

MCX/SEC/1528

July 20, 2018

BSE Limited  
Department of Corporate Services  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001.

Ref: Scrip code: 534091 Scrip ID: MCX

Subject: Investor Presentation for quarter ended June 30, 2018

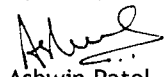
Dear Sir,

Please find enclosed herewith investor presentation for quarter ended June 30, 2018.

Kindly take the same on record and acknowledge receipt.

Thanking you,

Yours faithfully,  
For Multi Commodity Exchange of India Limited



Ashwin Patel  
Company Secretary

# INVESTOR OVERVIEW

JULY 2018

**MCX**  
METAL & ENERGY  
Trade with Trust

## ADT

Rs.24,360 Cr. ↑ 30%  
(Rs.18,772 Cr.)

## OPERATING REVENUE

Rs.72.87 Cr. ↑ 23%  
(Rs.59.19 Cr.)

## Total Revenue

Rs.85.43 Cr. ↓ 2%  
(Rs.87.24 Cr.)

## PAT

Rs.7.33 Cr. ↓ 72%  
(Rs.26.30 Cr.)

## EBIDTA

Rs.37.47 Cr. ^ ↓ 8%  
(Rs.40.92 Cr.)

## SGF

Rs.230.51 Cr.\*  
(Rs.221.53 Cr.)

## IPF

Rs.182.29 Cr.\*  
(Rs.162.60 Cr.)

## Book Value per share

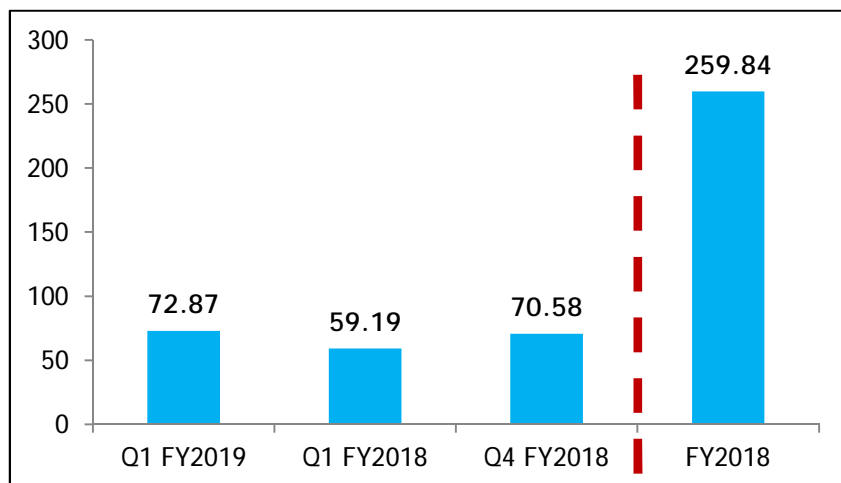
Rs.273  
(Rs.271\*\*)

## AVERAGE REALISATION

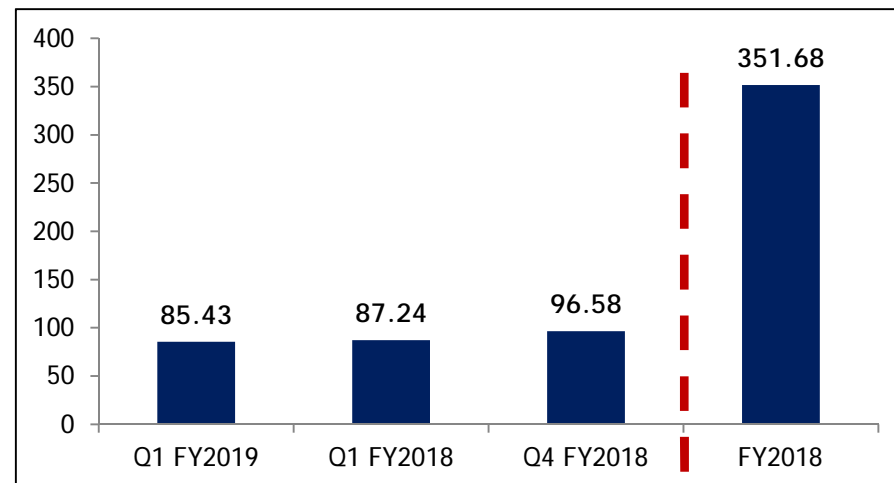
Rs.2.19 Per lakh  
(Rs.2.24)

