

MCX/SEC/1588

October 23, 2018

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

Scrip code: 534091 Scrip ID: MCX

Sub.: Investor Presentation for quarter and half year ended September 30, 2018


Dear Sir,

Please find enclosed herewith investor presentation for quarter and half year ended September 30, 2018

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Multi Commodity Exchange of India Limited


Ashwin Patel
Company Secretary
Encl: as above

The background of the slide is a vibrant blue with a complex digital aesthetic. It features a grid of small squares, a network of white nodes connected by thin lines, and a faint world map. On the right side, there are several data visualization elements: a line graph with multiple colored lines, a bar chart, and a circular gauge showing the number '689'.

INVESTOR OVERVIEW

OCTOBER 2018

MCX
METAL & ENERGY
Trade with Trust

ADT

Rs.24,655 Cr. ↑
(Rs.21,972 Cr.) ↑ 12%

OPERATING REVENUE

Rs.71.10 Cr. ↑
(Rs.67.26 Cr.) ↑ 6%

Total Revenue

Rs.93.27 Cr. ↑
(Rs.91.54 Cr.) ↑ 2%

PAT

Rs.35.93 Cr. ↑
(Rs.29.15 Cr.) ↑ 23%

EBIDTA

Rs.45.07 Cr. ↑
(Rs.44.94 Cr.) ↑ 0.3%

SGF

Rs.241.19 Cr.*
(Rs.223.16 Cr.)

IPF

Rs.191.49 Cr.*
(Rs.156.68 Cr.)

Book Value per share

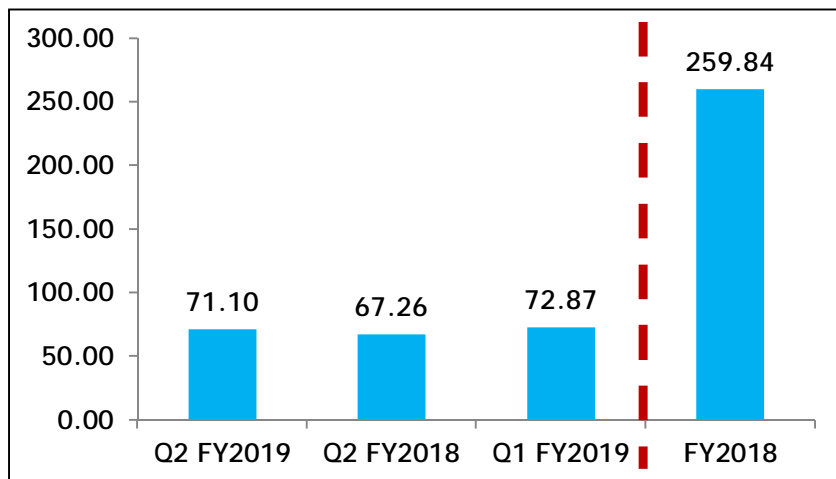
Rs.240
(Rs.271**)

AVERAGE REALISATION

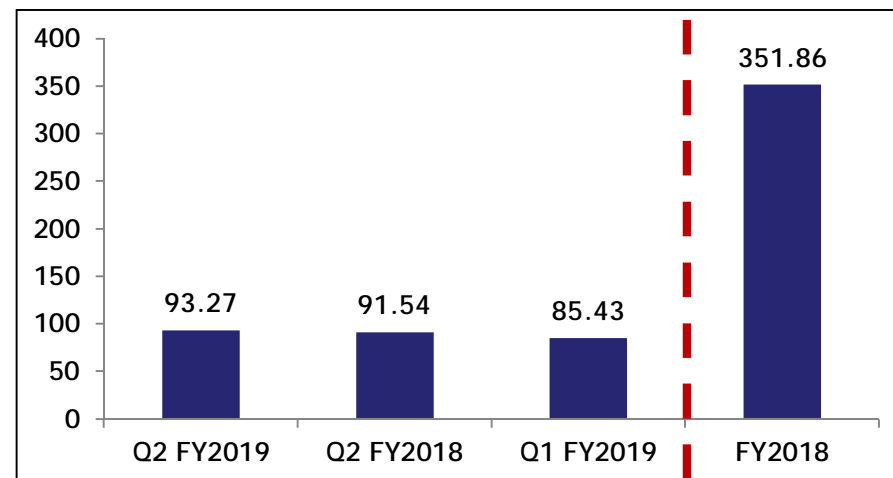
Rs.2.19 Per lakh
(Rs.2.22)

