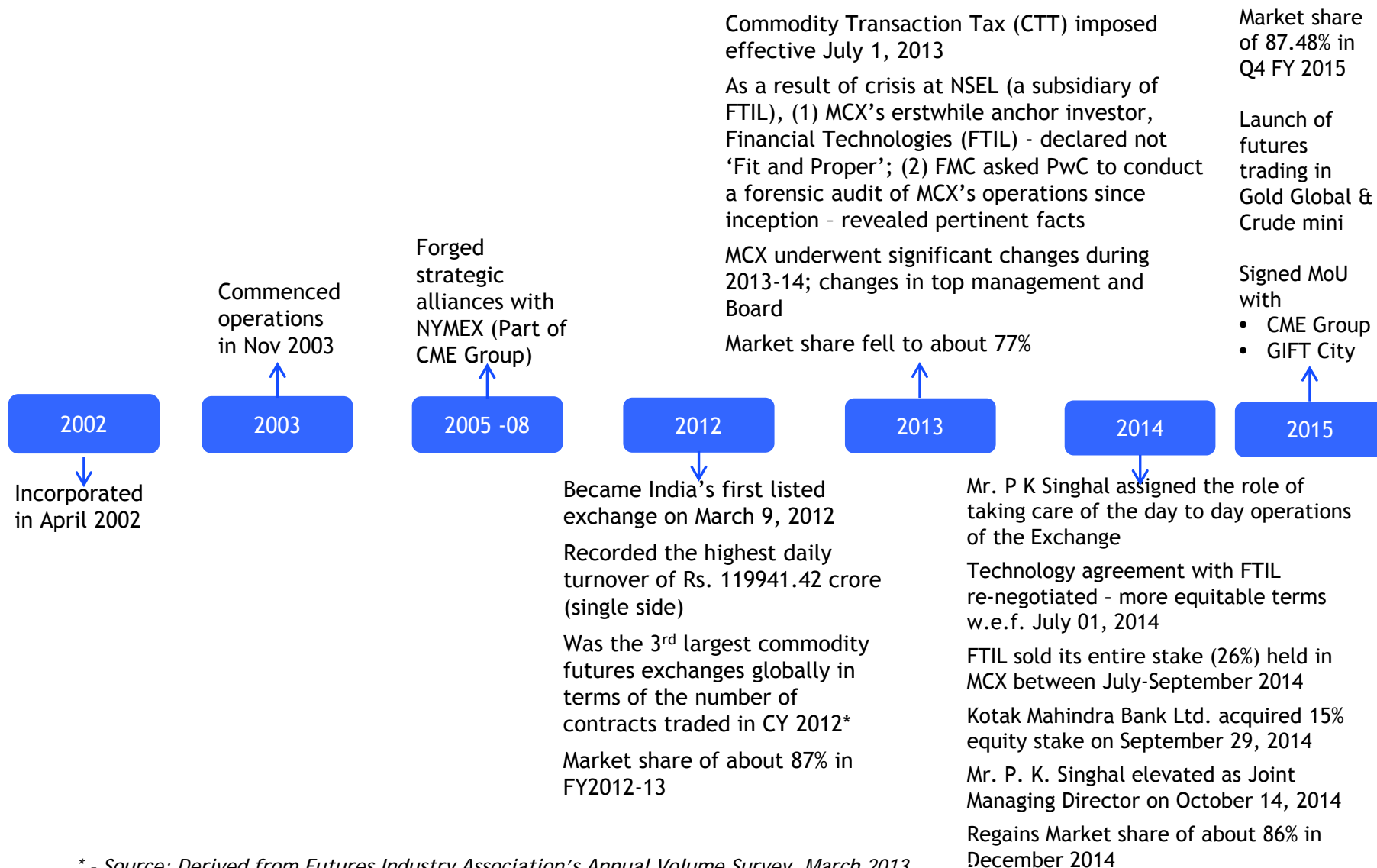


* - MCXCCL has not commenced operations,. Its current paid-up capital is Rs. 6 crore.

^ - Shareholder approved voluntary winding up of the SME by passing a special resolution on March 18, 2015. Official liquidator has been appointed, and the process of liquidation is underway. Its paid-up capital is Rs.10 Lakhs.

- Holding under different schemes

KEY MILESTONES



* - Source: Derived from Futures Industry Association's Annual Volume Survey, March 2013

- The growth of the overall economy in India is expected to drive the underlying demand for commodities. The increase in physical market volumes may increase the hedging requirements of industry players, which influences derivative trading volumes.
- Commodity derivative volumes are generally a multiple of the underlying physical commodity volumes. In India, the volumes traded on commodity futures exchanges is very low as compared to the size of the physical market for the commodity. Thus, the potential for commodity derivatives is huge.

Commodity	Futures Multiplier Year 2014 (Global Benchmark Exchanges)	Futures Multiplier During Year 2014 (MCX)
Gold	59.0	5.0
Silver	148.0	34.0
Copper	90.0	13.0
CPO	12.0	1.0
Cotton	44.0	0.7
<i>Futures Multiplier refers to number of times future market's volume is in comparison with the physical market size.</i>		

- SEBI's powers to raid, search, impose penal fines and take criminal action will ensure better market integrity
- '*Dabba*' Trade (bucket shops) which according to AC Nielsen report was 3 times of the regulated commodity markets in 2013 (pre CTT) could get curbed
- Products like options, indices, weather derivatives and intangibles may be launched in future
- Institutions like FIIs, Banks, Mutual Funds may be allowed to enter commodity futures market going forward
- Enables commodity exchanges to launch complementary products such as currency derivatives
- Expected decrease in cost of compliance

- The central government imposed a CTT of 0.01% on non-agricultural commodity futures transactions, which has

- increased hedging cost
- reduced liquidity

As a result of the high impact cost, many large corporates have moved their hedging positions to international exchanges; jobbers and day traders have stopped trading on domestic exchanges; trading on illegal platforms has increased manifold

