

MULTI COMMODITY EXCHANGE CLEARING CORPORATION LIMITED

(A Wholly owned subsidiary of Multi Commodity Exchange of India Limited)

Seventeenth Annual Report
Financial Year Ended March 31, 2025
(Financial Year 2024-25)

Contents	Page No.
Corporate Information	1-2
Directors' Report	3-27
Annexures to the Directors' Report	28-66
Management Discussion and Analysis Report	67-93
Corporate Governance Report	94-141
Auditors Report	142-155
Financials	156-192

Corporate Information

Board of Directors:
(As on July 30, 2025)

Mr. Prafulla Chhajed (DIN: 03544734)	Chairperson, Public Interest Director
Ms. Kemisha Soni (DIN: 06805708)	Public Interest Director
Mr. Srinivas Petluri (DIN: 02836590)	Public Interest Director
Mr. Ganesh Kumar (DIN: 07635860)	Public Interest Director
Mr. Mohan Shenoi (DIN: 01603606)	Non-Independent Director
Mr. Manoj Kumar Jain (DIN: 09694205)	Non-Independent Director
Mr. Narendra Kumar Ahlawat (DIN: 07629724)	Managing Director and Chief Executive Officer

Key Managerial Personnel:
(As on July 30, 2025)

Mr. Soundararajan Venkatadas	Chief Operating Officer
Mr. M. Ramalingam	Chief Regulatory Officer and Compliance Officer, Head- Membership & Default, Inspection & Investor Grievance
Mr. Anilkumar Varma	Chief Technology Officer
Mr. Mihir Malode	Chief Information Security Officer & Data Protection Officer
Mr. Rajesh Agrawal	Chief Financial Officer
Mr. Mandar Kulkarni	Company Secretary and Vice President-Legal
Mr. Fardeen Siddiquee	Chief Risk Officer
Mr. Arnav Datta	Head – Warehousing Operations, Collaterals and Delivery
Mr. Praveen Kotian	Head- Legal
Mr. Pradip Gurav	Head- Human Resources, Administration and Procurement

Statutory Auditors:

MSKA & Associates, Chartered Accountants
602, Floor 6, Raheja Titanium, Western Express Highway, Geetanjali Railway Colony, Ram Nagar, Goregaon East, Mumbai-400063, Maharashtra, India

Registered Office:

Exchange Square, CTS 255, Suren Road, Andheri (East),
Mumbai- 400 093, Maharashtra, India
Tel: +91-22-6864 6000/5095 6000, Fax: +91-22-5095 6000
Website: https://www.mcxccl.com/

Registrar & Transfer Agent:

KFin Technologies Limited
CIN L72400MH2017PLC444072
Registered Office:
301, The Centrium, 3rd Floor, 57,
Lal Bahadur Shastri Road, Nav Pada,
Kurla (West), Mumbai – 400 070
Tel : 1-800-309-4001
Email : compliance.corp@kfintech.com
Website: https://www.kfintech.com
https://ris.kfintech.com/

Directors' Report

Dear Shareholders,

The Board of Directors are pleased to present the Seventeenth Annual Report on the business and operations of Multi Commodity Exchange Clearing Corporation Limited (hereinafter referred to as the 'Company/Your Company/MCXCCL/Clearing Corporation') along with the Audited Financial Statements and Auditors' reports thereon for the Financial Year (hereinafter referred to as 'FY') ended March 31, 2025 (hereinafter referred to as 'year under review').

1. Financial Results:

(₹[1] in lakh except earnings per share)

Particulars	For FY ended March 31, 2025	For FY ended March 31, 2024
Total Income	24,248	16,884
Total Expenses	9,912	13,602
Profit before Tax	**14,336**	**3,282**
Tax Expenses	9	23
Profit after Tax	**14,327**	**3,259**
Other comprehensive Income	(30)	(17)
Total comprehensive Income	**14,297**	**3,242**
Number of Shares	23,99,85,000	23,99,85,000
Earnings Per Share		
Basic	**5.97**	**1.36**
Diluted	**5.97**	**1.36**

2. Review of Operations and State of Affairs of the Company:

MCXCCL commenced its operations from September 03, 2018 to provide, *inter alia*, clearing and settlement services along with all associated and related functions, including collateral management and risk management functions for all trades in securities executed on Multi Commodity Exchange of India Limited (**hereinafter referred to as 'MCX'**) platform. It conducts clearing and settlement of commodity

[1] ₹ means Indian Rupees/INR/Rs.

commencement of its operations, MCXCCL has successfully completed settlement of all the trades submitted for clearing without any event of Member default.

During FY 2024-25, MCXCCL cleared and settled future trades of ₹ 69,85,16,534.20 lakh and option trades (notional value of strike + premium) of ₹ 4,94,00,68,078.93 lakh. These trades resulted into the Mark to Market (hereinafter referred to as 'MTM') & premium settlement of ₹ 40,92,822.15 lakh. The highest monthly MTM & premium settlement was ₹ 4,48,568.99 lakh recorded in the month of July 2024. A total of 7,69,145 lots of option contracts devolved into underlying futures contracts of the respective commodity wherein Crudeoil options registered maximum devolvement at 3,47,044 lots of option contracts.

During FY 2024-25, the total value of commodities settled through physical delivery was ₹ 14,34,268.64 lakh and the highest monthly delivery settlement was ₹ 2,54,483.64 lakh recorded in the month of September, 2024. Deliveries were recorded in Aluminium Mini, Aluminium, Copper, Cottoncandy, Gold, Gold Guinea, Gold Mini, Gold Petal, Lead, Lead Mini, Mentha Oil, Silver, Silver Mini, Silver Micro, Zinc & Zinc Mini contracts.

3. Financial Highlights

MCXCCL's Total Income during the year under review stood at ₹ 24,248 lakh as compared to ₹ 16,884 lakh for the financial year ended March 31, 2024. The Total Expenses including Administration and other Expenses during the year under review stood at ₹ 9,912 lakh compared to ₹ 13,602 lakh for the financial year ended March 31, 2024. The Profit before tax stood at ₹ 14,336 lakh as compared to ₹ 3,282 lakh for the financial year ended March 31, 2024. Further, Profit after tax was ₹ 14,327 lakh for the year under review as compared to ₹ 3,259 lakh for the financial year ended March 31, 2024.

The net worth of the Company as of March 31, 2025, was ₹ 67,146 lakh, computed as per the provisions of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (**hereinafter referred to as 'SECC Regulations, 2018'**). For further details, please refer 'Management Discussion and Analysis Report' forming part of this Annual Report.

4. Regulatory Developments:

Securities and Exchange Board of India (hereinafter referred to as 'SEBI') had issued various circulars/notifications during the year under review to regulate the commodity derivatives market. Some of the important regulatory developments, *inter alia*, include the following:

a. SEBI, vide circular dated May 24,2024, has modified clause 11.1.3 of chapter 11on Delivery and Settlement of SEBI Master Circular for Commodity Derivatives Segment dated August 04, 2023, which stated that "*The minimum duration of staggered delivery period shall be at least five working days.*"

SEBI has now revised the clause which states that "*The minimum duration of staggered delivery period shall be at least three working days.*" effective from July 01, 2024 i.e., for contracts where staggered delivery is scheduled after the date of the circular, keeping other conditions of the master circular dated August 04, 2023 unchanged.

b. SEBI, vide circular dated May 29, 2024, has outlined new norms for acceptable collaterals and has introduced prudential norms *for* the exposure of CCs. SEBI has refined the types of acceptable liquid assets and their respective haircuts and has set limits on the concentration of exposure to individual banks and other entities.

   The guidelines pertaining to acceptable liquid assets was applicable from August 01, 2024, while those relating to exposure of clearing corporations had to be implemented in a phased manner with timeline ranging from three months to one year.

c. SEBI, vide circular dated May 29, 2024, has modified Para 12.16.2 (ii) of SEBI Master Circular for Commodity Derivatives Segment dated August 04, 2023. SEBI has clarified that the requirement of two inspections in a calendar year may be done away with for accredited storage facility with 'Nil' stock, continuously during preceding six months. In these cases, the number of inspections by an independent agency may be limited to 'once in a calendar year'.

   Additionally, SEBI has decided that the requirement of inspection by an independent agency may also be done away with, in case there is 'Nil' stock in an accredited storage facility continuously during the calendar year".

   However, to ensure readiness of accredited warehouse/s to accept new deposits, the requirement of periodic (in-house) inspection by clearing corporation, as applicable currently, shall continue to apply. The circular is applicable from the calendar year 2024.

d. SEBI, vide circular dated June 20, 2024 has directed the Professional Clearing Members (PCMs) to conduct Annual System Audit as per the devised framework for "System audit of Professional Clearing Members (PCMs)". The first audit was to be conducted by the PCMs for FY 2023-24.

e. SEBI, vide circular dated June 25 ,2024 has re-constituted the composition of the Committees and revised its ToR effective from 30th day of issuance of the circular.

   SEBI vide letter dated August 22, 2024 provided an extension in timeline for the implementation of the circular effective from 90 days from the issuance of the circular.

f. SEBI, vide circular dated August 20, 2024 has issued "Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)". The framework had to be implemented by January 01, 2025.

SEBI, vide circular dated December 31, 2024 has provided regulatory forbearance for implementing compliance requirements, which were effective from January 01, 2025 under the CSCRF till March 31, 2025. SEBI has kept the guidelines and provisions with regard to Data Localisation [Data security standard (PR.DS.S2)] in abeyance until further notification.

g. SEBI, vide circular dated September 12, 2024 has modified sub clause no 16.4.2(b), Clause 16.4.2(d), 16.4.3(d), 16.4.3(e), 16.4.3(h) of the said Master Circular no. SEBI/HO/MRD/MRD-PoD-1/P/CIR/2023/136 dated August 04, 2023 for Commodity Derivatives Segment for Business Continuity Plan (BCP) and Disaster Recovery (DR). SEBI has omitted the provision of deploying manpower at Near Site (NS).

   The provisions related to Clause 16.4.2(d) i.e. "The manpower deployed at Disaster Recovery Site (DRS) shall have the same expertise as available at Primary Data Centre (PDC) in terms of knowledge/ awareness of various technological and procedural systems and processes relating to all operations such that DRS can function at short notice, independently. MIIs shall have sufficient number of trained staff at their DRS so as to have the capability of running live operations from DRS without involving staff of the PDC." was applicable with immediate effect. The remaining provisions of the circular were applicable within 2 months from the date of the circular.

h. SEBI, issued circular dated September 20, 2024 on 'Ease of Doing Business in the context of Standard Operating Procedure for payment of "Financial Disincentives" by Market Infrastructure Institutions (MIIs) as a result of Technical Glitch' modifying/ inserting certain provisions in the Standard Operating Procedure (SOP) for handling of technical glitches by MIIs and payment of "Financial Disincentives" thereof issued by SEBI vide circular dated July 05, 2021.

   SEBI has removed provision related to imposition of financial disincentive on Managing Director (MD) and Chief Technology Officer (CTO), in case of technical glitch.

   SEBI has directed to disclose on the websites (and in the respective annual reports), the details of financial disincentive paid on account of technical glitches and make appropriate disclosures in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**hereinafter referred to as 'Listing Regulations, 2015'**).

   SEBI has inserted a provision to carry out internal examination pertaining to occurrence of technical glitches to ascertain individual accountability and take appropriate action including suitable recording and reckoning in the performance appraisal of those individuals.

   SEBI, vide circular dated October 14, 2024 issued corrigendum to SEBI circular dated September 20, 2024 mentioning the reference of paragraphs from the Master Circular for Commodity Derivatives Segment dated August 04, 2023 wherein

SEBI has modified / inserted the provisions as mentioned in SEBI circular dated September 20, 2024.

i. SEBI, vide circular dated September 24, 2024 has set down the provisions related to the following:

(i) Independent external evaluation of performance of MII including principles for appointing of Independent External agency. The independent external evaluation of the MII to take place once in three years starting from Financial Year (FY) 2024-2025.
(ii) Performance Evaluation Metrics for KMPs including MD.

j. SEBI, vide circular dated October 14, 2024 has laid down the framework for monitoring of the shareholding norms of MIIs. SEBI has directed the MIIs to submit on a quarterly basis an exceptional report regarding the shareholders who are not fit and proper and action taken thereof. The SEBI circular is effective from the 90th day from the date of the issuance of the circular.

k. SEBI, vide circular dated October 14, 2024 had amended SECC Regulations 2018 and has inserted Chapter VIA 'Restriction in dealing with unregulated entities'. As per the circular persons regulated by the Board (including recognised stock exchanges, clearing corporations and depositories), and agents of such persons shall not have any direct or indirect association with another person who-

(i) provides advice or any recommendation, directly or indirectly, in respect of or related to a security or securities, unless the person is registered with Securities and Exchange Board of India or otherwise permitted by the Board to provide such advice or recommendation; or

(ii) makes any claim, of returns or performance expressly or impliedly, in respect of or related to a security or securities, unless the person has been permitted by the Board to make such a claim.

l. SEBI, vide circular dated November 22, 2024 has issued Guidelines to Stock Exchanges, Clearing Corporations and Depositories including the following. The circular is effective from 1st April, 2025.
(i) Meetings of Public Interest Directors and their reporting
(ii) Quarterly reporting by Compliance Officer (CO)
(iii) Half yearly reporting by Chief Risk Officer (CRiO)
(iv) Disclosure of Board Meeting Agenda and Minutes
(v) SOP for disciplinary actions against KMPs
(vi) Whistle Blower Policy of MIIs
(vii) Enhancing Supervision and Monitoring Mechanism of MIIs
(viii) Training or knowledge upgradation of Directors on Governing Board of MII
(ix) Policy on Data Sharing
(x) Appointment or Reappointment of Directors on the Governing Board
(xi) Reporting lines of KMPs

m. SEBI, vide circular dated December 20, 2024 has directed that the organizations which are actual source of data to have a policy on data collection, processing, storage, dissemination and sharing. SEBI has advised to segregate data available, for each market segment, into two baskets.

(i) Data in the first basket will be those which can be shared with the public

(ii) Data which is voluminous and cannot be placed on the respective websites of the MIIs. If the requested data is very high in volume and/or needs further processing/ value addition, SEBI has made a provision to charge a cost-basis fee from the researcher to process and provide such data.

n. SEBI, vide circular dated December 31, 2024 has introduced Integrated Filing, in terms of regulation 10(1A) of the Listing Regulations, 2015, for the Governance and Financial related periodic filings required under Listing Regulations, 2015, which shall be applicable for the filings to be done for the quarter ending 31st December 2024 and thereafter.

o. SEBI, vide circular dated January 28, 2025 has informed development of the Web-based portal: iSPOT for submission of preliminary and final RCA reports of technical glitches by the MIIs and accordingly has modified Clause 2.2 of SEBI Master Circular dated August 04, 2023. The circular is effective from February 03, 2025.

p. SEBI, vide circular dated January 30, 2025 has laid down the following provisions.

(i) Parameters for external evaluation of performance of Statutory Committees of the MIIs providing the broad framework of evaluation and its risk rating. The independent external evaluation of statutory committee to take place once in three years starting for Financial Year (FY) 2024-2025.

(ii) Directed the MIIs to develop the set of criteria for comprehensive internal evaluation of performance of the MII and its Statutory Committees. The first report shall be for the FY 2024-25.

SEBI circular is effective from 30th day of the issuance of the circular.

q. SEBI, vide circular dated February 14, 2025 has Published the Industry Standards on Related Party Transaction regulated under the Listing Regulations, 2015 advising the listed entities to follow the Industry Standards on “Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction” (“Industry Standards”) with effect from April 01, 2025.

SEBI, vide circular dated March 21, 2025 has extended timeline for applicability of the Industry Standards till July 01, 2025.

r. SEBI, vide circular dated February 25, 2025 has formulated industry standards for effective implementation of the requirement to disclose material events or information under Regulation 30 of the Listing Regulations, 2015.

5. **Membership/Clearing Members**

The Clearing Corporation had 215 Members including 11 Professional Clearing members as on March 31, 2025.

6. **Risk Management and Risk Management Policy**

Risk management being an important function for a Clearing Corporation, MCXCCL has a well-defined Risk Management Framework and Risk Management Policy in place. This works at various levels across the enterprise to form a strategic defense cover for the Company. The Company has constituted a Risk Management Committee which periodically monitors and reviews the Risk Management plan and the implementation of SEBI norms on Risk Management and recommends to the Board any modifications to the Risk Management Policy.

For further details, please refer to 'Management Discussion and Analysis Report' forming part of this Annual Report.

7. **Core Settlement Guarantee Fund (Core SGF):**

SEBI vide circular bearing no. SEBI/HO/CDMRD/DRMP/CIR/2018/111 dated July 11, 2018, issued norms related to computation of Core SGF requirement and standardized stress testing for credit risk in commodity derivatives.

Accordingly, the Core SGF as on March 31, 2025 was ₹ 93,014 lakh of which ₹ 19,263 lakh was contributed by MCX, ₹ 48,353 lakh was contributed by MCXCCL and ₹ 25,398 lakh was penalties, interests and other accruals to Core SGF.

For further details, please refer to the section titled 'Risk Management' appearing in the 'Management Discussion & Analysis Report' forming part of this Annual Report.

8. **Warehousing**

Storage of goods and their proper upkeep being a key element in delivery settlement through the Clearing Corporation, MCXCCL has made necessary warehousing/ vault arrangements with Warehouse Service Providers (**hereinafter referred to as 'WSPs**'), Vault Service Providers (**hereinafter referred to as 'VSPs**') and Assayers to cater to the storage and assaying requirements of various Members and their respective constituents/ depositors who are willing to give delivery.

For further details on Warehousing, please refer section titled 'Warehousing' appearing in the 'Management Discussion and Analysis Report' forming part of this Annual Report.

9. **Opportunities**

Your Company is committed to explore all opportunities for unlocking the full potential of the Indian commodity derivatives market. Detailed discussion on opportunities and threats to your Company is provided in the 'Management Discussion and Analysis report' forming part of this Annual report.

10. **Management Discussion & Analysis Report**

Management Discussion and Analysis Report, as stipulated under the Listing Regulations, 2015, forms part of this Annual Report.

11. **Alteration to Memorandum of Association and Articles of Association:**

Your Company has not made any alterations to the Memorandum of Association during the year under review. The Articles of Association of your Company was altered during the year under review. The Memorandum of Association and the Articles of Association of the Company is uploaded on website and may be accessed at the following web link.

https://www.mcxccl.com/docs/librariesprovider2/about-us/legal-framework/mcxccl_moa-aoa_14022025.pdf?sfvrsn=a39f5e9e_2

12. **Transfer to reserves, if any:**

An amount of ₹ -3,986 lakh is proposed to be retained in the statement of Profit and Loss account under the heading 'Reserves and Surplus' under 'Other Equity'.

Your Directors do not propose to transfer any amount to the General Reserve for the year under review.

For further details on the reserves of the Company, kindly refer to note 14 of notes to Accounts of the financial statements.

13. **Dividend**:

With the view to conserve its resources, the Board is not recommending any dividend for the year under review.

14. **Change in the nature of business**:

There has been no change in the nature of business during the year under review.

15. **Share Capital:**

As on March 31, 2025, the Authorised Share Capital of your Company stood at ₹ 30,000 lakh and the issued, subscribed and paid-up Share Capital of your Company stood at ₹ 23,998.50 lakh divided into 23,99,85,000 equity shares of ₹ 10/- each.

There has been no change in the Share Capital of your Company during the year under review.

For further details on the Share Capital, kindly refer to note 13 of notes to Accounts of the financial statements.

16. **Events having major bearing on the Company's affairs after the end of the financial year:**

There were no major events having bearing on the Company's affairs after the end of the Financial Year.

The Company had made a provision towards SCN issued by SEBI of ₹ 175 lakh in the period under review. However, SEBI has vide its order dated May 26, 2025 disposed off the matters of SCN without any directions to MCXCCL.

However, SEBI has passed a Settlement Order No. SO//PSD/2024-25/8048 dated April 01, 2025 with respect to Settlement application filed by the Company in connection to the alleged violation of SEBI Circular on 'Additional risk management norms for National Commodity Derivatives Exchanges' bearing reference no. SEBI/HO/CDMRD/DRMP/CIR/P/2016/77 dated September 01, 2016 read with Master Circular dated August 04, 2023 and Regulation 7(4)(b) of the Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2018. A Settlement amount of ₹ 2,70,00,000 (Rupees Two crore Seventy lakh only) was paid by the Company on March 04, 2025. There is no material impact on operations or other activities of the Company arising out of payment of settlement amount.

17. **Material changes and commitments, if any, affecting the financial position of the Company:**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate to and the date of the report.

18. **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future:**

There have been no significant and material orders passed during the year under review by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

19. **Details of Subsidiaries, Joint Ventures or Associate Companies:**

As on March 31, 2025, MCXCCL does not have any Subsidiaries, Joint Ventures or Associate Companies.

Further during the year under review, no Company has become or has ceased to be a Subsidiary, Joint Venture or Associate Company of MCXCCL

20. **Annual Return:**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2025 is available on the Company's website and may be accessed at the below web link

https://www.mcxccl.com/disclosures/other-disclosures

21. **Contracts or arrangements with related parties:**

Your Company has formulated the policy on materiality of related party transactions and dealing with related party transactions. The same is uploaded on website and may be accessed at the following web link.

https://www.mcxccl.com/docs/librariesprovider2/disclosures/other-disclosures/policy-on-related-party-transactions-version-5-0.pdf?sfvrsn=cd6e589e_2

All related party transactions under Section 188 of the Companies Act, 2013 entered during the financial year were at arm's length basis and in the ordinary course of business.

Omnibus approval is obtained for the related party transactions which were of the repetitive nature, entered in the ordinary course of business and were at arm's length. Further, all the related party transactions entered by your Company in FY 2024-25 were reviewed on a quarterly basis by the Audit Committee and the Board in accordance with the Companies Act, 2013 & Listing Regulations, 2015.

Pursuant to Section 134(3) (h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of material contracts or arrangements with related parties to be reported under Section 188(1) of the Companies Act, 2013 are appended in **Form AOC–2 as Annexure I** to this Report. All Related Party Transactions as required under Indian Accounting Standards (Ind AS) 24 – Related Party Disclosures are reported in Note 33 of Notes to Accounts of the Financial Statements.

22. **Environmental Responsibility:**

Given the nature of its operations, the Company has a very low impact on the environment. Notwithstanding this, MCXCCL is committed to minimise its adverse environmental effects through efficient use of natural resources, including electricity, which is critical to the Clearing Corporation's technology-driven business.

23. **Corporate Social Responsibility:**

MCXCCL is focused on creating a positive social and environmental impact by leveraging its resources and expertise.

During the year under review, the Company has spent ₹ 54.25 lakh on Corporate Social Responsibility (**hereinafter referred to as 'CSR'**) Activities.

A brief outline of the CSR policy of the Company and the CSR initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure II** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR policy of the Company formulated in accordance with the Companies Act, 2013 (as amended from time to time) can be accessed at the website of the Company at the following web link:

https://www.mcxccl.com/docs/librariesprovider2/disclosures/other-disclosures/corporate-social-responsibility-policy-version-4-0.pdf?sfvrsn=e57d2e9e_2

24. Ethics and Governance Policies

Your Company adheres to the highest ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Accordingly, it has adopted various codes and policies to carry out its obligations ethically. Some of these codes/policies framed and implemented are Code of Conduct for MCXCCL, Code of Conduct for the Governing Board, Directors, Committee Members and Key Management Personnel at MCXCCL as prescribed under SECC Regulations, 2018, Whistle Blower Policy/Vigil Mechanism, Policy on Related Party Transactions, Risk Management Policy, Nomination and Remuneration Policy, Policy for appointment of Independent External Persons on Committees of the Board, Board Diversity Policy, Dividend Distribution Policy, Environmental, Social and Governance Policy etc. Some of these policies can be accessed at

https://www.mcxccl.com/disclosures/other-disclosures

25. Whistle Blower Policy/Vigil Mechanism

MCXCCL believes in conducting the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Pursuant to Section 177(9) of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations, 2015, the Board of Directors implemented a vigil mechanism through the adoption of Whistle Blower Policy and the said policy was revised in terms of the provisions of Companies Act, 2013 and Listing Regulations, 2015. For further details, please refer to the report on Corporate Governance which forms part of this Annual Report. The Whistle Blower policy can be accessed at the following web link:

https://www.mcxccl.com/docs/librariesprovider2/disclosures/other-disclosures/whistle-blower-policy-version-6-0.pdf?sfvrsn=c76e589e_2

26. Corporate Governance

MCXCCL is committed towards good corporate governance aligned with the best corporate practices. Pursuant to Regulation 33 of SECC Regulations, 2018, the disclosure requirements and corporate governance norms as specified for listed companies shall *mutatis mutandis* apply to a recognised Clearing Corporation.

Accordingly, a detailed report on Corporate Governance for the year under review demonstrating MCXCCL's accountability to its stakeholders and the certificate from a Practicing Company Secretary regarding compliance with Corporate Governance norms form part of this Annual Report. The report on Corporate Governance also contains the disclosures required under the Companies Act, 2013.

Regulation 34(2)(f) of the Listing Regulations, 2015 require the top 1000 listed entities, based on market capitalisation, to include a Business Responsibility and Sustainability Report in their Annual Report on the environmental, social and governance disclosures in the prescribed format. Since your Company does not fall within the purview of Regulation 34(2)(f), the Business Responsibility and Sustainability Report is not applicable.

27. Board of Directors

MCXCCL being a recognised Clearing Corporation under the Securities Contracts (Regulation) Act, 1956, is *inter alia,* regulated by SEBI. In accordance with SECC Regulations, 2018, "Public Interest Director" (**hereinafter referred to as 'PID'**) means an Independent Director, representing the interests of investors in securities market and who is not having any association, directly or indirectly, which in the opinion of SEBI, conflict with his/her role. Accordingly, PIDs are considered as Independent Directors for adhering to compliance with the provisions under the Listing Regulations, 2015 and Companies Act, 2013.

As on March 31, 2025, the Board comprised of 7 (Seven) Directors of which 4 (Four) were PIDs including 1 (One) woman PID/Independent Director, 2 (Two) were Non-Independent Directors and 1 (One) MD & CEO.

As mandated, all the PIDs of your Company have been duly registered with the databank for Independent Directors maintained by the Indian Institute of Corporate Affairs.

All the Directors have confirmed that they are 'Fit and Proper' in terms of the SECC Regulations, 2018. Your Company has also obtained affirmation of adherence to the Code of Conduct under Part B, Schedule II of SECC Regulations, 2018 from the respective Directors, as applicable.

In the opinion of the Board, all the aforesaid PIDs possess integrity, expertise and experience (including the proficiency) which bring tremendous value to the Board and to the Company.

(a) Changes in the composition of the Board during the year under review:

There were no changes in the composition of the Board of Directors of the Company during the year under review. However, Mr. Mohan Shenoi (DIN: 01603606) retired by rotation and was re-appointed at the Annual General Meeting held on September 12, 2024.

(b) Director liable to retire by rotation:

In accordance with the provisions of Companies Act, 2013, Mr. Manoj Jain (DIN: 09694205), NID, is liable to retire by rotation at the ensuing AGM, being longest in office and being eligible, he is seeking re-appointment. The Board recommends his re-appointment.

(c) Declaration by the PIDs / Independent Directors:

Your Company has received the necessary declarations from each of the PIDs that he/she meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the Listing Regulations, 2015.

(d) Number of Meetings of the Board:

The Board of Directors duly met 11 (Eleven) times during the year under review. For further details, please refer to the report on Corporate Governance forming part of this Annual Report.

(e) Performance Evaluation and the evaluation criteria:

In terms of the Policy for Performance Evaluation/Review, the performance evaluation of all the Directors, Board as a whole, its committees were conducted based on the criteria and the framework prescribed therein. In addition to aforesaid, your Company also conducted performance evaluation of Chairperson of the Board and Independent External Persons. The performance evaluation process and criteria for the same are set out in **Annexure III** to this Report. The policy for Performance Evaluation/ Review can be accessed at the following web link

https://www.mcxccl.com/docs/librariesprovider2/disclosures/other-disclosures/policy-for-performance-evaluationreview-version-7-0.pdf?sfvrsn=5a7e2e9e_2

Further, the evaluation of the Company as a whole, the Directors (PID and NID), Committees of the Board were carried out as per the provisions of SECC Regulations, 2018.

(f) Committees of the Board:

As on March 31, 2025, your Company has the following Committees pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, 2015 read with relevant rules framed therein:

(i) Audit Committee:

The composition of the Audit Committee is covered under the Corporate Governance Report.

During the year under review, there were no instances, where the Board did not accept any recommendations of the Audit Committee.

(ii) Nomination and Remuneration Committee:

The composition of the Nomination and Remuneration Committee is covered under the Corporate Governance Report.

(iii) Corporate Social Responsibility Committee:

The composition of the CSR Committee is as set out in **Annexure II**.

(iv) Risk Management Committee:

The composition of the Risk Management Committee is covered under the Corporate Governance Report.

(v) Stakeholders' Relationship Committee:

The composition of the Stakeholders' Relationship Committee is covered under the Corporate Governance Report.

(g) Directors' Responsibility Statement:

In pursuance of Section 134 (3) (c) and Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

(i) in the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards read with the requirement set out under Schedule III to the Act, had been followed and there were no material departures from the same;

(ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the Directors had prepared the annual accounts on a going concern basis;

(v) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(h) Disclosure on compliance with Secretarial Standards:

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and such systems are adequate and operating effectively.

28. **Key Management Personnel (hereinafter referred to as 'KMP'):**

The following changes took place in the KMPs/ Senior Management during the year under review:

(i) Mr. Himanshu Raja resigned as Chief Risk Officer with effect from October 10, 2024.

(ii) Mr. M. Ramalingam, Chief Regulatory Officer and Compliance Officer, Head -Membership & Default, Inspection & Investor Grievance was appointed as interim Chief Risk Officer for the period of October 08, 2024 to November 18, 2024. For the said period he was re-designated as Chief Regulatory Officer and Compliance Officer, Head -Membership & Default, Inspection & Investor Grievance and Chief Risk Officer.

(iii) Mr. Mandar Kulkarni who was designated as Company Secretary was re-designated as Company Secretary and Vice President- legal with effect from October 19, 2024.

(iv) Mr. Arnav Datta who was designated as Warehousing Operations, Delivery and Spot was re-designated as Warehousing Operations, Collaterals, Delivery and Spot with effect from October 19, 2024.

(v) Mr. Mihir Malode who was designated as Chief Information Security Officer (CISO) was re-designated as Chief Information Security Officer (CISO) and Data Protection Officer with effect from October 19, 2024.

(vi) Mr. Fardeen Siddiquee was appointed as Chief Risk Officer with effect from November 19, 2024.

(vii) Mr. Rajesh Agrawal who was designated as Chief Financial Officer, Head-Human Resources, Administration and Procurement, was re-designated as Chief Financial Officer with effect from December 09, 2024.

(viii) Mr. Pradip Gurav was appointed as Head of Human Resources, Administration and Procurement with effect from December 10, 2024.

In view of the aforesaid, following is the list of KMPs as on March 31, 2025 in terms of the SECC Regulations, 2018;

Name of the KMP	Designation
Mr. Narendra Kumar Ahlawat	Managing Director & Chief Executive Officer
Mr. Soundararajan Venkatadas	Chief Operating Officer
Mr. M. Ramalingam	Chief Regulatory officer and Compliance Officer, Head -Membership & Default, Inspection & Investor Grievance.
Mr. Anilkumar Varma	Chief Technology Officer
Mr. Arnav Datta	Head – Warehousing Operations, Collaterals Delivery and Spot
Mr. Rajesh Agrawal	Chief Financial Officer
Mr. Fardeen Siddiquee	Chief Risk Officer
Mr. Mandar Kulkarni	Company Secretary and Vice President-Legal
Mr. Mihir Malode	Chief Information Security Officer and Data Protection Officer
Mr. Praveen Kotian	Head – Legal
Mr. Pradeep Gurav	Head- Human Resources, Administration and Procurement

In terms of the Companies Act, 2013, the following are the Key Managerial Personnel of your Company:

Name of the KMP	Designation
Mr. Narendra Kumar Ahlawat	Managing Director & Chief Executive Officer
Mr. Rajesh Kumar Agrawal	Chief Financial Officer
Mr. Mandar Kulkarni	Company Secretary

29. **Resources committed towards strengthening regulatory functions and towards ensuring Compliance with applicable regulatory requirements:**

SEBI from time to time has issued various regulations and guidelines applicable to the Company. Your Company ensures compliance with the same and aims to remain at the forefront by creating a precedent for others to follow, in terms of compliance by implementing the best governance practices and disclosures.

Your Company's regulatory departments for the period April 01, 2024 to June 25, 2024 comprised of Compliance, Risk Management, Membership & Default, Inspection, Investor Grievances and Secretarial.

Thereafter, the Board, in its meeting dated June 26, 2024 had accorded approval for including legal department in Vertical 2: Regulatory Departments.

Accordingly, the following departments are identified under Critical Operations, Regulatory Departments and other Functions of MCXCCL:

Vertical 1: Critical Operations	**Vertical 2: Regulatory Departments etc.**	**Vertical 3: Other Functions**
Clearing & Settlement	Compliance	Finance & Accounts
Collaterals	Risk Management	Human Resources, Administration and Procurement
Spot & Delivery	Membership & Default	
Warehousing Operations	Inspection	
Technology	Investor Grievances	
	Secretarial and Compliance	
	Legal	

The above-mentioned Regulatory departments take care of various critical aspects of regulatory compliances. The departments handling these functions are adequately staffed and headed by senior officials of the Company, who in turn report to the Managing Director & CEO, Risk Management Committee, Regulatory Oversight Committee, Standing Committee on Technology and Board of Directors, whenever required.

The PIDs in their separate meeting held on April 22, 2024 and December 12, 2024 reviewed the functioning of the regulatory departments including the adequacy of resources dedicated to regulatory functions.

