MULTI COMMODITY EXCHANGE CLEARING CORPORATION LIMITED

TRANSCRIPT OF THE EXTRAORDINARY GENERAL MEETING
HELD ON WEDNESDAY, FEBRUARY 15, 2023
AT 5:30 P.M (IST) TO 5:50 P.M (IST)

Directors Present:

Mr. Ved Kumar Jain	: Public Interest Director/Chairman of the Board
Dr. Brinda Jagirdar	: Public Interest Director
Mr. Nagesh Pinge	: Public Interest Director
Mr. Rajesh Doshi	: Public Interest Director
Mr. Narendra Kumar Ahlawat	: MD & CEO

Members present:

Ms. Manisha Thakur	: Member (Authorised Representative of MCX)
Mr. Satyajeet Bolar	: Member (Nominee of MCX)
Mr. Rishi Nathany	: Member (Nominee of MCX)
Mr. Shivanshu Mehta	: Member (Nominee of MCX)
Mr. D.G. Praveen	: Member (Nominee of MCX)
Mr. Manoj Jain	: Member (Nominee of MCX)
Ms. Rashmi Nihalani	: Member (Nominee of MCX)

Auditors Present:

Mr. Jatin Patil	: Representative – Mayekar & Associates, Secretarial Auditor

Key Managerial Personnel Present:

Mr. Rajesh Agrawal	: Chief Financial Officer
Mr. Mandar Kulkarni	: Company Secretary

WELCOME ADDRESS BY COMPANY SECRETARY:

Dear all, Good evening. I Mandar Kulkarni, Company Secretary, of Multi Commodity Exchange Clearing Corporation Limited, welcome all of you to this Extra Ordinary General Meeting.

Pursuant to Article 111 of the Articles of Association of MCXCCL, I request Mr. Ved Kumar Jain, being the Chairman of the Board, to kindly take the Chair and proceed with the Meeting. As the quorum is present, we have all the seven Shareholders present in the Meeting.

WELCOME ADDRESS BY CHAIRMAN

Thank you, Mr. Mandar. Dear all my esteemed Shareholders, I welcome you all to this Extraordinary General Meeting of the Company. The time is 5:30 P.M. and the requisite quorum is present as

confirmed by Mr. Mandar Kulkarni. We are all aware that pursuant to Section 103, five members personally present have to be there. So now, we have all the seven Shareholders present. So, I call the Meeting to the order.

All efforts feasible under the circumstances have indeed been made by the Company to enable members to participate and vote on the item of business being considered in this Meeting. I request all the Directors on the Board of MCXCCL to introduce themselves.

Mr. Ved Kumar Jain, Public Interest Director (PID)
I am Ved Jain, PID and Chairman of MCXCCL, joining from the office in New Delhi. Over to Rajesh Ji please.

Mr. Rajesh Doshi, PID
I am Rajesh Doshi, attending the Meeting from my residence in Mumbai, Walkeshwar. I am alone in my room and I can hear and see everybody clearly.

Mr. Nagesh Pinge, PID
This is Nagesh Pinge, Independent Director, attending this EGM from my residence in Vile Parle, Mumbai. Thank you.

Dr. Brinda Jagirdar, PID
Good evening, I am Brinda Jagirdar. I am joining this Meeting from my residence in Mumbai. I am an Independent Director. I am alone in the room and I meet all the protocols. Thank you.

Mr. Narendra Kumar Ahlawat, Managing Director
Good evening everyone. I am Narendra Ahlawat. I am attending this Meeting from 6th floor, Board Room, Exchange Square. Thank you.

Chairman
Mr. Reddy, is not present and is granted a leave of absence because of his pre-occupation as informed by the Company Secretary, Mr. Mandar.

In accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chairman of the Audit Committee and the Chairperson of the Nomination & Remuneration Committee are also present. So, Mr. Nagesh Pinge, Chairman of the Audit Committee and Dr. Brinda Jagirdar, Chairperson of the Nomination & Remuneration Committee, both are present to answer the queries of the Shareholders. The representative of the Secretarial Auditors is present to answer the Shareholders queries. May I request the Secretarial Auditor to introduce himself. The Statutory Auditor is exempted from attending this Meeting.

Mr. Jatin Patil, Representative – Mayekar & Associates, Secretarial Auditor
This is Jatin Patil, Company Secretary and Partner of the Secretarial Auditor, M/s Mayekar & Associates. I am joining this Meeting from Mumbai.

Chairman
Dear Shareholders, the notice of Extra Ordinary General Meeting dated February 11, 2023 along with explanatory statement has been circulated and with your permission, I would like to take the same as read.

Now I would like to invite queries from the Shareholders. You are free to ask any questions and the PIDs, Mr. Narendra Ahlawat, MD and CEO are available here to answer any queries you have about the functioning, working or any other issues relating to MCXCCL.

Chairman
As a shareholder/ promoter, you have the right to ask the questions as why the profit is low or why expenditure is increasing or why are you not giving dividends, feel free.

Just to give comfort to all of you, we are doing reasonably well. Our income and funds have gone up. Just before the EGM, we had an Investment Committee Meeting and we reviewed our position since September 2018 and where we have reached now. Just to apprise you, we started with a fund of Rs. 534 Crores and today we have more than Rs 1700 Crores in fund. This is the development which has taken place in the last over four years. The income has also substantially increased. We are not distributing dividend looking at the requirement of working capital, SGF etc. which you all are aware. We are doing well and I can assure you things are on the right track. If there are no questions, I can move forward to the next item on the agenda.