- Escalating competition : The merger also allows equity exchanges to launch commodities
- Dealing with delivery-based commodities & quality issues
- Delivery and settlement processes among the commodity & stock exchanges differ significantly
- Regulation of Warehouses: Regulatory & Infrastructure related issues
- Regulation of Spot and Forward Trading
- Curbs on algorithmic trading : SEBI is mooting restrictions on algorithmic trading in order to curb market manipulation
- Registration and transaction cost: SEBI to charge a registration and turnover fee to commodity brokers and bring transaction cost charged by commodity brokers at par with equity markets

1. Risk Management Norms

- Redefined the applicable margin & Mode of Calculations
 - Extreme Loss Margins (ELM) has been introduced
- Defined Eligible collaterals & Liquid Assets
 - Prescribed minimum haircuts
 - Segment wise capping
 - Minimum cash or equivalent has been fixed at 50 per cent of liquid assets
- Risk Reduction Mode (RRM) has been introduced when member utilises 90 per cent of margin

2. Membership Norms

- Traders and business houses can also register as members of commodity exchanges
- The networth requirement of Rs. 1 crore & 50 Lacs as Deposit
- Annual regulatory charge of Rs. 50,000 and one-time registration fee of Rs. 25,000

3. Other Initiatives

- Set up a task force to review the existing risk management systems, delivery mechanisms and procedures for supervising warehouses by commodity exchanges
- Set up an advisory committee for the commodity derivative markets to discuss issues relating to regulations and development of commodity markets and suggest required measures to it

- Ensure that all shareholders are 'fit and proper' & exchange to make quarterly disclosure of the fit and proper status of all shareholders and action taken thereof, if not so
- Shareholders who acquire above two per cent would have to seek approval from SEBI within 15 days of acquisition
- 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
- No foreign entity shall acquire or hold more than five per cent of the paid-up equity share capital

- Conducting awareness, capacity building and stakeholder programmes

Category	9M - FY2015-2016	FY2014-2015	FY2013-2014
Hedgers/ Industrial Associations / Farmers	101	116	106
Retail Investors	172	249	84
Total	273	365	190

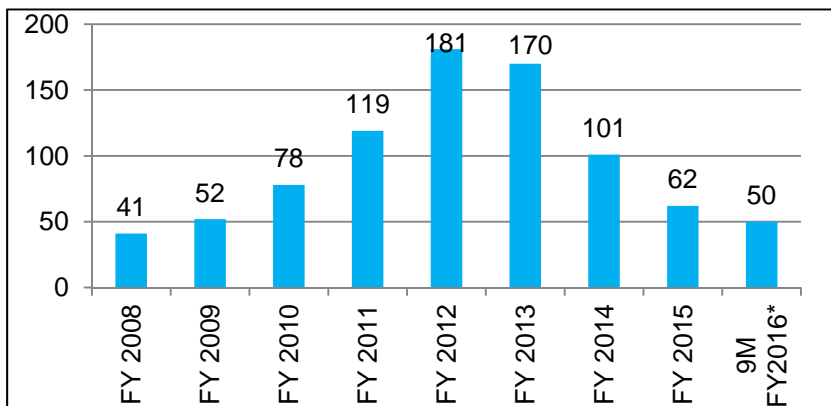
- Educational programmes for broad basing the commodity market ecosystem
- Releasing “Dos and Don’ts” advertisements to enlighten market participants on the merits of trading on regulated commodity futures exchanges
- Releasing “Benefits of Hedging in India” advertisements across various reputed publications to educate the physical markets on the importance of using MCX for commodity price risk management
- Engaging with print and electronic media, coupled with evidence-based policy advocacy to create awareness and sensitise policymakers on various issues affecting the market
- Empowering market participants with relevant information through monthly newsletter (MCX CommNews) and commodity market review (Commodity Connect)
- MoU with Chitkara University, Punjab and Amity Business School, Noida to promote skill development, knowledge, research and financial literacy in the commodity space through various educational initiatives
- Launched MCX Certified Commodity Professional (MCCP) programme in Hindi and Gujarati

STRENGTHS



INDIA'S LEADING EXCHANGE

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

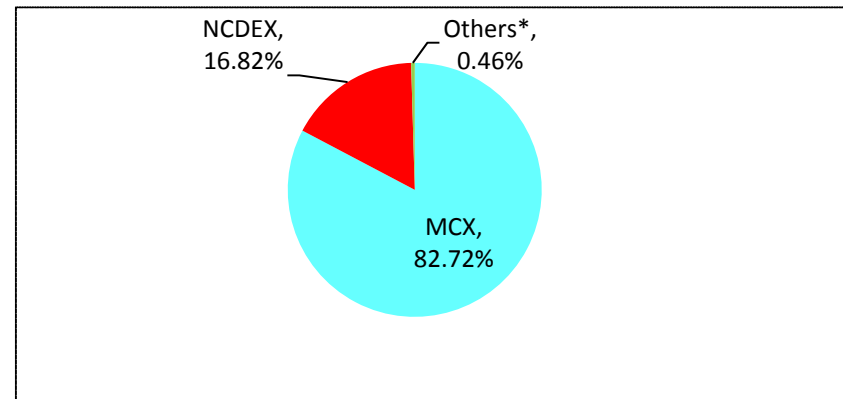


MCX: MARKET SHARE IN KEY SEGMENTS FOR 9M FY15-16

Commodity segment	MCX Market Share in Indian Commodity Futures space	Proportion of MCX's turnover
Bullion	98.88%	35.54%
Energy	100.00%	34.53%
Base Metals	100.00%	27.78%
Agri - commodities	9.53%	2.15%

Source: FMC, * For FY 16 - Websites of National Exchanges

MARKET SHARE (9M FY 15-16)