Your Company ensures to make disclosures of various mandatory regulatory requirements along with reporting the same to various regulatory authorities, if deemed necessary, in addition to informing the same to the Board of Directors and Committee Members.

For the financial year ending on March 31, 2025, your Company incurred expenses like salaries, warehouse insurance, travel expenses, legal expenses, advocate fees, professional charges, subscription charges, license fees and technology expenses amounting to ₹ 3047.25 lakh, as per activity-based accounting methodology towards strengthening regulatory functions and towards ensuring compliance with regulatory requirements.

30. **Auditors:**

(a) Re-appointment of Statutory Auditors:

MSKA & Associates, Chartered Accountants (Firm Registration No.105047W) were appointed as Statutory Auditors by the shareholders at their Fifteenth Annual General Meeting (AGM) held on September 22, 2023, for the second consecutive term of five years, from the conclusion of Fifteenth AGM to the conclusion of the Twentieth AGM of the Company.

(b) Auditors' Report:

The report issued by the Statutory Auditors, MSKA & Associates on the Financial Statements of the Company for the financial year ended March 31, 2025, forms part of this Annual report. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report.

MSKA & Associates, Chartered Accountants (Firm Registration Number: 105047W) have given their written consent and eligibility to act as the Statutory Auditors of your Company and have confirmed that the said appointment would be in conformity with the provisions of Section 139 and Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

(c) Details in respect of Frauds Reported by the Auditors under sub section (12) of Section 143 other than those reportable to the Central Government

No fraud has been reported by the Auditors to the Audit Committee or the Board during the year under review.

31. **Secretarial Audit:**

Mayekar & Associates, Practicing Company Secretaries (Firm Registration Number: P2005MH007400) were appointed as the Secretarial Auditor by the Board to conduct the secretarial audit of the Company for the year under review. In accordance with Section 204(1) of the Companies Act, 2013, rules made thereunder and Regulation 24A of the Listing Regulations, 2015, the Secretarial Audit Report for the financial year ended March 31, 2025 is annexed as **Annexure IV** to this Report.

The Secretarial Audit does not contain any qualification, reservation or adverse remark.

In terms of the provisions of Regulation 24A of the Listing Regulations, 2015, the Board of Directors of your Company at its Meeting held on May 08, 2025, approved the appointment of Mayekar & Associates, Practicing Company Secretaries, a peer reviewed firm, as the Secretarial Auditors of the Company for a term of 5 consecutive years starting from FY 2025-26 to FY 2029-30, subject to the approval of Shareholders at the Annual General Meeting.

32. **Cost records and cost audit:**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013, are not applicable for the business activities carried out by the Company during the year under review.

33. **Deposits:**

The Company did not invite any deposits from the public during the year under review and accordingly, no amount of principal or interest related thereto was outstanding as on March 31, 2025.

34. **Particulars of Loans, Guarantees or Investments:**

The Company has not given any loans, guarantees or provided any security or made any investments in any body corporate under the provisions of Section 186 of the Companies Act, 2013 during the year under review.

35. **Internal Financial Controls and their adequacy:**

The Board of Directors confirms that it has laid down a set of standards, processes and structure which enables to implement Internal Financial controls across the organisation with reference to Financial Statements and that such controls are adequate and are operating effectively.

During the year under review, no material or serious observation(s) have been observed in relation to such controls. For further details on internal controls and its adequacy, please refer 'Management Discussion and Analysis Report' forming part of this Annual Report.

36. **Human Resource Development:**

The Clearing Corporation believes in strategic alignment of Human Resources to its business priorities to achieve end objectives. As on March 31, 2025, your Company had 127 employees. Your Company continues to attract, retain and nurture talented workforce in its endeavour to be an employer of choice.

Cultural integration being an integral part of management philosophy, your Company has ensured to keep the employees informed regarding the important activities during the year. The primary focus was to design the approach in such a way that it ensures employees are committed to their organizational goals, objectives and values that encouraged contributing to organizational success as, well engaged employees are happier, both at work and in their lives.

For further details on human resource development, please refer 'Management Discussion and Analysis' Report forming part of this Annual Report.

37. **Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

(a) Your Company continues to have in place an Anti-Sexual Harassment Policy and has complied with the provisions relating to the constitution of Internal Complaints Committee under the "The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

(b) No complaints were received during the year under review in relation thereto. The following are the details relating to complaints of sexual harassment during the year:

Particulars	Number
(a) Number of complaints of sexual harassment received in the year.	NIL
(b) Number of complaints disposed off during the year.	NIL
(c) Number of cases pending for more than ninety days.	NIL

For further details, please refer to the report on Corporate Governance which forms part of this Annual Report.

38. **Disclosures of compliance of the provisions relating to the Maternity Benefit Act 1961.**

a) The Company has complied with the provisions relating to the Maternity Benefit Act, 1961.
b) There were no maternity benefit cases during the year under review.

39. **Disclosure of gender wise demography of employees of MCXCCL.**

The gender wise demography of employees of the Company as on March 31, 2025 is as follows:

Gender	Count
Female	16
Male	111
Transgender	0
Grand Total	127

40. **Statement on remuneration of employees of the Company:**

Your Company has a well-defined Nomination and Remuneration Policy for Directors, KMPs and other employees, formulated in terms of the provisions of SECC Regulations, 2018, Companies Act, 2013 and Listing Regulations, 2015. The said

policy forms part of the report as **Annexure V** and can be accessed at the following web link:

https://www.mcxccl.com/docs/librariesprovider2/disclosures/other-disclosures/nomination-and-remuneration-policy-version-6-0.pdf?sfvrsn=147e2e9e_2

In accordance with Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 27(6) of SECC Regulations, 2018, the ratio of the remuneration of each Director to the median employee's remuneration, ratio of compensation paid to each KMP vis-a-vis median of compensation paid to all employees and other details forms part of this report as **Annexure VI**.

Further, in accordance with Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 27(5) of SECC Regulations, 2018, a statement containing particulars of employees as stipulated therein also forms part of this Report as **Annexure VII**.

41. **General:**

- There is no proceeding initiated / pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one-time settlement with any Bank or Financial Institution.

42. **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

The disclosures to be made under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, are explained as under:

A. **Conservation of Energy:**

Your Company drives its business though effective energy utilisation. Your company has taken various measures for efficient use of energy by using energy-efficient equipment for its business and sustainable growth. Your company always strives towards new technologies and techniques to make its infrastructure more energy efficient.

(i) Steps taken or impact on Conservation of Energy**:**

Your Company has Precision Air cooling system for Rack servers in the Data Centre, which are fully power saving having Variable Frequency device (VFD) coupled with linear scroll compressors which favors low drive proportional power during low power requirement. Moreover, the system cools only the equipment and not the external environment, thereby, ensuring that no energy is wasted in running compressors excessively to maintain the desired temperature in the Server Racks.

Your Company has 7th Gen Variable Refrigerant Volume (VRV) air-conditioning system for the entire building, which works on invertor compressor i.e. during less occupancy the compressor drive has less rotations resulting in low energy requirements promoting energy saving. Moreover, the refrigerant R410A used in the system is also environment friendly.

Your Company has UV resistant film on facade glass windows to reduce the heat entering the building. This reduces the air-conditioning load. The glass windows also reduce the electricity consumption due to lesser requirement of lighting during the day.

Your Company has installed Motion Sensors in low footfall area for controlling lights and reducing energy consumption.

Your company has automated most of its business processes which means higher productivity in less time, which also contributes to energy savings by running the computer system for less time.

Your Company maintains adequate capacitor bank for non-linear electrical loads like air-conditioning plant, pumps and motors, thereby reducing the drawing of extra energy and improving the power factor.

Your Company uses low energy consuming electrical equipment with modern efficient devices such as LED lights, IP based cameras etc.

Your Company has adopted ASHRAE (American Society of Heating, Refrigerating and Air Conditioning Engineers) guidelines for Airconditioning and maintains the temperature at 24 degrees in work areas.

Your Company has strict Power monitoring schedule for air conditioners and lighting to ensure no wastage of electricity.

Additionally, energy audit, heat load calculations and power factor corrections are carried out at regular intervals. Your Company has installed password-based printers, which do not print the document unless password is entered on the printer thereby reducing unnecessary printing of papers and waste of energy.

(ii) Steps taken by your Company for utilising alternate sources of energy:

Your Company has not utilised any alternate source of energy during the year under review.

(iii) Capital investment on energy conservation equipment:

Your Company has replaced old Air Conditioning with the 7th Gen VRV Air conditioning system which is highly energy efficient compared to earlier generation Air Conditioners: Total Investment ₹ 2.53 crore.

B. **Research and Development and Technology Absorption, Adaptation and Innovation:**

As the Clearing Corporation has entered into an agreement with MCX to share resources including technology, the following initiatives were undertaken during the year under review together with MCX:

(i) The efforts made towards technology absorption

Adherence to ISO Standards

Your Company is recertified for ISO 9001:2015 (QMS - Quality Management System) and ISO/IEC 27001:2022 (ISMS - Information Security Management System). Additionally, your Company is certified for ISO 22301:2019 (BCMS - Business Continuity Management System) which confirms your Company's commitment for providing a seamless experience and ability of responding to and recovering from any type of disruption or disaster.

Cyber Security framework

Special emphasis was laid by your Company on continuous improvement in its cyber security framework and information security management systems. There is a focused approach in cyber security management through people, processes and advanced technologies. Highest priority and continuous support was given by the senior management to all matters of cyber security and risk management. It is the constant endeavour of your Company to comply with the expectations of the Regulators and guidelines laid down by the national agencies tasked with information security and cyber defense of critical infrastructure. There is a dedicated Security Operations Centre (**hereinafter referred to as 'SOC'**) staffed with industry experts who are armed with the latest threat intelligence to protect our critical infrastructure. The SOC provides 24x7x365 vigilance against cyber threats, proactive response against incidents and provides vital inputs on improvement of your Company's security architecture and design. Your Company follows global security standards like ISO 27001:2022 Information Security Management System & aligns with National Institute of Standards and Technology (NIST) Cyber Security Framework.

At your Company, a defense-in-depth strategy to ensure multiple security measures is implemented at different layers within the system/network with well-defined Cyber Security and Cyber Resilience Policy along with Cyber Crisis Management Plan (CCMP) which can help mitigate the impact of this threat. Your Company is continuously monitoring, evaluating and implementing various security solutions for early identification, detection, quick protection, response and recovery from all such cyber-attacks.

Your Company is highly committed to the protection of assets by deploying security measures for Work from Home and also has implemented a long-term

strategy to deal with the challenges of teleworking. Security measures have been implemented for on-premise and on-cloud infrastructure to protect against cyber-attacks. All staff members are provided with regular information security awareness sessions and training on cyber-vigilance and cyber security practices to avoid human targeted attacks. The Company has also been classified as a national Critical Information Infrastructure custodian, through notifications from the Ministry of Finance and National Critical Information Infrastructure Protection Centre (NCIIPC). Your Company has taken measures to meet the expectations of NCIIPC, keeping in mind the additional due diligence and controls for safeguard of the CII.

Switchover/switchback between Primary & Disaster Recovery (DR) site while conducting un-announced live trading from DR site:

Your Company ensured smooth running of an unannounced live Trading Operations from DR site for two consecutive days, in compliance with regulatory norms, twice in FY 2024-25.

Your Company has strengthened the Business Continuity Plan (BCP) and DR Policy and framework considering the latest SEBI Guidelines for BCP-DR of MIIs issued in March 2021, with an objective to put in place measures to restore operations of critical systems within stipulated Recovery Time Objective, streamlining communication protocols, identifying broad scenarios of disaster and escalation hierarchy among others.

Upgradation of information technology systems:

Your Company has migrated to a new technology platform for collateral, risk management, delivery, clearing and settlement. This has led to a more advanced, efficient system adaptable to market dynamics with faster products, achieving higher scale with new peak treading volumes. The new platform has helped your Company to scale the business to support all time high trading volumes in a short time and launching the new products.

Your Company has allocated substantial resources towards upgrading information technology systems with an overarching goal of achieving higher capacity, lower latency, improving market efficiency & transparency, enhancing user access and providing flexibility for future business growth and market needs.

Your Company upgraded the Data Centre infrastructure with the latest technology cooling system, reducing power consumption thus helping in reducing the carbon footprint.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

During FY 2024-25, your Company continued to invest in IT systems and use IT as an enabler to provide a competitive advantage. Your Company's robust technology infrastructure continues to provide uninterrupted services, reliability, credibility and mitigation of risk of single point of failure.

Your Company has an in-house software development team, which undertook several initiatives in FY 2024-25 to enhance, develop and roll out various ancillary and peripheral systems as required by the organization.

(iii) The Clearing Corporation has not directly imported any technology during the last three financial years.

(iv) The Clearing Corporation has not incurred any expenditure on Research and Development during the year under review.

C. **Foreign exchange earnings and Outgo**:

MCXCCL is engaged in the business of clearing and settlement of trades executed on MCX platform and aspires to gain opportunities as and when available for rendering its services internationally, subject to the regulatory framework. During FY 2024-25, the Clearing Corporation has not earned any foreign exchange and has incurred an expense of USD 116,450 (INR 98,14,845/-).

43. **Acknowledgements:**

Your Directors place on record their sincere gratitude to the Government of India, Ministry of Finance, Ministry of Corporate Affairs, SEBI, Reserve Bank of India, Stakeholders viz. MCX, Financial Institutions, Bankers, Stakeholders and Business Associates for their continued support and faith in the Company. Your Directors also wish to place on record their appreciation for the contribution made by employees at all levels.

For and on behalf of the Board of Directors of
Multi Commodity Exchange Clearing Corporation Limited

Prafulla Chhajed
Chairperson
DIN: 03544734

Place: Mumbai
Date: July 30, 2025

Annexure I

Form - AOC 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

---

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No.	Particulars	Reference
(a)	Name(s) of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/ arrangements/ transactions	Not Applicable
(c)	Duration of the contracts/ arrangements/ transactions	Not Applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
(e)	Justification for entering into such contracts or arrangements or transactions	Not Applicable
(f)	Date of approval by the Board	Not Applicable
(g)	Amount paid as advances, if any	Not Applicable
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Applicable

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Particulars	Remark
(a)	Name(s) of the related party and nature of relationship	Refer Notes
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts/ arrangements/ transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Date(s) of approval by the Board, if any:	
(f)	Amount paid as advances, if any	Nil

Notes:

1. During FY 2024-25, the following transactions were entered into with Multi Commodity Exchange of India Limited (**hereinafter referred to as 'MCX'**), holding and promoter Company:

   - MCX paid Clearing and Settlement fees of ₹ 12,022 lakh. MCX received Rent of ₹ 310 lakh, received IT and other Infrastructure charges amounting to ₹ 4,735 lakh in accordance with the Clearing & Settlement Agreement, Leave & License Agreement & Resource Sharing Agreement respectively. MCX paid 50% sharing of status report-processing charges of ₹ 7 lakh to MCXCCL. MCX received reimbursement of expenses of ₹ 16 lakh which were paid on behalf of the Company. MCX paid reimbursement expense of ₹ 7 lakh to MCXCCL. MCXCCL collected Regulatory Fees, Transactions charges, Fines & penalties and other collections amounting to ₹ 2,23,695 lakh on behalf of MCX. MCXCCL paid security deposits of ₹ 3 lakh to MCX towards leasing of premise.

   - Further pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 and Regulation 23 of Listing Regulations, 2015, approval of the Audit Committee, Board and shareholders is not applicable for the related party transactions, entered between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

2. During FY 2024-25, your Company paid an aggregate amount of ₹ 776 lakh (including Company's contribution to Provident Fund) to the following KMPs towards salaries, perquisites and reimbursement of expenses to perform such duties, obligations and responsibilities as per their respective roles:

   - Mr. Narendra Kumar Ahlawat - MD & CEO
   - Mr. Soundararajan Venkatadas – Chief Operating Officer
   - Mr. Arnav Datta – Head – Warehousing Operations, Collaterals, Delivery and Spot
   - Mr. Anilkumar Varma - Chief Technology Officer
   - Mr. Ramalingam Meenakshisundaram- Chief Regulatory officer and Compliance Officer, Head -Membership & Default and Inspection & Investor Grievance
   - Mr. Gitesh Shah - Head - Clearing & Settlement and Collateral (up to January 31, 2024)
   - Mr. Rajesh Agrawal - Chief Financial Officer
   - Mr. Praveen Kotian – Head- Legal
   - Mr. Mandar Kulkarni- Company Secretary and V.P.-Legal
   - Mr. Mihir Malode- Chief Information Security Officer and Data Protection Officer
   - Mr. Himanshu Raja - Chief Risk Officer (upto October 10, 2024)
   - Mr. Pankaj Goel - Compliance Officer (upto March 23, 2023)

- Mr. Ulhas Ranade- AVP- Warehousing Operation (upto February 20, 2023)
- Mr. Pradip Gurav- Head – Human Resources, Administration and Procurement (w.e.f. December 10, 2024)
- Mr. Fardeen Siddiquee- Chief Risk Officer (w.e.f. November 19, 2024)

The terms and conditions of appointment of the KMPs are *inter alia*, governed by the Nomination and Remuneration Policy of the Company. The NRC/Board at its meetings have approved the identification/appointment of the aforesaid KMPs.

3. As the sitting fees paid to Non-Executive Directors are within the limits as prescribed under Section 197(5) of the Companies Act, 2013 and Regulation 17(6)(b) of the Listing Regulations, 2015, the requirement of obtaining approval of the shareholders in the general meeting shall not apply to payment of sitting fees. During FY 2024-25, the sitting fees including reimbursement of expenses amounting to ₹ 164 lakh were paid to such Non-Executive Directors.

4. For further details on Related Party Transactions, please refer to the section titled 'Contracts or arrangements with related parties' appearing in the 'Directors Report' forming part of this Annual Report.

For and on behalf of the Board of Directors of

Multi Commodity Exchange Clearing Corporation Limited

Prafulla Chhajed
Chairperson
DIN: 03544734

Place: Mumbai
Date: July 30, 2025

Annexure II

Annual Report on Corporate Social Responsibility (hereinafter referred to as 'CSR') Activities

1. Brief outline on CSR policy of the Company:

Mission: In its endeavour to create economic, social and environmental capital, MCXCCL is focused on creating a positive social and environmental impact by leveraging its resources and expertise.

The Company shall undertake and execute the CSR activities in the areas listed under Schedule VII of the Companies Act, 2013 which are as under:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

- promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

- protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;

- measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans and their dependents including widows;

- training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;

- contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio economic development and relief and welfare of the Schedule Caste, Tribes, other backward classes, minorities and women;

- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

- Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defence Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

- rural development projects

- slum area development

- disaster management, including relief, rehabilitation and reconstruction activities.

2. The Composition of the CSR Committee as on March 31, 2025:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Mr. Srinivas Petluri	Chairperson, PID, Non –Executive Director	2	2
2	Mr. Prafulla Chhajed	Member, PID, Non – Executive Director	2	2
3	Mr. Ganesh Kumar	Member, PID, Non – Executive Director	2	2

3. Web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

   The composition of the CSR Committee has been uploaded on the website of the Company at the following web link:

   https://www.mcxccl.com/about-us/committees-of-the-board

   The CSR Policy has been uploaded on the website the Company at the following web link:

   https://www.mcxccl.com/docs/librariesprovider2/disclosures/other-disclosures/corporate-social-responsibility-policy-version-4-0.pdf?sfvrsn=e57d2e9e_2

   CSR Projects web link: Not Applicable

   The Company does not have the capacity to undertake projects which require active monitoring, so the Company has contributed an amount of ₹ 54.25 lakh as follows:

Details	**Amount**
PM CARES Fund	₹ 36.125 lakh
Asha Ka Jharna, (Navalgarh Jhunjhunu, Rajasthan) for procuring 21-seater minivan to enable children with disabilities access special education & training to the location of Asha Ka Jharna	₹ 18.125 lakh
Total CSR Spent	**₹ 54.25 lakh**

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable.

   Impact assessment of CSR projects is not applicable to your Company for the Financial Year under review.

5. (a) Average net profit of the Company as per Section 135(5) of the Companies Act, 2013**:** **₹ 2,710.42 lakh**

   (b) Two percent of average net profit of the Company as per section 135(5): **₹ 54.21 lakh**

   (c) Surplus arising out of the CSR projects or Programmes or activities of the previous financial years: **Nil**

   (d) Amount required to be set off for the financial year, if any: **Nil**

   (e) Total CSR obligation for the financial year ((b)+(c)-(d)): **₹ 54.21 lakh**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Nil**

(b) Amount spent in Administrative Overheads: **Nil**

(c) Amount spent on Impact Assessment, if applicable: **Nil**

(d) Total amount spent for the Financial Year ((a)+(b)+(c))**: Nil**

(e) CSR amount spent or unspent for the financial year**:**

(Amount in ₹)

Total Amount Spent for the Financial Year.	**Amount Unspent**				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		**Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).**		
	Amount.	**Date of transfer.**	**Name of the Fund**	**Amount.**	**Date of transfer.**
54,25,000*	**Nil**	**-**	**Not Applicable**	**Nil**	**-**

*Amount of ₹ 18.125 lakh is contributed to Asha ka Jharna and an amount of ₹ 36.125 lakh is contributed towards PM CARES Fund.

(f) Excess amount for set off, if any: **Nil**

(Amount in ₹)

Sr. No.	**Particular**	**Amount**
(i)	Two percent of average net profit of the Company as per section 135(5)	54,25,000
(ii)	Total amount spent for the Financial Year	54,25,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or Programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. Details of Unspent CSR amount for the preceding three financial years: **Nil**

(Amount in ₹)

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in Unspent CSR Account under section 135 (6)	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5), if any.			Amount remaining to be spent in succeeding financial years.	Deficiency, if any
					Name of the Fund	Amount	Date of transfer		
1	2023-24	Nil	Nil	-	-	Nil	-	-	-
2	2022-23	Nil	Nil	-	-	Nil	-	-	-
3	2021-22	Nil	Nil	-	-	Nil	-	-	-
	TOTAL	Nil	Nil	-	-	Nil	-	-	-

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year:

◯ Yes ● No

If Yes, enter the number of Capital assets created/ acquired | Nil |

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
	Nil						

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).

   Not Applicable. The Company has spent the entire amount of two per cent of the average net profit of the last three financial years i.e. ₹ 54.25 lakh, being the entire amount mandated to be spent for CSR activities in FY 2024-25 and thus there is no unutilised or unspent amount which is mandated for contribution for CSR activities.

For and on behalf of the Board of Directors of
Multi Commodity Exchange Clearing Corporation Limited

Narendra Kumar Ahlawat	**Mr. Srinivas Petluri**
Managing Director & CEO	**Chairperson of the CSR Committee**
DIN: 07629724	**DIN: 02836590**
Place: Mumbai	**Place: Mumbai**
Date: July 30, 2025	**Date: July 30, 2025**

Annexure III

Performance Evaluation of the Board and the evaluation criteria

In accordance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**hereinafter referred to as 'Listing Regulations, 2015**), the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (**hereinafter referred to as 'SECC Regulation, 2018'**) as amended from time to time read with SEBI circular ref. no. SEBI/HO/MRD/DOP2DSA2/CIR/P/2019/26 dated February 5, 2019 and SEBI/HO/MRD/POD-III/CIR/P/2025/12 dated January 30, 2025, your Company has formulated the criteria for performance evaluation of all the Directors, Independent External Professionals/Persons, the Board as a Whole, Chairperson of the Board and its Committees.

The Policy for Performance Evaluation/Review (Policy) has been framed with an objective to ensure that individual directors of the Company ("Directors") and the Board as a whole, work efficiently and effectively in achieving their functions, for the benefit of the Company and its stakeholders as well as to improve performance on three levels – the organisational, Board and individual director level. A properly executed board evaluation shall benefit across these levels in terms of improved leadership, improved teamwork, greater accountability, better decision making, improved communication, greater clarity of roles and responsibilities and more efficient board operations.

Accordingly, the Policy provides a framework for evaluation of the performance of:
(i) Individual Directors (including Independent Directors);
(ii) Independent External Professionals / Persons (IEPs);
(iii) The Board as a whole;
(iv) Chairperson of the Board; and
(v) Various Committees of the Board ("Board Committees").

In accordance with the policy, the forms for performance evaluation of the Board as a Whole, its Committees, Chairperson of the Board, individual directors and IEPs have been designed to include the criteria as prescribed therein. The said forms were circulated to all the Directors of the Company *inter alia* for evaluating the performance as mentioned aforesaid. The Public Interest Directors (PID) Committee evaluated the performance of Non-Independent Directors, Chairperson of the Board, the Board as a whole and the Board evaluated the performance of its Committees and PIDs, excluding the Director being evaluated.

Mechanism for performance evaluation:

The mechanism for the performance evaluation/review are covered in the Policy in following two parts:

1. **Part- A (Internal Annual Evaluation):**

   It covers the internal mechanism for annual evaluation of all the individual directors, IEPs, Board as a whole, Chairperson of the Board and the Board Committees (including Statutory

Committees as specified under the SECC Regulations, 2018 from time to time) at the end of every financial year.

2. **Part – B (External Evaluation):**

It covers the mechanism for external evaluation of the:

- PIDs;
- IEPs;
- Statutory Committees

PART – A (INTERNAL ANNUAL EVALUATION):

- **As per the criteria for performance evaluation/review mentioned in the Policy, primarily the directors and/or Committee Members shall individually:**

  i. assess the performance of every Director on the Board;
  ii. assess the performance of the Board as a whole
  iii. assess the performance of the Chairperson of the Board
  iv. assess the performance of the Board Committees (done by the members of the respective Committee)

- The performance of IEPs shall be evaluated by the members of the relevant Committees.

  The criteria for performance evaluation/ review are as prescribed under the Policy.

Once the rating of performance of every Director including the Chairperson of the Board and Board as a Whole is completed by all the Individual Directors as per the Policy, the Board shall carry-out the evaluation/review of performance of the Directors including the Chairperson of the Board and Board as a Whole, annually at the end of every financial year in the Board Meeting(s).

Once the rating of performance of every IEP is completed by the relevant Committee Members as per the Policy, the Board shall carry-out the evaluation of performance of the IEP, annually at the end of every financial year in the Board Meeting.

The PIDs of the Company at their separate meeting(s) shall carry out the evaluation/review of performance of all the Non-Independent Directors of the Company, Board as a whole and Chairperson of the Company (taking into account the views of Executive and Non-Executive Directors of the Company).

The report on internal evaluation of the Committees shall be submitted to the Governing Board of the Company within 3 months from the end of each Financial Year.

Apart from above, in case of appointment and re-appointment of Directors, the Company shall carry out evaluation to assess the applications based on the skill metrics, parameters and weightage provided in the Policy, which would be in addition to the evaluation carried out annually. Further, the Company shall take help of an Independent Human Resource Agency to independently collect/ verify the information with regard to Value Assessment, General

Competencies and Domain Expertise in terms of provisions of SEBI/HO/MRD/POD-III/CIR/P/2025/12 dated January 30, 2025.

Further Action(s):

Once the performance evaluation/ review is carried out by PID Committee and Board in the Meeting, the Board or PID Committee, in accordance with the SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2018/79 dated May 10, 2018 relating to the Disclosures on Board Evaluation shall mention the following:

i. Observations of board evaluation carried out for the year.
ii. Previous year's observations and actions taken.
iii. Proposed actions based on current year observation.

PART – B (EXTERNAL EVALUATION):

A. External Evaluation (PID/IEP whose term is due to expire and seeking extension of term of appointment)

As per Regulation 24 (3) of SECC Regulations, 2018 and the circular dated February 05, 2019 of SEBI issued thereunder, the PID whose term is due to expire and seeking extension for a further term as specified in SECC Regulations, 2018 shall be subject to the performance review in the manner as specified in the above mentioned circular.

In accordance with afore mentioned circular, the PID whose term is due to expire and seeking extension for another term shall be subject to the Performance Evaluation/ review by an external 'Management or Human Resources Consulting Firm'. The following points shall be taken into consideration while considering extension of the term of PID :

1. The PID shall fulfil the Independence criteria as specified under Section 149(6) of the Companies Act, 2013 and regulation 16(1)(b) of the Listing Regulations, 2015.

2. While evaluating conflict of interest of a PID, the Board shall also take into consideration the provision of Clause 2(d) of Para III of Part H of Schedule II of SECC Regulations, 2018 under the head 'Public Interest Director'; and conflict of interest, if any, of any PIDs shall be disclosed to SEBI by the Board with their comments/ views.

3. The PID shall not be related to any Trading Member/Clearing Member/Associate/Agents of any recognized stock exchange/ recognized clearing corporation.

   The term of existing PIDs serving in the Company for more than three years, can be extended, subject to his / her performance review and a maximum tenure of 6 years as PID in the Company. However, the term of existing PIDs, who has already served for six years or more in the Company, shall not be eligible for further extension in the Company.

   A person may be nominated as PID for maximum of three terms across recognized stock exchanges/ Clearing Corporation/ depositories, subject to maximum age limit of seventy-five years.

4. The attendance details of PID in the meetings of various Committees of the Governing Board and of the Governing Board of the Company.

5. Whether the concerned PID, during the term served, had identified any important issues concerning any matter which may involve conflict of interest, or have significant impact on functioning of the Company or issues which may not be in the interest of securities market as a whole and whether the PID had reported the same to SEBI or took effective steps to address the same.

Once the evaluation by the Management or a Human Resources Consulting Firm (Independent External Agency) is done, the results of the review/evaluation shall be submitted to the NRC, which shall after analyzing the results of the internal and external evaluation/ review mechanism, consider and if deemed fit. recommend to the Board, re-appointment of PID whose tenure is to be extended. In other case, NRC may recommend to the Governing Board, the name of the two new candidates who are eligible to be appointed as the PID on the Governing Board of the Company.

The Governing Board after receiving the recommendations from the NRC, shall in-turn consider the same and if deemed fit, recommend to SEBI, re-appointment of PID whose tenure is to be extended or name of the two new candidates who are eligible to be appointed as the PID on the Governing Board of the Company.

Note: In terms of clause 7.3.2 of the SEBI circular ref. no. SEBI/HO/MRD/MRD-PoD-3/2024/088 dated June 25, 2024, extension of the tenure may be granted to IEPs at the expiry of the tenure subject to performance review in the manner prescribed by SEBI for PIDs. Therefore, the provisions applicable for the performance review of PIDs shall also be applicable to IEPs.

B. External Evaluation of the Statutory Committees

Pursuant to the provisions of Regulation 33(6) of SECC Regulations, 2018, the performance of the Statutory Committees shall be subjected to external evaluation.

Accordingly, the Company shall appoint an independent external agency to evaluate the performance of its Statutory Committees.

The following principles shall be adhered to by the Company for selection of an Independent External Agency:

- The Independent External Agency shall be appointed with prior No Objection Certificate (NOC) from SEBI and on such terms and conditions, including fees, timelines, etc. as may be approved by the Governing Board of the Company. Thus, the Company shall forward the details of the External Agency to SEBI for prior NOC before appointment;

- The Independent External Agency shall have requisite domain knowledge, experience and expertise on matters concerning the securities market and/or functioning of the Statutory Committees of the Company;

- The Company shall ensure that there is no conflict of interest in the appointment of the Independent External Agency and the Agency had not been employed/hired by the Company for the evaluation period and till submission of the report. However, the Company can hire the services of the same Independent External Agency appointed for external evaluation of the Company, for external evaluation of its Statutory Committees, subject to compliance with the requirements stated above.

The minimum criteria for the independent external evaluation of performance of Statutory Committees of Company and their weightages are as under:

Sr. No.	Criteria	Weightage
1	Roles, Responsibilities and Duties of Statutory Committees	40%
2	Effectiveness of meetings of Statutory Committees	30%
3	Governance aspect of Statutory Committees	30%

The broad framework in this regard is prescribed in the Policy.

The rating shall reflect the judgment of Independent External Agency and in line with the rating framework provided in SEBI circular dated January 30, 2025.

GENERAL CONDITIONS:

1. Performance review shall be carried out in fair & objective manner and the review shall be recorded with clarity and verifiable facts in the format prescribed hereinafter in the Policy.
2. The respective Directors who are subject to evaluation shall not participate in the discussion relating to the same.
3. Both internal evaluation and external evaluation shall carry equal weightage.

For and on behalf of the Board of Directors of
Multi Commodity Exchange Clearing Corporation Limited

Prafulla Chhajed
Chairperson
DIN: 03544734

Place: Mumbai
Date: July 30, 2025

Annexure IV

Anil V. Mayekar
Ketki M. Save
Jatin P. Patil
Sagar P. Mehendale

MAYEKAR & ASSOCIATES

605 - Jai Kirti Apartment, 76 Turel Pakhadi Road, Malad (west), Liberty Garden Rd. No. 2, Mumbai 64. Tel: +91-022-35670702 Email: office@csmayekar.com

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
MULTI COMMODITY EXCHANGE CLEARING CORPORATION LIMITED
(CIN - U74999MH2008PLC185349)
Exchange Square, CTS 255, Suren Road,
Andheri (East), Mumbai-400093

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MULTI COMMODITY EXCHANGE CLEARING CORPORATION LIMITED (CIN - U74999MH2008PLC185349)** (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company through electronic mode for the financial year ended on **31st March, 2025** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings *(Not Applicable to the Company during the Audit Period)*;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable: -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 *(Not Applicable to the Company during audit period)*

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 *(Not Applicable to the Company during audit period)*

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 *(Not Applicable to the Company during audit period)*

(e)The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021(Not Applicable to the Company during audit period)

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 *(Not Applicable to the Company during audit period)*

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015; *(Not Applicable to the Company during audit period)*

(f) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not Applicable to the Company during audit period)* and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 *(Not Applicable to the Company during audit period)*;

{i) The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 ('Listing Regulation') to the extent as referred in Regulation 33 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ('SECC Regulations, 2018').

(iii) Compliances as per the SEBI Letter no. SEBI/HO/MRD2/MRD2_DDAP/P/OW/2022/24624/1 dated 15th June, 2022

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that –

The Board of Directors of the Company is duly constituted. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance for meetings as per the prescribed timelines and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;

All decisions at Board Meetings & Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committees of the Board, as the case may be.