# CONSOLIDATED KEY FINANCIALS

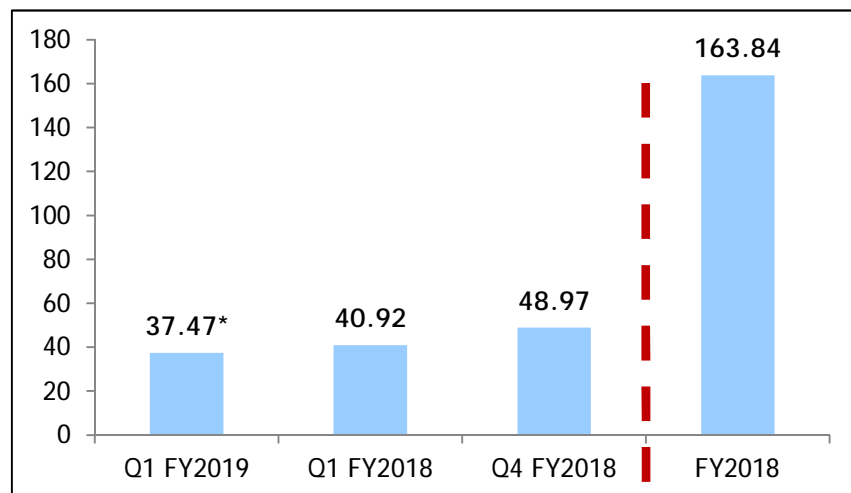
OPERATING REVENUE (IN RS. CRORE)



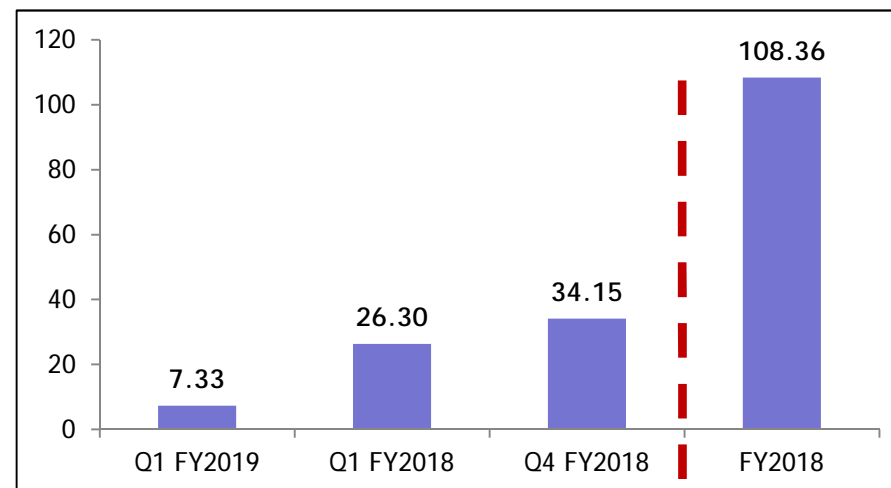
TOTAL REVENUE (IN RS. CRORE)



EBIDTA (IN RS. CRORE)