* Other National Exchanges offering commodity futures only

GLOBAL RANKING OF MCX'S COMMODITY FUTURES CONTRACTS AMONG F&O CONTRACTS IN CY 2014**

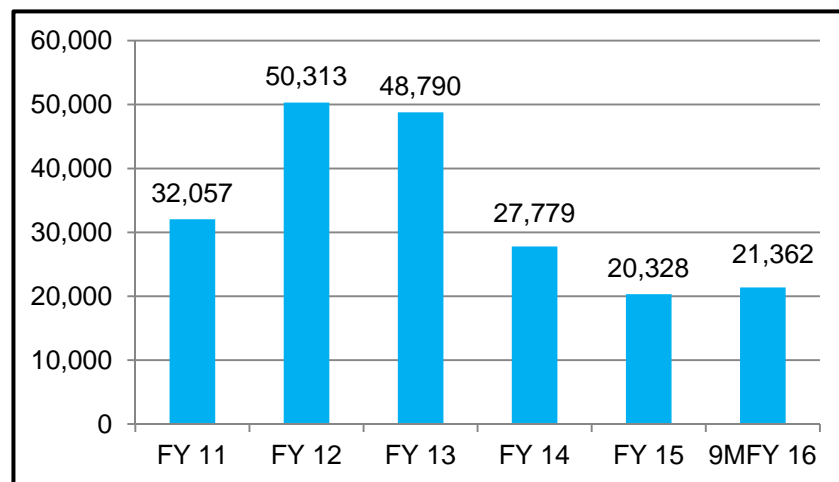
12 th	MCX Crude Oil Futures
13 th	MCX Silver Micro Futures
15 th	MCX Natural Gas Futures
20 th	MCX Silver Mini Futures

** Source: FIA Annual Volume Survey March 2015

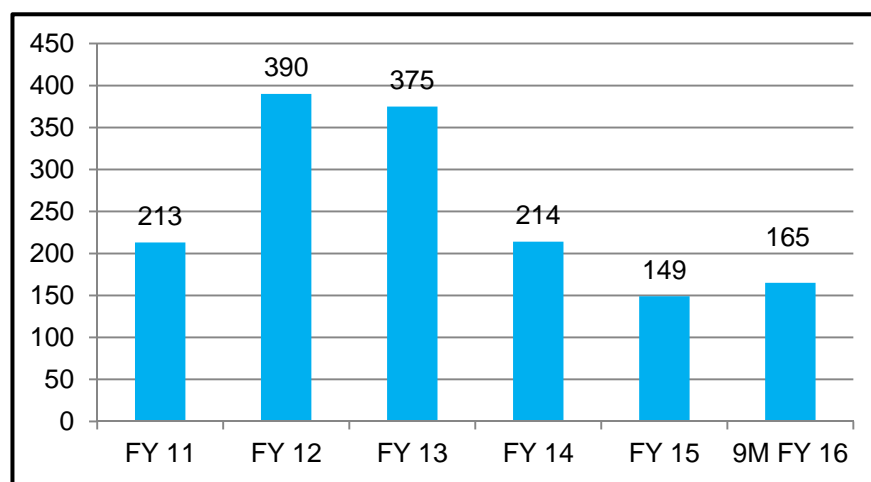
OPERATIONAL HIGHLIGHTS

- Average daily turnover (ADT) in Q3 FY2016: INR 20,374.29 crore; Market Share of 83.33%* (Corresponding Quarter Q3 FY2015 ADT INR. 21,403.95 crore; Market Share of 85.64%*)
- Average daily turnover (ADT) in 9M FY2016: INR 21,362.50 crore; Market Share of 82.72%* (Corresponding 9M FY2015 ADT INR. 19,771.66 crore; Market Share of 82.96%*)
- No. of traded contracts in 9M FY 2016 went up to 165 million from 97 million year-on-year
- Extensive reach: 708[#] members having 48,404 Authorised Persons, 6,07,331 terminals (including CTCL), over 1822 cities/towns across India
- Trading hours (IST): 10:00 hours to 23.30 hours/ 23.55 hours Day light timing (winter)

AVERAGE DAILY VOLUME - single side (INR Crore)



VOLUME OF CONTRACTS (Lots in MN)



- Well designed platform that ensures security, reliability flexibility and functionality
- Scalable architecture
 - Capable of handling increase in volumes with the introduction of new instruments like options and indices and participation of Financial Institutions as and when regulator approves
- Handling capacity of 40 million transactions (orders and trades put together) in a day, which is well above the current requirement (Highest capacity handled by the platform so far in a day is 20 million orders and 3.6 million trades)
- Accessible through trader work stations or computer-to-computer link using multiple media of connectivity including:
 - Nationwide Private Network with Point of Presence
 - VSATs, VPN, leased lines and internet
- Real-time data replication to Disaster Recovery (DR) site at New Delhi
 - Upgraded DR site to conduct smooth trading from the site if warranted
- Implementing near on-line site

- Intrusion detection and prevention system
- 48 approved banks and 2 custodians help manage the member collateral deposits.
- 15 clearing banks help manage the funds settlement (daily mark-to-market settlement and delivery) at the in-house clearing house
- 28 Exchange-accredited warehouses and 3 vaults support physical delivery
- Online real-time risk monitoring system and mechanisms track members' financial strength, margin utilisation and mark-to-market losses against deposits made by them to MCX
- Preponing the pay-in time to 9:30 AM from 11:00 AM thereby mitigating the risk of the time gap of the opening of trading session and the pay-in time
- System automatically generates alerts and takes pre-decided actions
- Adequacy of Settlement Guarantee Fund and Investor (Client) Protection Fund is monitored regularly based on FMC guidelines
 - SGF corpus as on December 31, 2015 was Rs. 272.15 crore ((Provisional) cash component of Rs. 197.33 crore and non cash component of Rs. 74.82 crore)
 - IPF corpus of about Rs. 102.93 crore (Provisional) as on December 31, 2015

SATYANANDA MISHRA, IAS (Retd.)