We further report that there are reasonable systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and the Company is in the process of strengthening the same.

We further report that during the year under review**,**
The Company amended its Article of Association (AOA). Following the SEBI's approval, the company's Board of Directors, on March 12, 2025, authorized the submission of the amended Articles of Association (AOA) to the Registrar of Companies, Mumbai, as per Section 14(1) of the Companies Act, 2013. Subsequently, Form MGT-14 and INC-34 were filed.

None of the following events has taken place-
I. Public/Rights/Preferential Issue of Shares/Debentures etc.
II. Redemption/buy-back of securities
III. Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013.
IV. Merger/Amalgamation/Reconstruction, etc.
V. Foreign Technical Collaborations.

We further report that during the audit period there was no other event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards.

For Mayekar Associates
Company Secretaries
Firm Registration Number: P2005MH007400
PR Certificate No: 4385 / 2023

Jatin Prabhakar Patil
Partner
FCS – 7282 COP – 7954
Date: July 30, 2025
Place: Mumbai
U.D.I.N – F007282G000871992

Note: This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

MAYEKAR & ASSOCIATES
Company Secretaries

Annexure A

To,
The Members,
MULTI COMMODITY EXCHANGE CLEARING CORPORATION LIMITED
(CIN - U74999MH2008PLC185349)
Exchange Square, CTS 255, Suren Road,
Andheri (East), Mumbai-400093

The Management along with the Board of Directors are responsible for ensuring that the Company complies with the provisions of all applicable laws and maintains the required statutory records and documents in the prescribed manner.

1) Management's responsibility

The Management along with the Board of Directors are responsible for ensuring that the Company complies with the provisions of all applicable laws and maintains the required statutory records and documents in the prescribed manner.

2) Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("**CSAS**") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS.

3) Basis for Opinion

i. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

ii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

iii. Wherever required, we have obtained a Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

iv. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mayekar Associates
Company Secretaries
Firm Registration Number: P2005MH007400
PR Certificate No: 4385 / 2023

Jatin Prabhakar Patil
Partner
FCS – 7282 COP – 7954
Date: July 30, 2025
Place: Mumbai
U.D.I.N – F007282G000871992

Annexure V

NOMINATION AND REMUNERATION POLICY

VERSION 6.0

Multi Commodity Exchange Clearing Corporation Limited,

Exchange Square, Suren Road,

Andheri (East), Mumbai 400093

PH: (+9122) 68646000/50956000 Fax: (+9122) 67269558

Website: www.mcxccl.com

DOCUMENT CONTROL PAGE

Document Name	**:**	**NOMINATION AND REMUNERATION POLICY**
Current Version	**:**	**6.0**

		Name	**Date**
Document Owner	**:**	**Mr. Mandar Kulkarni**	**21/07/2025**
Reviewed By	**:**	**Mr. Narendra Ahlawat**	**21/07/2025**
Approved By	**:**	**Board of Directors**	**30/07/2025**

Revision History

Version No.	Description	Prepared By / Revised By	Reviewed / Approved by	Issue / Revision Date
1.0	Initial Version	Ms. Riddhi Parekh	Reviewed by Ms. Riddhi Parekh Approved by MCXCCL Board	30/01/2018
2.0	Revision through amendments in Companies Act, 2013, SEBI Regulations, 2015 and introduction to the SECC Regulations, 2018.	Mr. Mandar Kulkarni	Reviewed by Mr. Narendra Ahlawat Approved by MCXCCL Board	22/04/2019
3.0	Revisions incorporating: **a)** Legal compliance added in list of Regulatory Department and Provision relating to financial disincentive. **b)** Inclusion of parameter viz. 'Holding Company performance' as one of the parameters for salary increment. **c)** Inclusion of provision for policy review period **d)** Removal of provision of authorising MD to make minor modifications in the policy	Mr. Mandar Kulkarni	Reviewed by Mr. Narendra Ahlawat Approved by MCXCCL Board	22/10/2021

4.0	Revisions incorporating: **a)** Definition of Core and Critical Functions; **b)** Deletion of definition of Independent Director and including the same in the definition of Public Interest Director; **c)** Amendment in the definition of KMP; **d)** Inclusion of definition of Non-Independent Director; **e)** Amendment in the definition of Regulatory Department; **f)** Amendment in the variable component of the remuneration of MD/CEO and KMP.	Mr. Mandar Kulkarni	Reviewed by Mr. Narendra Ahlawat Approved by MCXCCL Board	25/08/2023 (Effective from August 28, 2023)
5.0	Revision to include the following: a) Legal department added under Vertical 2 i.e. 'Core and Critical Functions'; b) Reference of SEBI circular dated November 22, 2024; c) Financial disincentive clause for MD & CTO is modified. d)Additional parameter for performance appraisal for certain KMPs as specified in SEBI circular dated November 22, 2024 is added.	Mr. Mandar Kulkarni	Reviewed by Mr. Narendra Ahlawat Approved by MCXCCL Board	12/03/2025
6.0	Revised to include: a) Reference of SEBI circular bearing no. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2025/75 dated May 26, 2025, to consider the provisions mentioned thereunder; b) No cooling-off period for Directors and KMPs and c) Provision to consider the reports/inputs from relevant Committees, in case of the performance appraisal of the Chief Operating Officer, Chief Financial Officer, Head-legal, Company Secretary, Head – Warehousing Operations, Collaterals and Delivery and Head - HR, Admin & Procurement.	Mr. Mandar Kulkarni	Reviewed by Mr. Narendra Ahlawat Approved by MCXCCL Board	30/07/2025

NOMINATION AND REMUNERATION POLICY

Multi Commodity Exchange Clearing Corporation Limited (hereinafter referred to as the "Company/ Clearing Corporation") has adopted this Policy (the "Policy") on Nomination and Remuneration of Directors, Key Managerial Personnel ("KMPs") and Other Employees pursuant to the provisions of Section 178(4) the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the "Listing Regulations, 2015] and Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ["SECC Regulations, 2018"], as may be amended from time to time.

Objectives/Purposes of the Policy:

The Policy has been framed keeping in view the following objectives/purposes:

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully and to ensure long term sustainability of managerial persons and create competitive advantage;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration payable to Directors and Key Managerial Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals and aligns with the long term interests of the company and its shareholders.

Definitions:

'Act' means the Companies Act 2013 and includes the Rules framed thereunder, as may be amended from time to time.

'Board' means the Board of Directors of the Company.

'Committee' means the Nomination and Remuneration Committee of the Company as constituted/ reconstituted by the Board of Directors of the Company, in accordance with the Act and provisions of Listing Regulations, 2015 and SECC Regulations, 2018.

'Core and Critical Functions' shall include but not limited to:

a) Vertical 1: Critical operations

i. Clearing and Settlement;
ii. Collaterals;
iii. Spot and Delivery;
iv. Warehousing Operations;
v. Technology;

b) Vertical 2: Regulatory, compliance, Risk Management and investor grievance

i. Risk management;
ii. Membership & Default;
iii. Compliance;
iv. Secretarial
v. Inspection;
vi. Investor Grievances;
vii. Legal

c) Vertical 3: Other functions including business development

i. Finance & Accounts;
ii. Human Resources & Admin;

'Directors' means Directors of the Company.

'Fixed Remuneration' includes fixed wages, contribution to Provident fund and allowances/ benefits.

'Key Managerial Personnel' (the "KMP") as defined under section 2(51) of the Act means:

(i) the Chief Executive Officer or the Managing Director or Manager;
(ii) the Company Secretary;
(iii) Whole-time Director;
(iv) the Chief Financial Officer;
(v) such other officer, not more than one level below the directors who is in whole time employment, designated as key managerial personnel by the Board; and
(vi) any other person as may be prescribed

Further, as defined in Regulation 2 (1) (j) of the SECC Regulations, 2018, KMP includes:

(i) any person appointed as the managing director or executive director; or
(ii) a person serving as the head of a department or vertical and directly reporting to the managing director or to the directors on the governing board of the Company; or

(iii) a person serving as the head of a core function as specified under Part–C of Schedule–II of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018; or
(iv) a person who stands higher in hierarchy to the head of any department(s) handling core function(s) in the Company; or
(v) reporting officials of key management personnel; or
(vi) any person defined as a "key managerial personnel" under the Act; or
(vii) any other person who is a key decision-making authority at the level of the Company or its direct or indirect material subsidiaries, as identified by the managing director or its Nomination and Remuneration Committee.

Note: KMPs include the Senior Management Personnel of the Clearing Corporation. (as defined in the Listing Regulations, 2015).

'Managing Director' means a director who, by virtue of the articles of a company or an agreement with the company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called.

'**Non-Independent Director**' means a director elected or nominated by the shareholders who are neither trading members nor clearing members, as the case may be, or their associates and agents.

'Public Interest Director' means an Independent Director referred to in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, representing the interests of investors in securities market and who is not having any association, directly or indirectly, which in the opinion of the SEBI, is in conflict with his role.

'Remuneration' means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

'**Regulatory Department'** means a department of a Company which is entrusted with regulatory powers and duties and includes such department as may be specified by the SEBI;

'SEBI' means the Securities and Exchange Board of India.

Words and expressions used and not defined in this Policy, but defined in the Companies Act or any rules framed thereunder or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed thereunder or in the Listing Regulations, 2015 or the Indian Accounting Standards shall have the meanings assigned to them in these acts/regulations/Rules/Standards.

GENERAL PRINCIPLES ON APPOINTMENT/RE-APPOINTMENT AND REMOVAL/ RETIREMENT OF DIRECTORS AND KMPs:

I. APPOINTMENT:

- **Criteria and qualifications:**

The Committee shall identify and ascertain the integrity, qualification, expertise and relevant experience of the person for appointment as Director in terms of the Board Diversity Policy of the Company and recommend to the Board his / her appointment. A person to be appointed as director or KMP should possess adequate qualification, expertise and relevant experience for the position he / she is considered.

Additionally, while determining the qualifications and positive attributes for appointment of a person as a director, the Committee shall also consider the criteria and qualifications/disqualifications prescribed under provisions of the Act, Listing Regulations, 2015 and SECC Regulations, 2018. Further, the Committee shall also take into consideration any other criteria for appointment, as may be set out in the Company's internal policies.

The Independence of a director shall be determined based on the criteria defined from time to time in the Act, the Listing Regulations, 2015 and SECC Regulations 2018 and the circulars issued thereunder.

- **Manner of appointment/re-appointment/ termination/ acceptance of resignation and tenure:**

The appointment/re-appointment and tenure of the Directors of the Company shall be as approved by SEBI and governed by the provisions of the Act, Listing Regulations, 2015, SECC Regulations, 2018 and SEBI circular no. SEBI/HO/MRD/POD-3/P/CIR/2024/162 dated November 22, 2024 as well as the Articles of Association of the Company.

The Committee at the time of determining whether to recommend a Director for re-appointment shall also consider the Director's past attendance, participation and contributions in the meetings of the Board and the Committees where the Director is a member/Chairperson and the results of the Internal Evaluation and External Evaluation, as applicable.

In case the existing Public Interest Director, after completion of his first term, is not considered for re-appointment by the Governing Board of the Company, the rationale for the same shall be recorded and informed to SEBI.

Any selection, appointment/ re-appointment, termination or acceptance of resignation and tenure of a KMP of the Company shall be governed by the provisions of the Act, Listing Regulations, 2015, SECC Regulations, 2018, SEBI circular bearing no. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2025/75 dated May 26, 2025 and such other circulars or letters or notifications as may be issued by SEBI from time to time.

It is clarified that the provisions of SEBI circular bearing no. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2025/75 dated May 26, 2025 relating to appointment/ re-appointment, termination or acceptance of resignation shall apply in case of MD & CEO, Compliance Officer, Chief Risk Officer, Chief Technology Officer and Chief Information Security Officer and in case of other KMPs, the Company may implement the provisions, as it may determine from time to time.

Further, the tenure of KMPs in a regulatory department would be generally till he/ she ceases to be the employee of the Company or as may be decided by the Committee/Board. However, the same shall be reviewed every 3 years unless any other tenure is specifically decided by the Committee. The term of the KMP may or may not be extended by the Committee, if required.

- **Cooling-off period:**

There shall not be any cooling off period in case of KMPs and Directors (including MD &CEO) of the Company.

II. REMOVAL/RETIREMENT:

Owing to disqualifications for any reasons mentioned in the Act or rules made thereunder or under any other Act, Rules and Regulations as may be applicable and subject to the prevailing HR Policy of the Company, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director/KMP, subject to the provisions and compliance of the said Act, rules and regulations.

Directors and KMPs shall retire/cease to hold office as per the applicable provisions of the Act, Listing Regulation, 2015, SECC Regulation, 2018 and the prevailing policy of the Company or in terms of which such appointment was made.

The Board will have the discretion to extend the term of a KMP, even after his/her attaining the age of superannuation, for the benefit of the Company.

III. REMUNERATION OF DIRECTORS INCLUDING MANAGING DIRECTOR AND KMPs:

I. Remuneration of Managing Director (MD) / Chief Executive Officer (CEO):

The remuneration payable to managerial personnel shall be in accordance with the provisions of Section 197 read with Schedule V of the Act and the Rules made thereunder. The remuneration payable to them, shall upon recommendation by the Nomination and Remuneration Committee, be approved by the Board of Directors, which shall be subject to the approval of SEBI and shareholders of the Company and other approvals as may be required.

At the time of seeking prior approval of SEBI for the appointment of the MD&CEO, the Clearing Corporation shall also seek prior approval for his/her compensation from SEBI. Any change in the terms and conditions of the compensation of MD&CEO will also require prior approval of SEBI.

The Committee will determine the remuneration of MD/CEO and recommend the same to the Board for its approval, taking into consideration the following factors:

a) Role and responsibilities of the MD/CEO;
b) Financial condition / health of the Clearing Corporation;
c) Comparability to the industry standards;
d) Revenues, net profit of the Clearing Corporation;
   - average levels of compensation payable to employees in similar ranks;
   - periodic review;
e) Variable component of the remuneration of MD/CEO is within a range of 25% to 50% of total pay.
   - 50% of the variable component of the remuneration is paid only after the audited annual accounts for the year are approved by the Board of Directors and also subject to such payment being approved by the Board; and
   - the balance 50% of the variable pay will be paid on a deferred basis after a minimum period of three years.

   The payment of the entire variable component is subject to the provisions of 'malus' and/or 'clawback' provisions, as defined hereinafter.
f) No incentives are provided for excessive risks in the short term.
g) 'Value Add' perceived by the Committee and Board based on the relevant experience of the candidate.

ESOPs and other equity linked instruments in the clearing corporation shall not be offered or provided as a part of the compensation to MD/CEO.

Financial Disincentive, if any, prescribed by regulator(s) such as SEBI/ Ministry of Corporate Affairs from time to time shall be applicable to MD/ CEO.

II. Remuneration of Non-Executive Directors:

Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof, as approved by the Board, from time to time, within the permissible limit prescribed under the Act, Listing Regulations. 2015, SECC Regulations, 2018 and other regulatory guidelines, as amended from time to time.

Any change in sitting fees will be recommended by the Committee and approved by the Board, if made within the limits prescribed under the Act for payment of sitting fees.

The Board considers the following factors while approving the change in the sitting fees to the Board/Committee members:

(a)Contribution expected from Directors considering size and complexity of organization;
(b) Comparison with the peers/ Industry benchmarking;
(c) Regulatory guidelines as applicable etc.

The Non-Executive Directors are also entitled to reimbursement of expenses for participation in the meetings of the Board and the Committees thereof.

The Company does not pay any commission on profit to the Non-Executive Directors. Independent directors shall not be entitled to any stock option.

III. Remuneration of other KMPs:

The Committee shall recommend the remuneration of other KMPs to the Board for its approval, taking into consideration the following factors:

a) Relevance and importance of the function to the Organization;
b) Value added from time to time / their contribution to the Organization growth;
c) Financial condition / health of the Clearing Corporation;
d) Comparability to the industry standards;
e) Revenues, net profit of the Clearing Corporation;
   - average levels of compensation payable to employees in similar ranks;
   - periodic review;
f) Variable component of the remuneration of other KMPs is on the basis of the Performance rating as per the matrix adopted by the Company which shall be within a range of 25% to 50% of total pay.

- 50% of the variable component of the remuneration is paid only after the audited annual accounts for the year are approved by the Board of Directors and also subject to such payment being approved by the Board; and
- the balance 50% of the variable pay will be paid on a deferred basis after a minimum period of three years.

The payment of the entire variable component is subject to the provisions of 'malus' and/or 'clawback' provisions, as defined hereinafter.

g) No incentives are provided for excessive risks in the short term.
h) 'Value Add' perceived by the Committee and Board based on the relevant experience of the candidate.

ESOPs and other equity linked instruments in the Clearing Corporation shall not be offered or provided as a part of the compensation to the key management personnel.

Any financial disincentive specified by SEBI and/or any other regulatory/statutory authority shall be applicable to KMPs.

Any change in the remuneration of the KMPs shall be recommended by the Committee to the Board for its approval.

In terms of SEBI circular no. SEBI/HO/MRD/POD-3/P/CIR/2024/162 dated November 22, 2024, in case of performance appraisal of Compliance Officer, Chief Risk Officer, Chief Technology Officer and Chief Information Security Officer, the Committee shall take into consideration, reports/ inputs from the relevant statutory Committees in addition to the reports/ inputs from functional heads/reporting authority and SEBI observations, if any.

In case of the performance appraisal of the Chief Operating Officer, Chief Financial Officer, Head-legal, Company Secretary, Head – Warehousing Operations, Collaterals and Delivery and Head - HR, Admin & Procurement, the Committee shall also consider the reports/ inputs from the relevant Committees as may be decided by the Governing Board, in addition to the reports/ inputs from functional heads/reporting authority and SEBI observations.

Malus and Clawback Provisions:

A malus arrangement permits the Clearing Corporation to prevent vesting of all or part of the amount of a deferred variable component.

A clawback is a contractual agreement between the employee and the Clearing Corporation in which the employee agrees to return previously paid or vested variable component to the Clearing Corporation under certain circumstances.

The aforesaid clauses shall be triggered under the following circumstances:

a) Fraud;
b) Impersonation;
c) Gross negligence which have caused or may cause significant financial loss or reputational harm to the Company;
d) Misfeasance;
e) Any act amounting to criminal breach of trust;
f) Conviction for an offence involving moral turpitude;
g) Breach of confidentiality in trade secret;
h) Ethical misconduct;
i) Fraudulent financial reporting;
j) Overstating or misstating financial indicators or of the performance criteria either at the Company level or individual level with a view to get increased variable pay;
k) Non-compliance or insubordination in adhering to regulatory/policy guidelines and
l) Such other circumstances as the Committee and/or Board may decide.

General parameters to consider increase in the remuneration:

The salary increment budget would be ascertained by the Committee / Board every year, based on following parameters:

1. Current year's Company/Holding Company performance;
2. Employee appraisal rating scale provided by Group HR;
3. Consumer Price Index.

Remuneration of other employees of the Company:

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

ESOPs and other equity linked instruments in the Clearing Corporation shall not be offered or provided as a part of the compensation to the employees.

Note: *In the event of any conflict between the provisions of this Policy and of the SECC Regulations, 2018, the Act and rules made thereunder and the Listing Regulations, 2015, the provisions of the SECC* Regulations*, 2018, the Act and rules made thereunder and the Listing Regulations, 2015 shall prevail over this Policy.*

Policy Review:

This Policy shall be reviewed by the Nomination and Remuneration Committee as and when required or at least once in two years and changes made therein, if any, shall be approved by the Board.

Annexure VI

Disclosure pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 27 (6) of SECC Regulations, 2018

Sr. No	Requirements	Disclosure
I	The ratio of the remuneration/compensation of each Director and KMP to the median remuneration of the employees of the Company for the financial year 2024-25.*	• MD & CEO – 14.58X • Chief Financial Officer - 5.66X • Company Secretary- 4.54X • Chief Operating Officer – 10.98X • Chief Technology Officer – 7.13X • Head- Warehousing Operations, Collaterals, Delivery and Spot– 4.93X • Head Legal – 2.96X • Chief Information Security Officer – 4.28X • Chief Regulatory Officer –6.41X • Head –HR, Admin and Procurement – Not applicable# • Chief Risk Officer – Not applicable#
II	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	MD & CEO – 5% Chief Financial Officer – 10% Company Secretary – 10%
III	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year increased by 7.18%.
IV	The number of permanent employees on the rolls of Company	There were 127## employees as on March 31, 2025.
V	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Not Applicable
VI	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes. The Remuneration is as per the Remuneration policy of the Company

Notes:

* Remuneration is paid only to the Executive Director. Only the sitting fees are paid to Public Interest Directors and one Non-Independent Director.

\# Since the two KMPs were employed for part of the year, the ratio of their remuneration is not comparable.

\## The employee count includes 116 confirmed employees and 11 others who are probationers and trainees.

For and on behalf of the Board of Directors of
Multi Commodity Exchange Clearing Corporation Limited

Prafulla Chhajed
Chairperson
DIN: 03544734

Place: Mumbai
Date: July 30, 2025

Annexure VII

Statement pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and 27(5) of SECC Regulations, 2018

Sr. No.	Name of the Employee	Age	Qualification	Designation/ Role / Nature of Duties	Total Remuneration (In ₹)	Approx. Experience (in Years)	Joining Date	Last Employment
A.	**Employed throughout the financial year**							
1	Mr. Narendra Kumar Ahlawat	63	Chartered Financial Analyst, Post -Graduation Diploma in Rural Management, Bachelor of Veterinary Science & Animal Husbandry	MD & CEO	1,69,39,524/-	39	1-Apr-18*	Chief Regulatory Officer- Multi Commodity Exchange of India Ltd.
2	Mr. Soundararajan Venkatadas	57	Master's degree in commerce, Bachelor's degree in Commerce	Chief Operating Officer	1,27,56,685/-	34	5-Dec-19	Chief General Manager, India International Exchange Ltd.
3	Mr. Anilkumar Ramdhani Varma	45	Master's of Technology in data Sciences, Post Graduation Diploma in Data Science, Executive Management (IIM Lucknow), Bachelor of Computer Engineering and Bachelor of Technology Computer Systems	Chief Technology Officer	82,87,647/-	23	10-Nov-21	Chief Technology Architect, National Securities Depository Ltd.

Sr. No.	Name of the Employee	Age	Qualification	Designation/ Role / Nature of Duties	Total Remuneration (In ₹)	Approx. Experience (in Years)	Joining Date	Last Employment
4	Mr. M. Ramalingam	58	Master's in Finance Management, Bachelor's degree in Science (Mathematics)	Chief Regulatory officer and Compliance Officer. Head - Membership & Default, Inspection & Investor Grievance	74,47,829/-	35	14-Jun-24	Multi Commodity Exchange of India Ltd. -Consultant
5	Mr. Rajesh Kumar Agrawal	56	Chartered Accountant, Bachelor's degree in Commerce	Chief Financial Officer	65,74,210/-	29	26-Jun-19	Senior Manager, Finance & Accounts, Multi Commodity Exchange of India Ltd.
6	Mr. Arnav Kumar Datta	46	Post-Graduation Diploma in Business Management (Marketing), Master's degree in Science Agriculture.-Plant Breeding and Genetics	Head – Warehousing Operations, Collaterals Spot and Delivery	57,30,001/-	21	20-Feb-23	Vice President (Operations & Business Development), CDSL Commodity Repository Ltd.
7	Mr. Mandar Mohan Kulkarni	47	Company Secretary, Master's of Legislative Laws, Post-Graduation Diploma in Business Management and Bachelor of Commerce	Company Secretary and Vice President Legal	52,72,729/-	20	15-Nov-19	Company Secretary, IL&FS Securities Services Ltd.

Sr. No.	Name of the Employee	Age	Qualification	Designation/ Role / Nature of Duties	Total Remuneration (In ₹)	Approx. Experience (in Years)	Joining Date	Last Employment
8	Mr. Mihir Sunil Malode	42	Bachelor's Degree In Engineering (Electronics)	Chief Information Security Officer & Data Protection Officer	49,57,495/-	17	05-Sep -23	Deputy General Manager - Mahindra & Mahindra Financial Services Ltd.
9	Mr. Vishal Prakash Raskar	38	Post Graduate Diploma Agri-Business Management, Bachelor's degree in Science Agriculture	Assistant Vice President - Warehousing Operations	43,47,590/-	15	02-May-23	Head- Inventory & Logistic- Alpha Alternatives Holding Pvt. Ltd.
10	Mr. Rajeev Kumar Srivastava	48	Master's Degree In Commerce, Post Graduation Diploma in Management	Assistant Vice President - Collaterals	40,93,150/-	25	1-Sep-18	Senior Manager – Collaterals, Multi Commodity Exchange of India Ltd.
11	Mr. Praveen Vittal Kotian	58	Bachelor's Degree in Law, Bachelor's Degree in Arts	Head- Legal	34,34,242/-	33	1-Sep-18	Assistant Vice President- Legal Compliance, Multi Commodity Exchange of India Ltd.
B.	**Employed for the part of financial year**							
1	Mr. Himanshu Bhupendra Raja	45	Master's in Management Studies, Bachelor's of Commerce	Chief Risk Officer	50,84,734/-	20	1-Sep-18	Senior Manager, Clearing & Settlement & Delivery, Multi

Sr. No.	Name of the Employee	Age	Qualification	Designation/ Role / Nature of Duties	Total Remuneration (In ₹)	Approx. Experience (in Years)	Joining Date	Last Employment
								Commodity Exchange of India Ltd
2	Mr. Fardeen Ahmed Iftekhar Siddiquee	43	Master's in Management Studies, Bachelor's of Commerce	Chief Risk Officer	23,25,157/-	21	19-Nov-24	Head of Settlements – Derivatives, Equities and Fixed Income Business - Standard Chartered Bank
3	Mr. Pradip Govind Gurav	44	Master's Degree in Human Resources Development Management, Bachelor's of Commerce	Head- Human Resources, Administration and Procurement	11,12,903/-	22	10-Dec – 24	Head Group HR Sanjivani Group

*Mr. Narendra Kumar Ahlawat was appointed as MD & CEO of MCXCCL for the period of 3 years w.e.f. April 01, 2018. Further, in view of completion of tenure of Mr. Ahlawat as MD & CEO, the fresh appointment process of MD & CEO was initiated in compliance with SECC Regulations, 2018. After the receipt of SEBI approval for the appointment of Mr. Ahlawat as MD & CEO, he assumed the office as MD & CEO w.e.f. April 01, 2021, for further period of 5 years.

Notes:

1. Total Remuneration includes salary, variable pay, deferred variable pay, perquisites etc. excluding gratuity paid during FY 2024-25. The said remuneration details are of the KMPs and two Non-KMPs as on March 31, 2025. In terms of the provisions of SECC Regulations, 2018, 50% of the variable pay to KMP is to be paid on deferred basis after three years. The paid variable pay for FY 2023-24 was paid during the year under review and the same is included in the aforesaid remuneration. Deferred Variable Pay of FY 2020-21 is included in the aforesaid remuneration.

2. All the employees mentioned above are in permanent employment of the Company, governed by Nomination and Remuneration Policy, employment terms & HR Manual.

3. None of the above employees is a relative of any Director of the Company within the meaning of relative under the Companies Act, 2013.

4. None of the employees is drawing salary in excess of that drawn by Managing Director / Whole Time Director.

5. As of March 31, 2025, none of the above employees by himself or along with his spouse and dependent Children, held 2% or more of the equity shares of the Company as referred to in sub-clause(iii) of Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. No employee is holding any equity share of the Company.

6. As of March 31, 2025, none of the employees of the Company is posted and working in a country outside India.

For and on behalf of the Board of Directors of
Multi Commodity Exchange Clearing Corporation Limited

Prafulla Chhajed
Chairperson
DIN: 03544734
Place: Mumbai
Date: July 30, 2025

Management Discussion and Analysis Report

ECONOMIC OVERVIEW

Global Economic Outlook

In 2024, the global economy grew by 3.3%, similar to the previous year but below the pre-pandemic average of 3.6%. This growth was driven by restrictive monetary policies to combat inflation, which eased somewhat, benefiting businesses and consumers. However, trade tensions following the U.S. election posed risks. The International Monetary Fund (IMF) projects slower growth of the global economy at 2.8% in 2025 and 3.0% in 2026, influenced by challenges from trade tensions and financial market adjustment, though ongoing disinflation, resilient labour markets and technological advancements could support growth.

Indian Economic Outlook

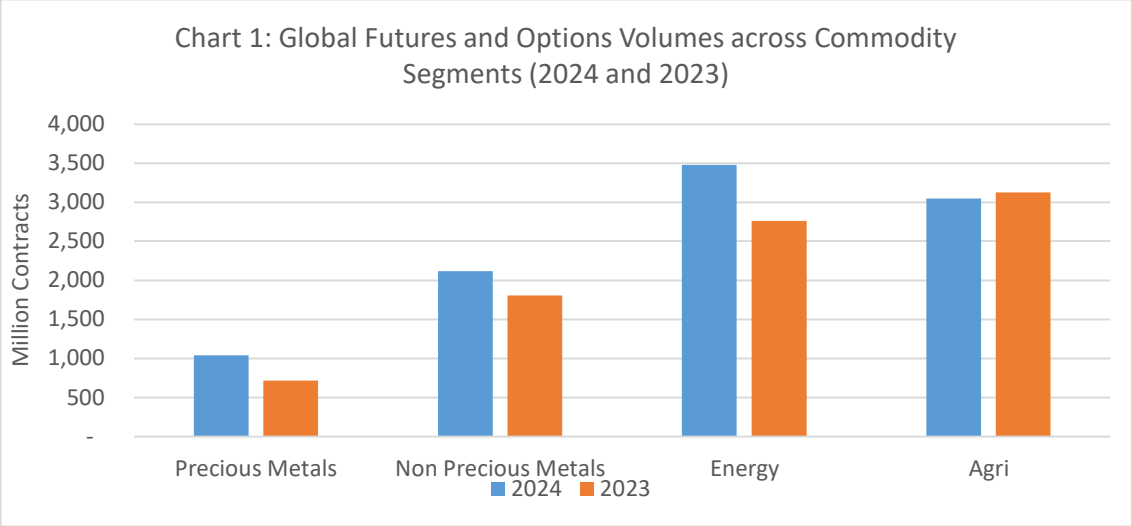
The Reserve Bank of India's **(hereinafter referred to as 'RBI')** Monetary Policy Statement for the financial year **(hereinafter referred to as 'FY')** 2025-26 anticipates strong domestic economic activity, fuelled by rising consumption and increased government spending. Positive trends include improved private consumption, agricultural activity and a robust services sector. While the government's measures are expected to boost growth, uncertain global conditions could hinder external trade. The RBI revised India's growth forecast to 6.5% for FY 2025-26, with a projection of 6.7% for FY 2026-27, indicating ongoing recovery.

INDUSTRY STRUCTURE AND DEVELOPMENT

Global Commodity Derivatives Markets

The volumes traded in the global exchange-traded commodity derivatives market continued to show an upward trend in 2024. According to data provided by the Futures Industry Association **(hereinafter referred to as 'FIA')**, the total volumes traded in commodity derivatives rose by approximately 15.1% Year-on-Year to reach 9.68 billion contracts in 2024, although various commodity segments experienced different growth patterns in their traded volumes. The trade volumes for Precious Metals, Energy and Non-Precious Metals saw increases of about 45%, 26% and 17% respectively, while volumes in Agri-commodities fell by 2.5%. Chart 1 illustrates the trends in global commodity derivatives volumes.

Chart 1: Global Futures and Options Volumes across Commodity Segments (2024 and 2023)



Source: FIA

Indian Commodity Derivative Markets

The Indian Commodity Derivatives Markets saw an increase in trading and clearing activity during FY 2024-25. Volumes (number of contracts) and turnover (value) both grew significantly in the Futures and Options segments compared to the previous FY 2023-24. In value, clearing in commodity derivatives grew by about 107%, reaching ₹ 579.71 lakh crore. In volume, it increased by around 91%, totalling 100.07 crore contracts between the two years. Comparative details of the performance of the Indian commodities market for FY 2024-25 and FY 2023-24 are presented in Table 1 and Table 2.

Table 1: Volumes traded and cleared in Indian Commodity derivatives segment (lakh contracts)

	Futures			Options			Total		
	FY'24	FY'25	Change (%)	FY'24	FY'25	Change (%)	FY'24	FY'25	Change (%)
Agri Commodities	51	36	-28	0.003	4	1,49,313	51	41	-20
Base Metal	50	69	40	0.3	3	895	50	72	44
Bullion	747	826	11	109	420	286	856	1,246	46
Energy	557	716	29	3,736	7,932	112	4,293	8,648	101
Total	**1,404**	**1,648**	**17**	**3,845**	**8,359**	**117**	**5,249**	**10,007**	**91**

Note: Includes commodity index futures also. Values have been rounded off to the nearest whole numbers
Source: SEBI Bulletin April 2025

Table 2: Turnover traded and cleared in Indian Commodity derivatives segment

(₹ In crore)

	Futures			Options (notional)			Total		
	FY'24	FY'25	Change (%)	FY'24	FY'25	Change (%)	FY'24	FY'25	Change (%)
Agri Commodities	2,10,743	1,38,256	-34	10	12,427	1,25,599	2,10,753	1,50,683	-29
Base Metal	4,81,315	8,06,774	68	4,694	52,978	1,029	4,86,010	8,59,752	77
Bullion	31,19,396	45,26,871	45	23,26,635	92,85,718	299	54,46,031	1,38,12,589	154
Energy	13,87,647	16,69,460	20	2,05,32,888	4,14,79,478	102	2,19,20,534	4,31,48,938	97
Total	51,99,101	71,41,361	37	2,28,64,227	5,08,30,600	122	2,80,63,328	5,79,71,961	107

Note: Includes commodity index futures also. Values have been rounded off to the nearest whole numbers
Source: SEBI Bulletin April 2025

COMPANY PERFORMANCE

The operational performance of Multi Commodity Exchange Clearing Corporation Limited **(hereinafter referred to as 'the Company/Your Company/MCXCCL')** is significantly influenced by the trading activity on Multi Commodity Exchange of India Limited **(hereinafter referred to as 'MCX')**, whose trades are cleared and settled by MCXCCL. In FY 2024-25, your Company maintained its position as the leading commodities Clearing Corporation in India, commanding about 98.10% of the total value of Commodity Futures and 97.40% of Commodity Options cleared.