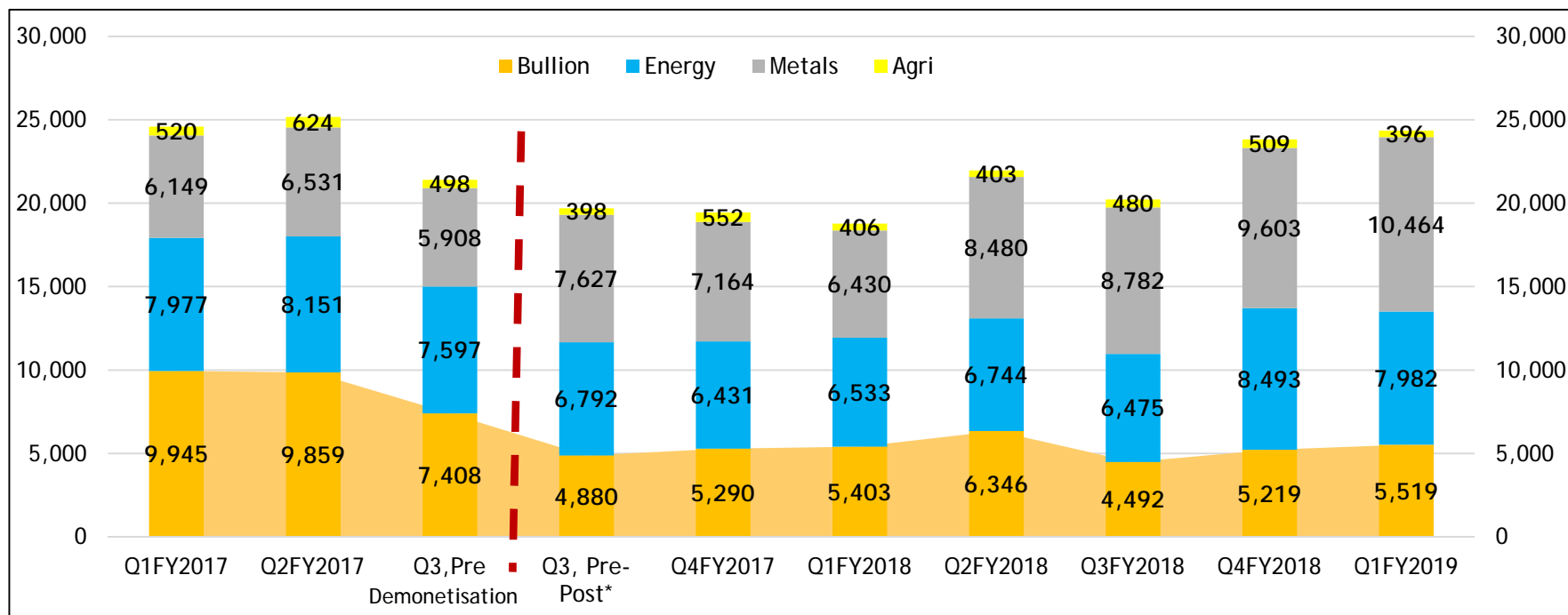
PAT (IN RS. CRORE)