*Chairman, Independent Director,
FMC Approved*

- Former Information Commissioner, Govt of India
- Handled various assignments in different capacities , Govt of India viz. Secretary, Department of Personnel & Training, Establishment Officer, Principal Secretary, Public Works Department, etc.

DINESH KUMAR MEHROTRA

*Independent Director, FMC
Nominated*

- Former Chairman, Life Insurance Corporation
- Former Convener & Member Secretary of Expert Group Committee formed by the Ministry of Finance, Government of India

G. ANANTHARAMAN, IRS (Retd.)

*Independent Director, FMC
Approved*

- Presently, Special Advisor to the Chairman, Tata Realty & Infrastructure Limited
- Former Chief Commissioner of Income Tax, Mumbai
- Former whole time member of SEBI

MS. PRAVIN TRIPATHI

*Independent Director, FMC
Nominated*

- Former Deputy Comptroller and Auditor General of India
- Former Member of Competition Appellate Tribunal (COMPAT)

ARUN NANDA

Independent Director, FMC Nominated

- Presently, Chairman of Mahindra Holidays & Resorts (I) Ltd. and Mahindra Lifespace developers Ltd and Director of Holiday Club Resorts Oy, Finland.
- Over 40 years of extensive experience with Mahindra Group.

S. K. MITRA

Independent Director, FMC Nominated

- Currently on the Board of several reputed companies as an Independent Director & Advisor
- Previously associated with Aditya Birla Group, GIC Mutual Fund, Standard Chartered & AMEX in various capacities.
- Over 39 years of extensive management experience in Financial Sector.

DR. M. GOVINDA RAO

Independent Director, FMC Approved

- Presently, Emeritus Professor at National Institute of Public Finance and policy (NIPFP)
- Former Member - 14th Finance Commission & Director of NIPFP
- Former Member- Economic Advisory Council to the Prime Minister

M.A.K. PRABHU

Shareholder Director

- Presently, Managing Director (Integrated Treasury Wing) , Canara Bank Securities Ltd.
- Working with Canara Bank since 2001 in various senior capacities.

AJAI KUMAR

Shareholder Director

- Presently, Senior Strategic Advisor - Retail and Business Banking, Yes Bank Ltd.
- Former Chairman & Managing Director, Corporation Bank

AMIT GOELA

Shareholder Director

- Presently, Partner at Rare Enterprises
- Former AVP (Private Equity) Reliance Capital and CEO at Alchemy Share & Stock Brokers
- Over 21 years of experience in Capital Market

MS. PADMA RAGHUNATHAN

Shareholder Director

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

MS. MADHU VADERA JAYAKUMAR

Shareholder Director

- An independent investor in Financial Markets
- Former, Founder CEO of E-Commodities Limited
- Over 13 years of experience in Financial Services Industry

PARVEEN KUMAR SINGHAL

Joint Managing Director, MCX

- Former Division chief- SEBI
- Former Director- FMC
- Former Executive Director & CEO - Delhi Stock Exchange Limited

PARVEEN KUMAR SINGHAL

Joint Managing Director

- Ex-Division chief - SEBI
- Ex-Director- FMC
- Ex-Executive Director & CEO- Delhi Stock Exchange Limited
- Over 40 years of executive cadre experience

RAHI RACHARLA

Senior VP, Technology

- Previously worked with JP Morgan, Bangalore
- Over 24 years of experience in the field of technology

RAMALINGAM M.

Senior VP, Market Operations

- Ex-CEO of ISE Securities & Services Ltd.
- Ex- Asst. General Manager of Investor Services of India Ltd.
- Over 25 years of experience in trading, risk management, securities & fund settlement.

AJAY PURI

Company Secretary, Chief Compliance Officer (CCO), Head IR & CSR

- Ex-President - Atherstone Capital
- Over 35 years of experience in the field of Company Law, Legal, Secretarial & taxation functions with organisations such as Bharti Telecom, Weston Elektronik, Crowne Plaza Toronto Centre

J. B. RAM

Senior VP, Membership & Inspection, IG & Arbitration

- Ex-Senior VP-Compliance - Edelweiss Capital Limited & CDSL
- Around 29 years of experience with CDSL, UTI and SEBI

Dr. RAGHAVENDRA PRASAD

Senior VP, Legal

- Ex-Deputy Legal Officer - SEBI
- Ex-Legal Officer - RBI
- Over 23 years of experience in the field of legal practice

SANDEEP KUMAR SARAWGI

Chief Financial Officer

- Ex-Chief Finance and Risk Officer - Antwerp Diamond Bank NV, Mumbai Branch
- CA with over 24 years of experience primarily in finance, strategy, general management, etc. with organisations such as ICICI Securities, BSE Ltd.

NARENDRA KUMAR AHLAWAT

Senior VP, Market Operations & Chief Regulatory Officer

- Ex-CTO - MCX-SX
- Over 27 years of experience in market operations; Development & Technology

RAJENDRA GOGATE

VP, HR & Administration

- Ex-General Manager(Facilities) - TATA Teleservices & Dy. GM - Essar
- Over 32 years of experience in the field of General Administration, Facilities Management.

Launched mini contracts in India

- First Exchange in India to launch mini contracts to cater to needs of small traders and SMEs

Initiated Evening Trading Sessions

- First Exchange in India to initiate evening sessions to synchronise with trading hours of major international markets

Information Dissemination Services

- Provides real-time data-feed on trading prices, trading volume and other information on the commodity futures contracts traded on MCX and on the spot market to financial information service agencies
- Offers training and certification programmes to educate existing and potential market participants about the industry
- Installs tickers for market data dissemination at local *mandis* to enable tracking price of traded commodity futures

Clearing House Services

- Set up MCX CCL, a 100% subsidiary, to act as a separate clearing house and undertake clearing and settlement of trades and provision of counterparty risk guarantee on MCX. As on date, MCX CCL has not commenced operations. Currently, clearing and settlement is done in-house

Developed Real-time Commodity Indices*

- First Commodity Exchange in India to develop real-time commodity futures index: MCXCOMDEX
- Other indices developed:
 - MCXAgri (Agricultural Commodities Index)
 - MCXEnergy (Energy Commodities Index)
 - MCXMetal (Metal Commodities Index)
 - RAINDEX - For Mumbai (RAINDEXMUM), Indore (RAINDEXIDR), and Jaipur (RAINDEXXJAI)

* Currently, Indian commodity derivative exchanges are not allowed to offer Commodity Indices for trading.