CONSOLIDATED KEY FINANCIALS

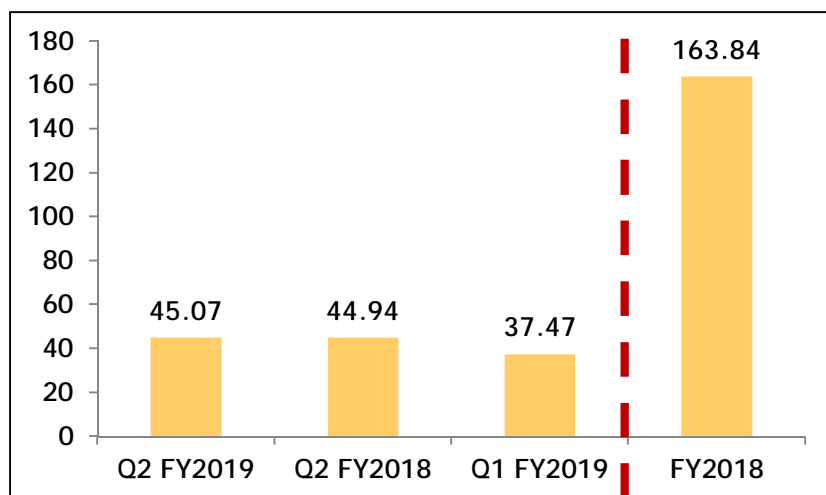
OPERATING REVENUE (IN RS. CRORE)



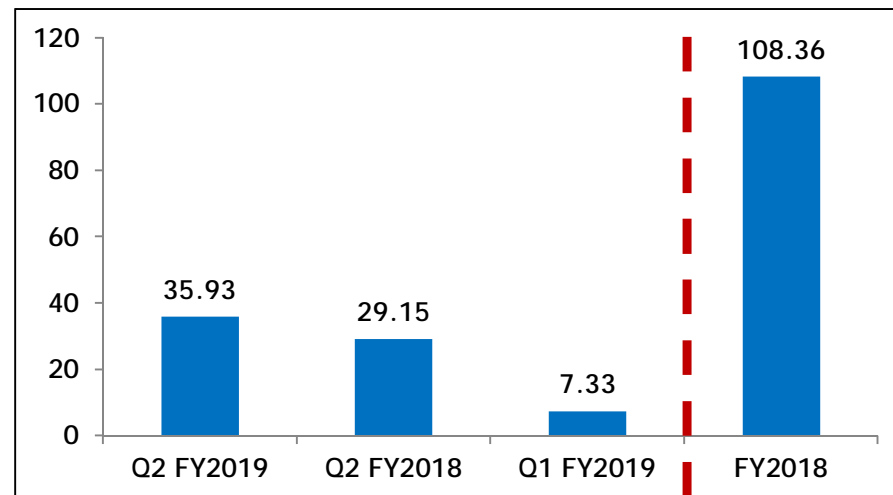
TOTAL REVENUE (IN RS. CRORE)



EBIDTA (IN RS. CRORE)