During FY 2024-25, the average daily turnover in Futures (including Index Futures) cleared on MCXCCL, registered a growth of about 38% to ₹ 27,153 crore, compared to the previous financial year. The growth was led mainly by an increase in Base Metals, Bullion and Energy segments, turnover in which was up by about 65%, 43% and 19% respectively. The Average Daily (Notional) Turnover in the Options segment increased by a significant 115% to touch ₹ 1,91,910 crore in FY 2024-25. Likewise, average daily (premium) Options turnover rose by 84% to ₹ 3,131 crore in FY 2024-25. In FY 2024-25, your Company cleared the highest ever daily trade of ₹ 5.03 lakh crore on January 13, 2025, however, on June 16, 2025, it exceeded ₹ 6.60 lakh crore.

In terms of volume (number of lots), the commodity Futures contracts cleared by MCXCCL grew by 17.3%. This increase was driven by Bullion, Energy and Base Metals segments, which recorded volumes of 3.2 lakh lots, 2.77 lakh lots and 26.8 thousand lots, respectively, in FY 2024-25. However, Futures volumes in Agri-commodities and Indices declined during the same period. The Options segment also experienced significant growth. Volumes in Base Metals, Bullion and Energy Options surged by approximately 879%, 281% and 105%, respectively. Overall, the combined Options volumes cleared by your Company across these three segments increased from 15.01 lakh lots in FY 2023-24 to 31.6 lakh lots in FY 2024-25, representing an approximate Year-on-Year increase of 110.5%.

Trends in volume and turnover in Futures and Options across various commodity segments cleared and settled by MCXCCL are provided in Table 3 and Table 4.

Table 3: Average Daily Turnover of commodity derivatives cleared on MCXCCL

(₹ In crore)

	Futures			Options (Notional Turnover)			Options (Premium Turnover)		
	FY'24	FY'25	Change (%)	FY'24	FY'25	Change (%)	FY'24	FY'25	Change (%)
Agri	21.87	10.17	-53.50	-	-	-	-	-	-
Base Metal	1,883.82	3,112.67	65.23	18.41	204.52	1010.92	0.15	2.30	1433.33
Bullion	12,201.28	17,431.58	42.87	9,100.03	35,431.96	289.36	68.77	245.89	257.55
Energy	5,420.50	6,405.09	18.16	79,775.35	1,55,099.74	94.42	1,621.97	2,864.19	76.59
Index	31.60	10.23	-67.63	-	-	-	-	-	-
Total	19,559.07	26,969.74	37.89	88,893.79	1,90,736.22	114.57	1,690.89	3,112.38	84.07

Table 4: Average Daily Volume of commodity derivatives cleared on MCXCCL

(no. of contracts)

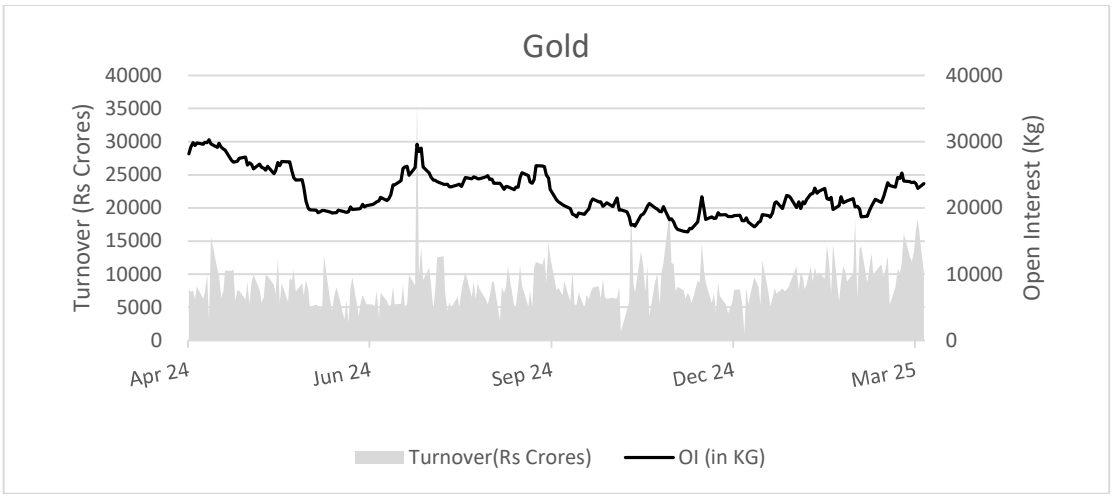
	Futures			Options		
	FY'24	FY'25	Change (%)	FY'24	FY'25	Change (%)
Agri	324	197	-39.20	-	-	-
Base Metal	19,374	26,707	37.85	103	1,003	873.79
Bullion	2,92,538	3,18,279	8.80	42,430	1,61,193	279.90
Energy	2,18,033	2,75,086	26.17	14,53,193	29,82,215	105.22
Index	393	111	-71.76	-	-	-
Total	5,30,662	6,20,380	16.91	14,95,726	31,44,411	110.23

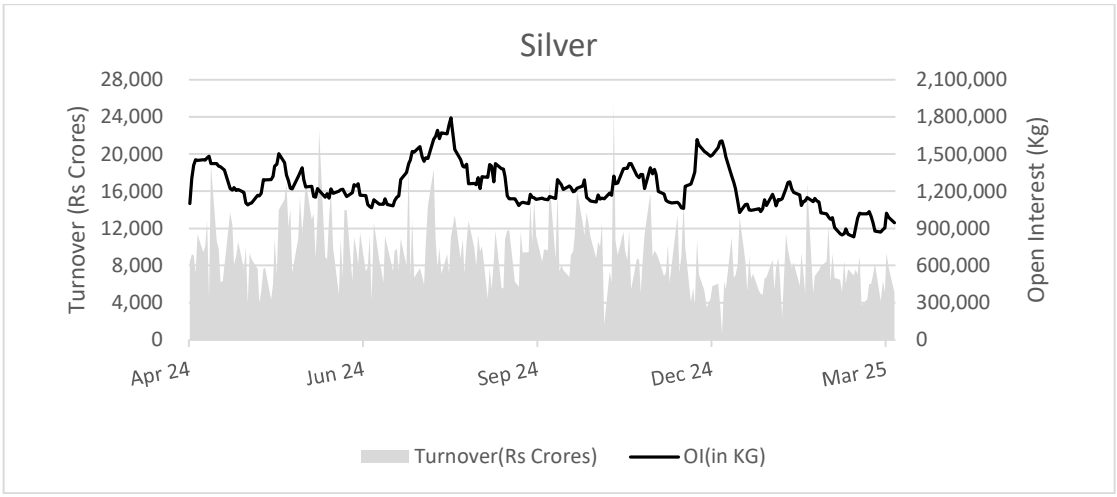
PRODUCT WISE PERFORMANCE

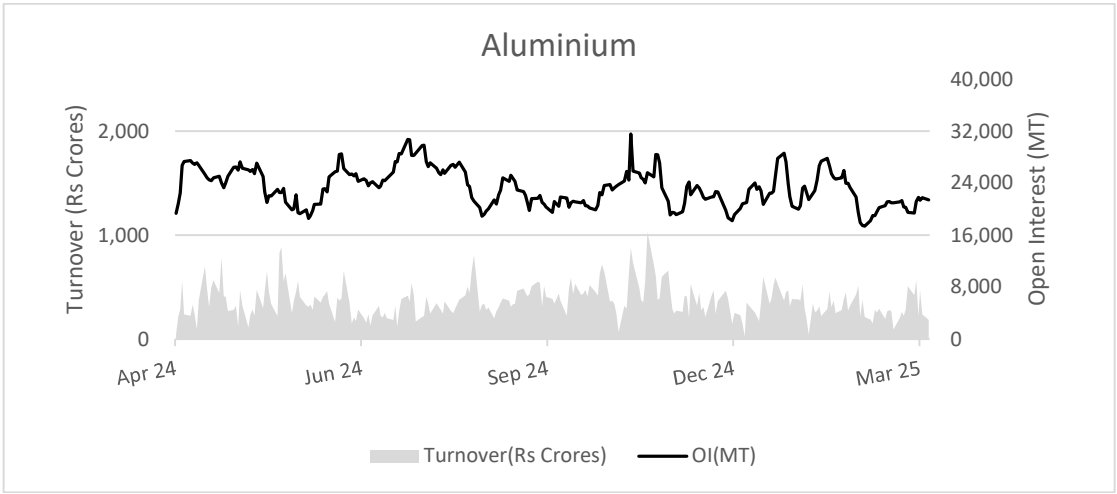
Product-wise Open Interest and Turnover of derivatives of different commodities and indices cleared and settled by your Company during FY 2024-25 are displayed in the charts below:

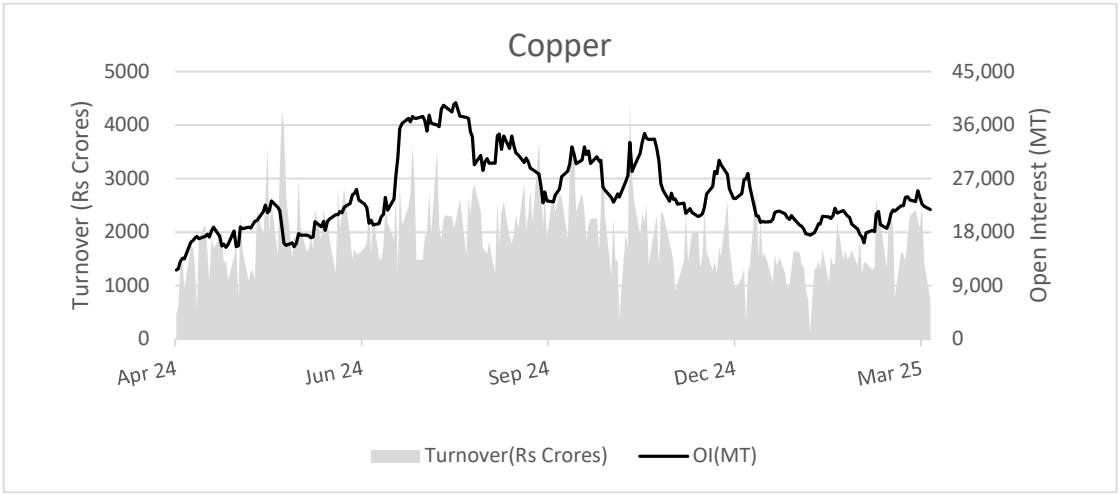
Daily Turnover and Open Interest of Commodity Futures, Options and Index Futures Contracts Cleared on MCXCCL in FY 2024-25 (All variants of each commodity combined)-

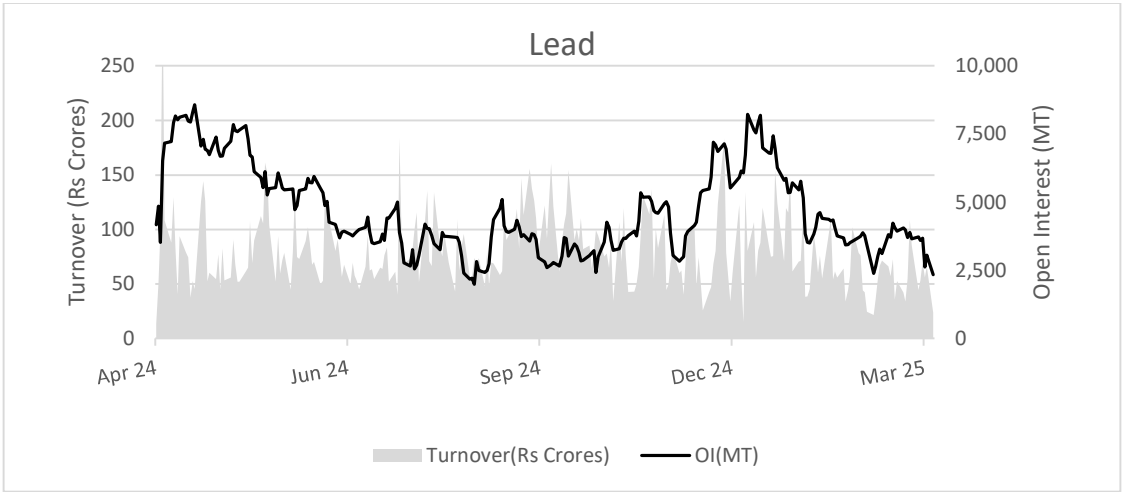
Commodity Futures:

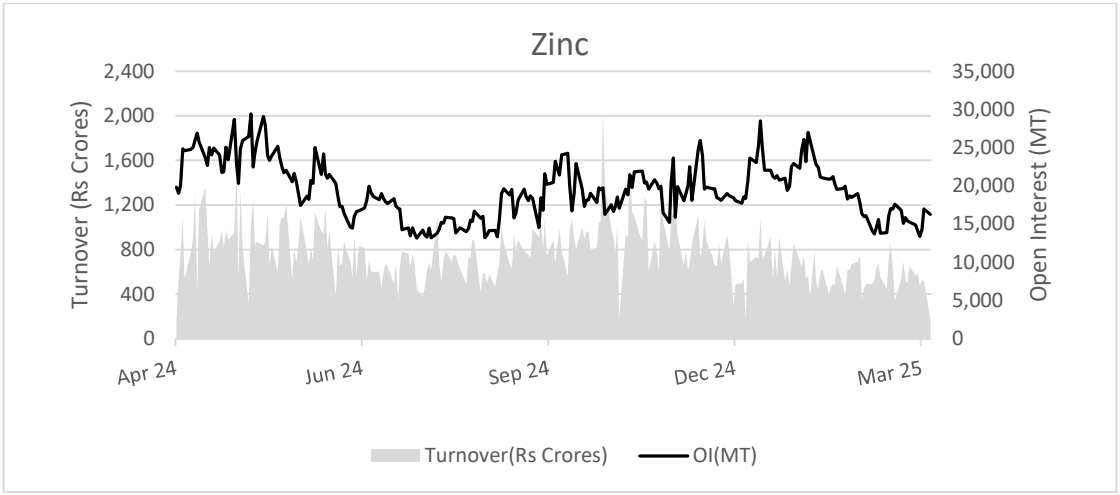


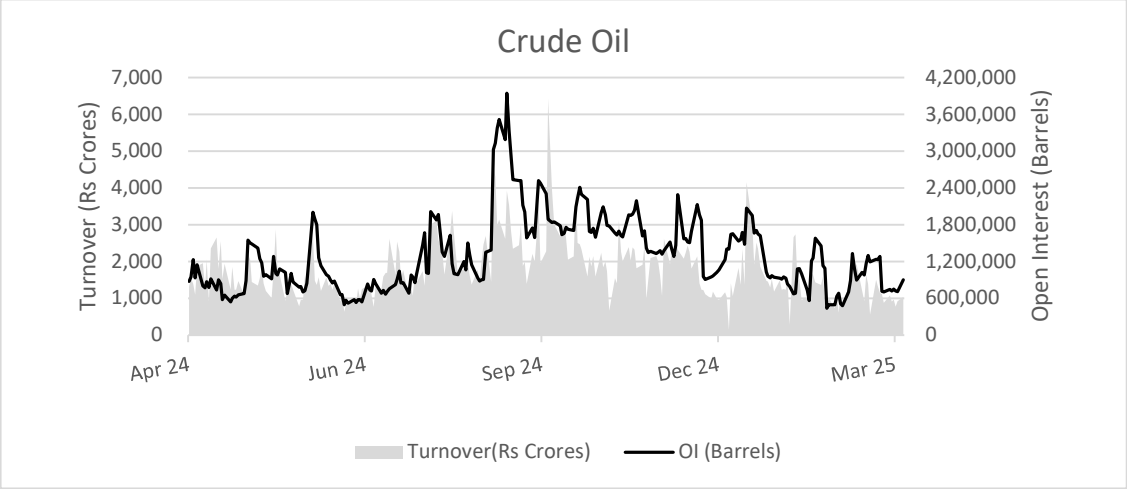


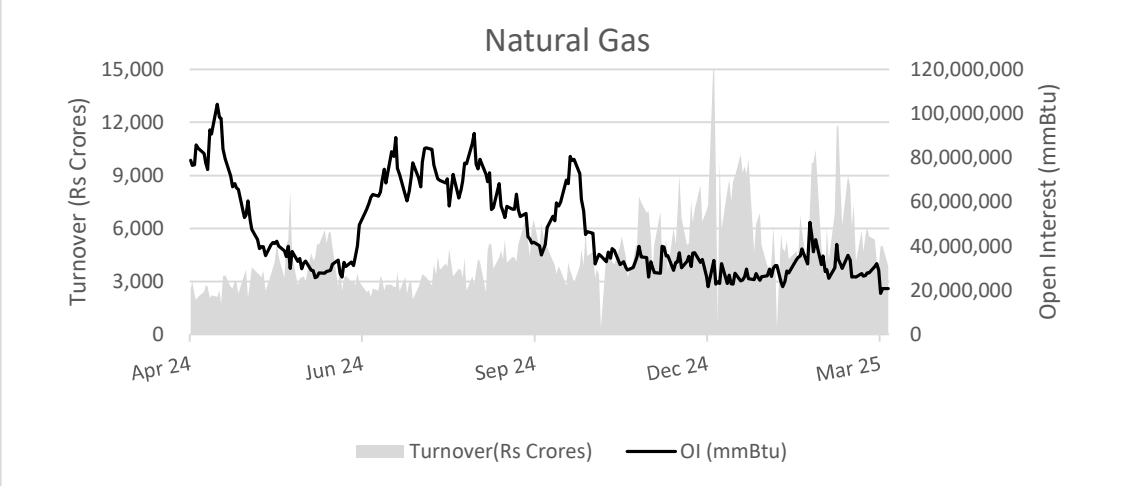


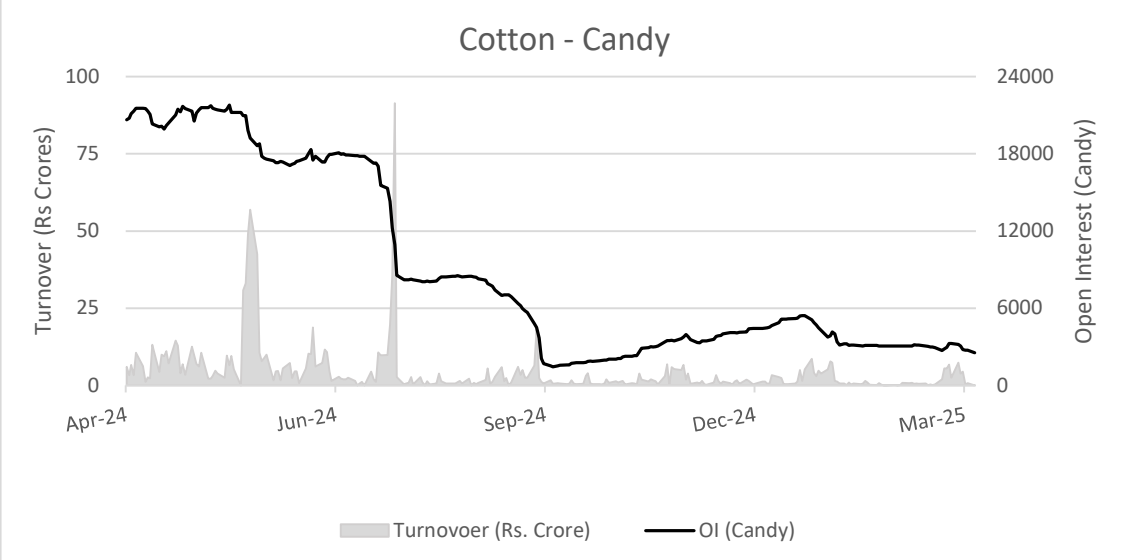

Copper
Turnover (Rs Crores)
Open Interest (MT)
5000
4000
3000
2000
1000
0
45,000
36,000
27,000
18,000
9,000
0
Apr 24
Jun 24
Sep 24
Dec 24
Mar 25
Turnover(Rs Crores)
OI(MT)

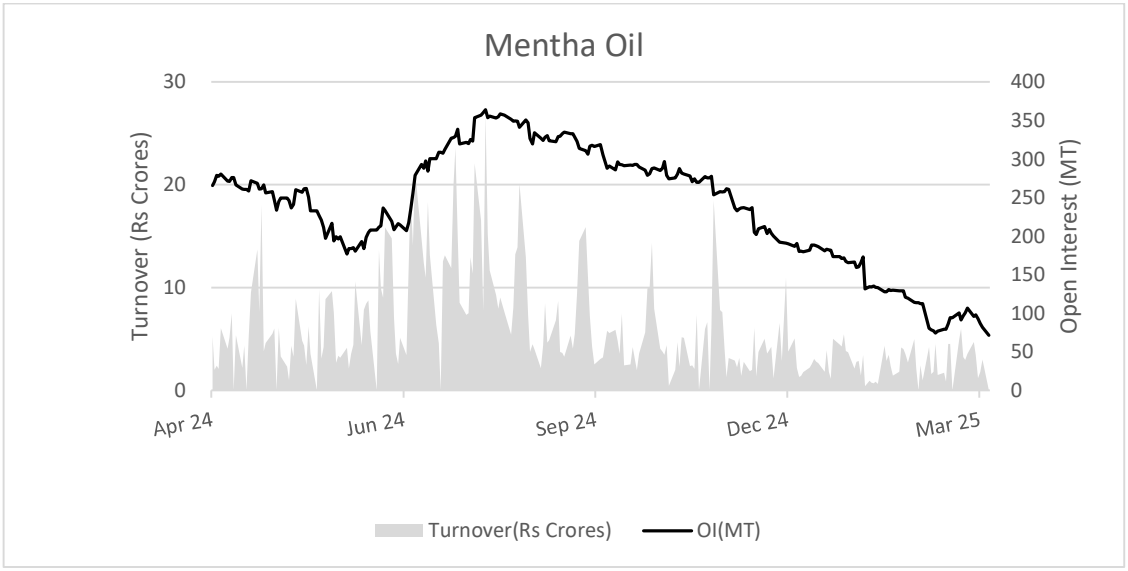

Lead
Turnover (Rs Crores)
Open Interest (MT)
250
200
150
100
50
0
10,000
7,500
5,000
2,500
0
Apr 24
Jun 24
Sep 24
Dec 24
Mar 25
Turnover(Rs Crores)
OI(MT)

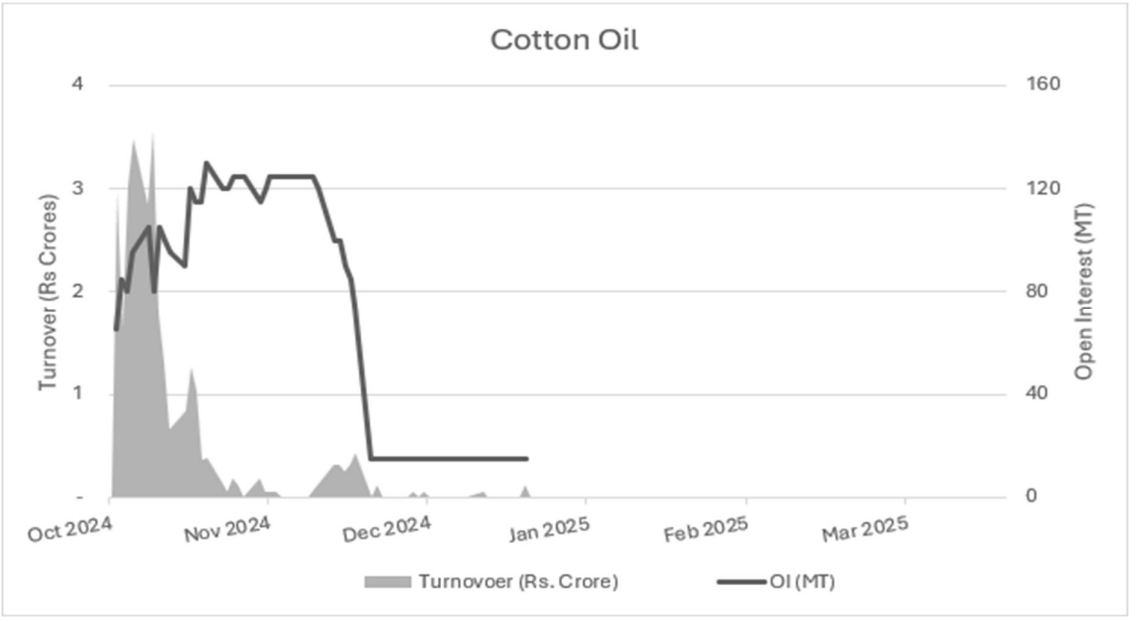

Zinc
Turnover (Rs Crores)
Open Interest (MT)
2,400
2,000
1,600
1,200
800
400
0
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
Apr 24
Jun 24
Sep 24
Dec 24
Mar 25
Turnover(Rs Crores)
OI(MT)

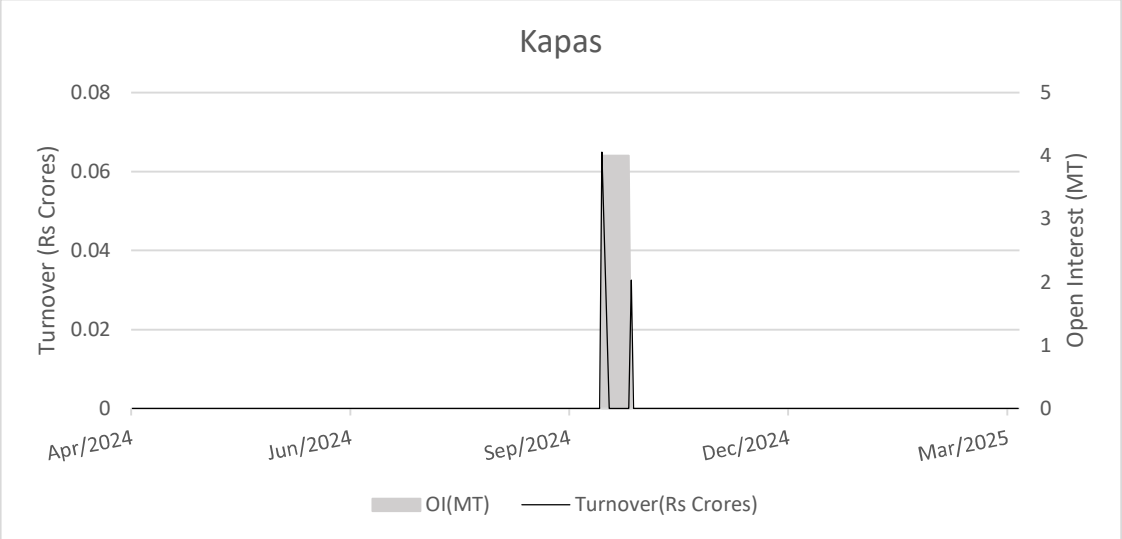

Crude Oil
Turnover (Rs Crores)
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
Open Interest (Barrels)
4,200,000
3,600,000
3,000,000
2,400,000
1,800,000
1,200,000
600,000
0
Apr 24
Jun 24
Sep 24
Dec 24
Mar 25
Turnover(Rs Crores)
OI (Barrels)


Natural Gas
Turnover (Rs Crores)
15,000
12,000
9,000
6,000
3,000
0
Open Interest (mmBtu)
120,000,000
100,000,000
80,000,000
60,000,000
40,000,000
20,000,000
0
Apr 24
Jun 24
Sep 24
Dec 24
Mar 25
Turnover(Rs Crores)
OI (mmBtu)


Cotton - Candy
Turnover (Rs Crores)
100
75
50
25
0
Open Interest (Candy)
24000
18000
12000
6000
0
Apr-24
Jun-24
Sep-24
Dec-24
Mar-25
Turnovoer (Rs. Crore)
OI (Candy)

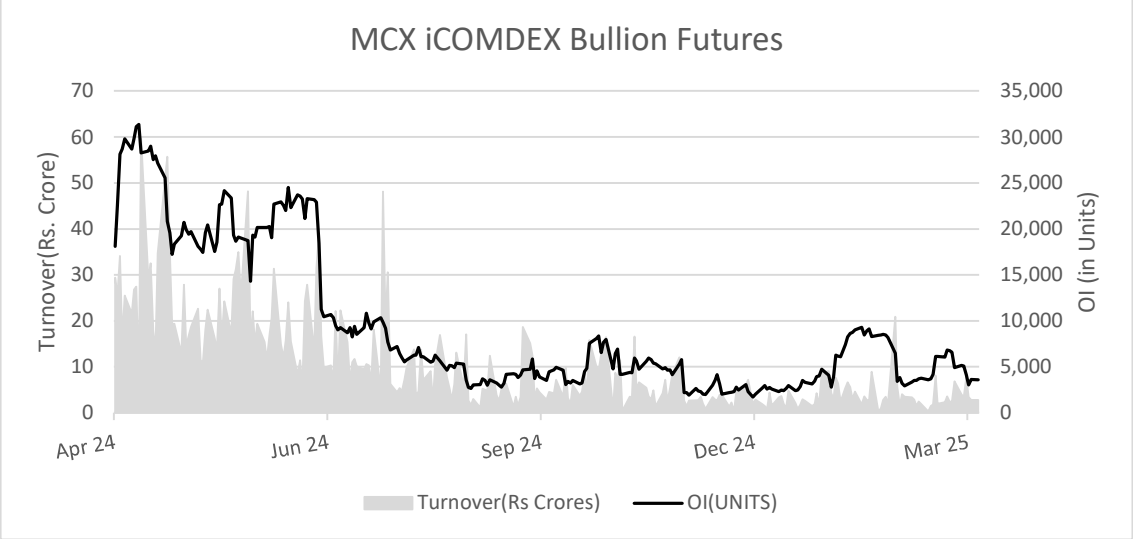

Mentha Oil
Turnover (Rs Crores)
Open Interest (MT)
30
20
10
0
400
350
300
250
200
150
100
50
0
Apr 24
Jun 24
Sep 24
Dec 24
Mar 25
Turnover(Rs Crores)
OI(MT)


Cotton Oil
Turnover (Rs Crores)
Open Interest (MT)
4
3
2
1
-
160
120
80
40
0
Oct 2024
Nov 2024
Dec 2024
Jan 2025
Feb 2025
Mar 2025
Turnovoer (Rs. Crore)
OI (MT)



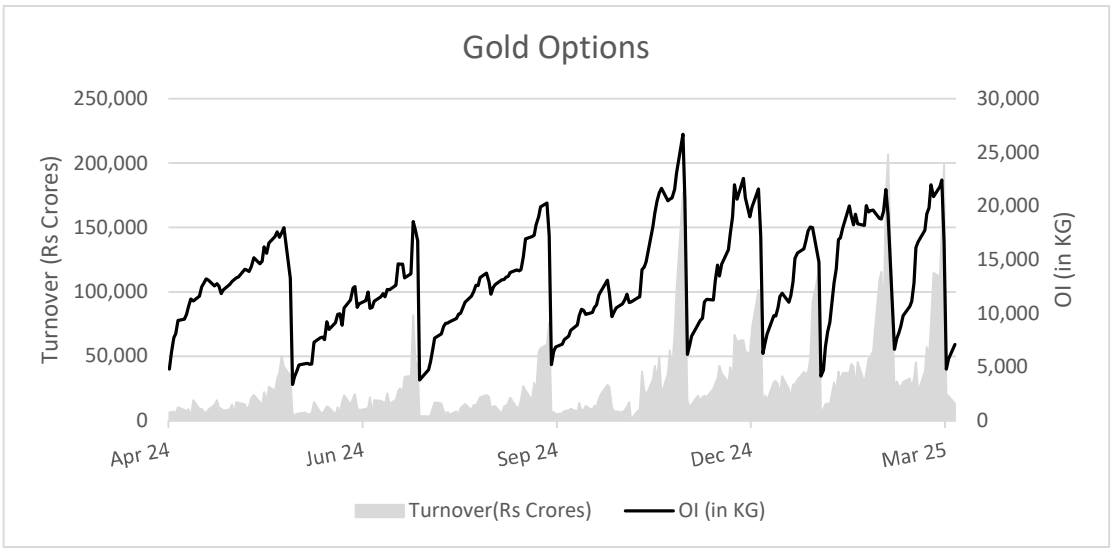
There was no trade in Steel Rebar and Nickel futures contracts during FY 2024-25.