GLOBAL ALLIANCES*



- Facilitate sharing of information across regional global exchanges
- Allow penetration of new markets and increase market presence
- Enhance product offerings

**All logos used here are trademarks of respective companies / As on 31 December 2015*

INDIAN ALLIANCES

- Tie-ups with Indian trade bodies and associations, corporate, educational institutions and R&D centres enable it to engage the stakeholders, improve trade practices, create awareness and facilitate overall improvement of the Indian commodity futures market



FINANCIAL OVERVIEW

FINANCIAL HIGHLIGHTS - Q3 FY15-16

INCOME STATEMENT (STANDALONE)

	INR CR, except for per share amounts		
	Q3 FY2016 (Unaudited)	Q3 FY2015 (Unaudited)	Change Q/Q
Operating Income	56.96	57.10	-
Other Income	20.48	19.98	3%
Total Income	77.44	77.08	-
Less : Operating & Other Expenses	36.42	32.35	13%
EBITDA	41.02	44.73	-8%
<i>EBITDA Margin</i>	53%	58%	-
Less: Interest & Depreciation	6.42	6.56	-2%
Profit before Exceptional items & Tax	34.60	38.17	-9%
Less : Exceptional items	5.63	-	100%
Profit/(Loss) after Exceptional items & before tax	28.97	38.17	-24%
Less : Provision for tax	11.01	15.20	-28%
Profit after tax	17.96	22.97	-22%
<i>PAT Margin</i>	23%	30%	-
Basic EPS* (INR) (Quarterly figures not Annualised)	3.53	4.52	-22%

FINANCIAL HIGHLIGHTS - 9M FY15-16

INCOME STATEMENT (STANDALONE)

	INR CR, except for per share amounts		
	9M FY2016 (Unaudited)	9M FY2015 (Unaudited)	Change HY/HY
Operating Income	174.42	163.52	7%
Other Income	74.90	70.95	6%
Total Income	249.32	234.47	6%
Less : Operating & Other Expenses	116.37	109.30	6%
EBITDA	132.95	125.17	6%
<i>EBITDA Margin</i>	53%	53%	-
Less: Interest & Depreciation	19.18	21.11	-9%
Profit before Exceptional items & Tax	113.77	104.06	9%
Less : Exceptional items	65.03	-	100%
Profit/(Loss) after Exceptional items & before tax	48.74	104.06	-53%
Less : Provision for tax	34.01	28.31	20%
Profit after tax	14.73	75.75	-81%
<i>PAT Margin</i>	6%	32%	-
Basic EPS* (INR) (Nine Monthly figures not Annualised)	2.90	14.93	-81%

BALANCE SHEET (STANDALONE)

In Rs. Crore

PARTICULARS	AS ON Dec 31, 15	AS ON Mar 31, 15
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	51.00	51.00
Reserves & Surplus	1,165.72	1,151.18
SGF	197.33	187.12
Non Current liabilities	31.01	34.28
Current Liabilities	354.79	400.68
TOTAL	1,799.85	1,824.26

PARTICULARS	AS ON Dec 31, 15	AS ON Mar 31, 15
ASSETS		
Fixed Assets	142.02	145.10
Non-current investments & Loans and Advances	199.18	51.40
Total Current Assets	1,458.65	1,627.76
- Cash & Cash equivalents included in Total Current Assets	468.07	265.52
	1,799.85	1,824.26

- Net worth of Rs.1,414.05 crore (including SGF) as on December 31, 2015
- Debt Free balance Sheet

As on December 31, 2015, the Exchange held the following investments

Name of Company	Number of Shares	Face value	Value (in Rs. crore)	Number of Warrants	Value (in Rs. crore)
Metropolitan Stock Exchange of India (MSEI) [#]	6,65,99,408	Re. 1/-	7.37	41,59,17,672	41.59**
Metropolitan Clearing Corporation of India Ltd [#] (MCCIL)	65,00,000	Rs.10/-	6.50	NA	NA
DGCX 500		USD1000	2.19	NA	NA
MCX Clearing Corporation Ltd	60,00,000	Rs.10/-	6.00	NA	NA
SME Exchange of India (SME)*	51,000	Rs.10/-	0.04	NA	NA
Mutual Funds	NA	NA	803.25	NA	NA
Tax Free Bonds	NA	NA	150.89	NA	NA

* Shareholders approved voluntary winding up of the SME by passing a special resolution on March 18, 2015. Official liquidator has been appointed, and the process of liquidation is underway.

** MCX filed a suit on MSEI for extinguishing its warrants worth Rs. 41.59 crore. The Honourable High Court, Mumbai has directed to MSEI to deposit the balance of Rs. 21.59 crore with the Court within eight weeks from the date of the order dated October 13, 2015. Thus the entire amount of Rs. 41.59 Cr shall stand deposited with the nationalised bank.

Please refer note no. 2 in Financial Results FY Q3 and 9M FY 2016 for the further details.