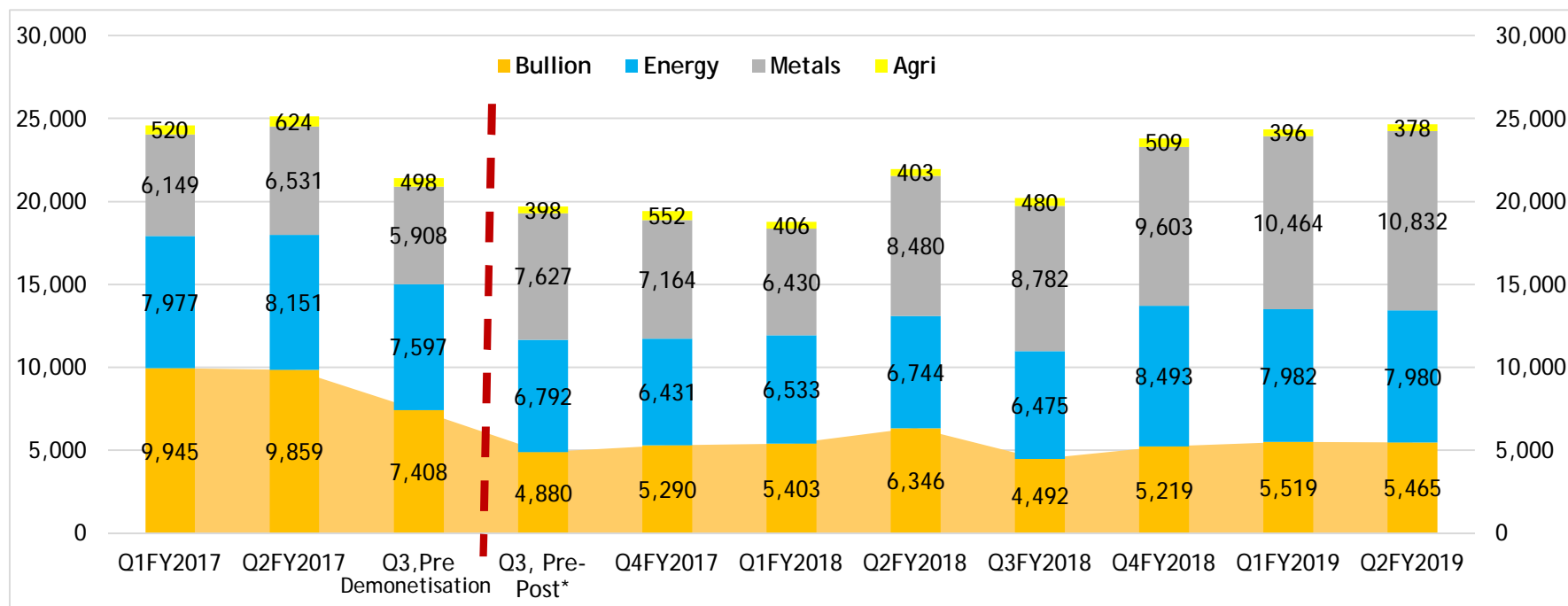


PAT (IN RS. CRORE)