\* Before Exceptional Items

# TREND IN AVERAGE DAILY FUTURES TURNOVER

In Rs. Crore

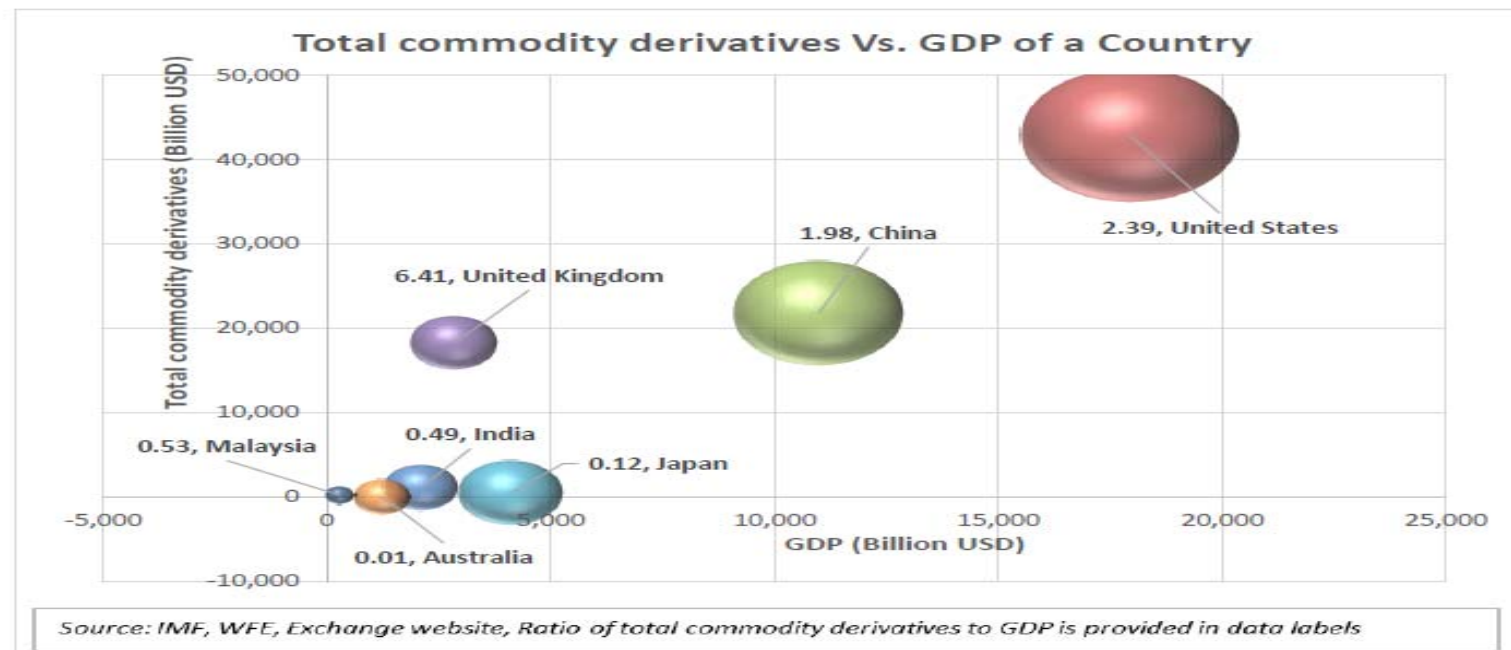


SEGMENT	Q1FY17	Q2FY17	Q3, Pre-Demonetisation (1 Oct- 08 Nov '16)	Q3, Post-Demonetisation* (14 <sup>th</sup> Nov - 31 <sup>st</sup> Mar '17)	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19
Gold	6,200	5,352	4,006	2,487	3,082	2,975	3,331	2,305	2,876	2,984
TOTAL	24,591	25,165	21,410	19,697	19,437	18,772	21,972	20,229	23,824	24,360
% Share	25.2%	21.3%	18.7%	12.6%	15.9%	15.8%	15.2%	11.4%	12.1%	12.2%

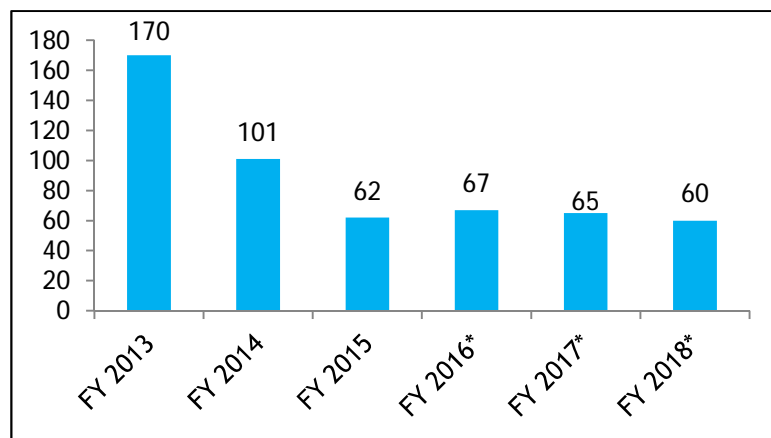
\* Turnover on 9<sup>th</sup>, 10<sup>th</sup> & 11<sup>th</sup> November 2016 ignored due to exceptional events



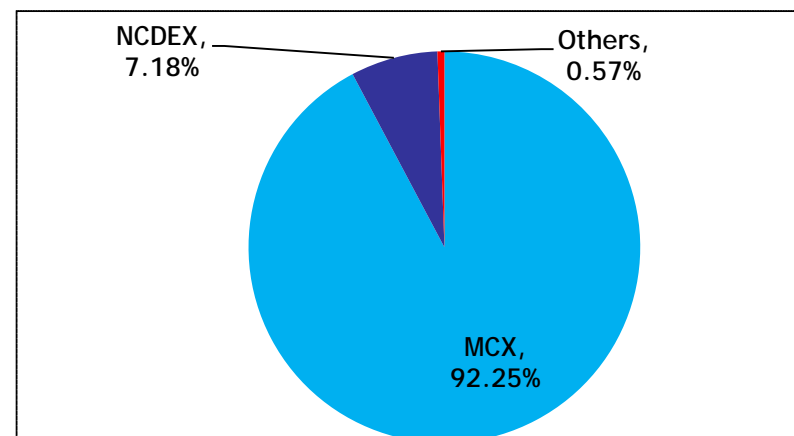
1. The growth of the overall economy in India is expected to drive the underlying demand for commodities.
2. The increase in physical market volumes may increase the hedging requirements of industry players, which influences derivative trading volumes.
3. Commodity derivative volumes are generally a 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 or the GDP for the commodity. Thus, the potential for commodity derivatives is huge.