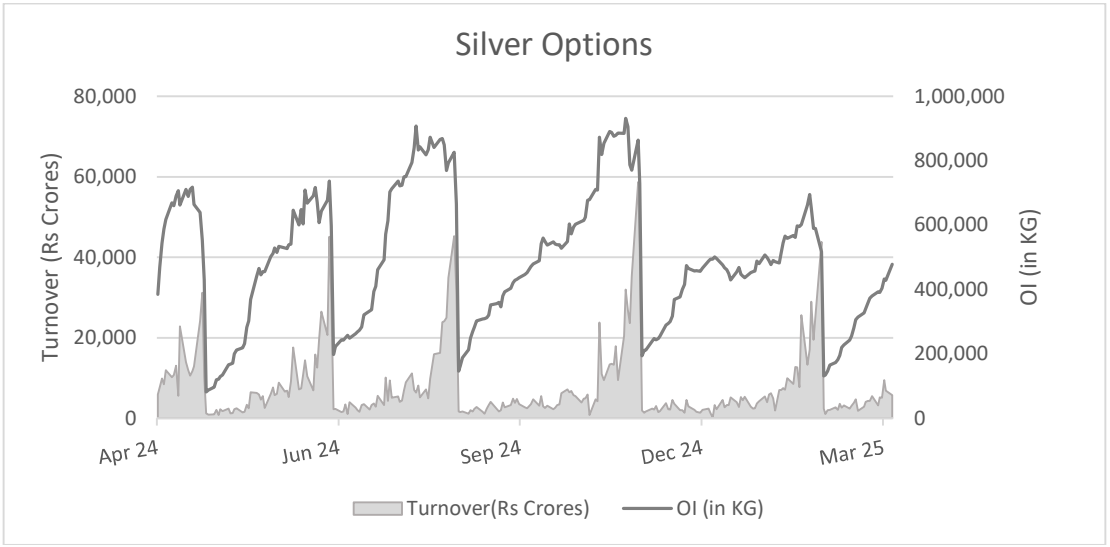
Index Futures:

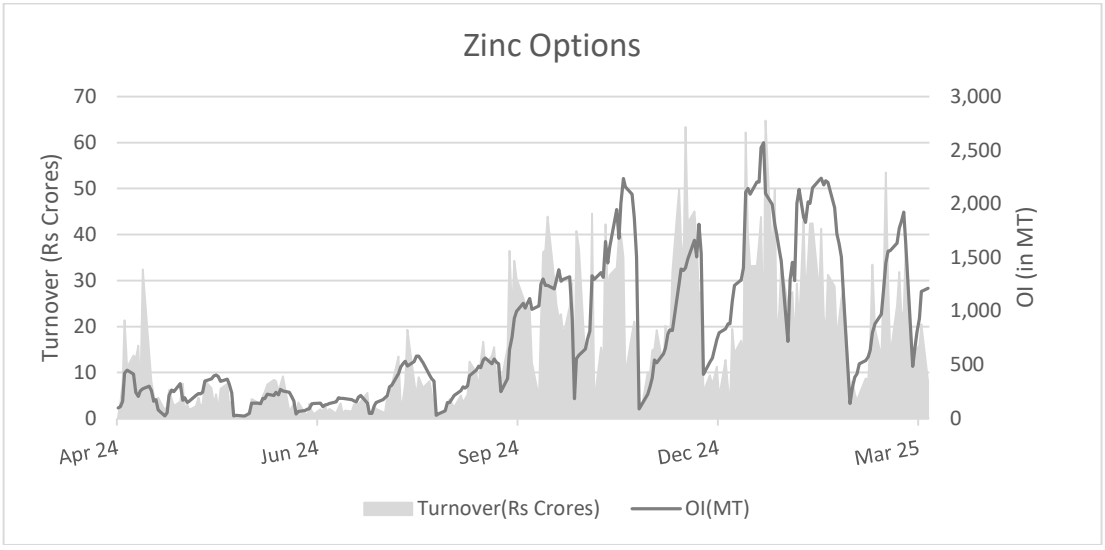


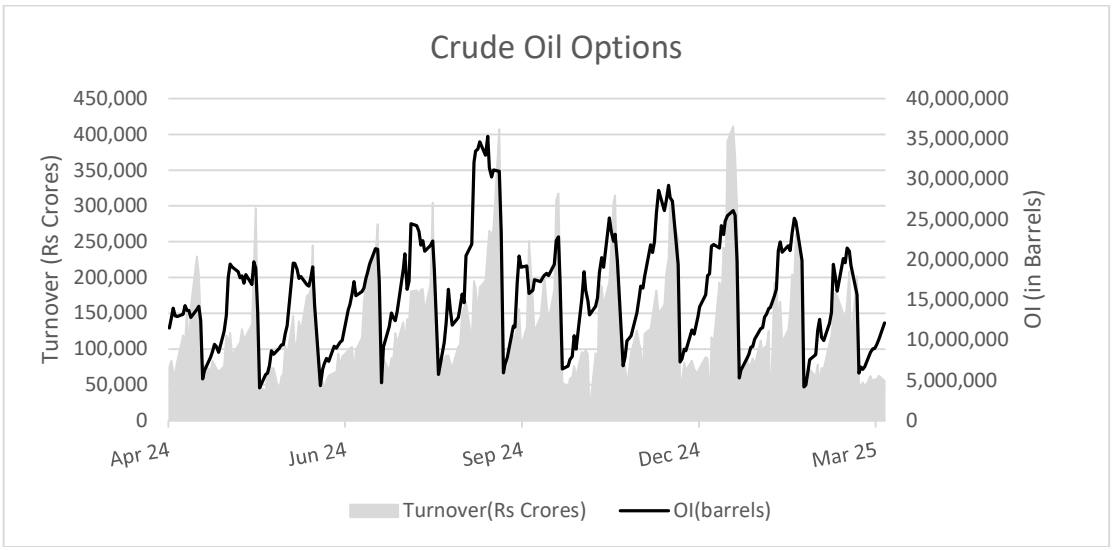
There was no trade in the MCX iCOMDEX Base Metal futures contract during FY 2024-25.

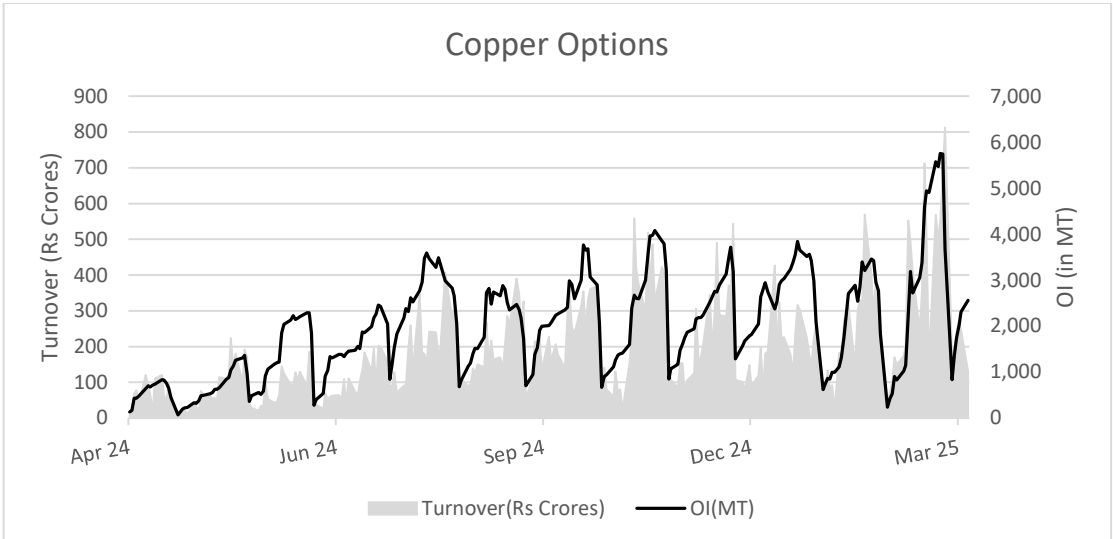
Options:

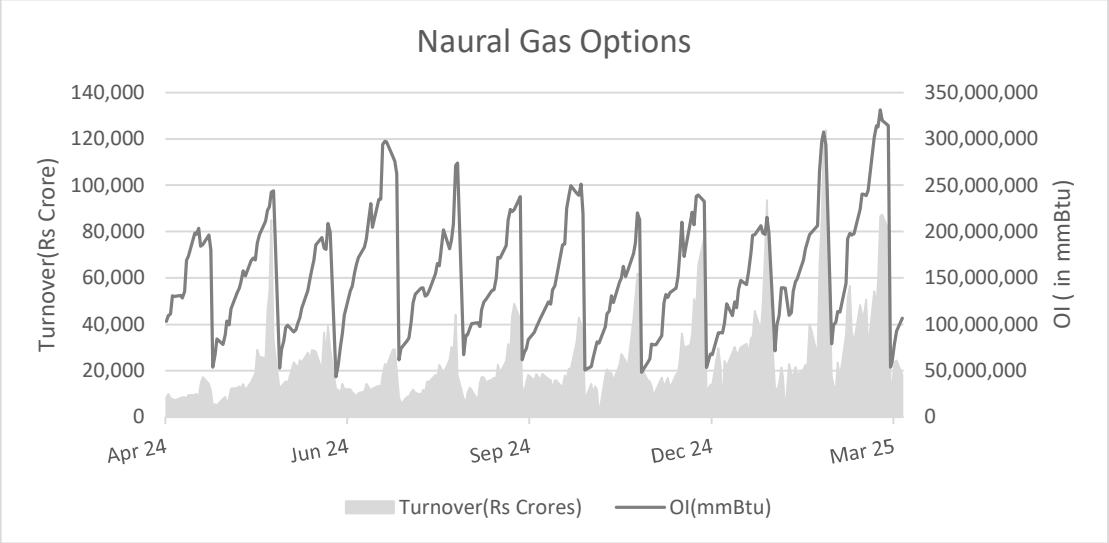

Gold Options
250,000
200,000
150,000
100,000
50,000
0
Turnover (Rs Crores)
30,000
25,000
20,000
15,000
10,000
5,000
0
OI (in KG)
Apr 24
Jun 24
Sep 24
Dec 24
Mar 25
Turnover(Rs Crores)
OI (in KG)


Silver Options
80,000
60,000
40,000
20,000
0
Turnover (Rs Crores)
1,000,000
800,000
600,000
400,000
200,000
0
OI (in KG)
Apr 24
Jun 24
Sep 24
Dec 24
Mar 25
Turnover(Rs Crores)
OI (in KG)


Zinc Options
Turnover (Rs Crores)
OI (in MT)
70
60
50
40
30
20
10
0
3,000
2,500
2,000
1,500
1,000
500
0
Apr 24
Jun 24
Sep 24
Dec 24
Mar 25
Turnover(Rs Crores)
OI(MT)


Crude Oil Options
Turnover (Rs Crores)
OI (in Barrels)
450,000
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
40,000,000
35,000,000
30,000,000
25,000,000
20,000,000
15,000,000
10,000,000
5,000,000
0
Apr 24
Jun 24
Sep 24
Dec 24
Mar 25
Turnover(Rs Crores)
OI(barrels)


Copper Options
Turnover (Rs Crores)
OI (in MT)
900
800
700
600
500
400
300
200
100
0
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
Apr 24
Jun 24
Sep 24
Dec 24
Mar 25
Turnover(Rs Crores)
OI(MT)



OPPORTUNITIES AND THREATS

A. Opportunities

Given the slew of reforms being witnessed in the commodity derivatives market, your Company sees a number of opportunities coming its way and the Company has the potential to reap the benefits thereof as and when they present themselves. Some of the opportunities for your Company are listed below:

- **Increase in participation**

As education and awareness of commodity derivatives grow, along with improved market access due to technology, MCX is likely to see increased participation in trading, leading to higher demand for clearing & settlement by the participants. Participation of financial institutions, viz. through Mutual Funds, Portfolio Managers and newly introduced Specialised Investment Funds, is particularly expected to increase. Since April 2023, FPIs have also started participating on MCX and their trades are being cleared by MCXCCL, with their average daily turnover rising significantly from ₹ 1,925 crore in FY 2023-24 to ₹ 11,569 crore in FY 2024-25. This increased trading volume benefits MCXCCL's clearing volumes and supports the Company's growth.

- **Introduction of New Products**

In response to market demand and following regulatory approvals, MCX launched new products in FY 2024-25, trades of which are cleared by your Company. On April 23, 2024, Options contracts for Crude Oil Mini and Natural Gas Mini Futures were introduced, followed by launch of Futures contracts on Cotton Seed Wash Oil on October 15, 2024. In the current FY, MCX introduced Gold Ten Futures contract based on 10 grams of gold. The expansion of MCX's product offerings increases clearing volumes for MCXCCL, benefiting the Company's growth.

- **Modifications in existing contracts**

In May 2024, adjustments were made to the Cotton Candy Futures for the November 2024 and onwards contracts. The trading and delivery units were reduced to 12 candies and the tick size was set to ₹ 10. Additionally, there were changes to the locations of the Additional Delivery Centres. In November 2024, MCX also transitioned the expiry of its Gold (1 kg) Options from a bi-monthly to a monthly schedule. This change was aimed at attracting more participants and enhancing hedging activities. Furthermore, the delivery and settlement procedures for Base Metals contracts were revised during the year. The tender period was reduced from five days to three days starting January 2025, with the goal of improving market efficiency. These modifications can lead to increased participation on MCX, presenting opportunities for higher clearing volumes for MCXCCL.

B. Threats

- **Concentration in Members and Products**

MCX, of which your Company clears and settles trades, has a broad national presence with 544 registered Members and 32,480 authorised individuals as of March 31, 2025. However, there is concentration risk for many commodity Futures and Options contracts, as a significant portion of volumes is generated/ cleared by a small number of Members. Additionally, the range of liquid Futures and Options contracts traded on MCX and cleared by MCXCCL is limited to a few non-agricultural commodity derivative contracts. This concentration among active Members and liquid contracts may result in over-reliance on these Members and contracts, leading to potential business risks for your Company.

- **Launch of mirror products by competitors**

Some Exchanges and Clearing Corporations involved in the commodity derivatives segment, which also engage in other asset classes, have started to offer commodity futures and options contracts that mirror MCX's liquid contracts. However, these offerings by them have seen limited success so far. The introduction of products that fully replicate MCX's liquid contracts, which your company clears and settles, could pose a threat to market share.

- **Upheavals in the global commodity markets**

MCX, whose derivatives contracts are cleared and settled by your Company, has a strong focus on products linked to international reference markets. Any disruptions in these markets, whether caused by internal or external factors, can negatively affect the ability of Indian participants to refer to international prices while trading on the MCX. This, in turn, could impact the business prospects of MCXCCL.

- **Instability in the Company's technology platform**

During FY 2023-24, your Company migrated its technology platform to a new Commodity Derivatives Platform **(hereinafter referred to as 'CDP')** developed by a new vendor. Being a new platform, CDP may not be able to display complete efficiency in the initial phase. Instability in the platform, possibly leading to a technical glitch that affects clearing services being provided to the participants, is a source of potential threat.

- **Increasing cost of compliance**

Your Company being a tightly regulated entity, is subject to high scrutiny and regulatory compliance. As a result, the cost of compliance is high for your Company and could rise in the future.

- **Cybersecurity Threats**

Cybersecurity threat is increasingly becoming critical with new threats that seek to exploit any vulnerability in the systems of Exchanges and Clearing Corporations. In view of such threats, your Company is continuously monitoring, evaluating and implementing various security solutions for early identification, detection, quick protection, response and recovery from all such cyber-attacks. Your Company, being a Market Infrastructure Institution, provides online clearing platform and accordingly, cybersecurity is of paramount importance for ensuring trust among the market participants, regulators and stakeholders.

Constant enhancement in the Cyber Security Framework and Information Security Management System has been your Company's top priority. A defense-in-depth strategy to ensure multiple security measures are implemented at different layers within the system/network with well-defined Cyber Security and Cyber Resilience Policy along with Cyber Crisis Management Plan, can help mitigate the impact of this threat.

RISKS AND CONCERNS:

Your Company's business performance and financial position depends on various internal and external factors, some of which may give rise to risks and concerns:

Market and Business Risks:

The performance of commodity derivatives markets and the growth of your Company are influenced by macroeconomic factors, particularly in terms of growth, production and consumption. While India remains one of the fastest-growing economies, it faces some global economic challenges, including imposition of steep tariffs by US and other major trader partners, geopolitical instability etc. These issues pose risks to global economic growth, which can have a cascading effect on growth of commodity derivatives globally and in India.

Additionally, like many companies, high employee turnover is a challenge to your Company too. The costs associated with recruiting and training new personnel are significant and the departure of experienced employees leads to the loss of crucial skills and institutional knowledge.

Financial Risks:

In the fiscal year 2024-25, the RBI started implementing an accommodative monetary policy stance, reducing the repo rate by 25 basis points twice to 6%. Such changes can reduce your Company's treasury income, as lower interest rates might decrease investment income in the coming quarters.

Likewise, fundamental factors in global commodity markets can potentially lead to prolonged periods of depressed prices. Since MCX's and MCXCCL's operational revenues are linked to the value of contracts traded and cleared, any decline in commodity prices can negatively impact revenues of your Company.

Regulatory Risk:

In December 2021, SEBI suspended trading in several commodities, including Crude Palm Oil **(hereinafter referred to as 'CPO')** Futures traded on MCX and cleared by MCXCCL. This suspension was initially set for one year but has recently been extended to March 31, 2026. Before the suspension, the average daily turnover of CPO Futures was ₹ 380 crore in FY 2021-22. The suspension has resulted in significant revenue losses, which can undermine market confidence in other derivative contracts too.

Furthermore, technical glitches in your Company can disrupt operations, which can damage investor confidence and lead to regulatory penalties. Given the reliance of your Company's operations on technological systems, such glitches pose serious financial and regulatory risks.

Risks from Technology:

Your Company has migrated to a new technology platform for collateral, risk management, delivery, clearing and settlement. This led to a more advanced, efficient system adaptable to market dynamics with faster products, high-performance trading experience and instant alerts, achieving higher scale with new peak trading volumes. The new platform has helped your Company to scale the business to support all time high trading volumes in a short time and launching the new products.

Your Company is dependent for technology on third party vendors for services that are important to its business. As such, any interruption in or cessation of an important supply or service by any third party can have an adverse effect on its business and operations. Any failure to keep pace with industry standards in technology and respond to participant preferences can also have an adverse effect on the business and operations. To mitigate these risks and ensure operational resilience, your Company has implemented effective risk management frameworks, including regular risk assessments, vendor oversight, cybersecurity measures and business continuity planning.

FINANCIAL PERFORMANCE AND RESULTS OF OPERATIONS

Your Company derives its revenues primarily by charging Clearing and Settlement Fees to MCX for whom it clears and settles trades and interest income from margin and own fund. Your Company operates in a single segment business.

Revenue:

During FY 2024-25, your Company's Total Income increased to ₹ 24,248 lakh from ₹ 16,884 lakh in FY 2023-24. The Operating Expenses decreased to ₹ 9,912 lakh in FY 2024-25 from ₹ 13,602 lakh in FY 2023-24.

Expenses:

Your Company's expenditure consists of employee benefit expenses, information technology expenses, depreciation / amortisation charges and other operating expenses which are as mentioned in the table below:

(₹ in lakh)

Particulars	FY 2024-25	FY 2023-24
Employee benefit expenses	2,759	2,299
Information technology expenses	4,868	9,947
Depreciation and amortisation	472	367
Finance Costs	48	37
Other expenses	1,765	952
Total	**9,912**	**13,602**

Other expenses principally comprise of costs / charges pertaining to office and warehouse rent, settlement fee, payment to Core SGF, legal and professional charges, ROC fees, advertisement, insurance, CSR expenses etc.

Profits, provision for tax and profit analysis:

The Profit before Tax for the year stood at ₹ 14,336 lakh (Previous Year: ₹ 3,282 lakh) and after provisions for tax of ₹ 9 lakh (Previous Year: ₹ 11 lakh), the Profit after Tax stood at ₹ 14,327 lakh (Previous Year: ₹ 3,259 lakh). The net profit margin stood at 60% in FY 2024-25 (Previous year: 19%).

Shareholders' funds - Share capital:

As at March 31, 2025, your Company's issued, subscribed and paid-up share capital stood at ₹ 23,998.50 lakh. For further details on the share capital, please refer to the Directors Report.

Secured loans:

Your Company had no secured loans in its books as at March 31, 2025 and as at March 31, 2024.

Current Assets:

As at March 31, 2025, total current assets stood at ₹ 2,01,231 lakh (Previous year: ₹ 1,02,550 lakh) which consisted of cash and cash equivalents of ₹ 33,763 lakh (Previous year: ₹ 17,935 lakh), Bank balances of ₹ 1,51,926 lakh (Previous year: ₹ 76,931 lakh) and other assets of ₹ 15,542 lakh (Previous year: ₹ 7,684 lakh).

Non-Current Assets:

As at March 31, 2025, your Company's total non-current assets stood at ₹ 27,570 lakh (Previous year: ₹ 83,363 lakh) which consisted of income tax assets (net) of ₹ 706 lakh (Previous year: ₹ 631 lakh) and other non-current assets include Bank deposits with maturity of more than 12 months at ₹ 25,845 lakh (Previous year: ₹ 78,581 lakh). Other non-current assets as at March 31, 2025, stood at ₹ 1,019 lakh (Previous Year: ₹ 4,150 lakh).

Current liabilities:

Total Current Liabilities stood at ₹ 1,15,483 lakh (Previous year: ₹ 1,00,354 lakh) which consisted of Current Lease Liability: ₹ 121 lakh (Previous Year: ₹ 223 lakh), trade payables of ₹ 768 lakh (Previous year: ₹ 627 lakh), provisions of ₹ 61 lakh (Previous Year: ₹ 47 lakh), other financial liabilities of ₹ 1,12,513 lakh (Previous Year: ₹ 98,350 lakh) and other current liabilities of ₹ 2,020 lakh (Previous Year: ₹ 1,107 lakh).

Non-Current Liabilities:

Total non-current liabilities stood at ₹ 291 lakh (Previous year: ₹ 372 lakh) which consisted of other Non-Current lease liability of NIL (Previous year: ₹ 98 lakh), Non-Current financial liabilities of ₹ 216 lakh (Previous year: ₹ 221 lakh) and Employee benefit obligations of ₹ 75 lakh (Previous year: ₹ 53 lakh).

Details of Significant changes in key financial ratios (i.e. change of 25 % or more as compared to the immediately previous FY in key financials ratio), along with detailed explanations thereof:

Sr. No.	Ratio	FY		% Change
		2024-25	2023-24	
1.	Interest Coverage Ratio (in times)*	51.84	15.30	238.82
2.	Current Ratio (in times)**	1.74	1.02	70.83

* Increase in Interest Coverage Ratio is due to increase in profit for the year.
** Increase in Current Ratio is due to increase in current Fixed Deposits and bank balances.

Change in Return on Equity as compared to the immediately previous FY along with detailed explanation thereof:

Sr. No.	Ratio	FY	
		2024-25	2023-24
1.	Return on Equity (%)	105.56	33.38

Note: Increase in return on equity is due to increase in profits & increase in average equity for the year.

INITIATIVES

Initiatives taken in FY 2024-25 led to business growth in your Company and can contribute to sustained growth and development in FY 2025-26 and beyond. Some of these initiatives are discussed below:

- **Empanelment of domestic brands**

The initiative of empanelling local Gold refiners continued in FY 2024-25, and gold supplied by such refiners was accepted for Good Delivery not only for Gold (100 grams) Mini Futures contract, but also for the recently introduced Gold Ten Futures contract. As for Lead, during FY 2024-25, one more domestic refined Lead producer was empanelled as an eligible 'Good Delivery' brand. This brings the total count of approved domestic refined Lead producers to seven as on March 31, 2025.

Responding to suggestions from physical market participants, the minimum purity specifications for delivery under MCX Lead and Lead Mini Futures contracts have been revised up to 99.98%. This adjustment ensures that all approved brands with a minimum purity of 99.98% are considered 'Good Delivery' for settlement.

Further, the delivery and settlement procedures for Base Metal contracts were also revised in FY 2024-25. Effective January 2025, the tender period for Base Metals Futures was reduced from five days to three days for contracts expiring from January 2025 onward.

- **Efficient Delivery**

To ensure efficient settlement by delivery, your Company operates several delivery centres serving a wide range of stakeholder groups in all delivery-based contracts. Healthy transactions of delivery pay-in/ pay-out are observed in all regions which reflects the industry's acceptance of the Clearing Corporation's delivery mechanism.

Table 5 provides a summary of the cumulative delivery of Bullion Futures contracts since commencement of operations of your Company. Gold encompasses Gold 1 kg, Gold Guinea (8 gram), Gold (100 gram) Mini and Gold Petal (1 gram) Futures contracts, while Silver includes Silver 30 kg, Silver (5 kg) Mini, and Silver Micro (1 kg) Futures contracts.

Table 5: Cumulative Delivery of Bullion (tonnes) #		
Commodities	**Start Year**	**Quantity**
GOLD	2018	20.24
GOLDGUINEA	2018	0.11
GOLDM	2018	23.52
GOLDPETAL	2018	0.13
GOLD ALL		**44.00**
SILVER	2018	2,269.83
SILVERM	2020	294.52
SILVERMIC	2020	178.98
SILVER ALL		**2,743.33**

#as on March 31, 2025

Table 6 provides a summary of the delivery of Base Metals and Agri commodities since commencement of operations of your Company.

Table 6: Cumulative Delivery of Base metals and Agriculture Segments#			
Commodities	**Start Year**	**Units***	**Quantity**
BRASSPHY	2018	MT	1
CARDAMOM	2018	MT	22.60
COTTON	2018	000' BALES	1,238.25
MENTHAOIL	2018	MT	3,815.28
ALUMINI	2019	MT	19,094
ALUMINIUM	2019	MT	1,38,702
COPPER	2019	MT	1,08,767.50
LEAD	2019	MT	54,425
LEADMINI	2019	MT	4,531
NICKEL	2019	MT	11,407.50
ZINC	2019	MT	1,02,735
ZINCMINI	2019	MT	23,883
RUBBER	2021	MT	1,009
COTTONCNDY	2023	CANDY	42,684

#as on March 31, 2025
*MT is Metric Ton

The Base Metal derivatives contracts have been witnessing significant deliveries since their conversion into compulsory delivery during the year 2019. Your Company has facilitated a cumulative delivery of 4,63,546 tonnes of Base Metals for settlement till March 31, 2025. Deliveries for FY 2024-25 for all Base Metals were 19,397.50 tonnes.

- **Expansion of Accredited Warehouses**

In response to growing demand, your Company has been expanding its infrastructure to include more accredited warehouses and vaults across India. These facilities are crucial for the secured storage and efficient delivery of physical commodities, ensuring that the commodities whose contracts are cleared by MCXCCL by delivery meet stringent quality standards. During FY 2024-25, new warehouses were accredited and additional delivery centres were opened in multiple locations to expand the footprint of commodity derivatives market across the country.

OUTLOOK

The efficient clearing and settlement services of your Company enabled MCX to maintain its position as the market leader in commodities trading in India. MCX also improved its standing globally, becoming the world's largest Commodity Options Exchange and the sixth largest Commodity Derivatives Exchange by the number of contracts traded in 2024. Notably, MCX Crude Oil and Natural Gas Options were the top exchange-traded Options globally in their respective categories, while MCX Gold and Silver Options ranked second worldwide in their categories.

With the growth of the Indian economy and continued volatility in commodity prices, the demand for an efficient platform for price risk management through derivatives, which also includes efficient clearing of such derivative instruments, is expected to rise in the future. The National Statistical Office projects a real GDP growth rate of 6.4% for FY 2024-25, with the RBI forecasting 6.5% for FY 2025-26. Besides, with spread of education and awareness about investing in commodity derivatives and easier access brought about by technological innovations, the participation base in MCX and MCXCCL is expected to rise – both from retail as well as institutional participants.

All of the above factors paint a positive outlook for your Company, which is well equipped to sustain its growth by aligning services with market demands, focusing on risk management, and seizing emerging opportunities.

ROLE OF TECHNOLOGY

Technology is considered as the backbone of your Company’s business and a strategic differentiator. Accordingly, your Company entered into an agreement with MCX to share resources including technology.

Pursuant to such agreement, MCX has deployed and maintained technology products and services for MCXCCL. MCX has deployed a scalable architecture capable of being adapted to innovations and new market solutions. A well-designed system along with a structured technology road map ensures reliability, scalability, security and functionality of the system for your Company. Your Company has an in-house software development team and technology support team for development, implementation and maintenance of software applications and peripheral systems as required by the organisation. This structure ensures a rapid response to

evolving business and regulatory needs, aligning with industry best practices for operational resilience and continuous improvement.

As a part of your Company's commitment to Clearing Members and the partner ecosystem, your Company also undertook proactive audits to strengthen its core processes, cyber security posture and adherence to regulatory guidelines, as they came into effect. Your Company has taken necessary steps as per the advisories/alerts received from SEBI and/or various other government agencies like National Critical Information Infrastructure Protection Centre **(hereinafter referred to as 'NCIIPC')**/ Computer Emergency Response Team- India/ Cyber Swachhta Kendra, to secure the core platform against the security incidents happening worldwide. Due to timely implementation of preventive measures for the core platform, no adverse impact to any of the key stakeholders and also to the core platform has been recorded during FY 2024-25.

The robust technology deployed enables your Company to adopt market safeguards through real time risk monitoring by tracking of members' margin utilisations and Mark to Market **(hereinafter referred to as 'MTM')** losses against their collaterals made available to your Company. The system automatically generates real time alert and takes pre-decided actions, which provides flexibility to Clearing Members to manage and control their risk.

MCXCCL is certified for globally recognised ISO standards i.e. ISO 27001:2022 (ISMS - Information Security Management System), ISO 22301:2019 (BCMS - Business Continuity Management System) and ISO 9001:2015 (QMS - Quality Management System).

Cyber Security:

Special emphasis has been laid by your Company on continuous improvement in its cyber security framework and information security management systems. There is a continuous improvement plan and topmost attention from the senior management to all matters of cyber security and risk management. It is the constant endeavour of your Company to comply and exceed regulator expectations as well as the guidelines laid out by national agencies tasked with information security and cyber defence of critical infrastructure. There is a dedicated Security Operations Centre **(hereinafter referred to as 'SOC')** that has been implemented with industry experts that is armed with the latest threat intelligence to protect your Company's critical infrastructure. The SOC provides 24x7x365 vigilance against cyber threats, proactive response against incidents and provides vital inputs on improvement of your Company's security architecture and design.

Your Company is not just dedicated to protection of assets by deploying security measures for Work From Home but has implemented a long-term strategy to deal with the challenges of teleworking.

Your Company has also been classified as a national Critical Information Infrastructure **(hereinafter referred to as 'CII')** custodian vide notifications from the Ministry of Finance & NCIIPC. Your Company has already taken measures to meet and exceed expectations of the agency, keeping in mind the additional due diligence and controls for safeguard of CII.

Increase in accessibility via web-based application:

Your Company has continued to increase and enhance features on the web-based application to improve on user experience for seamless exchange of information for its members and clients. In addition to this, it has increased security access by introducing two factor authentication for web facing applications to prevent any unauthorised access to those applications.

Automation of switchover/switchback between Primary & Disaster Recovery (hereinafter referred to as 'DR') sites:

Your Company has deployed automated and well-defined processes to the extent possible. This has optimised the switch-over from Primary site to DR Site and helps in zero Recovery Time Objective **(hereinafter referred to as 'RTO')**. Your Company has implemented Near Site (NS) for synchronous data replication from Primary site to ensure zero data loss and adhere to Recovery Point Objective **(hereinafter referred to as 'RPO')**, as prescribed by the regulator. Your Company is in compliance with regulatory norms for RPO and RTO.

Your Company, in compliance with regulatory norms, has conducted smooth and successful two days unannounced live trading twice in FY 2024-25, wherein all Risk Management and the Clearing & Settlement related operations were successfully carried out from the DR site and performance of the system during those live trading days from DR site remained similar to any regular trading day.

RISK MANAGEMENT

Your Company has applied market safeguards and risk management techniques to ensure that its members meet their financial obligations promptly and your Company is well protected from undesirable risks. Some of the risk management mechanisms your Company implements to safeguard itself are as listed below:

1. **Core Settlement Guarantee Fund (hereinafter referred to as 'Core SGF'):**

   To protect your Company against any default and in accordance with SEBI requirements, your Company carries out daily stress tests and maintains Core SGF. Accordingly, the Core SGF of your Company as on March 31, 2025, stood at ₹ 93,014 lakh as compared to ₹ 78,056 lakh as on March 31, 2024.

2. **Minimum Net worth requirements:**

   MCXCCL has necessitated all its members to have a certain minimum Net worth. Members are required to confirm their Net worth on a half-yearly basis, which enables the Company to monitor and ensure their financial strength.

3. **Margin Requirements**:

Your Company has necessitated members to pay a security deposit at the time of registration, which serves as the initial deposit. Members are also required to provide a Minimum Liquid Net worth amount on which no exposure is provided and is adjusted from the initial deposit. Further, to mitigate risks associated with daily price movements in commodities, your Company imposes various margins, as prescribed by SEBI. Members are required to place collateral deposits to avail margin limits. The initial margin requirement is computed using SPAN™, which is a portfolio-based margining system, to identify the overall risk in a portfolio of contracts for each client of a member. Further, your Company also levies other margins to safeguard members and the ecosystem against adverse market movements.

4. **Additional Measures:**

Your Company has also implemented additional risk mitigation measures as part of member monitoring:

(a) Margin Shortfall Block Amount **(hereinafter referred to as 'MSBA')**

Clearing Members who overutilise their margins beyond the prescribed limit are required to provide applicable exposure-free MSBA deposit for next 30 days.

(b) Exposure Free Deposit for MTM Shortage **(hereinafter referred to as 'EFDMS')**

Clearing Members who fail to meet their pay-in obligations (towards MTM, net premium payable and the exercise/ assignment value) by the scheduled date and time are required to provide applicable EFDMS for next 30 days.

(c) Risk Reduction Mode **(hereinafter referred to as 'RRM')**

The Trading Members (**hereinafter referred to as 'TM')** / Clearing Members **(hereinafter referred to as 'CM')** shall be mandatorily put in RRM when 90% of the member's Liquid Assets (Total Collateral Less Minimum Liquid Net worth) available for adjustment against margins/deposits get utilised for margins/deposits. Additionally, your Company reserves the right to put a member into RRM below 90% also.

(d) Intraday Crystallised Loss

Intraday Crystallised loss (i.e. loss made on square-off positions) incurred by the members are added to the Margin Utilisation of the member along with SPAN and other margins and compared against the Margin Limit (eligible Collaterals).

(e) Pre-Expiry Margin on commodities under Alternate Risk Management Framework (**hereinafter referred to as 'ARMF'**)

Pre-expiry margin is levied on cash settled contracts wherein the underlying commodity is deemed susceptible to possibility of near zero and/or negative prices as identified by your Company under ARMF circular. In case of these contracts, incremental pre-expiry margins shall be levied during the last five trading days prior to expiry date.