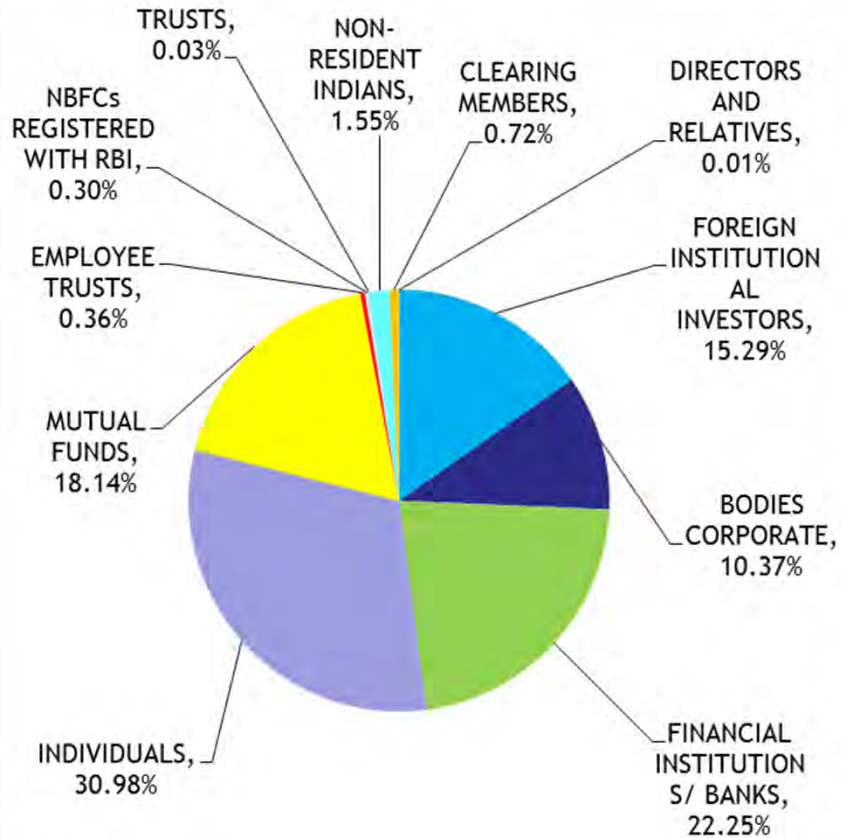
TRANSACTION CHARGES & AVG. VALUE REALISATION

Non-agri Commodities	
Average Daily Turnover	Transaction Fee Rates (Per Rs. 1 lakh of turnover)
Up to Rs. 350 crore	Rs. 2.10
On incremental turnover above Rs. 350 crore	Rs. 1.40
Agri Commodities	
Up to Rs. 20 crore	Rs. 0.75
On incremental turnover above Rs. 20 crore	Rs. 0.50

Financial year	Average value realisation per lakh Rupee traded
FY-2013-14	1.84
FY-2014-15	1.84
Q3 - FY 2015-16	1.81

SHAREHOLDING HIGHLIGHTS

SHAREHOLDING STRUCTURE AS ON DECEMBER 31, 2015



MAJOR SHAREHOLDERS - SHAREHOLDING MORE THAN 1%

Sr. No.	Name of Shareholders	%
1	Kotak Mahindra Bank Limited	15.00
2	Blackstone GPV Capital Partners Mauritius VI FII Ltd	4.79
3	Axis Mutual Fund*	4.32
4	Jhunjhunwala Rakesh Radheshyam	3.94
5	IDFC Premier Equity Fund	3.73
6	Reliance Mutual Fund*	2.90
7	The National Bank for Agriculture & Rural Development	2.52
8	Small Cap World Fund, Inc	2.45
9	IFCI Limited	1.83
10	L&T Mutual Fund*	1.59
11	Goldman Sachs India Fund Limited	1.06
12	HDFC Bank Ltd.	1.03
13	Vanaja Sunder Iyer	1.03

* Holding under different schemes

A hand is shown typing on a laptop keyboard. The background is a blurred image of a laptop screen displaying financial data, including a table of numbers and a line graph. The text "LATEST FINANCIAL RESULTS" is overlaid in the center. The image has a blue and white color scheme with a glowing light effect on the right side.

LATEST FINANCIAL RESULTS

UNAUDITED FINANCIAL RESULTS FOR QUARTER AND NINE MONTH ENDED DECEMBER 31, 2015

Multi Commodity Exchange Of India Limited

Exchange Square, Suren Road, Andheri (East), Mumbai-400 093, India.
CIN : L51909MH2002PLC135594; E-mail : info@mcxindia.com; Website: www.mcxindia.com



Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months Ended 31 December 2015

(Rs in lakhs)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31 December 2015 Unaudited	30 September 2015 Unaudited	31 December 2014 Unaudited	31 December 2015 Unaudited	31 December 2014 Unaudited	31 March 2015 Audited
1 Income from operations						
(a) Income from Operations-	4,981.40	5,634.83	5,270.23	15,793.83	15,034.55	20,404.30
(b) Other operating income	714.87	489.79	439.55	1,648.36	1,316.89	1,844.30
Total income from operations (net)	5,696.27	6,124.62	5,709.78	17,442.19	16,351.44	22,248.60
2 Expenses						
(a) Employee benefits expense	998.59	1,092.51	864.80	2,995.40	2,620.64	3,492.50
(b) Depreciation and amortisation expense	642.31	645.02	644.01	1,913.73	1,961.15	2,593.30
(c) Software support charges	880.43	1,002.20	899.12	2,790.13	2,921.75	3,838.00
(d) Advertisement	266.50	706.19	119.08	1,333.59	1,005.92	1,119.80
(e) Other expenses	1,490.36	1,478.10	1,351.63	4,518.46	4,381.73	5,040.80
Total expenses	4,284.19	4,921.02	3,878.64	13,551.11	12,891.19	16,084.40
3 Profit / Loss from operations before other income and finance costs and exceptional items (1-2)	1,412.08	1,203.60	1,831.14	3,891.08	3,460.25	6,164.20
4 Other income	2,048.32	2,889.80	1,997.81	7,489.62	7,095.10	10,978.50
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	3,460.40	4,093.40	3,828.95	11,380.70	10,555.35	17,142.70
6 Finance costs	0.06	0.70	12.42	3.76	149.44	137.30
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	3,460.34	4,092.70	3,816.53	11,376.94	10,405.91	17,005.40
8 Exceptional items (refer note 2)	(563.10)	-	-	(6,503.30)	-	-
9 Profit / (Loss) from ordinary activities before tax (7+8)	2,897.24	4,092.70	3,816.53	4,873.64	10,405.91	17,005.40
10 Tax expense	1,101.36	989.40	1,519.74	3,401.26	2,830.67	4,500.10
11 Net Profit / (Loss) from ordinary activities after tax (9-10)	1,795.88	3,103.30	2,296.79	1,472.38	7,575.24	12,505.30
12 Extraordinary items (net of tax expense)	-	-	-	-	-	-
13 Net Profit / (Loss) for the period (11+12)	1,795.88	3,103.30	2,296.79	1,472.38	7,575.24	12,505.30
14 Paid-up Equity Share Capital (Face Value Rs. 10 per Share)	5,099.84	5,099.84	5,099.84	5,099.84	5,099.84	5,099.84
15 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	1,15,117.80
16 Earnings per share before extra ordinary items: (Of Rs.10 each, not annualised)						
Basic	3.53	6.11	4.52	2.90	14.93	24.64
Diluted	3.53	6.10	4.51	2.90	14.92	24.63
16 Earnings per share after extra ordinary items: (Of Rs.10 each, not annualised)						
Basic	3.53	6.11	4.52	2.90	14.93	24.64
Diluted	3.53	6.10	4.51	2.90	14.92	24.63