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



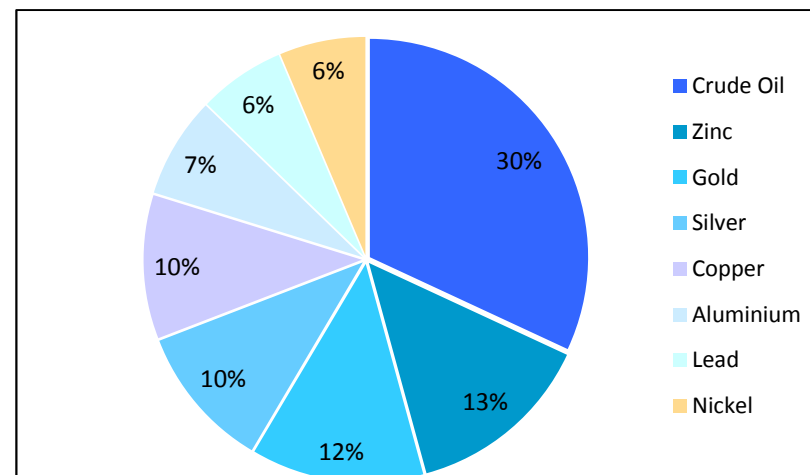
## COMMODITY DERIVATIVES MARKET SHARE (Q1 FY2019)\*

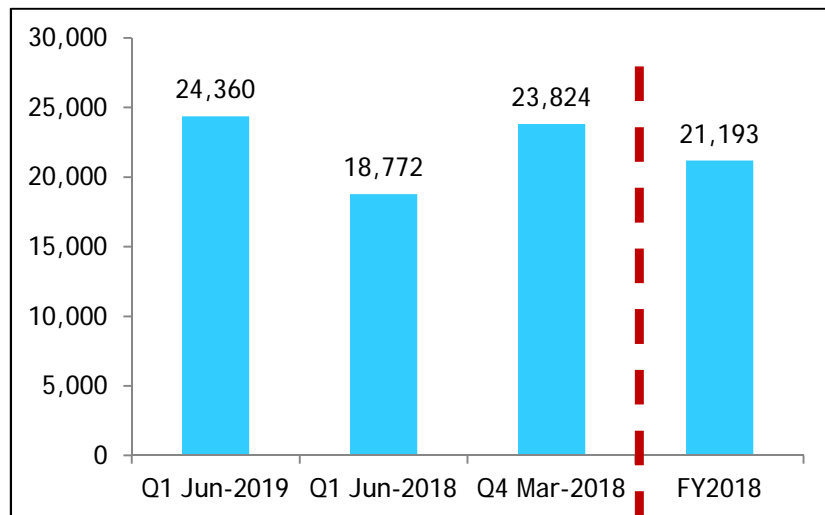


## MCX: MARKET SHARE IN KEY SEGMENTS FOR Q1 FY2019\*

Commodity Segment	MCX Market Share in Indian Commodity Futures space	Proportion of MCX's turnover
Precious Metals & Stones	99.68%	22.66%
Energy	100.00%	32.77%
Base Metals	100.00%	42.95%
Agri- Commodities	16.31%	1.62%

## MCX MAJOR COMMODITIES TURNOVER Q1 FY2019





## EXTENSIVE REACH

675# Members

53,015 Authorised Persons

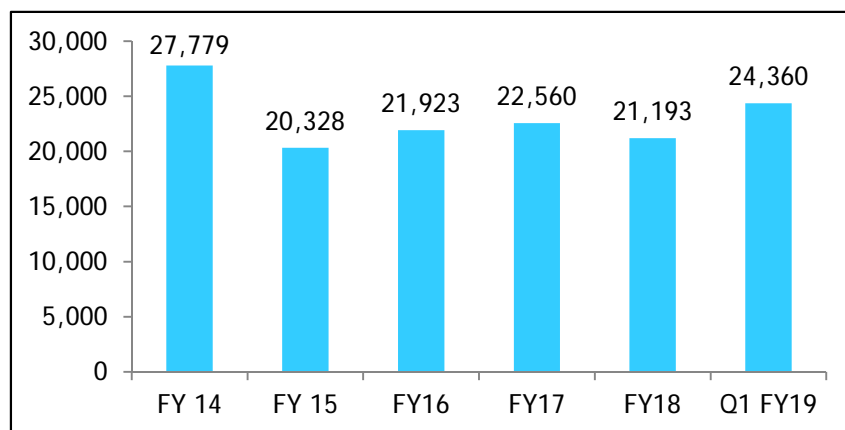
13,51,595 terminals (including IBT, WT, CTCL)