TREND IN AVERAGE DAILY FUTURES TURNOVER

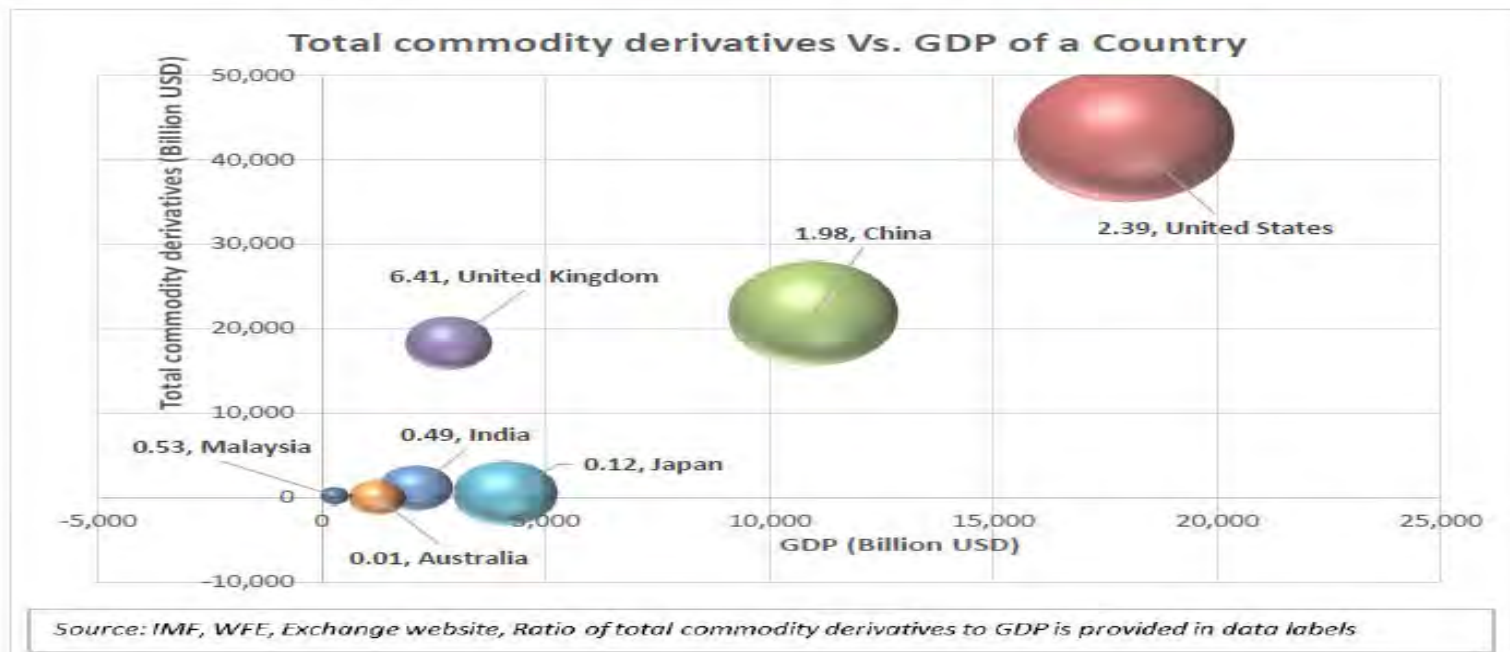
In Rs. Crore



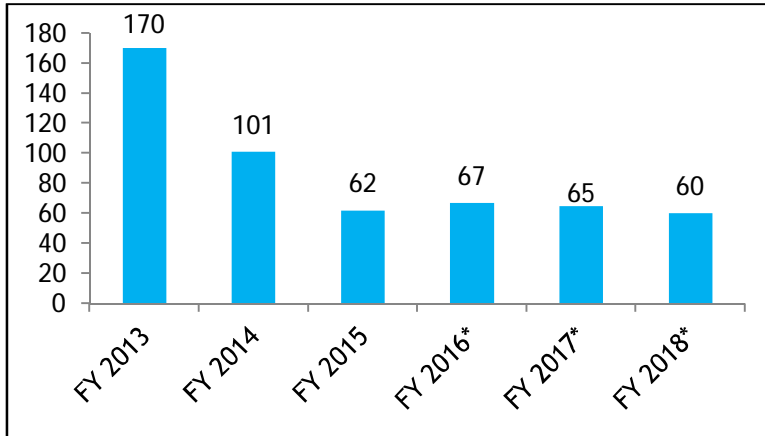
SEGMENT	Q1FY17	Q2FY17	Q3, Pre-Demonetisation (1 Oct- 08 Nov '16)	Q3, Post-Demonetisation * (14 th Nov - 31 st Mar '17)	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19
Gold	6,200	5,352	4,006	2,487	3,082	2,975	3,331	2,305	2,876	2,984	2,920
TOTAL	24,591	25,165	21,410	19,697	19,437	18,772	21,972	20,229	23,824	24,360	24,655
% Share	25.2%	21.3%	18.7%	12.6%	15.9%	15.8%	15.2%	11.4%	12.1%	12.2%	12.0%

* Turnover on 9th, 10th & 11th November 2016 ignored due to exceptional events

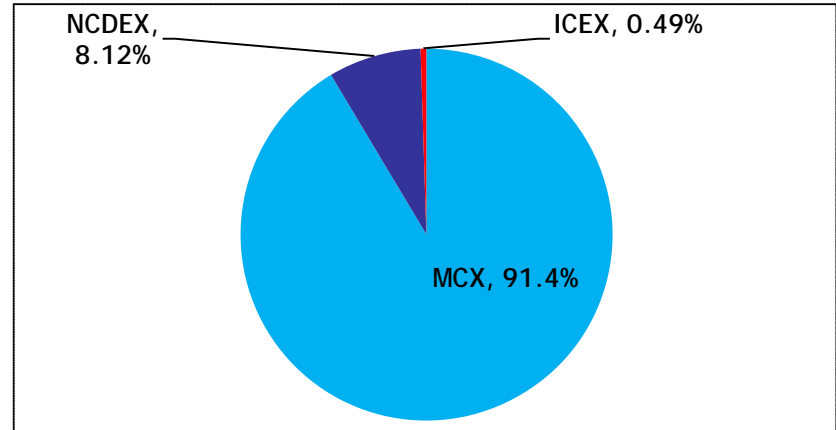
1. The growth of the overall economy in India is expected to drive the underlying demand for commodities.
2. The increase in physical market volumes may increase the hedging requirements of industry players, which influences derivative trading volumes.
3. Commodity derivative volumes are generally a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