(f) Segregation and Monitoring of Collateral at Client Level

In order to strengthen the mechanism of protection of client collateral from (i) misappropriation/misuse by TM/ CM and (ii) default of TM/CM and/or other clients, SEBI has issued framework for segregation and monitoring of collateral at client level, which includes:

(i) Daily reporting of segregated client level collateral
(ii) Uploading client level allocation of collateral
(iii) Monitoring of margins at client level
(iv) RRM at member level based upon excess utilisation at client level
(v) Default mechanism

This is implemented by your Company.

5. **ARMF:**

In recent past, extreme volatility has been observed in commodity prices globally, particularly in the case of Crude Oil, wherein the prices had unprecedentedly gone down to zero and subsequently, even negative. In such a scenario, margins equivalent to even 100% of the futures price would not have been sufficient to cover the steep upward or downward price variations in the futures market.

In order to enable risk management framework to handle such a scenario of Near Zero and Negative Prices, SEBI vide circular no. SEBI/HO/CDMRD/DRMP/CIR/P/2020/176 dated September 21, 2020, has issued guidelines for ARMF applicable in case of Near Zero and Negative Prices. Your Company has formulated and adopted a policy for ARMF applicable in case of Near Zero and Negative Prices based on the SEBI guidelines. A circular informing the guidelines and applicable ARMF is issued on a monthly basis to market participants.

WAREHOUSING:

Your Company ensures that the members of MCX and their constituents are provided with warehousing arrangements and associated facilities like testing etc. Those willing to store goods and give delivery on the Exchange platform get these facilities for commodities traded on MCX in Bullion, Metals and Agricultural segments. To facilitate this, your Company verifies and accredits warehouses and vaults across various delivery centres. It operates only with electronic receipts of goods stored in MCXCCL accredited warehouses/vaults on a highly efficient digital platform. In order to keep a check on compliance, correct the deficiencies and enhance market confidence, your Company has an elaborate warehouse and vault inspection activity in place.

Your Company has a wide network of warehouses/ vaults for delivery of commodities traded on MCX platform. This provides confidence to members to trade on MCX. As on March 31, 2025, your Company has entered into agreements with six Warehouse Service Providers for facilitating physical deliveries in agricultural commodities and base metals. As on March 31, 2025, your Company has accredited 31 warehouses, out of which 18 warehouses are registered with Warehousing Development and Regulatory Authority **(hereinafter referred to as 'WDRA')**. The remaining 13 warehouses for metals did not require WDRA registration.

Further, your Company has entered into agreements with 4 Vault Service Providers for facilitating physical deliveries in bullion. There are 10 accredited vaults of these agencies located across various delivery centres.

SEGMENT-WISE PERFORMANCE

Your Company currently undertakes clearing and settlement of commodity futures and options contracts, duly executed on the trading platform of MCX, in accordance with the clearing and settlement agreement entered with MCX. Further, the Company renders services only in the domestic market in India.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board of Directors of your Company has put in place various internal control systems to be followed by your Company to ensure that the internal control mechanisms are adequate and effective. The Board has also put in place state-of-the-art technology and has automated most of the key areas of operations and processes to minimise human intervention.

The design, implementation and maintenance of adequate internal financial controls are such that they operate effectively and ensure the accuracy and completeness of the accounting records and their presentation gives a true and fair view of the state of affairs of your Company and are free from material misstatements, whether due to error or fraud.

The operational processes are adequately documented with comprehensive and well defined Standard Operating Procedures which also include the financial controls in the form of maker and checker with separate individuals.

The Board has approved a scheme of financial sub-delegation to officials of your Company for incurring expenses. The Board with a view to ensure transparency, has also formulated various policies and has put in place appropriate internal controls for the procurement of services, materials, fixed assets, monitoring income streams, investments and financial accounting.

Internal control measures include adherence to systemic controls, information security controls as well as role based/ need based access controls. Further, the existing systems and controls are periodically reviewed for change management in the situations of introduction of new processes / change in processes, change in the systems, change in personnel handling the activities etc.

The Audit Committee of your Company, comprising majority of Public Interest Directors, periodically reviews and recommends the unaudited quarterly financial results and annual audited financial statements of your Company to the Board for its approval. Further, all related party transactions are placed before the Audit Committee and are reviewed by it after deliberations.

Your Company has appointed a firm of Chartered Accountants to conduct independent financial and operational internal audit in accordance with the scope as defined by the Audit Committee. The reports from the Internal Auditor are reviewed by the Audit Committee on a periodic basis and the Internal Auditor has been advised to issue flash reports, if required.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

Human Resource **(hereinafter referred to as 'HR')** Department focuses on the development and engagement of Human Capital for the Organisation. It is your Company's constant endeavour to provide an enabling culture at work to employees. As on March 31, 2025, the Clearing Corporation had 127 employees.

HR Department continues to undertake various staff welfare initiatives. Your Company constantly reviews work policies & practices in order to make the Clearing Corporation, the best place to work. Your Company has provided cross functional training to all employees. The company rewards employee's children for their exceptional efforts in passing 10th and 12th standard examination with flying colours. Your Company provides Crèche facility for female employees. Your Company also has tie- ups with diagnostic centres and hospitals for Health screening of employees. Structured 'Internal Job Posting' opportunities to deserving employees are considered for lateral & hierarchical career growth within the organisation. Job rotation process provides a new learning exposure for the employees and development of these resources, strengthening the talent pipeline. Your Company has introduced Happy Huddles, a forum for intra-departmental teams to huddle, interact, bond, get-to-know each other better on a personal level beyond the work-related activities.

An objective appraisal system based on Key Result Areas is in place across all levels. HR Department continues to run online HR Portal called 'HR-Connect', for enhanced transparency in Employee Lifecycle Management and Performance Evaluation Systems enabling employees to receive timely feedback, chalk out personal development plan, identify training needs and decide on suitably rewarding deserving employees.

Strong Leadership Team

Your Company endeavours to emerge as a world-class institution through the direction provided by leadership from the Top Management team and the Board of Directors, whose guidance will be instrumental in the growth of your Company.

Disclosure of Accounting Treatment

In the preparation of financial statements, accounting treatment as prescribed in Accounting Standards has been followed.

MATERIAL DEVELOPMENTS AFTER THE BALANCE SHEET DATE:

The material developments after the Balance Sheet date have been elaborated in the Directors' Report at respective section.

CAUTIONARY STATEMENT:

In this annual report we have disclosed some future developments expected to take place soon so that investors can better understand the Company's future prospects and make informed decisions. This annual report and other written and oral statements that we make from time to time may contain such forward-looking statements that set out anticipated results based on Management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'proposes', 'intends', 'plans', 'believes' and words and terms of similar substance in connection with any discussion on future operations or financial performance.

We cannot guarantee that any forward-looking statement will be realised, although, we believe, we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should 'known' or 'unknown' risks or uncertainties materialise, or should the underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind as they consider forward-looking statements. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

For and on behalf of the Board of Directors of
Multi Commodity Exchange Clearing Corporation Limited

Prafulla Chhajed
Chairperson
DIN: 03544734

Place: Mumbai
Date: July 30, 2025

Corporate Governance Report

Corporate Governance is about commitment to values, ethical business conduct and transparency. We, at Multi Commodity Exchange Clearing Corporation Limited (hereinafter referred to as **'the Company' or 'Your Company' or 'MCXCCL'**), have exhibited our commitment by making good governance an integral part of our business culture.

Your Company being a recognised Clearing Corporation under Securities Contracts (Regulation) Act, 1956 is required to *inter alia* comply with the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (hereinafter referred to as **'SECC Regulations, 2018'**). Pursuant to Regulation 33 of SECC Regulations, 2018, the disclosure requirements and Corporate Governance norms as specified under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as **'Listing Regulations, 2015')** for listed companies shall *mutatis mutandis* apply to a recognised Clearing Corporation. Accordingly, a detailed report on Corporate Governance for the financial year (hereinafter referred to as **'FY'**) ended March 31, 2025 (hereinafter referred to as **'year under review'**) demonstrating the Company's accountability to its stakeholders is set out hereunder:

1. Company's Philosophy:

Your Company, being identified as a Market Infrastructure Institution (hereinafter referred to as **'MII'**) by SEBI, believes in adopting the best practices in the area of Corporate Governance viz. Transparency, Integrity, Comprehensive Disclosures, Professionalism and Structured Accountability, the cornerstones of your Company's value system. Your Company's actions are governed by these values and principles, which are reinforced at all levels within the Company.

Your Company emphasises the need for transparency and accountability in all its transactions and the Board considers itself as a Trustee of its Stakeholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. These principles along with fair and transparent disclosures, guide your Company's Management to serve and protect long-term interests of all its stakeholders including shareholders, clients, employees, Members of the Clearing Corporation and the communities in which it operates. This philosophy of your Company has been further strengthened with the adoption of the Code of Conduct for MCXCCL and Code of Conduct for the Governing Board, Directors, Committee Members and Key Management Personnel at MCXCCL pursuant to the SECC Regulations, 2018 of the Company.

2. Board of Directors:

The Company's policy is to maintain an optimum combination of Executive and Non-Executive Directors with a minimum of 1 (One) Woman Director, all being expert professionals having experience in diverse areas such as Management/Administration, Technology, Finance & Accounts, Legal and Regulatory practice, Risk management, Capital/Commodity Market, Corporate Governance etc.

Your Company being a Clearing Corporation is, *inter alia*, regulated by SEBI. In accordance with SECC Regulations, 2018, "Public Interest Director" (**hereinafter**

referred to as 'PID') means an Independent Director, representing the interests of investors in Securities market and who is not having any association, directly or indirectly, which in the opinion of SEBI, is in conflict with his/her role. Accordingly, PIDs are considered as Independent Directors for adhering to compliance under the Listing Regulations, 2015 and Companies Act, 2013.

(a) Composition and category of the Board of Directors:

The Board of Directors as on March 31, 2025 consist of 7 (Seven) Directors out of which 4 (Four) Directors are PIDs including 1 (One) Woman Independent Director, 2 (Two) Directors are Non-Independent Directors (**hereinafter referred to as 'NIDs'**) and 1 (One) Director is Managing Director & Chief Executive Officer (**hereinafter referred to as 'MD & CEO'**). Except Mr. Narendra Kumar Ahlawat, MD & CEO, who is an Executive Director, other Directors including the Chairperson are Non - Executive Directors.

There were no changes in the composition of the Board of Directors of the Company during the year under review. However, Mr. Mohan Shenoi (DIN: 01603606), NID, retired by rotation and was re-appointed at the Annual General Meeting held on September 12, 2024.

In compliance with the requirement of Regulation 17(1) (b) of Listing Regulations, 2015, more than one-third of the Board Members are Independent Directors with Non-Executive Director viz. Mr. Prafulla Chhajed (DIN: 03544734), as the Chairperson of the Board.

Your Company confirms that in the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in Section 149(6) of the Companies Act, 2013, Regulation 16(1)(b) of the Listing Regulations, 2015 and are independent of the management.

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations, 2015. The composition of the Board of Directors as on March 31, 2025, is as follows:

Sr. No.	Name of Director	Nature of Directorship
1	Mr. Prafulla Chhajed (DIN: 03544734)	Chairperson, Non- Executive, Independent, PID
2	Mr. Srinivas Petluri (DIN: 02836590)	Non- Executive, Independent, PID
3	Ms. Kemisha Soni (DIN: 06805708)	Non- Executive, Independent, PID
4	Mr. Ganesh Kumar (DIN: 07635860)	Non- Executive, Independent, PID
5	Mr. Mohan Shenoi (DIN: 01603606)	Non-Executive, NID

Sr. No.	Name of Director	Nature of Directorship
6	Mr. Manoj Kumar Jain (DIN: 09694205)	Non-Executive, NID
7	Mr. Narendra Kumar Ahlawat (DIN: 07629724)	Executive, Non-Independent, MD & CEO

(b) Attendance of Directors at the Board Meetings and the last Annual General Meeting (AGM):

The attendance of the Directors at the Board Meetings and the last AGM held during the year is given below:

Sr. No.	Name of Director	No. of Board Meetings Held	No. of Board Meetings Attended	Last AGM Attended
1	Mr. Prafulla Chhajed	11	11	Yes
2	Mr. Srinivas Petluri	11	11	Yes
3	Ms. Kemisha Soni	11	11	Yes
4	Mr. Ganesh Kumar	11	11	Yes
5	Mr. Mohan Shenoi	11	11	Yes
6	Mr. Manoj Kumar Jain	11	11	Yes
7	Mr. Narendra Kumar Ahlawat	11	11	Yes

Notes:

i. There are no inter-se relationships between the Board Members.
ii. Mr. Manoj Kumar Jain (Non-Executive, NID) holds one equity share jointly with MCX. No other Directors (whether Executive and/or Non-Executive Director) of the Company are holding any shares of the Company as on March 31, 2025.

(c) The number of other Directorships and Committee Memberships or position of Chairperson and names of listed entities where the person is Director and category of Directorship as on March 31, 2025 is as follows:

Name of the Director	Number of Directorships in other companies in which he/she is a Director (*)	Number of Committees of other companies in which Director is		Name of the listed entities where the person is a Director	Category of Directorship
		Member (**)	Chairperson (#)		
Mr. Prafulla Chhajed	4	1	2	Allcargo Terminals Limited	Non- Executive Independent Director
				Oberoi Realty Limited	Non- Executive Independent Director
Mr. Srinivas Petluri	1	1	0	Kallam Textiles Limited	Non- Executive Independent Director
Ms. Kemisha Soni	5	1	2	Poonawalla Fincorp Limited	Non- Executive Independent Director
				Jagran Prakashan Limited	Non- Executive Independent Director
				Pitti Engineering Limited	Non- Executive Independent Director
Mr. Ganesh Kumar	1	2	0	IDFC First Bank Limited	Non- Executive Independent Director
Mr. Mohan Shenoi	1	1	0	Multi Commodity Exchange of India Limited	Non-Independent Non- Executive Director
Mr. Narendra Kumar Ahlawat	0	0	0	No Directorship in listed entities	Not applicable
Mr. Manoj Kumar Jain	1	1	0	No Directorships in listed entities	Not applicable

* Excludes Directorship(s) in Foreign Companies and partnerships in LLPs.

** Only Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies have been considered. While calculating Memberships

of a particular Director in the Committees, the Chairmanships of such Director are not considered in the said Committees.

For the purpose of calculating number of Chairpersonships in Audit Committee and Stakeholders Relationship Committee, only Listed Public Limited Companies have been considered.

The number of Directorships, Committee Membership(s)/Chairpersonship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and Regulation 17A & 26(1) of Listing Regulations, 2015.

(d) Number of Board Meetings held and the dates on which such Meetings were held:

The Board of Directors met 11 (Eleven) times during the year under review. The Board Meetings were held on the following dates:

Sr. No.	Meeting Date	Sr. No.	Meeting Date
i.	April 23, 2024	ii.	June 26, 2024
iii.	July 10, 2024	iv.	July 26, 2024
v.	August 27, 2024	vi.	September 04, 2024
vii.	October 19, 2024	viii.	November 11, 2024
ix.	December 16, 2024	x.	January 20, 2025
xi.	March 12, 2025	-	-

(e) Number of shares and convertible instruments held by Non-Executive Directors:

Mr. Manoj Kumar Jain, Non-Executive, NID holds one equity share jointly with MCX. No other Directors (whether Executive and/or Non-Executive Director) of the Company are holding any shares of the Company as on March 31, 2025.

(f) Familiarisation Programme for Directors:

Your Company conducts familiarisation programmes/trainings for the Directors. The Directors are made aware/updated regarding the business operations, nature of industry in which the Company operates, regulatory environment, functioning of various departments, Membership related information on admission & registration of Members, Warehousing Operations, Collaterals, Technology, Risk Management, Clearing and Settlement and the matters related thereto. Presentations are made at the Board/Committee Meetings on performance of the Company. Further, updates on relevant statutory/regulatory changes and important letters received from SEBI are presented to the Directors at the Board Meetings.

The appointment letter issued to PIDs, *inter alia*, sets out the expectation of the Board from the Directors so appointed, their fiduciary duties and the accompanying liabilities. The PIDs are also apprised about their roles under various statutes. Further, all Directors at the time of their appointment, as well as on annual basis, affirm adherence to the Code of Conduct for the Governing Board, Directors, Committee Members and Key Management Personnel at MCXCCL, which, *inter alia*, sets out their role, responsibilities, etc.

The details of familiarisation programmes for Directors have been posted on the website of the Company at:
https://www.mcxccl.com/docs/librariesprovider2/disclosures/other-disclosures/2024-25-familiarisation-program.pdf?sfvrsn=350c249e_2

The Board has identified the following specific functional areas/skill sets with reference to its business and industry and the same are available with the Board:

Leadership	Extended leadership in significant enterprise, resulting in practical understanding of organizations, processes, strategic planning and risk management. Demonstrating strengths in developing talent, planning succession, driving change and long-term growth.
Finance & Accounts	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes or experience in actively supervising a principal financial officer or person performing similar functions.
Technology	A significant background in technology, tracking developments therein, anticipating the Technological trends and innovating and extending or creating Information technology Systems, managing cyber security, system failures, etc.
Risk Management	Background and experience in practical understanding of the risks relating to the business of the Company and managing potential risks in order to minimise the negative impact that it may have on an organisation.
Management/ Administration	Background in management or having specialisation in management skills like planning, organising, controlling, leading execution of projects or processes resulting in ability to use management expertise according to the needs of the businesses.
Legal & Regulatory practice and Corporate Governance	Developing good corporate governance practices, protecting the legitimate interests of the Company, its employees, stakeholders and the communities in which it operates, maintaining Board and management accountability, understanding the regulatory framework and ensuring compliance thereof in letter and spirit, risk assessment and its minimisation. Background in understanding the regulatory framework and the implications of the same in the Capital and Securities markets.
Capital/ Commodity Market	Understanding of the functioning of Capital/ Commodity Market and thereby assisting the management in smooth functioning of the operations of the Company, capability to drive changes, formulate and execute strategies in the best interest of the Company and Capital/ Commodity market.

The area of expertise of the Board of Directors as on March 31, 2025 is as follows:

Sr. No.	Name of the Director	Areas of Expertise
1	Mr. Prafulla Chhajed (DIN: 03544734)	Leadership, Finance & Accounts, Legal & Regulatory practice and Corporate Governance, Capital/Commodity Market, Risk Management and Management/ Administration.
2	Mr. Srinivas Petluri (DIN: 02836590)	Leadership, Finance & Accounts, Legal & Regulatory practice and Corporate Governance, Risk Management and Management/ Administration and Technology.
3	Ms. Kemisha Soni (DIN: 06805708)	Leadership, Finance & Accounts, Legal & Regulatory practice and Corporate Governance, Capital/Commodity Market, and Management/ Administration.
4	Mr. Ganesh Kumar (DIN: 07635860)	Leadership, Management/ Administration, Technology, Capital/Commodity Market, Legal & Regulatory practice and Corporate Governance and Risk Management.
5	Mr. Mohan Shenoi (DIN: 01603606)	Leadership, Management/ Administration, Technology, Corporate Governance, Finance & Accounts and Capital/Commodity Market.
6	Mr. Manoj Kumar Jain (DIN: 09694205)	Leadership, Legal & Regulatory practice and Corporate Governance, Capital/Commodity Market and Management/ Administration.
7	Mr. Narendra Kumar Ahlawat (DIN: 07629724)	Leadership, Finance & Accounts, Legal & Regulatory practice and Corporate Governance, Capital/Commodity Market, Risk Management and Management/ Administration.

Brief profile of the Directors is available at: https://www.mcxccl.com/about-us/Overview.

(g) Independent Directors/PIDs:

The Company appoints PID on the Board in accordance with the provisions of the SECC Regulations, 2018 and the Companies Act, 2013. The PIDs have varied experience and expertise in their respective field/profession, which they bring to all the deliberations.

Every PID, at the first Meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his/her status as an PID, gives a declaration that he/she meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 as well as Regulation 16(1)(b) of the Listing Regulations, 2015 and that he/she is not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair his/her ability to discharge his/her duties with an objective independent judgement and without any external influence.

The PIDs are complying with the provisions relating to limit of Directorships as required under Regulation 17(A) of the Listing Regulations, 2015. The Company issues a formal letter of appointment to all the PIDs and the terms and conditions of their appointment have been disclosed on the website of the Company.

The PIDs met 3 (Three) times during the financial year i.e. on April 22, 2024, July 24, 2024 and December 02, 2024. During their Meetings, the Independent Directors/PIDs reviewed, *inter alia*, the following:

- Status of compliance with the SEBI letters/circulars.
- The functioning of regulatory departments including the adequacy of resources dedicated to regulatory functions.
- The performance of non-independent Directors and the Board as a whole.
- The performance of the Chairperson of the Company, taking into account the views of the executive Directors and non-executive Directors.
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- Working of the other Committees where the PIDs are also Members.
- Issues, if any, involving conflict of interest for Clearing Corporation or having significant impact on the functioning of Clearing Corporation or may not be in the interest of Securities market.

In the opinion of the Board of Directors, the Independent Directors/PIDs fulfil the conditions specified in the Companies Act, 2013, SECC Regulations, 2018 and Listing Regulations, 2015 and that they are independent of the management.

Further, no PID has resigned before the expiry of his/her respective tenure during the year under review.

(h) Compliance Reports for applicable laws:

The Board periodically reviews compliance reports pertaining to all laws applicable to the Company which are received from the heads of various departments from time to time.

(i) Code of Conduct:

Pursuant to amendment in SECC Regulations, 2018 vide Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) (Amendment) Regulations, 2023, which came into effect on August 28, 2023, the Company has formulated and implemented a comprehensive Code of Conduct for the Company which is available on the website of the Company at: https://www.mcxccl.com/docs/librariesprovider2/default-document-library/code-of-conduct-for-mcxccl---version-2-0.pdf?sfvrsn=da5c2c9e_2

Further, the Company has also formulated and implemented a comprehensive Code of Conduct for the Governing Board, Directors, Committee Members and Key Management Personnel at MCXCCL, which is also available on the website of the Company at: https://www.mcxccl.com/docs/librariesprovider2/disclosures/code-of-conduct_drs_kmps_comm-members-v-4-0.pdf?sfvrsn=c7474e9e_2

The Board Members, Committee Members and the Key Management Personnel affirm compliance with the Code of Conduct at the time of their appointment and thereafter on an annual basis. Further, all the employees of the Company at the time of joining affirm compliance with the Code of Ethics of the Company.

The necessary declaration by the MD & CEO as required under Regulation 34(3) read with Schedule V (D) of Listing Regulations, 2015 regarding adherence of the Code of Conduct for the year under review forms part of this Annual Report.

(j) Details of Remuneration paid during the year under review and extent of Shareholding of the Directors of the Company as on March 31, 2025:

(i) Remuneration of the Executive Director during the year under review and his Shareholding as on March 31, 2025:

Mr. Narendra Kumar Ahlawat, MD & CEO, is the only Executive Director of the Company. Remuneration paid to Executive Director is as per the terms of agreement between the Company and Executive Director. The Board approves the terms of agreement at the time of appointment. The particulars of remuneration paid to the Executive Director during the year under review are as under:

Sr. No.	Particulars of Remuneration of Mr. Narendra Kumar Ahlawat, MD & CEO	Amount in ₹
(i)	Fixed Component	
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,42,71,867
	b. Value of perquisites u/s 17(2) of Income-tax Act, 1961	39,600
	c. Profits in lieu of salary under section 17(3) Income-tax Gross salary	Nil
(ii)	Variable Component Bonus/Incentive/Variable Pay	26,04,057
(iii)	Stock Options	Nil
(iv)	Sweat Equity	Nil
(v)	Commission - As % of profit - Others, specify	Nil Nil
(vi)	Others Reimbursement of Expenses	24,000
	Total	**1,69,39,524**

Mr. Narendra Kumar Ahlawat, MD & CEO, does not hold any shares of the Company as on March 31, 2025.

In terms of the provisions of SECC Regulations, 2018, 50% of the variable pay to Key Management Personnel (**KMP**) is to be paid on a deferred basis after a minimum period of three years. The variable pay for FY 2020-21 was paid during the year under review and the same is included in the aforesaid remuneration.

Mr. Narendra Kumar Ahlawat is not entitled to any severance allowance and his employment can be terminated in accordance with Company's policy and/or his employment contract, the notice period being three months.

(ii) Remuneration paid to the Non-Executive Directors for attending the Board and Committee Meetings during the year under review and their Shareholding as on March 31, 2025:

Name of the Director	Gross Sitting Fees (Amount in ₹)		Outstanding Stock Options (In Numbers)	Shareholding in the Company as on March 31, 2025 (In Numbers)
	Board Meetings	Committee Meetings		
Mr. Prafulla Chhajed	11,00,000	22,50,000	N.A.	Nil
Mr. Srinivas Petluri	11,00,000	27,75,000	N.A.	Nil
Ms. Kemisha Soni	11,00,000	23,25,000	N.A.	Nil
Mr. Ganesh Kumar	11,00,000	21,75,000	N.A.	Nil
Mr. Mohan Shenoi	11,00,000	13,50,000	N.A	Nil
Mr. Manoj Kumar Jain*	-	-	N.A	1**

* *Mr. Manoj Kumar Jain waived off his sitting fees for attending the Meetings of the Company.*

** *Mr. Manoj Kumar Jain (Non-Executive, NID) holds one equity share jointly with MCX.*

There were no pecuniary relationships or transactions between the Non-Executive Directors and the Company during the year under review, except for the sitting fees paid to the Non-Executive Directors for attending the Meetings as a Member. Accordingly, no salary, bonuses, pension or any other benefits were paid to the Non-Executive Directors.

During the year under review, the Directors were entitled to a sitting fee of ₹ 1,00,000/- per Meeting for attending the Meeting of the Board and ₹ 75,000/- per Meeting for attending the Meeting of the Committees of the Board. The sitting fees paid to the Non-Executive Directors including the Independent Directors are within the limits prescribed under the Companies Act, 2013.

Pursuant to the provisions of SECC Regulations, 2018, Independent External Persons /Professionals (**hereinafter referred to as 'IEPs'**) are appointed on certain Statutory Committees of the Board. The IEPs were entitled to the same sitting fees as the Non-Executive Directors for attending the Committee Meetings during FY 2024-25.

The criteria for making payments to Non-Executive Directors are available on the website of the Company at:
https://www.mcxccl.com/docs/librariesprovider2/disclosures/other-disclosures/criteria-of-making-payments-to-non-executive-directors-version-5-0.pdf?sfvrsn=867d2e9e_2

3. Board Committees:

The Board has constituted various Committees in accordance with the provisions of the Companies Act, 2013, SECC Regulations, 2018 read with the Listing Regulations, 2015 to take informed decisions in the best interest of the Company, to ensure effective oversight on the functioning of Clearing Corporation and to facilitate cohesive decision-making. The Company, in addition to Statutory Committees has also constituted other Committees. The Committees monitor the activities falling within their Terms of Reference. MD & CEO of the Company in consultation with the Company Secretary and in accordance with the policy of the Company on frequency of Meetings, determines the schedule for the Committee Meetings. The Minutes of all the Committee Meetings are placed at the subsequent Meetings of the respective Committees and before the Board for its noting. The recommendations of Committees are submitted to the Board for its approval, wherever required.

The details with respect to composition, Terms of Reference, Meetings and attendance of Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Stakeholders Relationship Committee are as follows:

(a) Audit Committee:

The Audit Committee plays a vital role in ensuring high level of governance standards by overseeing, monitoring and advising the Company's management and auditors in conducting audits and preparation of financial statements.

(i) Terms of Reference as on March 31, 2025:

The Terms of Reference of the Audit Committee are stated as follows:

1. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.

2. Review and monitor the auditor's independence and performance and effectiveness of audit process.

3. Examination of the financial statement and the auditors' report thereon.

4. Granting approval / omnibus approval, subject to conditions as may be prescribed under any applicable laws, regulations, guidelines or any subsequent modification of transactions of the Company with related parties. In case of transaction, other than transactions referred to in section 188 of Companies Act, 2013, and where Committee does not approve the transaction, it shall make its recommendations to the Board.

   Also, in case any transaction involving any amount not exceeding one crore rupees is entered into by a Director or officer of the Company without obtaining the approval of the Committee and it is not ratified by the Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Committee.

5. Scrutiny of inter-corporate loans and investments.

6. Valuation of undertakings or assets of the Company, wherever it is necessary.

7. Evaluation of internal financial controls and risk management systems.

8. Monitoring the end use of funds raised through public offers and related matters.

9. Review the financial statements, in particular, the investments made by unlisted subsidiary.

(ii) Powers of Audit Committee:

The Audit Committee has the following powers:

1. To investigate any activity within its Terms of Reference or referred to it by the Board.

2. Seek information from any employee.

3. Obtain outside legal or other professional advice; and

4. Secure attendance of outsiders with relevant expertise, if it considers necessary.

(iii) Role of the Committee:

The role of the Audit Committee shall include the following:

1. Oversight of the financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the entity.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with reference to:

   (a) matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.

   (b) changes, if any, in accounting policies and practices and reasons for the same.

   (c) major accounting entries involving estimates based on the exercise of judgment by management.

   (d) significant adjustments made in the financial statements arising out of audit findings.

   (e) compliance with listing and other legal requirements relating to financial statements.

   (f) disclosure of any related party transactions.

   (g) modified opinion(s) in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or right issue or preferential issue or qualified institutional placement and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.

8. Approval or any subsequent modification of transactions with related parties.

9. Scrutiny of inter-corporate loans and investments.

10. Valuation of undertakings or assets, wherever it is necessary.

11. Evaluation of internal financial controls and risk management systems.

12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

14. Discussion with internal auditors of any significant findings and follow up there on.

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

18. To review the functioning of the whistle blower mechanism.

19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.

20. Carrying out any other function as is mentioned in the Terms of Reference of the Audit Committee.

21. Reviewing the utilization of loans and/or advances from /investment by the holding Company.

22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

(iv) Review of Information by the Audit Committee:

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations.

2. Management letters / letters of internal control weaknesses issued by the statutory auditors.

3. Internal audit reports relating to internal control weaknesses; and

4. The appointment, removal and terms of remuneration of the chief internal auditor.

5. Statement of deviations:

   (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations, 2015.

   (b) Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of Listing Regulations, 2015.

(v) Composition of the Committee:

The composition of the Audit Committee as on March 31, 2025 is as follows:

Sr. No.	Name of Members	Designation
1	Ms. Kemisha Soni	Chairperson
2	Mr. Prafulla Chhajed	Member
3	Mr. Srinivas Petluri	Member
4	Mr. Mohan Shenoi	Member

(vi) Number of Audit Committee Meetings held and the dates on which such Meetings were held:

The Audit Committee met 5 (Five) times during the year under review. The Meetings were held on the following dates:

Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
i.	April 23, 2024	ii.	July 26, 2024
iii.	October 19, 2024	iv.	January 20, 2025
v.	March 12, 2025	-	-

(vii) Meetings and attendance during the year under review:

Members	Meetings held	Meetings attended
Ms. Kemisha Soni	5	5
Mr. Srinivas Petluri	5	5
Mr. Prafulla Chhajed	5	5
Mr. Mohan Shenoi	5	5

Invitees to the Audit Committee include MD & CEO, Chief Financial Officer **(hereinafter referred to as 'CFO')**, Partners/ Representatives of the Statutory Auditors, Internal Auditors and Internal Financial Control **(hereinafter referred to as 'IFC)** Auditors etc. Heads of various departments attend the Audit Committee Meetings where the matters relating to their respective departments are discussed. The Company Secretary is the Secretary of the Committee.

Ms. Kemisha Soni, Chairperson of the Audit Committee, attended the Sixteenth AGM of the Company held on September 12, 2024.

All Members of the Audit Committee are financially literate and have adequate accounting and related financial management expertise.

(b) Nomination and Remuneration Committee:

The Board has constituted Nomination and Remuneration Committee (NRC) to attract, retain and reward the Executive Director(s), Key Management/Managerial Personnel and other employees.

The Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees can be accessed from the website of the Company at: https://www.mcxccl.com/docs/librariesprovider2/disclosures/other-disclosures/nomination-and-remuneration-policy-version-6-0.pdf?sfvrsn=147e2e9e_2

Further, the Company has formulated the criteria for performance evaluation of individual Directors, Board Committees and the Board as a whole. The details relating to the same are annexed as **Annexure III** to the Directors' Report.

(i) Terms of Reference as on March 31, 2025:

The Terms of Reference of the NRC are stated as follows:

1. To scrutinise and interview applicants for selecting the MD of the Clearing Corporation.

2. To adhere and develop a skill evaluation metrics to assess applications of new or existing PIDs and NIDs for their appointment and/or reappointment and recommending their names to the Governing Board.

3. To ensure at all times that the Governing board comprises of directors with required skill set and expertise in the areas as provided in SECC Regulations, 2018.

4. To ensure compliance with Governing board level skill diversity at the time of appointment, reappointment or extension of tenure of PIDs or NIDs.

5. To frame & review the policy to carry out internal evaluation of every director's performance, including that of PIDs.

6. To review and recommend extension of the term of appointment and re-appointment of existing PIDs.

7. To appoint IEPs.

8. To identify KMPs based on importance of activities carried out by them, including being key decision makers within the clearing corporation, other than those specifically provided under regulation 2(1)(j) of the SECC Regulations, 2018. For identifying KMPs, one of the criteria should be, persons (including employees/consultants) drawing annual pay higher than any KMP(s).

9. To review, at least once a year hierarchical set ups across the departments, in order to identify KMPs due to a change in role and responsibilities assigned to them. Such review should necessarily include, consultants reporting to the MD/CEO or ED.

10. To appoint and remove KMPs other than resignations.

11. To lay down policy for accountability of KMPs. Further, mapping legal and regulatory duties to the concerned position and Delegation of Power (DoP) at various levels.

12. To lay down the policy for compensation of KMPs in compliance with the compensation norms prescribed under SECC Regulations, 2018 and ensuring that the compensation paid to KMPs is as per the compensation policy.