1094 cities/towns across India

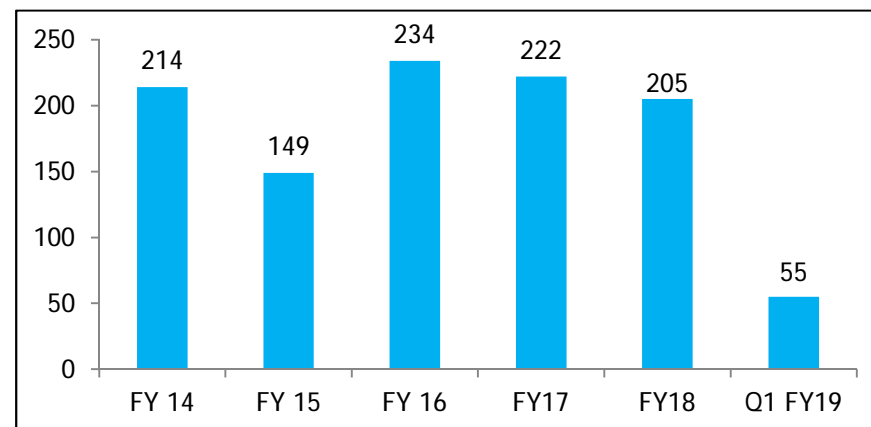
##No. of Active UCCs - 25,88,278

# Application Submitted to SEBI, it includes 11 Members who have applied for Surrender of Membership; ## Unique Client Code

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



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





## Distribution

- Banks sponsored broking entities allowed to provide services in commodity derivatives market (holds more than a quarter of active clients)
- Top four banks broking arms are already members, expected to start trading this quarter