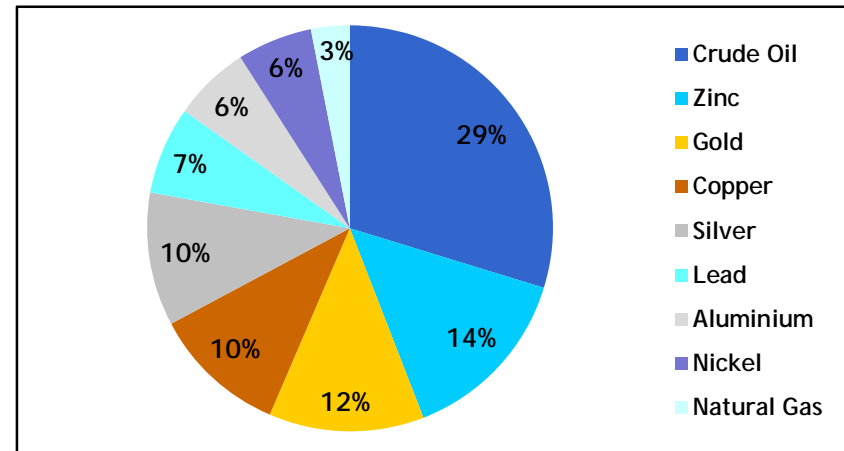
COMMODITY DERIVATIVES MARKET SHARE (H1 FY2019)*



MCX: MARKET SHARE IN KEY SEGMENTS FOR H1 FY2019*

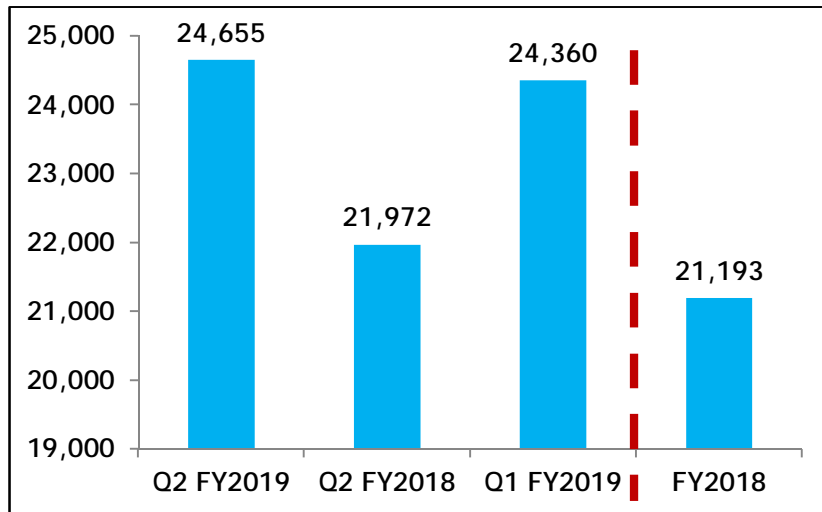
Commodity Segment	MCX Market Share in Indian Commodity Futures space	Proportion of MCX's turnover
Precious Metals & Stones	99.58%	22.41%
Energy	100.00%	32.57%
Base Metals	100.00%	43.44%
Agri- Commodities	14.47%	1.58%

MCX MAJOR COMMODITIES TURNOVER H1 FY2019



OPERATIONAL HIGHLIGHTS

AVERAGE DAILY VOLUME - Single Side (INR Crore)*



EXTENSIVE REACH

680# Members

53,824 Authorised Persons

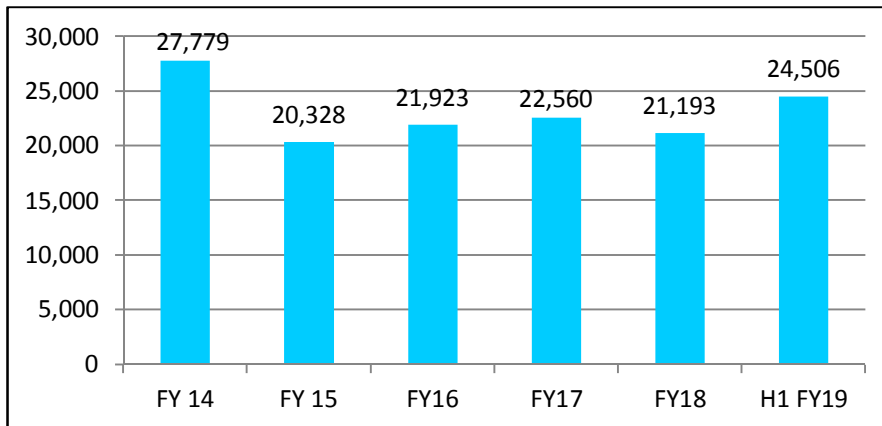
14,58,909 terminals (including IBT, WT, CTCL)