EGM notice, item No 1
The resolution no. 1 is to appoint Mr. Mohan Narayan Shenoi as a Shareholder Director, DIN: 01603606. This is a resolution to appoint Mr. Mohan Narayan Shenoi as a Shareholder Director and for this to consider the following resolution as an ordinary resolution.

I will read out the resolution;

"**RESOLVED THAT** pursuant to the provisions of Sections 152, 160 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder, the Articles of Association of the Company, the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, such applicable laws, Rules, Regulations, guidelines, circulars, if any, (including any amendment thereto or statutory modification (s) or re-enactment(s) thereof for the time being in force) and subject to prior approval of Securities and Exchange Board of India (SEBI) and such other statutory approvals / consents from competent authorities as may be deemed necessary, consent of the Members of the Company be and is hereby accorded for appointment of Mr. Mohan Narayan Shenoi (DIN: 01603606) as a Shareholder Director of the Company, in respect of whom the Company has received a notice in writing from a Shareholder viz. Multi Commodity Exchange of India Limited proposing his candidature as a Shareholder Director of the Company and that he shall be liable to retire by rotation and that the date of his appointment as a Shareholder Director shall be effective from the date of approval of SEBI."

Can I have a proposer and seconder for this resolution?

Mr. Rishi Nathany, **Shareholder holding share jointly with MCX**
Yes, I propose.

Mr. Shivanshu Mehta, Shareholder holding share jointly with MCX
I second it.

Chairman
The resolution to appoint Mr. Mohan Narayan Shenoi as a Shareholder Director has been proposed and seconded.

Now I invite your comments thereon. Any comments thereon?

In absence of any comments, I put the Resolution No. 1 to vote. All those who are in favour may say 'Yes'.

Ms. Manisha Thakur	: Yes
Mr. Satyajeet Bolar	: Yes
Mr. Rishi Nathany	: Yes
Mr. Shivanshu Mehta	: Yes
Mr. D.G. Praveen	: Yes
Mr. Manoj Jain	: Yes
Ms. Rashmi Nihalani	: Yes

Chairman
Those who are against the resolution, may say 'No'.

There is no body against the resolution. Hence, the resolution is carried unanimously.

Any other matter that you would like to take up.

There is no other matter. I thank you all for your continued support to the company and for unanimously approving the special business covered in this notice dated February 11, 2023. I look forward to your support in future. I declare the Meeting as concluded. I believe MCX is doing reasonably well.

Mr. Rishi Nathany
Yesterday we did our all time high since inception. The turnover was Rs. 1.22 lakh crores.

Chairman
I think in times to come, MCX will continue to do very well and regulatory mechanism is reasonably strong. We had problems regarding technology and all are trying to sort it out. The CDP project is challenge to the MCX & MCXCCL both. We are following up with TCS but still challenge continues on that part. I hope, soon trial run should start. Mr. Narendra can talk about on this subject.

Mr. Narendra Kumar Ahlawat, Managing Director
Yes, so on CDP project, there is continuous focus and reviews are happening and the plan is to have a mock with all the Members starting next week. With limited Members, we are planning to start day after tomorrow. I am seeing there is measurable progress, the test cases past percentage is improving and for the clearing side, the past percentage which I took stock before this Meeting from the three areas that we have one of them is 90 %, another is 83% and now even the delivery has reached 75%. Only clearing and settlement is lagging and there is focus on the same. Already Mr. Anand, the product head (of TCS) is already here and we are continuously working together to make the progress. So by March 13, we had planned to go live but it may not be March 13 but it may not be much delayed from there. So we are working towards making it happen much before the next quarter, in this quarter itself.

Mr. Rajesh Doshi, PID
I would like to believe what Narendra is saying but 31st March is still ambitious. They have to do a parallel run and they have to do NFR testing which is still pending. When they did some 30000 plus trade, there was actually a backlog in RMS system which has to be solved. So, 31st March, I will be very glad if it happens. However, It is not as bad as it was sometime back.

Chairman
Lets hope for the best. Anyone would like to add something.

Dr. Brinda Jagirdar, PID
Just want to say yes, we have done really well as numbers are pointed out. That shows very good performance. SGF also we have exceeded the target. We are Meeting all the SEBI conditionalities and going forward the only concern we all know the CDP project. I really hope that it does not get postpone any further and we are able to successfully demonstrate that we are able to manage the exchange without closing it even for a day. That is biggest challenge before us and I think all our efforts and resources both MCX and MCXCCL should be pooled together to make sure that we get through this project and come through in flying colours and at the earliest.

Chairman
Thank you Brindaji. Nageshji please.

Mr. Nagesh Pinge, PID
As I said we are as good as our parent Company is and they are doing very well. But at the same time we have a challenge of switching to new software related part and we are all getting ready for it. This is exciting time for us. Additionally, also we should keep in mind that our competitors are getting tougher and tougher and they are all trying to get into our domain area. So I think we have to see how we can be agile and how we can be flexible to take on them. And that's the only request I will make, otherwise we have great team. Both put together MCX & MCXCCL, looking forward to its growth. Thank you.

Chairman
Thank you Nageshji.

Thank you all for your continued support to the Company and for unanimously approving the special business covered in the notice. I look forward to your support in future as well. I hereby declare the meeting as concluded.

The outcome of the Meeting and proceeding will be placed on the website of the company at https://www.mcxccl.com/.

Thank you all. Over to Mr. Mandar.

Company Secretary
I thank all the Shareholders and Directors for attending this Meeting and the Chairman for presiding over the Meeting. Thank you.