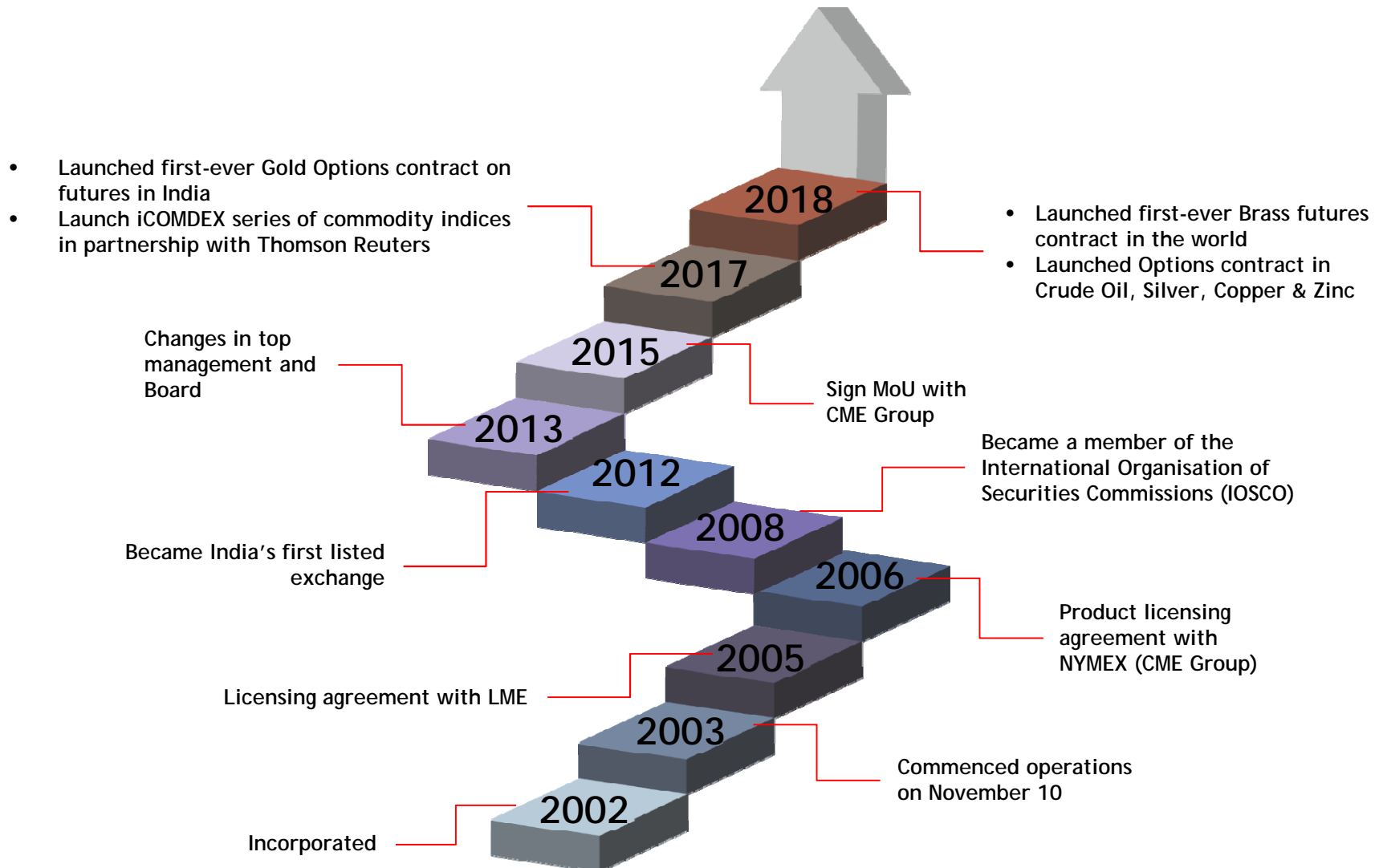
## Participation

- **Integration of brokers:** fungibility enabled at members level, resulting in ease of doing businesses at client level
- **Institutional Participation:** MFs & PMS expected to participate in commodities derivative market soon
- **Disclosure / Hedging:** Working closely with CA/CS institutes to increase their compliance with SEBI disclosure requirements, which would promote commodity hedging as a culture

## Options

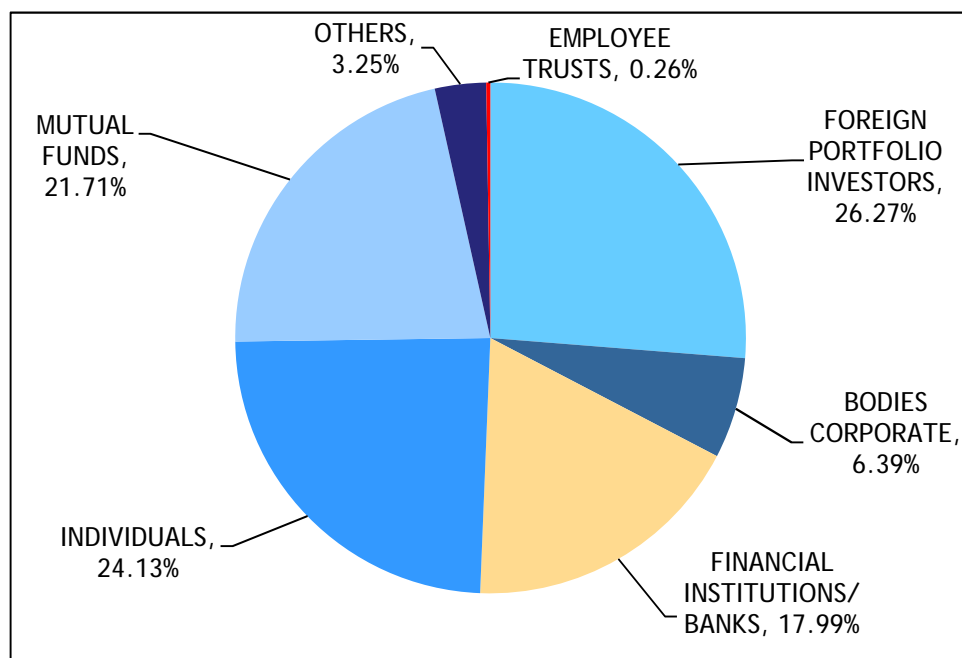
- **Reduction of transaction tax on 'Exercise of options on futures' in the union budget 2018-19**
  - ✓ From 0.125 % to 0.0001 % on settlement price
- Options contracts on gold, silver, crude oil, copper and zinc futures have been introduced
- **Liquidity Enhancement Scheme (LES) :** Started LES in gold options from April 24, 2018
  - Turnover increased by 587 per cent post launch of LES in gold options till June 2018
  - Overall member / client participation improved substantially since launch of LES

# 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 JUNE 30, 2018



### Stock Info:-

No. of Shares Outstanding (In MN) - 50.998

BSE - MCX - 52 Week - H -Rs. 1181.90 / L - Rs. 665.00 (per share)

NSE - MCX - 52 Week - H -Rs. 1182.00 / L - Rs. 665.10 (per share)