1076 cities/towns across India

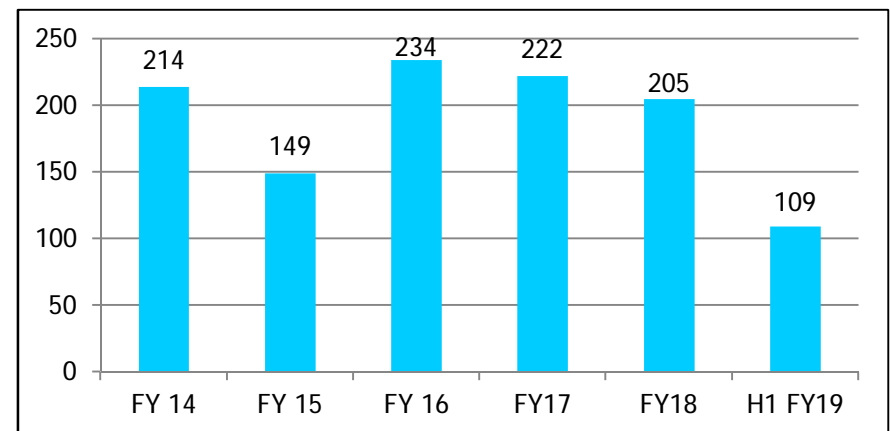
##No. of UCCs - 24,89,910

Application Submitted to SEBI, it includes 14 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
 - Axis Securities, the first bank broking subsidiary commenced trading in Commodity Derivatives
 - Other top banks broking arms such as HDFC Securities, ICICI Securities and SBICap among others are expected to start trading soon
- Banks allowed to serve as Professional Clearing Members (PCM)

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
- **Eligible Foreign Entities (EFEs):** having actual exposure to Indian physical commodity markets
- **Disclosure / Hedging:** Working closely with CA/CS institutes to increase their compliance with SEBI disclosure requirements, which would promote commodity hedging as a culture