13. To frame performance review parameters for evaluation of KMPs, including that of MD.

14. To assess the performance of KMPs based on reports submitted by the functional heads/reporting authority, and observations, if any, received from SEBI and submit such reports to the Governing Board every year.

15. To determine the tenure of a KMP, other than a director, to be posted in a particular role within regulatory compliance, risk management and investor grievance vertical.

16. To determine and finalise the KRAs of all KMPs at the beginning of the year. Review the same in line with organizational needs.

17. To ensure that no KMP reports to a non-KMP.

18. To ensure that no employee of the Clearing Corporation is working or reporting to an employee of any other company where the Clearing Corporation has invested and vice versa.

19. To ensure that hiring of consultants is based on a pre-defined SOP of the Clearing Corporation.

20. To frame, review, implement and monitor SOP for imposing disciplinary actions against employees of Clearing Corporation.

21. Besides the above, it will also discharge the function as NRC under the Companies Act, 2013 and Listing Regulations, 2015 as amended from time to time.

(ii) Composition of the NRC:

The NRC was re-constituted on July 25, 2024 pursuant to the provisions of SEBI circular bearing no. SEBI/HO/MRD/MRD-PoD-3/2024/088 dated June 25, 2024.

The composition of the NRC as on March 31, 2025 is as follows:

Sr. No.	Name of Members	Designation
1	Ms. Kemisha Soni	Chairperson
2	Mr. Prafulla Chhajed	Member
3	Mr. Srinivas Petluri	Member
4	Mr. Mohan Shenoi	Member

(iii) Number of NRC Meetings held and the dates on which such Meetings were held:

The NRC met 5 (Five) times during the year under review. The Meetings were held on the following dates:

Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
i.	June 26, 2024	ii.	July 24, 2024
iii.	October 14, 2024	iv.	January 20, 2025
v.	March 12, 2025	-	-

(iv) Meetings and attendance during the year under review:

Name of Members	Meetings held	Meetings Attended
Ms. Kemisha Soni	5	5
Mr. Prafulla Chhajed	5	5
Mr. Srinivas Petluri	5	5

Name of Members	Meetings held	Meetings Attended
Mr. Mohan Shenoi* *(w.e.f. July 25, 2024)*	5	3

*Mr. Mohan Shenoi was appointed as Member of the Committee w.e.f. July 25, 2024. He was eligible to attend 3 Committee meetings during FY 2024 - 25.

Ms. Kemisha Soni, Chairperson of the NRC attended the Sixteenth AGM of the Company on September 12, 2024.

(c) Stakeholders Relationship Committee:

The Board has constituted Stakeholders Relationship Committee (SRC) effective April 23, 2024 in terms of the applicable provisions of the Listing Regulations, 2015.

(i) Terms of Reference as on March 31, 2025:

The Terms of Reference of the SRC are stated as follows:

1. Resolving the grievances of the Security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;

2. Review of measures taken for effective exercise of voting rights by shareholders;

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

(ii) Composition of SRC:

The composition of the SRC as on March 31, 2025 is as follows:

Sr. No.	Name of Members	Designation
1	Mr. Ganesh Kumar	Chairperson - PID
2	Ms. Kemisha Soni	Member
3	Mr. Manoj Kumar Jain	Member

(iii) Number of SRC Meetings held and the dates on which such Meetings were held:

The SRC met 2 (Two) times during the year under review. The Meetings were held on the following dates:

Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
i.	June 26, 2024	ii.	March 11, 2025

(iv) Meetings and attendance during the year under review:

Name of Members	Meetings held	Meetings Attended
Mr. Ganesh Kumar	2	2
Ms. Kemisha Soni	2	2
Mr. Manoj Kumar Jain	2	2

During FY 2024 - 25, the Company didn't receive any shareholder complaint. Further, there was no open complaint relating to any previous financial year, which was carried forward to FY 2024 - 25.

Mr. Mandar Kulkarni is the Company Secretary of the Company. He is the Secretary to the Committee.

To resolve Stakeholder Complaints, Stakeholders can contact the Company Secretary on:
Email: mandar.kulkarni@mcxccl.com
Tel: +91-22-6864 6000/50956000.

Mr. Ganesh Kumar, Chairperson of the Stakeholders Relationship Committee attended the Sixteenth AGM of the Company held on September 12, 2024, to answer shareholders queries.

(d) Risk Management Committee:

The Board has constituted a Risk Management Committee (RMC) *inter alia* to monitor and review the risk management plan and to carry out such other functions as it may deem fit:

(i) Terms of Reference as on March 31, 2025:

The Terms of Reference of the RMC are stated as follows:

1. Formulate a detailed Risk Management Framework (RMF) which shall be approved by the Governing Board to ensure continuity of operation at all points of time.

2. The RMF shall include the following:
   i. The framework for identification of internal and external risks;
   ii. Measures for risk mitigation including systems and processes for internal control and;
   iii. Business continuity plan.

3. To monitor each risk associated with the functioning of the Clearing Corporation more specifically for functions under vertical 1 and 2.

4. To review the RMF & risk mitigation measures at least once annually taking into account the changing industry dynamics and evolving complexity.

5. To monitor and review enterprise-wide risk management plan and lay down procedures to inform Governing Board about the risk assessment and mitigation procedures.

6. To coordinate with other committees. In case of overlap with activities of other committees, RMC may consider views of such committees.

7. To monitor implementation of the RMF and also keep the Governing Board informed about implementation of the RMF and deviation, if any.

8. To approve the Half-Yearly Risk report to be submitted by the Chief Risk Officer (CRiO) to SEBI and the Governing Board of the clearing corporation.

9. To comply with the roles and responsibilities as provided under the Companies Act, 2013 and the Listing Regulations, 2015.

10. To review the critical service arrangement with the vendors so as to avoid disruption of services.

(ii) Composition of the RMC:

The RMC was re-constituted on June 26, 2024 due to appointment of IEP and on July 25, 2024 due to appointment of NID, pursuant to the provisions of SEBI circular bearing no. SEBI/HO/MRD/MRD-PoD-3/2024/088 dated June 25, 2024.

The composition of the RMC as on March 31, 2025 is as follows:

Sr. No.	Name of Members	Designation
1	Mr. Prafulla Chhajed	Chairperson
2	Mr. Srinivas Petluri	Member

Sr. No.	Name of Members	Designation
3	Mr. Ganesh Kumar	Member
4	Mr. Rajesh Kumar Dubey*	Member
5	Mr. Narendra Kumar Ahlawat	Member

* IEP.

(iii) Number of RMC Meetings held and the dates on which such Meetings were held:

The RMC met 5 (Five) times during the year under review. The Meetings were held on the following dates:

Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
i.	May 02, 2024	ii.	July 24, 2024
iii.	October 19, 2024	iv.	December 02, 2024
v.	February 17, 2025	-	-

(iv) Meetings and attendance during the year under review:

Members	Meetings held	Meetings attended
Mr. Prafulla Chhajed	5	5
Mr. Srinivas Petluri	5	5
Mr. Ganesh Kumar	5	5
Mr. Rajesh Kumar Dubey* *(w.e.f. June 26, 2024)*	5	4
Mr. Narendra Kumar Ahlawat** *(w.e.f. July 25, 2024)*	5	3

* Mr. Rajesh Kumar Dubey was appointed as Member of the Committee w.e.f. June 26, 2024. He was eligible to attend 4 Committee meetings during FY 2024 - 25.

** Mr. Narendra Kumar Ahlawat was appointed as Member of the Committee w.e.f. July 25, 2024. He was eligible to attend 3 Committee meetings during FY 2024 - 25.

Note:
Mr. Nihar Jambusaria, IEP and Member of the Committee resigned with effect from April 30, 2024.

(e) The broad Terms of Reference, Constitution of Committees required under the SECC Regulations, 2018 as on March 31, 2025 are as under:

1. **Member Committee (Erstwhile known as Member and Core Settlement Guarantee Fund Committee):**

(i) Terms of Reference:

The Terms of Reference of the Member Committee (MC) are stated as follows:

1. To formulate the policy to scrutinize, evaluate, accept or reject applications for admission of members and transfer of membership and approve voluntary withdrawal of membership or withdrawal and Change in Control.

2. The activities with regard to scrutinize, evaluate, accept or reject applications for admission, transfer surrender/withdrawal and change in control of membership can be implemented through an Internal Committee (IC) under MC.

3. Also in case of Clearing Corporations with commodity derivative segment, the committee shall also look into:

   - Approving empanelment & cancellation of Warehouse Service Providers or Vault Service Providers or Assayers, accreditation of warehouse, etc.
   - Reviewing the continuous functioning, monitoring, and compliance of norms by Warehouse Service Providers, Vault Service Providers and assayers.

4. The activities with regard to empanelment, cancellation, continuous functioning, monitoring and compliance by Warehouse Service Providers or Vault Service Providers or Assayers, accreditation of warehouse, etc. could also be implemented through an IC under MC.

5. Define the Standard Operating Procedure (SOP) for the ICs, including the timelines to be followed by ICs, its composition, standardize criteria to scrutinize, evaluate, accept and grounds for rejection of applications, and other associated aspects to ensure uniformity and consistency while dealing. / with applications or cases. For scenarios not covered in the SOP, ICs should seek approval of MC.

6. Oversee the implementation of the SOP by the ICs, including its timelines, uniformity and consistency in approach, based on quarterly report submitted by ICs. MC shall continue to be responsible and accountable for the activities of the ICs.

7. Ensure that the Clearing Corporation has detailed SOP and processes is in place towards monitoring the activities of its members through inspections.

8. Ensure that there is mechanism for monitoring of its members on various parameters through technology and take necessary action for non-compliance.

9. Formulate policy for regulatory actions, including warning, monetary fine, suspension, withdrawal of clearing membership, declaring of default, expulsion to be taken for various violations by the members of the Clearing Corporation. The policy should have an SOP for undertaking such actions.

10. Based on the laid down policy, the Committee shall consider the cases of violations observed during inspection, etc. and impose appropriate regulatory measure on the members of the Clearing Corporation.

11. For enforcement actions against violations, where no discretion of MC is involved, the same could be delegated to an IC, provided corresponding regulatory action, including penalty amount, if any, is standardized in the policy framed by MC or through a circular issued by the Clearing Corporation/SEBI. If the same is delegated, quarterly report in this regard should be placed before MC by the IC. However, for scenarios which require immediate regulatory action, the Clearing Corporation shall inform the MC post imposition of such actions.

12. Oversee the regulatory actions taken by IC, if delegated, including evaluating that no discretion has been exercised in the process. For any violation by IC, MC will be responsible and liable for the same.

13. While imposing the regulatory measures, the Committee shall adopt a laid down process, based on the ‘Principles of natural justice’ and 'Principle of proportionality'. The Principle of natural justice may be extended by MC/IC as applicable.

14. Any review, appeal or waiver of penalty filed shall be placed before MC for its consideration.

15. Formulate the policy to realize the assets / deposits of defaulter/expelled member and appropriate amongst various dues and claims against the defaulter/ expelled member in accordance with the Rules, Byelaws and Regulations of the Clearing Corporation and applicable regulatory provisions.

16. The activities with regard to realization of assets, and deposits of the defaulter or expelled member and appropriation of the same amongst various dues and claims against the defaulter or expelled member, etc. can be implemented through an IC under MC.

17. Define the SOP for the IC, including the timelines to be followed by IC and its composition. For scenarios not covered in the SOP, IC should seek approval of MC.

18. In the event both the Clearing Member and the constituent Trading Member are declared defaulter, then the MC of the clearing corporation and that of the stock exchange shall work together to realise the assets of both the Clearing Member and the Trading Member.

19. Admission /rejection of claims against such members over the assets of the defaulter/expelled member.

(ii) Composition of the Committee as on March 31, 2025:

The MC was re-constituted on July 25, 2024 pursuant to the provisions of SEBI circular bearing no. SEBI/HO/MRD/MRD-PoD-3/2024/088 dated June 25, 2024.

Sr. No.	Name of Members	Designation
1	Mr. Srinivas Petluri	Chairperson
2	Mr. Ganesh Kumar	Member
3	Mr. Prafulla Chhajed	Member
4	Mr. Narendra Kumar Ahlawat	Member
5	Mr. Ishwar Chander Chadda*	Member
6	Mr. Soundararajan V. ** *(w.e.f. July 25, 2024)*	Member

* IEP.

**Mr. Soundararajan Venkatadas (Chief Operating Officer) KMP of the Company appointed as Member in the MC w.e.f. July 25, 2024.

(iii) Number of MC Meetings held and the dates on which such Meetings were held:

The MC met 5 (Five) times during the year under review. The Meetings were held on the following dates:

Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
i.	May 02, 2024	ii.	July 24, 2024
iii.	October 19, 2024	iv.	December 02, 2024
v.	February 17, 2025	-	-

2. Public Interest Director Committee:

(i) Terms of Reference:

The Terms of Reference of the Public Interest Director Committee are stated as follows:

1. Review the status of compliance with SEBI letters/ circulars.

2. Review the functioning of regulatory departments including the adequacy of resources dedicated to regulatory functions, etc.

3. PIDs shall prepare a report on the working of the committees of which they are Member and circulate the same to other PIDs. The consolidated report in this regard shall be submitted to the Governing Board ('Board of Directors') of the MII.

4. PIDs shall identify the important issues which may involve conflict of interest for the Clearing Corporation or may have significant impact on the functioning of Clearing Corporation or may not be in the interest of Securities market and report the same to SEBI, from time to time.

5. Review the performance of non-independent Directors and the Board as a whole.

6. Review the performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors.

7. Assess quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(ii) Composition of the Committee as on March 31, 2025:

Sr. No.	Name of Members	Designation
1	Mr. Prafulla Chhajed	Chairperson
2	Ms. Kemisha Soni	Member
3	Mr. Srinivas Petluri	Member
4	Mr. Ganesh Kumar	Member

(iii) Number of PID Committee Meetings held and the dates on which such Meetings were held:

The PID Committee met 3 (Three) times during the year under review. The Meetings were held on the following dates:

Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
i.	April 22, 2024	ii.	July 24, 2024
iii.	December 02, 2024	-	-

3. Standing Committee on Technology:

(i) Terms of Reference:

The Terms of Reference of the Standing Committee on Technology (SCOT) are stated as follows:

1. To ensure availability of required IT infrastructure for core and critical functions under verticals for "Critical operations" and "Regulatory, compliance, risk management and investor grievances".

2. To ensure existence of adequate Business Continuity Plan (BCP) and Disaster Recovery (DR) plans.

3. To ensuring sound and prudent policies, standards and procedures for managing technology risks and safeguard information assets in the Clearing Corporation.

4. To review the implementation of technology risk management framework and strategy of Clearing Corporation.

5. To monitor whether the technology used by the Clearing Corporation remains up to date and meets the growing demands of the markets.

6. Periodic review of the IT system and network architecture design to identify any weaknesses in the existing design.

7. To review in-house availability of appropriate IT staff to manage IT systems and related outsourcing arrangement.

8. To monitor the adequacy of system capacity and efficiency.

9. To look into the changes being suggested by the Clearing Corporation to the existing software or hardware.

10. To oversee investigation into the computerized risk management or clearing & settlement system, such as hanging or slowdown or breakdown etc.

11. To ensure that transparency is maintained in disseminating information regarding slowdown or break down risk in Online Clearing & Settlement System and ensure that the Clearing Corporation issues a press release specifying the reasons for any such breakdown.

12. To approve Root Cause Analysis (RCA) of any stoppage of Clearing and Settlement system and report to the Governing Board and SEBI.

13. To review the implementation of board approved Cyber Security and Cyber Resilience Policy and its framework and ensure existence of advanced

Cyber Security and Cyber Resilience framework at the Clearing Corporation.

14. To review the identification and classification process of critical assets based on their sensitivity and criticality for business operations, services and data management.

15. To ensuring that the scope of the System Audit, Cyber Audit and VAPT of the Clearing Corporation is broad and representative of all critical areas of the Clearing Corporation.

16. To monitoring the results of periodic cyber security and DR drills conducted by Clearing Corporations.

17. To review and approve the report regarding overall cyber security posture and technology implementation at the Clearing Corporation and submit to the Governing Board. Upon approval by the Governing Board, submit the report to SEBI.

18. On the above areas, the Committee shall submit a report to the Governing Board of the Clearing Corporation for necessary action, if any.

19. Such other matters as may be referred by the Governing Board of the Clearing Corporation and/or SEBI.

(ii) Composition of the Committee as on March 31, 2025:

Sr. No.	Name of Members	Designation
1	Mr. Ganesh Kumar	Chairperson
2	Ms. Kemisha Soni	Member
3	Mr. Srinivas Petluri	Member
4	Mr. Mohan Shenoi	Member
5	Ms. Supriya Datta*	Member
6	Mr. Joydeep Dutta*	Member

* IEP.

(iii) Number of SCOT Committee Meetings held and the dates on which such Meetings were held:

The SCOT Committee met 6 (Six) times during the year under review. The Meetings were held on the following dates:

Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
i.	April 22, 2024	ii.	June 25, 2024
iii.	July 10, 2024	iv.	September 25, 2024
v.	December 19, 2024	vi.	March 11, 2025

4. Regulatory Oversight Committee:

(i) Terms of Reference:

The Terms of Reference of the Regulatory Oversight Committee (ROC) are stated as follows:

1. To oversee the implementation and compliance with SECC Regulations, 2018 as amended from time to time and other applicable rules and regulations along with SEBI Circulars and other directions issued thereunder.

2. To review the observations arising from various SEBI inspections, ensuring its advisories and findings are appropriately and timely addressed, and reports to Governing Board on timely basis.

3. To monitor and assess the Clearing Corporation against the PFMIs on an annual basis and submit a report to the Governing Board of the Clearing Corporation.

4. To lay down procedures for implementation of the code of conduct and prescribe the reporting formats for disclosures required under the code of conduct.

5. To oversee the compliance of the code of conduct by KMPs and members of statutory committees (except directors).

6. To review compliance with the provisions on "Code of Conduct & Institutional mechanism for prevention of Fraud or Market Abuse" of Chapter VI of SEBI Master Circular for Stock Exchanges and Clearing Corporations at least once in a financial year and also verify that the adequacy and operational effectiveness of the systems for internal control.

7. To periodically oversee the dealings in Securities by KMPs and IEPs.

8. To periodically oversee the trading conducted by firms or corporate entities in which the directors of the Clearing Corporation hold twenty percent or more beneficial interest or hold a controlling interest.

9. To monitor trades by KMPs and members of statutory committees, ROC shall take into consideration sensitive information held by them as per structured digital database maintained by Clearing Corporation.

10. To ensure the adequacy of resources dedicated to functions under verticals for "Critical operations" and "Regulatory, compliance, risk management and investor grievance".

11. Grievance Redressal mechanism:

    a. Define policy and SOP for dealing with complaints by Clearing Corporation.
    b. Review of complaint resolution process, complaints remaining unresolved over long period of time, etc.
    c. Ensuring that Clearing Corporations take pro-active actions in case of repeated nature of complaints against particular CMs, if any.

12. To supervise the functioning of Investors Services Cell of the Clearing Corporation.

13. Whistle-blower Mechanism:

    i. Frame the Whistle Blower Policy to be approved by the Governing Board.
    ii. Communicate the Whistle Blower Policy internally to all persons and display the same on the Clearing Corporation's website.
    iii. Review the Whistle Blower Policy based on feedback received.

14. To review the fees and charges levied by a Clearing Corporation including comments on its appropriateness, on a periodic basis as well as each time there is change.

15. To manage the Core Settlement Guarantee Fund (Core SGF) of the Clearing Corporation, including its investments as per norms laid down and ensure proper utilization of Core SGF.

(ii) Composition of the Committee as on March 31, 2025:

The ROC was re-constituted on July 25, 2024 pursuant to the provisions of SEBI circular bearing no. SEBI/HO/MRD/MRD-PoD-3/2024/088 dated June 25, 2024.

Sr. No.	Name of Members	Designation
1	Mr. Srinivas Petluri	Chairperson
2	Ms. Kemisha Soni	Member
3	Mr. Ganesh Kumar	Member
4	Mr. Manoj Kumar Jain* *(w.e.f July 25, 2024)*	Member

* Mr. Manoj Kumar Jain was appointed as Member of the Committee w.e.f July 25, 2024.

Note: Mr. Shamanna Balasubramanya (IEP), resigned as Member of the Committee with effect from January 21, 2025.

(iii) Number of ROC Meetings held and the dates on which such Meetings were held:

The ROC met 6 (Six) times during the year under review. The Meetings were held on the following dates:

Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
i.	April 22, 2024	ii.	May 10, 2024
iii.	July 24, 2024	iv.	October 18, 2024
v.	December 19, 2024	vi.	March 11, 2025

5. Investment Committee:

(i) Terms of Reference:

The Terms of Reference of the Investment Committee are stated as follows:

1. To evaluate each investment and divestment proposals, whether requiring infusion of funds or otherwise, except treasury investments.

2. To evaluate proposals of capital expenditure.

3. To make detailed analysis of existing investments.

4. Investment Committee can provide the recommendation along with rationale to the Governing Board.

(ii) Composition of the Committee as on March 31, 2025:

Sr. No.	Name of Members	Designation
1	Mr. Prafulla Chhajed	Chairperson
2	Ms. Kemisha Soni	Member
3	Mr. Mohan Shenoi	Member
4	Mr. Narendra Kumar Ahlawat	Member

(iii) Number of Investment Committee Meetings held and the dates on which such Meetings were held:

The Investment Committee met 4 (Four) times during the year under review. The Meetings were held on the following dates:

Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
i.	June 03, 2024	ii.	August 27, 2024
iii.	November 11, 2024	iv.	February 07, 2025

6. Advisory Committee:

(i) Terms of Reference:

Advise the Governing Board on non-regulatory and operational matters including product design, technology, charges and levies.

(ii) Composition of the Committee as on March 31, 2025:

Sr. No.	Name of Members	Designation
1	Mr. Prafulla Chhajed	Head of the Committee
2	Orbis Financial Corporation Limited	Clearing Member
3	Globe Commodities Limited	Clearing Member
4	Open Futures & Commodities Private Limited	Clearing Member
5	SMC Global Securities Limited (Formerly known as SMC Comrade Limited)	Clearing Member
6	Mirae Asset Capital Market (India) Private Limited (Formerly known as Sharekhan Comtrade Private Limited)	Clearing Member
7	Goyal Securities	Clearing Member
8	East India Securities Limited (Formerly Known as East India Commodities Private Limited)	Clearing Member
9	Acumen Capital Market (India) Limited	Clearing Member
10	ICICI Bank Limited	Clearing Member
11	Kotak Securities Limited	Clearing Member

(iii) Number of Advisory Committee Meeting held and the date on which such Meetings were held:

The Advisory Committee met on September 16, 2024 during the year under review.

4. General Body Meetings:

The details of the previous three Annual General Meetings of the Company are as follows:

Financial Year	Location	Day & Date	Time	Details of Special Resolution passed
2023-24	Held through video Conference / other audio-visual means.	Thursday, September 12, 2024	4.00 pm	No Special resolutions were passed.

Financial Year	Location	Day & Date	Time	Details of Special Resolution passed
	Deemed venue was Exchange Square, CTS No. 255, Suren Road, Andheri (East), Mumbai 400093.			
2022-23	Held through video Conference / other audio-visual means. Deemed venue was Exchange Square, CTS No. 255, Suren Road, Andheri (East), Mumbai 400093.	Friday, September 22, 2023	4.00 pm	No Special resolutions were passed.
2021-22	Held through video Conference / other audio-visual means. Deemed venue was Exchange Square, CTS No. 255, Suren Road, Andheri (East), Mumbai 400093.	Monday, September 12, 2022	4.00 pm	No Special resolutions were passed.

- Resolution passed through postal ballot:

  During the year under review, the Company did not pass any resolution through postal ballot as the requirement of passing any resolution by postal ballot is not applicable to the Company, since the number of shareholders of the Company is less than 200.

- Extra-ordinary General Meeting (EGM):

  The Company has not conducted any EGM during the year under review.

5. Means of Communication:

The quarterly, half-yearly and annual results of the Company are generally published in the newspapers viz. Financial Express – an English daily newspaper with circulation in the whole or substantially the whole of India and Loksatta, a Marathi daily newspaper.

The financial results, shareholding pattern, annual reports etc. are uploaded on the website of the Company at https://www.mcxccl.com.

Significant events, if any, during the financial year are reported on the website of the Company viz. https://www.mcxccl.com from time to time. The Company's website

provides information on Membership, Clearing & Settlement, Risk Management, Delivery, Warehousing Operations, SPOT, Disclosures, legal framework etc.

No presentations were made to institutional investors or to the analysts during the year under review.

6. Disclosures:

(a) Disclosures on materially significant related party transactions:

A detailed note on related party transactions is provided in the Director's Report. Details of material contracts or arrangements or transactions at arm's length basis forms part of **Annexure I** to the Director's Report. The transactions with related parties have been disclosed in Note no. 32 of the Notes to the Financial Statements of your Company.

Further, the Related Party Transactions Policy of the Company is available on the website of the Company at: https://www.mcxccl.com/docs/librariesprovider2/disclosures/other-disclosures/policy-on-related-party-transactions-version-5-0.pdf?sfvrsn=cd6e589e_2

(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

There were no instances of non-compliance by the Company, penalties or strictures imposed by SEBI or any statutory authority, on any matter related to the capital markets during the last three years. However, there was a routine inspection carried out by SEBI during the year wherein it had raised certain observations. MCXCCL is taking corrective action thereon.

Due to a technical glitch on September 30, 2024, at the start of the market, some Members were put in Risk Reduction Mode/ Square off Mode. Normalcy was restored for most of these Members very soon but there were some Members in whose case normal operations could be restored only after 75 minutes. Due to the same and pursuant to the provisions of SEBI circular bearing No. SEBI/HO/MRD1/DTCS/CIR/P/2021/590 dated July 5, 2021, a financial disincentive of ₹ 50 lakh was credited by the Company to the Core Settlement Guarantee Fund on December 27, 2024.

Upon examining the issues related to the contracts executed with software vendors, SEBI issued a Show Cause Notice ("SCN") dated October 16, 2023, to MCX, four of its past/present KMPs, MCXCCL and one of its KMPs. The SCN alleged that the management of both MCX and MCXCCL failed to implement the SEBI circular dated September 13, 2017. MCX, MCXCCL and the concerned KMPs filed their responses to the SCN. Additionally, MCX, MCXCCL and respective KMPs submitted Settlement Applications under the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018, which were later withdrawn by them. Thereafter, SEBI passed an order bearing no. WTM/AB/MRD/MRD-SEC- 1/31435/2025-26 dated May

26, 2025, wherein the proceedings in respect of the SCN for MCXCCL and its KMP, were disposed of without any directions.

SEBI conducted a routine inspection of books and records of the Company for the period December 01, 2022 to October 31, 2023. SEBI issued a letter dated July 18, 2024, informing that quasi-judicial proceedings have been initiated against the Company and a SCN shall be issued in due course, pertaining to the inspection observation on Margin Shortfall Block Amount (MSBA). In the interest of a speedy resolution, the Company filed a Settlement application with SEBI prior to the issuance of SCN, under the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018. SEBI settled the matter at ₹ 2,70,00,000/- (Rupees Two crore Seventy lakh only) vide its Settlement Order bearing no. SO//PSD/2024-25/8048 dated April 01, 2025.

(c) Vigil Mechanism/Whistle Blower Policy:

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable Directors and employees to report, in good faith, genuine concerns or grievances about unethical behaviour, actual or suspected fraud or any instances of leak of unpublished price sensitive information or violation of the Company's Code of Conduct. The said mechanism ensures that the whistle blowers are protected against the victimisation/ any adverse action and/or discrimination as a result of such reporting. This Policy, *inter alia*, provides a direct access to the Chairperson of the Audit Committee. Further, in case of a complaint against the Chairperson of the Audit Committee, it provides a direct access to the Chairperson of the Board.

Your Company hereby affirms that no person has been denied access to the Audit Committee.

No complaints were received during the year under review. The Whistle Blower policy of the Company has been disclosed on the website of the Company at: https://www.mcxccl.com/docs/librariesprovider2/disclosures/other-disclosures/whistle-blower-policy-version-6-0.pdf?sfvrsn=c76e589e_2

(d) Management Discussion & Analysis Report:

The Management Discussion & Analysis Report forms part of this Annual Report.

(e) Compliance with mandatory requirements and adoption of the non-mandatory requirements:

- Mandatory Requirements:

  The Company has complied with all mandatory requirements of Corporate Governance report as mentioned in Listing Regulations, 2015.

- Non-Mandatory Requirements:

Shareholder Rights

The Quarterly, Half-Yearly and Annual financials are uploaded on the website of the Company and are available to all the shareholders.

Modified opinion(s) in audit report

The Auditors' Report on statutory financial statements of the Company is unmodified.

Reporting of Internal Auditor

The Internal auditor of the Company directly reports to the Audit Committee.

Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

As on March 31, 2025, Mr. Prafulla Chhajed, Non-Executive, PID is Chairperson and Mr. Narendra Kumar Ahlawat, Executive, NID is MD & CEO of your Company. Further, the Chairperson is not related to the MD & CEO of your Company as per the term "relative" defined under the Companies Act, 2013.

(f) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 of Listing Regulations, 2015:

The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 of the Listing Regulations, 2015 during the year under review.

(g) Non-Convertible Securities:

The Company has not issued or listed any non-convertible Securities during the year under review.

(h) Certification from Practicing Company Secretary:

The Company has obtained a certificate from a Practicing Company Secretary under the Listing Regulations, 2015, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies, by SEBI / Ministry of Corporate Affairs or any such statutory authority during the year under review.

(i) Disclosure where the Board had not accepted any recommendation of any Committee of the Board during the year under review which was mandatorily required:

There were no such instances during the year under review.

MCXCCL Annual Report FY 2024 - 25

(j) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

The details of the total fees paid to the statutory auditors, MSKA & Associates for the financial year under review are as follows:

Type of Service	FY 2024 - 25
Audit fees	₹ 5,50,000
Taxation fees	₹ 1,00,000
Certification fees	₹ 50,000

During the year under review, the Company did not have any subsidiaries and hence the aforesaid fees are for the services provided to the Company.

(k) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	Count
i.	Number of complaints as on April 1, 2024	0
ii.	Number of complaints filed/received during FY 2024 - 25	0
iii.	Number of complaints disposed of during FY 2024 - 25	0
iv.	Number of complaints pending as at March 31, 2025	0

(l) Disclosure on Compliance with Corporate Governance Requirements:

Your Company has complied with all the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, 2015, wherever applicable to your Company during the year under review.

(m) Disclosure by the Company and its subsidiaries of 'Loans and advances' in the nature of loans to firms/companies in which Directors are interested by name and amount:

Your Company has not given any Loans and Advances in the nature of loans to firms/Companies in which Directors are interested. Further, during the year under review, your Company did not have a subsidiary.

(n) Disclosure of certain type of agreements binding listed entities:

As specified in Schedule III, Para A, Clause 5A of Listing Regulations, 2015, the company has not entered into any agreement impacting management or control of the Company or imposing any restriction or creating any liability upon the Company.

MCXCCL Annual Report FY 2024 - 25

(o) Senior management:

The details of changes in the senior management are mentioned under Note no. 28 of Director's Report.

7. CEO & CFO Certification:

The certificate signed by the CEO and CFO in terms of Regulation 17(8) of the Listing Regulations, 2015 was placed before the Board of Directors at its Meeting held on May 08, 2025. The certificate forms part of this Annual report.

8. Practising Company Secretary's certificate on Corporate Governance:

The Practising Company Secretary's certificate regarding the compliance of conditions of Corporate Governance forms part of this Annual report.

9. Disclosure with respect to demat suspense account/unclaimed suspense account:

There are no Equity Shares in the demat suspense account/unclaimed suspense account.

10. Subsidiaries:

The Company does not have a subsidiary and hence no policy for determining 'Material Subsidiaries' has been formulated.

11. Go Green Initiative:

As a part of its green initiative, the Company has taken necessary steps to send the documents viz. notice of the General Meeting, Annual Report, etc. at the registered email addresses of the shareholders.

12. General Shareholders Information:

Day, Date and Time of Annual General Meeting for the FY 2024 - 25	Monday, September 08, 2025 at 4.00 P.M.
Venue of the AGM	Meeting through Video Conferencing mode/Other Audio-Visual Means. Deemed venue is the Registered Office of the Company i.e. Exchange Square, CTS No. 255, Suren Road, Andheri (East), Mumbai 400093.
Financial Year	April 1, 2024 to March 31, 2025
Book Closure Date	Not Applicable
Dividend Payment Date	The Board of Directors has not recommended any dividend for the financial year ended March 31, 2025.

132

The name and address of each stock exchange(s) at which the Company's Securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s).	The Company is not listed on any Stock Exchange.
In case the Securities are suspended from trading, the Directors report shall explain the reason thereof	Not Applicable
Registrar and Share Transfer Agent	KFin Technologies Limited **Registered office address:** 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai – 400 070, Maharashtra, India. Phone: + 022 4617 0911 **Correspondence Address:** Selenium Building, Tower - B, Plot No. 31 & 32, Financial District, Nanakramguda Serilingampally, Hyderabad- 500 032, Rangareddi, Telangana, India. Phone: +91 40 7961 5565 Email: einward.ris@kfintech.com Website: https://www.kfintech.com https://ris.kfintech.com/
Share Transfer System and ISIN	Pursuant to Regulation 46 of SECC Regulations, 2018, the Securities have been admitted in the Depository system of Central Depository Services (India) Limited and the ISIN INE00Q801016 has been activated. Further, the ISIN has been marked frozen for all debits for the purpose of ensuring compliance of the provisions of SECC Regulations, 2018. In terms of Regulation 46 of SECC Regulations, 2018, any rematerialisation request shall not be accepted by the Company.
Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	During the year under review and as on March 31, 2025, the Company did not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.
Commodity price risk or foreign exchange risk and hedging activities	Not applicable

Company operations are located at	Exchange Square, Chakala, Suren Road, Andheri (East), Mumbai - 400 093 and at Gift City, Gujarat at Unit No - 1&2, 17th Floor, GIFT ONE Tower, 5C Road, Zone 5, Gift City, Gandhinagar, Gujarat - 382355, India
Plant Locations	Not Applicable
Address for Correspondence	Registered Office: Exchange Square, CTS No. 255, Suren Road, Andheri (East), Mumbai 400093, Maharashtra, India Tel: +91-22-6864 6000/ 5095 6000 Fax: +91-22- 6649 4151
Depository for Equity Shares	Central Depository Services (India) Limited (CDSL)
Corporate Identification Number (CIN) of the Company	U74999MH2008PLC185349
List of all Credit ratings obtained by the Company along with any revisions thereto during the relevant Financial Year for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad.	The Company has neither issued any debt instrument nor taken any fixed deposit in the financial year 2024-25. However, the Company has obtained a credit rating on the general credit worthiness of the Company from CARE Ratings Limited. CARE Ratings Limited has reaffirmed CARE AA+ rating to the Company. [Double A Plus; Outlook: Stable]

13. Unclaimed Dividend:

The Company has not paid any dividend till date.