As per BSE Market Capitalisation (In Rs. Bn) - 37.30<sup>#</sup>

## MAJOR SHAREHOLDERS SHAREHOLDING MORE THAN 1%

Sr. No.	Name of Shareholders <sup>##</sup>	%
1	Kotak Mahindra Bank Limited	15.00
2	UTI Mutual Fund*	4.49
3	Axis Mutual Fund*	4.00
4	Jhunjhunwala Rakesh Radheshyam	3.92
5	SBI Mutual Fund*	3.61
6	JP Morgan Indian Investment Company (Mauritius) Ltd	2.24
7	TIAA-CREF FUNDS - TIAA-CREF Emerging Markets Equity Fund	2.00
8	Government Pension Fund Global	1.72
9	IDFC Premier Equity Fund	1.71
10	HDFC Mutual Fund*	1.65
11	College Retirement Equities Fund**	1.47
12	HSBC Global Investment Funds - Indian Equity	1.28
13	Abu Dhabi Investment Authority - Jhelum	1.25
14	ITPL Mutual Fund*	1.20
15	JM Financial Mutual Fund*	1.18
16	L&T Mutual Fund*	1.12
17	HDFC Bank Ltd.	1.03

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

**ASHWIN PATEL, Company Secretary**

- Previously worked with MT Educare, J. B. Chemicals and Pharmaceuticals Ltd and Dupont Sportswear Ltd
- Over 22 years of experience in the field of Secretarial, Legal and Investment Banking activities

**CHITTARANJAN REGE, VP - PMT (Head - Base Metals)**

- Previously with E&Y, Hindalco & Mecklai Financial
- Over 19 years of experience in financial and commodity risk management

**DEEPAK MEHTA, VP - PMT (Head - Energy & Agri)**

- Previously worked with MGL (A Joint venture of GAIL & British Gas)
- Over 17 years of experience in Physical and Financial Markets of Oil & Gas Sector

**GIRISH DEV, Chief Regulatory Officer**

- Formerly MD & CEO - Geofin Comtrade
- Over 24 years experience in Financial Services in Operations, Technology, Compliance & Sales functions in the Institutional & Retail businesses, in Capital & Commodities markets including Depository services, Distribution of MF & Insurance, PMS & Merchant Banking and NBFC.

**NAVEEN MATHUR, Head - Market Advocacy**

- Ex-Associate Director : Commodities and Currencies Business, Equity Research and Advisory, Angel Broking Pvt. Limited
- Over 23 years of rich experience in Financial Services

**PRAVEEN DG, Head - Strategy & Risk**

- Previously worked with MCX-SX & ICFAI - (Research Wing)
- Over 17 years of experience in financial markets

**RAHI RACHARLA, Chief Information Officer**

- Previously worked with JP Morgan, Bangalore
- Over 26 years of experience in the field of technology

**RAJENDRA GOGATE, VP, HR & Administration**

- Ex-General Manager(Facilities) - TATA Teleservices & Dy. GM - Essar
- Over 34 years of experience in the field of General Administration, Facilities Management

**SANJAY WADHWA, Chief Financial Officer**

- Previously worked with Reliance Money, Reliance Capital Asset Mngt, HSBC, E&Y & Coco cola
- Over 20 years of professional experience

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

- Formerly Chief- Financial Segment at NCDEX and CEO and COO of various broking companies
- Over 20 years of experience across the Financial Services domain

**SHIVANSHU MEHTA, VP - PMT (Head Bullion)**

- Previously worked with Hindalco
- Over 17 years of experience across Commodity spectrum

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

- Former, Chief Business Officer - Nomura Research Institute
- Over 24 years of experience in the field of market research, policy advocacy and finance

## FINANCIAL OVERVIEW



## INCOME STATEMENT (CONSOLIDATED)

(Rs. In Crore)	Q1 FY 19	Q1 FY 18	Q4 FY 18
Revenue from Operations	72.87	59.19	70.58
Other Income	12.56	28.05	26.00
<b>Total Revenue</b>	<b>85.43</b>	<b>87.24</b>	<b>96.58</b>
Employee Cost	18.55	17.76	15.75
Other Operating Expenses	29.41	28.56	31.90
<b>Operating Expenditure</b>	<b>47.96</b>	<b>46.32</b>	<b>47.65</b>
<b>EBIDTA</b>	<b>37.47</b>	<b>40.92</b>	<b>48.93</b>
Depreciation	3.66	4.79	3.60
Exceptional items	23.80	-	-
<b>PBT</b>	<b>10.01</b>	<b>36.13</b>	<b>45.33</b>
Provision for Tax	2.68	9.83	11.18
<b>PAT</b>	<b>7.33</b>	<b>26.30</b>	<b>34.15</b>

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:

Mr. Sanjay Wadhwa, *Chief Financial Officer*  
+91 22 6731 8888, [Sanjay.Wadhwa@mcxindia.com](mailto:Sanjay.Wadhwa@mcxindia.com)