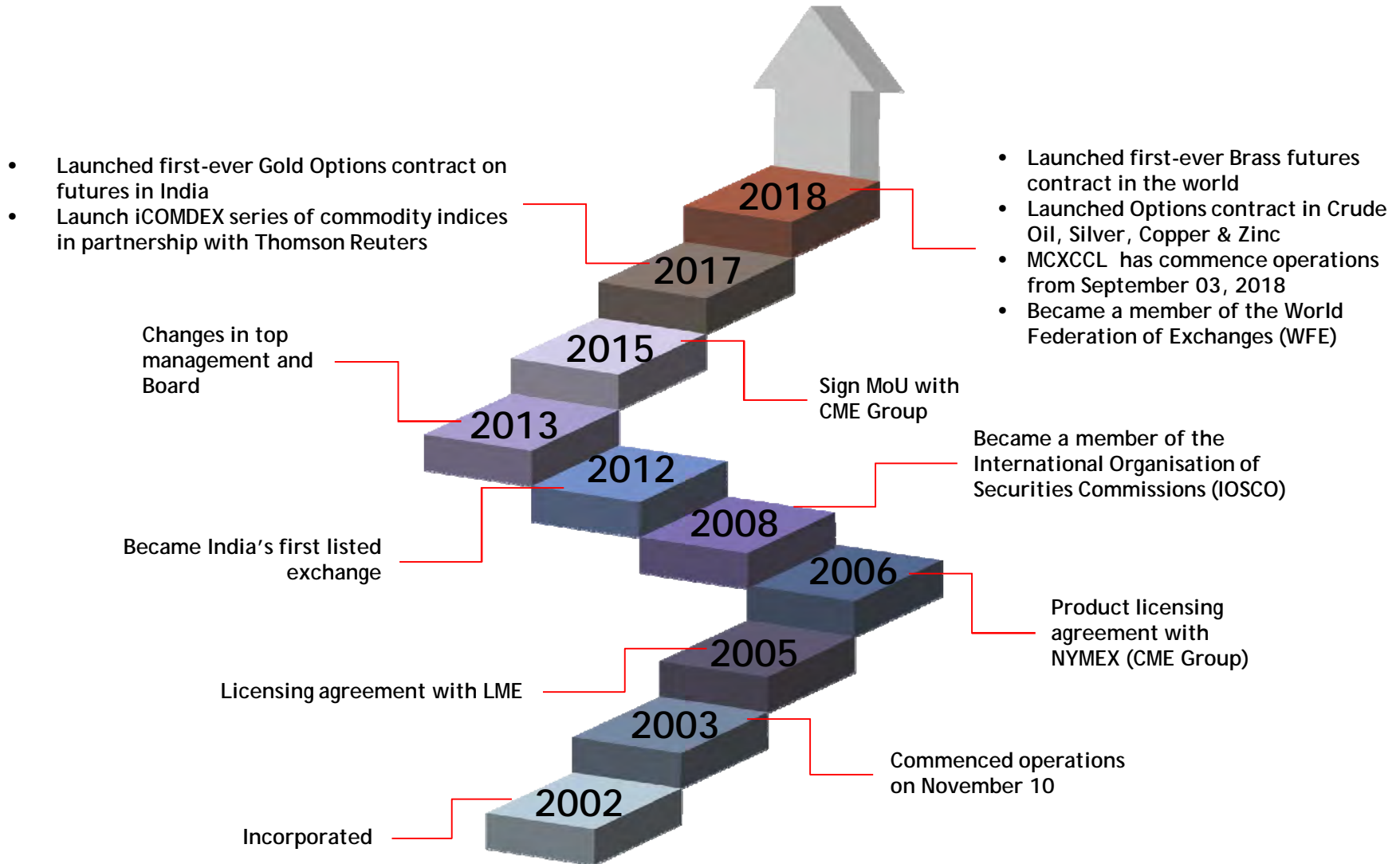
Options

- Options contracts on gold, silver, crude oil, copper and zinc have been introduced
- Liquidity Enhancement Scheme (LES) : Started LES in gold options from April 24, 2018
 - Average Daily Turnover increased by 489 per cent post launch of LES in gold options till September 2018
 - Overall member / client participation improved substantially since launch of LES

Spot Initiatives

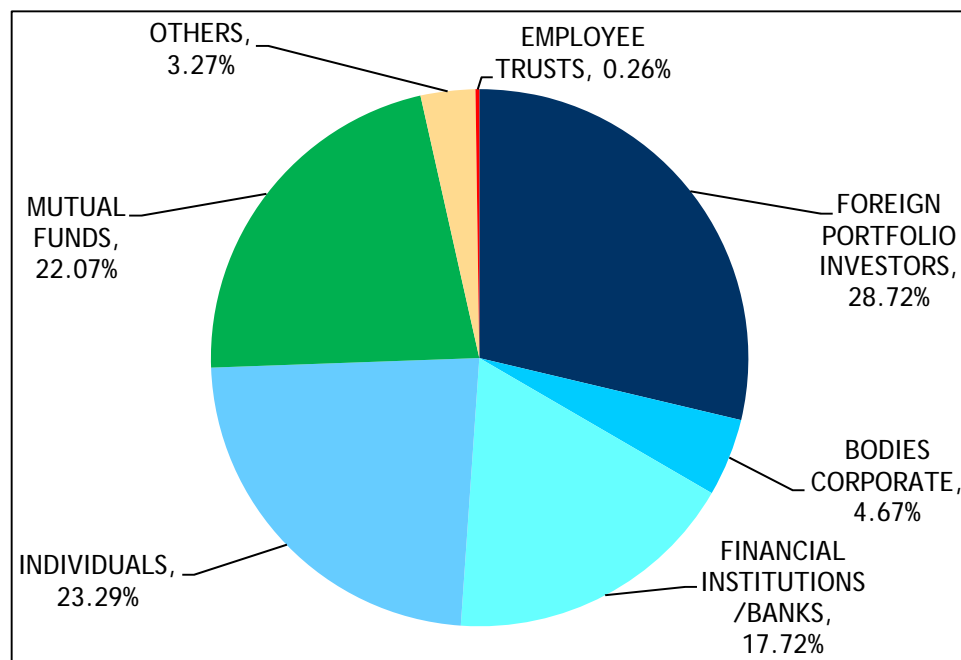
- Bullion and Natural Gas spot exchange - awaiting clarity on Regulatory structure