Signature

UNAUDITED FINANCIAL RESULTS FOR QUARTER AND NINE MONTH ENDED DECEMBER 31, 2015

Notes :

- 1 These unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February 4, 2016 and have been subjected to a limited review by the Statutory Auditors of the Company.
- 2 Exceptional items includes:
 - (i) Pursuant to the compliance of regulatory inspection, certain penalties pertaining to financial years 2010-11 and 2011-12 amounting to Rs 194.00 lakhs are being transferred, during the quarter and nine months ended December 31, 2015, to Multi Commodity Exchange Investor (Client) Protection Fund (IPF). Further, similar penalties for earlier years pertaining to financial years 2007-08 to 2009-2010 amounting to Rs. 369.10 lakhs are also being transferred to IPF. Accordingly, during the quarter and nine months ended December 31, 2015 a total amount of Rs. 563.10 lakhs are being transferred to IPF and disclosed as an exceptional item.
 - (ii) The Company, along with Financial Technologies (India) Limited (FTIL), an erstwhile anchor investor/promoter of the Company, held equity shares and warrants in Metropolitan Stock Exchange of India Limited (MSEI), (formerly MCX-Stock Exchange). As per the applicable SEBI regulations, MSEI was required to adjust its shareholding pattern so as to bring it within the limits prescribed by the SEBI regulations within the time prescribed, i.e. June 19, 2015. Towards this end, the Company made serious efforts to dispose off the warrants. However, these efforts were significantly hampered by several factors that reduced the marketability of MSEI's warrants, such as consistently reducing market share and net worth which reduced the value and demand for MSEI's shares and warrants. This made it difficult to dispose off the warrants. Since these factors were outside the Company's control, the Company approached SEBI seeking an extension of time to dispose off the warrants. Also, in view of the merger of the SEBI and the FMC, the Company also requested SEBI to consider treating the Company on par with recognized Stock Exchanges so that the Company could hold upto 15% shareholding/warrants in MSEI. SEBI, however, did not grant the Company's request. Despite these factors, the Company continued to make vigorous efforts to dispose off the warrants. The Company's efforts, however, were thwarted by MSEI, who announced a rights issue of equity shares on May 29, 2015 at par i.e. at Re 1 per share. Since the rights issue remained open until July 9, 2015, it was virtually impossible to dispose off all the warrants before June 19, 2015. Apprehending that MSEI would cancel the warrants and misappropriate the deposit placed by the Company with MSEI against the warrants, the Company filed a Suit against MSEI before the Hon'ble Bombay High Court seeking an injunction against cancellation of the warrants and appropriation of the deposit. The Company also sought refund of the amount of Rs. 4,159.18 lakhs, being the amount of deposit presently held by MSEI against the warrants. Vide its interim orders dated July 9, 2015 and July 10, 2015, the Hon'ble High Court restrained MSEI from cancelling and / or extinguishing the warrants or any rights relating thereto, and from dealing in any manner with the remaining deposit of Rs. 4,159.18 lakhs till further orders. The Hon'ble Court also restrained MSEI from taking any steps in pursuance of any board resolution that MSEI may have passed for cancellation of the warrants. By a further order dated August 3, 2015, the Hon'ble Court has recorded MSEI's statement that MSEI would deposit a sum of Rs. 2,000 lakhs in Court within a period of four weeks, on a without prejudice basis, to establish its bona fides. The matter was finally heard on October 8, 2015 and the order pronounced on October 13, 2015. The Hon'ble Court, inter alia, has held that although the Company may have been deprived of its rights to trade the warrants for shares or trade the warrants for consideration after June 19, 2015 this does not mean that the extinguishment of the warrants would entail appropriation of the deposit. The Hon'ble Court has also held that the money admittedly belongs to the Company and there is no provision in law or in contract whereby MSEI could appropriate the money towards its own capital reserves. In view of the above, the Hon'ble Court has concluded that it would not be desirable to allow MSEI to retain the deposit pending trial of the Suit. Accordingly, the Hon'ble Court has made the Company's Notice of Motion absolute and directed MSEI to deposit an additional sum of Rs. 21,59,17,672/- to the credit of the suit account, within a period of eight weeks from the date of the Order. Thus, the total amount deposited by MSEI would be equal to Rs. 41.59 crores. This amount is to be invested in a fixed deposit with a nationalized bank pending hearing of the Suit ("October 13 Order").