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 SEPTEMBER 30, 2018



Stock Info:-

No. of Shares Outstanding (In MN) - 50.998

BSE - MCX - 52 Week - H -Rs. 1111.15 / L - Rs. 650.00 (per share)

NSE - MCX - 52 Week - H -Rs. 1111.90 / L - Rs. 650.00 (per share)

As per BSE Market Capitalisation (In Rs. Bn) - 35.22[#]

MAJOR SHAREHOLDERS SHAREHOLDING MORE THAN 1%

Sr. No.	Name of Shareholders ^{##}	%
1	Kotak Mahindra Bank Limited	15.00
2	UTI Mutual Fund*	4.39
3	Jhunjhunwala Rakesh Radheshyam	3.92
4	SBI Mutual Fund*	3.67
5	Axis Mutual Fund*	3.66
6	JP Morgan Indian Investment Company (Mauritius) Ltd.	2.24
7	Government Pension Fund Global	2.23
8	TIAA-CREF FUNDS - TIAA-CREF Emerging Markets Equity Fund	2.00
9	IDFC Premier Equity Fund	1.74
10	HDFC Mutual Fund*	1.67
11	L&T Mutual Fund*	1.55
12	College Retirement Equities Fund**	1.40
13	Doric Asia Pacific Small Cap (Mauritius) Ltd.	1.25
14	Abu Dhabi Investment Authority - Jhelum	1.25
15	JM Financial Mutual Fund*	1.22
16	HSBC Global Investment Funds - Indian Equity	1.15
17	HDFC Bank Ltd.	1.03

^{##} 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

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.

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

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

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

PRAVEEN DG, Head - Strategy & Risk

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

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

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


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

SHIVANSHU MEHTA, VP - PMT (Head Bullion)

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

- ❖ 100% subsidiary of Multi Commodity Exchange of India Ltd. (MCX)
- ❖ Commenced operations on September 03, 2018
- ❖ Settlement Guarantee Fund (SGF) corpus was Rs. 241.20 crs. as on September 30, 2018
- ❖ Net worth : Rs. 157 crores
- ❖ 13 clearing banks empanelled for funds settlement
- ❖ Central counterparty for all trades executed on MCX
- ❖ 213 Clearing Members

- ❖ **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) **COMRIS**
 - Agri Commodities settled through CDSL Commodity Repository Ltd. (CCRL) 

FINANCIAL OVERVIEW

INCOME STATEMENT (CONSOLIDATED)

(Rs. in Crore)	Q2 FY19	Q2 FY18	Q1 FY19
Revenue from Operations	71.10	67.26	72.87
Other Income	22.17	24.28	12.56
Total Revenue	93.27	91.54	85.43
Employee Cost	17.43	17.83	18.55
Other Operating Expenses	30.77	28.77	29.41
Operating Expenditure	48.20	46.60	47.96
EBIDTA	45.07	44.94	37.47
Depreciation	3.81	4.81	3.66
Exceptional item	-	-	23.80
PBT	41.26	40.13	10.01
Provision For Tax	5.33	10.97	2.68
PAT	35.93	29.15	7.33

INCOME STATEMENT (CONSOLIDATED)

(Rs. in Crore)	H1 FY 19	H1 FY 18
Revenue from Operations	143.97	126.45
Other Income	34.73	52.33
Total Revenue	178.70	178.78
Employee Cost	35.98	35.60
Other Operating Expense	60.18	57.33
Operating Expenditure	96.16	92.93
EBIDTA	82.54	85.85
Depreciation	7.47	9.60
Exceptional Items	23.80	-
PBT	51.27	76.25
Provision For Tax	8.01	20.80
PAT	43.26	55.45

BALANCE SHEET (CONSOLIDATED)

In Rs. Crore

PARTICULARS	AS ON Sept 30, 18	AS ON Mar 31, 18
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	51	51
Reserves & Surplus	1175	1329
SGF	241	181
Non Current Liabilities	75	41
Current Liabilities	370	364
TOTAL	1912	1966

- Net worth of Rs. 1,467 crore (including SGF) as on September 30, 2018

In Rs. Crore

PARTICULARS	AS ON Sept 30, 18	AS ON Mar 31, 18
ASSETS		
Fixed Assets	160	162
Non-current investments & Loans and Advances	679	753
Total Current Assets	1072	1052
- Cash & Cash equivalents included in Total Current Assets	363	60
	1912	1966

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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