On December 9, 2015, MSEI filed Appeal No. (L) 927 of 2015 before a Division Bench of the Bombay High Court against the October 13 Order. MSEI also filed Notice of Motion (L) No 3471 of 2015 seeking a stay on the operation and implementation of the October 13 Order, pending final hearing and disposal of the Appeal inter alia on the grounds that (a) the Company was aware that it had to divest its excess shareholding in the form of Warrants by June 19, 2015; (b) MSEI was required to ensure compliance of applicable laws and regulations, and thus only cancelled the warrants as otherwise it apprehended being derecognized by SEBI; (c) MSEI had established its bona fides by not acting on its Board Resolution dated June 27, 2015 and also by depositing a sum of Rs. 20 crores with the Bombay High Court; and (d) Given that the Company's Warrants have not been cancelled and MSEI has been restrained from implementing its Board Resolution dated June 27, 2015, MSEI cannot be additionally called upon to deposit a further Rs. 21.59 crores in Court. The matter is currently listed on 17.02.2016, for hearing on the Notice of Motion filed in the said appeal. On December 10, 2015, MSEI also filed Notice of Motion (L) 3480 of 2015 in the Suit before the Single Judge seeking a vacation of the October 13 Order on the ground that MSEI has now passed a resolution withdrawing their earlier resolution of cancellation.

In view of the above, the Company has valued the warrants at its face value of Re 1 each and brought down the carrying cost by Rs. 4,258.89 lakhs. As the Company was only able to sell 148,277,938 warrants to various parties/entities at bids below its carrying cost, a loss of Rs. 1,348.31 lakhs was incurred on the sale of these warrants. Further, based on the market price determined on a weighted average basis for the sale of warrants by MCX, the equity shares have been brought to the lower of cost and this aforesaid market value. This is as per the Company's Accounting Policy on current investments and accordingly a provision of Rs. 333.00 lakhs has been made. The aggregate loss, diminution and provision of Rs. 5,940.20 lakhs on account of the investments in MSEI are exceptional in nature and were accordingly disclosed in the financial results for the quarter ended June 30, 2015. As on December 31, 2015, the Company held 6,65,99,408 equity shares of MSEI (valued at Rs. 736.80 lakhs at the rate of Rs. 1.11 per share) and 41,59,17,672 warrants of MSEI (valued at Rs. 4,159.18 lakhs) and 65,00,000 equity shares of MCCIL (valued at Rs. 650.00 lakhs).

- 3 In accordance with the regulatory guidelines, the Company has conducted stress test for the quarter under review, to determine adequacy of the Settlement Guarantee Fund (SGF). The SGF being adequate, no fresh contributions from the profits have been made during the quarter under review.
- 4 The Company's business activity falls within a single segment viz 'Commodity Exchange'.
- 5 Previous year / period's figures have been regrouped / reclassified, wherever necessary, to conform to the current period's presentation.



Place : Mumbai
Date : February 4, 2016

For Multi Commodity Exchange of India Limited

Satyananda Mishra
Chairman

UNAUDITED FINANCIAL RESULTS FOR QUARTER AND NINE MONTH ENDED DECEMBER 31, 2015

Multi Commodity Exchange of India Limited

Exchange Square, Suren Road, Andheri (East), Mumbai 400 093, India. | www.mcxindia.com | CIN: L51909MH2002PLC135594 | Email id: info@mcxindia.com



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Extract of Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months Ended 31 December 2015

PARTICULARS	[₹ in lakhs]		
	Three months ended 31 December 2015 Unaudited	Nine months ended 31 December 2015 Unaudited	Corresponding Three months ended 31 December 2014 Unaudited
1 Total income from operations (net)	5,696.27	17,442.19	5,709.78
2 Net Profit / (Loss) from ordinary activities after tax	1,795.88	1,472.38	2,296.79
3 Net Profit / (Loss) for the period after tax (after Extraordinary items)	1,795.88	1,472.38	2,296.79
4 Equity Share Capital	5,099.84	5,099.84	5,099.84
5 Reserves (excluding Revaluation Reserve as shown in the Balance Sheet of previous year)	*	*	*
6 Earnings Per Share (before extraordinary items) (of ₹10/- each, not annualised)			
Basic:	3.53	2.90	4.52
Diluted:	3.53	2.90	4.51
7 Earnings Per Share (after extraordinary items) (of ₹10/- each, not annualised)			
Basic:	3.53	2.90	4.52
Diluted:	3.53	2.90	4.51

*Reserves excluding Revaluation Reserve as on March 31, 2015: ₹1,15,117.80 lakhs

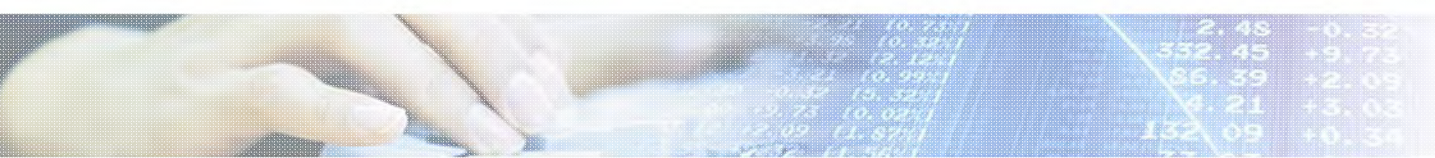
Notes:

1. The above is an extract of the detailed format of Quarterly Financial Results filed with BSE under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on BSE's website at www.bseindia.com and on the Company's website at www.mcxindia.com.

2. These unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February 4, 2016 and have been subjected to a limited review by the Statutory Auditors of the Company.

By order of the Board
For Multi Commodity Exchange of India Limited
sd/-
Satyananda Mishra
Chairman

Place: Mumbai | Date: February 4, 2016



THANK YOU

INVESTOR RELATIONS CONTACT:

Mr. Ajay Puri

Company Secretary, Chief Compliance Officer & Head IR

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