14. Dematerialisation of Shares and Liquidity:

As on March 31, 2025, the equity shares of the Company are fully dematerialised. The distribution of shareholding as on March 31, 2025 is given below:

Category	Number of Shareholders	Total Shares of ₹ 10 each	% of equity
Physical	0	0	0
Demat	7*	**239,985,000**	100
Total		**239,985,000**	**100**

** 239,984,994 equity shares of ₹ 10/- each are hold by MCX (Holding Company) and 6 Individuals hold 1 (one) equity share of ₹ 10/- each jointly with MCX.*

The ISIN has been marked frozen for all debits for the purpose of ensuring compliance of the provisions of SECC Regulations, 2018.

15. Distribution of Shareholding:

Sr. No.	Range of Shares	Shareholders		Shares held (Face Value- ₹ 10/- each)	
		No. of holders	% of Total	No. of Shares	% of Total
1	1-5,000	6*	85.714286	6*	0.000003
2	1,00,001 & above	1	14.285714	239,984,994	99.999997
Total		**7**	**100.00**	**239,985,000**	**100**

* *6 Individuals hold 1 (one) equity share of ₹ 10/- each jointly with MCX.*

16. Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out, on a quarterly basis, Reconciliation of Share Capital Audit to reconcile the total admitted capital with CDSL and the total issued capital. The report thereon is available on the website of the Company. Based on the Reconciliation of Share Capital Audit report, it is certified/confirmed that the total issued/paid-up capital is dematerialised and held with CDSL.

CEO & CFO CERTIFICATION FOR THE FY 2024-25

May 08, 2025

To
The Board of Directors
Multi Commodity Exchange Clearing Corporation Limited
3rd Floor, Exchange Square, CTS No. 255,
Suren Road, Andheri – East
Mumbai – 400 093.

We, Narendra Kumar Ahlawat, Managing Director & Chief Executive Officer and Rajesh Kumar Agrawal, Chief Financial Officer of Multi Commodity Exchange Clearing Corporation Limited, certify that:

a) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2025 and to the best of our knowledge and belief, subject to emphasis of matter highlighted by the Statutory Auditors in their even dated report read along with the notes to accounts in the financial statements.

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.

c) We accept the responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee:

   i. significant changes in internal control over financial reporting during the year;
   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

The aforesaid are subject to the matters that have been highlighted by the Statutory Auditors in their report giving Emphasis of Matter, read along with the notes to accounts in the financial statements.

For Multi Commodity Exchange Clearing Corporation Limited

Narendra Kumar Ahlawat	**Rajesh Kumar Agrawal**
MD & CEO	**Chief Financial Officer**
DIN: 07629724	

DECLARATION BY CHIEF EXECUTIVE OFFICER UNDER REGULATION 34(3) READ WITH SCHEDULE V OF SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF COMPLIANCE WITH COMPANY'S CODE OF CONDUCT

This is to confirm that the members of Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of Multi Commodity Exchange Clearing Corporation Limited, as applicable to them, for the Financial Year ended March 31, 2025.

For **Multi Commodity Exchange Clearing Corporation Limited**

Narendra Kumar Ahlawat
MD & CEO
DIN: 07629724
Place: Mumbai
Date: July 30, 2025

Anil V. Mayekar
Ketki M. Save
Jatin P. Patil
Sagar P. Mehendale

MAYEKAR & ASSOCIATES

605 - Jai Kirti Apartment, 76 Turel Pakhadi Road, Malad (west), Liberty Garden Rd. No. 2, Mumbai 64. Tel: +91-022-35670702 Email: office@csmayekar.com

Practicing Company Secretaries' Certificate on Corporate Governance

To
The Members of
Multi Commodity Exchange Clearing Corporation Limited

We have examined the compliance of the conditions of Corporate Governance and disclosure requirements by **Multi Commodity Exchange Clearing Corporation Limited (CIN - U74999MH2008PLC185349)** (hereinafter referred to as "**the Company"**) as specified for the Listed Companies for the year ended March 31, 2025.

In terms of Regulation 33(1) of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, the disclosure requirements and corporate governance norms as specified for listed companies have become mutatis mutandis applicable to a recognized Stock Exchange. We have obtained all the information and explanations to the best of our knowledge and belief, which were necessary for the purpose of this certification.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with disclosure requirements and corporate governance norms as specified for Listed Companies.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the disclosure requirements and corporate governance norms.

It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mayekar Associates
Company Secretaries
Firm Registration Number: P2005MH007400
PR Certificate No: 4385/2023

Jatin Prabhakar Patil
FCS No: 7282/ COP. No.: 7954
Place-Mumbai
UDIN: F007282G000934824
Date- 30.07.2025

Anil V. Mayekar
Ketki M. Save
Jatin P. Patil
Sagar P. Mehendale

MAYEKAR & ASSOCIATES

605 - Jai Kirti Apartment, 76 Turel Pakhadi Road, Malad (west), Liberty Garden Rd. No. 2, Mumbai 64. Tel: +91-022-35670702 Email: office@csmayekar.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Multi Commodity Exchange Clearing Corporation Limited

We have examined the relevant registers, forms & disclosures received from the Directors, records and returns maintained by **Multi Commodity Exchange Clearing Corporation Limited** having Corporate Identification Number: **U74999MH2008PLC185349** and having registered office at **Exchange Square, CTS 255, Suren Road, Andheri (East) Mumbai - 400093** (hereinafter referred to as "**the Company**"), produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para−C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (hereinafter referred to as "**DIN**") status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors as stated below on the Board of the Company as on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies, by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	Name of Directors	DIN	Date of Appointment in Company*
1.	Mr. Narendra Kumar Ahlawat	07629724	April 01, 2018
2.	Mr. Mohan Narayan Shenoi	01603606	March 8, 2023
3.	Mr. Manoj Kumar Jain	09694205	January 18,2024
4.	Mr. Srinivas Petluri	02836590	December 11,2023
5.	Mr. Prafulla Premsukh Chhajed	03544734	December 11,2023
6.	Ms. Kemisha Soni	06805708	December 11,2023
7.	Mr. Ganesh Kumar Sundara Iyer	07635860	February 22,2024

****The date of appointment in the Company is as per signatory details available on the website of the Ministry of Corporate Affairs.***

For Mayekar Associates
Company Secretaries
Firm Registration Number: P2005MH007400
PR Certificate No: 4385/2023

Jatin Prabhakar Patil
FCS No: 7282/ COP. No.: 7954
Place-Mumbai
UDIN: F007282G000934991
Date- 30.07.2025

INDEPENDENT AUDITOR'S REPORT

To the Members of **Multi Commodity Exchange Clearing Corporation Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Multi Commodity Exchange Clearing Corporation Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon. The Director's report has not been made available to us.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.

- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned
scope and timing of the audit and significant audit findings, including any significant deficiencies in
internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

v. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

vii. The Company has neither declared nor paid any dividend during the year.

viii. Based on our examination, the Company has used an accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility. The audit trail feature has been operated throughout the year for all transactions recorded in the accounting softwares. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Prateek Khandelwal
Partner
Membership Number: 139144
UDIN: 25139144BMOJTW8126

Mumbai
May 08, 2025

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MULTI COMMODITY EXCHANGE CLEARING CORPORATION LIMITED FOR THE YEAR ENDED MARCH 31, 2025

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a)

A. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the provisions stated under clause 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii.

(a) The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.

(b) The Company has been sanctioned the working capital limits in excess of Rs. 5 crores in aggregate from banks on the basis of security of current assets. However, according to the information and explanation provided to us there is no requirement of filing the quarterly return/statement as this is an overdraft facility against the Fixed Deposits of the Company.

iii.

(a) According to the information and explanations provided to us, the Company has not provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions stated under paragraph 3(iii)(a) and 3(iii) (c) to (f) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made are not prejudicial to the interest of the Company. Further, the Company has not provided any guarantees or securities or grant of loans and advances, in the nature of loans and guarantees.

iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(v) of the Order is not applicable to the Company.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/services of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.

There are no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, cess, and other

statutory dues in arrears as at March 31, 2025, outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues relating to goods and services tax, provident fund, employees' state insurance, income tax, cess and any other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.

ix.

(a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the provision stated under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations provided to us, there are no funds raised on short term basis. Accordingly, the provision stated in paragraph 3(ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under Clause 3(ix)(e) of the order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.

x.

(a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the

provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.

xi.

(a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.

(b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

(a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or

persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Act in clause 3(xv) of the Order is not applicable to the Company.

xvi.

(a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Company does not have any CIC as a part of its group. Accordingly, the provisions stated under clause 3 (xvi)(d) of the Order are not applicable to the Company.

xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3 (xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Act or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII to the Act. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.

xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under Clause 3(xxi) of the Order is not applicable.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Prateek Khandelwal
Partner
Membership Number: 139144
UDIN: 25139144BMOJTW8126

Mumbai
May 08, 2025

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MULTI COMMODITY EXCHANGE CLEARING CORPORATION LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Multi Commodity Exchange Clearing Corporation Limited on the Financial Statements for the year ended March 31, 2025]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Multi Commodity Exchange Clearing Corporation Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company, including has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Management and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls With reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Prateek Khandelwal
Partner
Membership Number: 139144
UDIN: 25139144BMOJTW8126

Mumbai
May 08, 2025

Multi Commodity Exchange Clearing Corporation Limited
Balance Sheet as at March 31, 2025

Rs. in lakh

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	2A	10	16
(b) Right to use assets	2B	111	303
(c) Intangible assets	3A	622	598
(d) Intangible assets under development	3B	22	30
(e) Financial assets			
(i) Other non-current financial assets	4	26,099	81,784
(f) Income tax assets (net)	5	706	631
(g) Other non-current assets	6	-	1
Total non-current assets		**27,570**	**83,363**
(2) Current assets			
(a) Financial assets			
(i) Investments	7	1,423	2,507
(ii) Trade receivables	8	2,067	1,091
(iii) Cash and cash equivalents	9	33,763	17,935
(iv) Bank balances (other than cash and cash equivalents)	10	1,51,926	76,931
(v) Others financial assets	11	11,829	3,496
(b) Other current assets	12	223	590
Total current assets		**2,01,231**	**1,02,550**
Total assets		**2,28,801**	**1,85,913**
Equity and liabilities			
(1) Equity			
(a) Equity share capital	13	23,999	23,999
(b) Other equity	14	(3,986)	(16,868)
Total equity		**20,013**	**7,131**
(2) Core Settlement Guarantee Fund (Core SGF)	15	93,014	78,056
Liabilities:			
(3) Non-current liabilities			
(a) Financial liabilities:			
(i) Other non-current financial liabilities	16	216	221
(ii) Non- current lease liabilities	16(a)	-	98
(b) Non- current provisions	17	75	53
Total non-current liabilities		**291**	**372**
(4) Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	35(d) (ii)	13	11
Total outstanding dues of creditors other than micro enterprises and small enterprises	35(d) (ii)	755	616
(ii) Current lease liabilities	18(a)	121	223
(iii) Other financial liabilities	18	1,12,513	98,350
(b) Other current liabilities	19	2,020	1,107
(c) Current provisions	20	61	47
Total current liabilities		**1,15,483**	**1,00,354**
Total liabilities		**2,08,788**	**1,78,782**
Total equity and liabilities		**2,28,801**	**1,85,913**
Summary of material accounting policies	1		
See accompanying notes to the financial statements.	1-42		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration Number : 105047W

Prateek Khandelwal
Partner
Membership Number: 139144

Mumbai
May 08, 2025

For and on behalf of the Board of Directors

Narendra Kumar Ahlawat
Managing Director & CEO
DIN : 07629724

Prafulla Chhajed
Chairman
DIN: 03544734

Kemisha Soni
Director
DIN : 06805708

Mandar Kulkarni
Company Secretary

Rajesh Kumar Agrawal
Chief Financial Officer

Mumbai
May 08, 2025

Multi Commodity Exchange Clearing Corporation Limited

Statement of profit and loss for the year ended March 31, 2025

Rs. in Lakh unless otherwise stated

	Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
I	**Income**			
	Revenue from operations	21	23,897	16,736
	Other income	22	351	148
	Total income		**24,248**	**16,884**
II	**Expenses**			
	Employee benefits expense	23	2,759	2,299
	Finance costs	24	48	37
	Depreciation and amortization expense	2A, 2B & 3A	472	367
	Information technology expenses	25	4,868	9,947
	Other expenses	26	1,765	952
	Total expenses		**9,912**	**13,602**
III	**Profit before tax**		**14,336**	**3,282**
IV	**Tax expenses:**			
	Current tax	28	(9)	(11)
	Excess/(short) provision for tax relating to previous years		-	(12)
	Deferred tax	28	-	-
V	**Profit for the year**		**14,327**	**3,259**
VI	Other comprehensive income:			
	Items that will be reclassified to profit or loss (net of tax)			
	Remeasurement of employee benefits obligations		(30)	(17)
VII	**Total comprehensive income for the year**		**14,297**	**3,242**
VIII	**Earnings per equity share (of Rs. 10/- each)**	30		
	Basic earnings per share (in Rs.)		5.97	1.36
	Diluted earnings per share (in Rs.)		5.97	1.36
Summary of material accounting policies		1		
See accompanying notes to the financial statements.		1-42		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration Number : 105047W

Prateek Khandelwal
Partner
Membership Number: 139144

Mumbai
May 08, 2025

For and on behalf of the Board of Directors

Narendra Kumar Ahlawat
Managing Director & CEO
DIN : 07629724

Prafulla Chhajed
Chairman
DIN : 03544734

Kemisha Soni
Director
DIN : 06805708

Mandar Kulkarni
Company Secretary

Rajesh Kumar Agrawal
Chief Financial Officer

Mumbai
May 08, 2025

Multi Commodity Exchange Clearing Corporation Limited

Statement of changes in equity for the year ended March 31, 2025

Rs. in lakh

Particulars	Equity Share Capital (A)	Other Equity (B)
As at April 01, 2023	**23,999**	**(11,604)**
Profit for the year	-	3,242
Equity shares issued during the year	-	-
Transfer to Core Settlement Guarantee Fund (refer note 36)	-	(8,506)
As at March 31, 2024	**23,999**	**(16,868)**
Profit for the year	-	14,297
Equity shares issued during the year	-	-
Transfer to Core Settlement Guarantee Fund (refer note 36)	-	(1,415)
As at March 31, 2025	**23,999**	**(3,986)**

As per our report of even date attached.

For M S K A & Associates
Chartered Accountants
Firm Registration Number : 105047W

Prateek Khandelwal
Partner
Membership Number: 139144

Mumbai
May 08, 2025

For and on behalf of the Board of Directors

Narendra Kumar Ahlawat
Managing Director & CEO
DIN : 07629724

Prafulla Chhajed
Chairman
DIN : 03544734

Kemisha Soni
Director
DIN : 06805708

Mandar Kulkarni
Company Secretary

Rajesh Kumar Agrawal
Chief Financial Officer

Mumbai
May 08, 2025

Multi Commodity Exchange Clearing Corporation Limited

Cash Flow Statement for the year ended March 31, 2025

Rs. in lakh

	Particulars	Year ended			
		March 31, 2025		March 31, 2024	
A	**Cash flow from operating activities**				
	Profit before exceptional items and tax		**14,336**		**3,282**
	Adjustments for:				
	Depreciation and amortisation expense	472		367	
	Finance costs	48		37	
	Gain on fair value of investments	(1)		(7)	
	Remeasurement of employee benefits	(30)		(17)	
	Excess provision written back	(313)		(99)	
			176		**281**
	Operating profit before working capital changes		**14,512**		**3,563**
	Changes in working capital				
	Adjustments for (increase) / decrease in assets				
	Other financial assets (non current)	2,949		(3,124)	
	Other non-current assets	1		(1)	
	Trade receivables	(976)		(434)	
	Other financial assets (current)	(8,333)		545	
	Other current assets	367		(531)	
	Adjustment for increase in Core Settlement Guarantee Fund (Core SGF)	14,958		19,080	
	Additional contribution to Core Settlement Guarantee Fund (Core SGF)	(1,415)		(8,506)	
	Adjustments for increase / (decrease) in liabilities				
	Other non-current financial liabilities	(5)		54	
	Non - current provisions	22		5	
	Trade payables	141		459	
	Other financial liabilities	14,476		27,843	
	Other current liabilities	913		(404)	
	Current provisions	14		1	
			23,112		**34,987**
	Cash generated from operations		**37,624**		**38,550**
	Less: Income tax paid (net of refunds)		(84)		(270)
	Net cash generated from operating activities		**37,540**		**38,280**
B	**Cash flow from investing activities:**				
	Capital expenditure on fixed assets		(223)		(239)
	(Purchase)/Sale of current investment		1,085		4,906
	Investment in term deposits		(22,259)		(42,837)
	Net cash flow used from investing activities		**(21,397)**		**(38,170)**
C	**Cash flow from financing activities:**				
	Finance cost paid		(29)		(37)
	Payment of lease liabilities including interest		(286)		(206)
	Net cash flow used in financing activities		**(315)**		**(243)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)		**15,828**		**(133)**
	Cash and cash equivalents at the beginning of the year		17,935		18,068
	Cash and cash equivalents at the end of the year		**33,763**		**17,935**

Note to Cash Flow Statement:

1 The cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows".

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm Registration Number : 105047W

For and on behalf of the Board of Directors

Prateek Khandelwal
Partner
Membership Number: 139144

Narendra Kumar Ahlawat
Managing Director & CEO
DIN : 07629724

Prafulla Chhajed
Chairman
DIN : 03544734

Kemisha Soni
Director
DIN : 06805708

Mumbai
May 08, 2025

Mandar Kulkarni
Company Secretary

Rajesh Kumar Agrawal
Chief Financial Officer

Mumbai
May 08, 2025

Multi Commodity Exchange Clearing Corporation Limited
Notes forming part of the financial statements

1. Company Overview and Material Accounting Policies, Key accounting estimates and Judgements:

Multi Commodity Exchange Clearing Corporation Limited (MCX CCL) is a fully owned subsidiary of Multi Commodity Exchange of India Limited (MCX) incorporated on 01st August, 2008 under the provisions of the Companies Act, 2013. The Company has its registered office at 'Exchange Square', Suren Road, Chakala, Andheri (East), Mumbai 400093, India. The Company is primarily engaged in the business of providing Clearing and Settlement of contracts traded on the platform of MCX.

1.1 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

1.2 Material Accounting Policies

A. Property, plant and equipment

Property, plant and equipment are stated at original cost, less accumulated depreciation and accumulated impairment losses, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

Depreciation methods, estimated useful lives and residual value:
Depreciation is calculated using the straight-line method to allocate their cost over their estimated useful lives as follows:

Asset Class	Useful Life	Useful Life as per Companies Act
Vehicles	5 years	5 years
Furniture and fixtures	10 years	10 years
Computer Hardware	3-6 years	3-6 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end.

The Company, based on management estimate, depreciates certain items over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

B. Intangible assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. Expenditure on an intangible item is expensed when incurred unless it forms part of the cost of intangible asset that meets the recognition criteria. Intangible assets are stated at cost of acquisition and are carried at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. Amortization methods and useful lives are reviewed at each financial year end.

Amortisation is calculated using the straight–line method to write down the cost of intangible assets to their residual values over their estimated useful lives, as follows:

Asset Class	**Useful Life**
Computer software	5 years

At each balance sheet date consideration is given to determine whether there is any indication of impairment of the carrying amounts of the Company's intangible assets. If indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of an asset exceeds its recoverable amount.

C. Fair Value Measurement

The Company measures financial instruments at fair value in accordance with accounting policies at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

D. Revenue Recognition

Revenue is recognized on accrual basis and when no significant uncertainty as to measurement and realization exists.

a) Clearing and Settlement charges, are recognized on accrual basis as and when the services are rendered
b) Subscription and other fees – Revenue is recognized on straight line basis over the period to which fee relates.
c) Dividend income is recognized when the Company's right to receive dividend is established.
d) Warehouse income is recognized on accrual basis.
e) Interest income accrued on time proportion basis.

E. Income taxes

Income tax expense comprises current and deferred income tax. Current income tax for taxable profit before tax as reported in the Statement of Profit and Loss for the periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.
Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized in other comprehensive income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred tax relating to items recognized outside the statement of profit and loss are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

F. Impairment of non-financial assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired, if such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

G. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events, when the probability of outflow of resources is remote.

Provisions and contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

H. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, short-term deposits with a maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

I. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

J. Financial Instruments

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial Assets:

The Company measures its financial assets at fair value at each balance sheet date. In this context, quoted investments are fair valued adopting the techniques defined in Level 1 of fair value hierarchy of Ind-AS 113 "Fair Value Measurement" and unquoted investments, where the observable input is not readily available, are fair valued adopting the techniques defined in Level 3 of fair value hierarchy of Ind-AS 113 and securing the valuation report from the certified Valuer. However, trade receivables that do not contain a significant financing component are measured at transaction price.

The Company classifies a financial asset in accordance with the below criteria:
i. The Company's business model for managing the financial asset and
ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:
i. Financial assets measured at amortized cost
ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
iii. Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset is measured at the amortized cost if both the following conditions are met:
a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVTOCI if both of the following conditions are met:

a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss and fair value changes are recognized in Other Comprehensive Income (OCI).

Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

De-recognition

Financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;
  (a) The Company has transferred substantially all the risks and rewards of the asset, or
  (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On De-recognition of a financial asset, (except as mentioned in (ii) above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVTOCI)
- Financial assets measure at fair value through profit and loss (FVTPL)

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

b) Financial Liabilities

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument.

All non-current financial liabilities of the Company are measured at amortized cost using the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting

date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit or Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

K. Employee Benefits Expenses

a) Post-employment benefits and other long-term benefits

Payments to defined contribution schemes are recognized as an expense when employees have rendered the service entitling them to the contribution. The cost of providing benefits under the defined benefit scheme is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The company recognizes re-measurement gains and losses arising on defined benefit gratuity plans in Other Comprehensive Income (OCI) as they will never be reclassified into profit or loss, they are immediately recorded in retained earnings.

b) Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period when the employee renders those services. These benefits include compensated absences such as leave expected to be availed within a year and performance incentives.

L. Core Settlement Guarantee Funds

As per SEBI vide circular no. CIR/MRD/DRMNP/25/2014 dated August 27, 2014, and SEBI/HO/CDMRD/DRMP/CIR/P/2018/11 dated July 11, 2018, every recognized clearing corporation shall establish and maintain a Fund to guarantee the settlement of trades executed in the exchange. The Clearing Corporation shall have a fund called Core SGF to guarantee the settlement of trades executed in the respective segment of the Stock Exchange. In the event of a clearing member failing to honour settlement commitments, the Core SGF shall be used to fulfil the obligations of that member and complete the settlement without affecting the normal settlement process. The Core SGF shall be contributed in a manner as prescribed by

SEBI. This fund is represented by earmarked Core SGF investments. The income earned on such investments is credited to the respective contributor's funds and adjusted towards incremental requirement of Minimum Required Corpus (MRC) as per SEBI letter reference no. SEBI/HO/MRD/DRMNP/OW/P/2018/4559/1 dated February 12, 2018. Penalties and fines levied by the Company are transferred to Core SGF as Other Contributions.

M. Functional currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

N. Earnings per share

Basic earnings per share are computed by dividing the profit after tax available to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

O. Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

1.3. Key accounting estimates and Judgments

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Property, Plant and Equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Fair value measurement of financial instruments

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Leases

The Company, as a lessee, recognizes a right-of-use (ROU) asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. ROU assets and lease liabilities are initially recognised based on the present value of the future lease payments over the lease term. The discount rate used in determining the present value is the Company's incremental borrowing rate. The ROU asset also includes any prepaid lease payments and initial direct costs incurred and are reduced to reflect lease incentives received. The interest on lease liabilities is accrued at a constant periodic rate of interest on the remaining balance of the lease liability. The lease liability is re-measured if the Company changes its assessment of whether it will exercise an extension or termination option or undertakes certain modifications of the lease. The ROU asset is depreciated on a straight line basis from the lease commencement date to the

earlier of the end of its useful life or the end of the lease term. Depreciation of ROU assets is presented within 'Depreciation and Amortization'. In addition, the ROU asset is tested for impairment losses where there is an impairment event.

The Company evaluates contracts greater than one year to determine whether they contain lease components at inception. Where contracts contain both lease and non-lease components, they are accounted for as a single lease. The Company has made certain judgments and elected certain practical expedients while applying the standard.

The Company presents ROU assets as a separate line item under non-current assets and lease liabilities within the 'Other Current Financial Liabilities' line of the Balance sheet.

Round Off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

2A. Property, plant and equipment

Rs. in lakh

Particulars	Furniture and Fixtures	Office Equipment	Vehicles	Computer Hardware	Total
Gross carrying amount:					
Balance as at April 01, 2023	**0**	**1**	**21**	**16**	**38**
Additions	-	-	-	6	6
Disposals	-	-	-	(7)	(7)
Balance as at March 31, 2024	**0**	**1**	**21**	**15**	**37**
Additions	-	-	-	31	31
Disposals	-	-	-	-	-
Balance as at March 31, 2025	**0**	**1**	**21**	**46**	**68**
Accumulated Depreciation:					
Balance as at April 01, 2023	**0**	**0**	**6**	**7**	**13**
Additions	0	0	4	10	15
Disposals	-	-	-	(7)	(7)
Balance as at March 31, 2024	**0**	**1**	**10**	**10**	**21**
Additions	0	0	4	33	37
Disposals	-	-	-	-	-
Balance as at March 31, 2025	**0**	**1**	**14**	**43**	**58**
Net carrying amount:					
Balance as at March 31, 2024	**0**	**1**	**10**	**5**	**16**
Balance as at March 31, 2025	**0**	**1**	**6**	**3**	**10**

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

2B. Right to use asset (Refer note 29)

Rs. in lakh

Particulars	Lease	Total
Gross carrying amount:		
Balance as at April 01, 2023	**641**	**641**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2024	**641**	**641**
Additions	67	67
Disposals	-	-
Balance as at March 31, 2025	**708**	**708**
Accumulated Depreciation:		
Balance as at April 01, 2023	**125**	**125**
Additions	214	214
Disposals	-	-
Balance as at March 31, 2024	**338**	**338**
Additions	259	259
Disposals	-	-
Balance as at March 31, 2025	**597**	**597**
Net carrying amount:		
Balance as at March 31, 2024	**303**	**303**
Balance as at March 31, 2025	**111**	**111**

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

3A. Intangible assets

Rs. in lakh

Particulars	Computer Software	Total
Gross carrying amount:		
Balance as at April 01, 2023	**751**	**751**
Additions	224	224
Disposals	**-**	**-**
Balance as at March 31, 2024	**975**	**975**
Additions	200	200
Disposals	-	**-**
Balance as at March 31, 2025	**1,175**	**1,175**
Accumulated Depreciation:		
Balance as at April 01, 2023	**237**	**237**
Additions	140	140
Disposals	**-**	
Balance as at March 31, 2024	**377**	**377**
Additions	176	176
Disposals	-	-
Balance as at March 31, 2025	**553**	**553**
Net carrying amount:	-	**-**
Balance as at March 31, 2024	**598**	**598**
Balance as at March 31, 2025	**622**	**622**

Note :- 3B - Intangible assets under development: **Rs. in lakh**

Balance as at March 31, 2024	30	**30**
Balance as at March 31, 2025	22	**22**

Ageing for Intangible assets under development is as follows: **Rs. in lakh**

Intangible asset under development	Amount in CWIP for a period of		
	Less than 1 year	1-2 years	Total
Projects in progress as at March 31, 2024	30	-	**30**
Projects in progress as at March 31, 2025	22	-	**22**

Completion schedule is as follows: **Rs. in lakh**

Intangible asset under development	To be completed in		
	Less than 1 year	1-2 years	Total
Projects in progress as at March 31, 2024	30	-	**30**
Projects in progress as at March 31, 2025	22	-	**22**

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

4. Non current - Other financial assets

Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good:		
Security deposits	62	55
Bank deposits with more than 12 months maturity*	25,845	78,581
Interest accrued but not due on fixed deposits	192	3,148
Total	**26,099**	**81,784**

*Bank deposits include :

Deposits which are earmarked for Core Settlement Guarantee Fund Rs. 12,964 lakh (as at March 31, 2024: Rs. 31,337 lakh)

#Interest accrued on fixed deposits include :

Interest accrued on fixed deposits which are earmarked for Core Settlement Guarantee Fund Rs. 73 lakh (as at March 31, 2024: Rs. 1,104 lakh)

5. Income tax assets (net)

Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Advance income tax [net of provision of Rs. 9 lakh (as at March 31, 2024 : Rs. 11 lakh)]*	706	631
Total	**706**	**631**

*includes TDS receivable on fixed deposit on SGF of Rs. 115 lakh (as at March 31, 2024: Rs. 117 lakh)

6. Other non-current assets

Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	-	1
Total	**-**	**1**

7. Current investments

Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Investment in mutual funds - FVTPL		
Unquoted Investments		
41,727.807 (as at March 31, 2024: Nil) units in Aditya Birla Sun Life Liquid Fund - Dir - Growth	175	-
1,106.804 (as at March 31, 2024: Nil) units in Nippon India Liquid Fund - Dir - Growth	70	-
3,756.559 (as at March 31, 2024: Nil) units in Axis Liquid Fund - Direct Growth*	108	-
18,632.113 (as at March 31, 2024: Nil) units in Axis Liquid Fund - Direct Growth	537	-
12,530.008 (as at March 31, 2024: Nil) units in UTI Liquid Cash Plan Direct Growth	533	-
Nil (as at March 31, 2024: 66,339.772) units in SBI Liquid Fund Direct Growth	-	2,507
Total	**1,423**	**2,507**
* earmarked for Core Settlement Guarantee Fund		
Aggregate amount of not listed not quoted Investments at Fair value	1,423	2,507
Aggregate amount of not listed not quoted Investments at cost	1,415	2,500
Aggregate amount of impairment in value of Investments	-	-

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

8. Trade receivables Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good (refer note 32)*	1,165	367
Secured, considered good	902	724
Total	**2,067**	**1,091**

* includes Rs. 1,156 lakhs (previous year: Rs. 682 lakhs) receivable from holding company

9. Cash and cash equivalents Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- in current accounts*	33,763	17,935
Total	**33,763**	**17,935**

* Includes balance of Rs. 3 lakh (Rs. 66 lakh as at March 31, 2024) in Core Settlement Guarantee Fund earmarked bank accounts

10. Bank balances (other than cash and cash equivalents) Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Bank deposits with more than 3 months but less than 12 months maturity*	1,51,926	76,931
Total	**1,51,926**	**76,931**

a) Bank deposits include deposits which are earmarked for Core Settlement Guarantee Fund Rs. 74,869 lakh (as at March 31, 2024: Rs. 43,531 lakh)

b) Deposits other than note (a) which are under lien with banks for overdraft facilities - Rs. 19,630 lakh (as at March 31, 2024: Rs. 7,500 lakh)

11. Current - Other financial assets Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
a) Secured, considered good		
Unbilled revenue	215	183
b) Unsecured, considered good (unless stated otherwise)		
Interest accrued but not due on fixed deposits	11,614	3,313
Total	**11,829**	**3,496**

*Interest accrued on Fixed deposits include :

Interest accrued on fixed deposits which are earmarked for Core Settlement Guarantee Fund Rs. 4,882 lakh (as at March 31, 2024: Rs. 1,899 lakh)

12. Other current assets Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good (unless stated otherwise)		
Advances for supply of services other than capital advance	4	4
Prepaid expenses	18	10
Balance with government authorities	201	576
Total	**223**	**590**

Multi Commodity Exchange Clearing Corporation Limited
Notes forming part of the financial statements for the year ended March 31, 2025

13. Equity share capital:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	Rs. in lakh	Number of Shares	Rs. in lakh
Authorized				
Equity shares of Rs. 10/- each	30,00,00,000	30,000	30,00,00,000	30,000
Issued				
Equity shares of Rs. 10/- each	23,99,85,000	23,999	23,99,85,000	23,999
Subscribed and paid-up				
Equity shares of Rs. 10/- each	23,99,85,000	23,999	23,99,85,000	23,999
	23,99,85,000	**23,999**	**23,99,85,000**	**23,999**

a. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	Rs. in lakh	Number of shares held	Rs. in lakh
Balance at the beginning of the year	23,99,85,000	23,999	23,99,85,000	23,999
Add: Issued during the year	-	-	-	-
Balance at the end of the year	**23,99,85,000**	**23,999**	**23,99,85,000**	**23,999**

b. Details of shares held by each shareholder holding more than 5% Shares:

Name of shareholders	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	% of holding	Number of Shares	% of holding
Multi Commodity Exchange of India Limited (The shares include 6 shares held by nominees of Multi Commodity Exchange of India Limited)	23,99,85,000	100%	23,99,85,000	100%

c. Shares held by Holding Company:

Name of Shareholders	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	% of holding	Number of Shares	% of holding
Multi Commodity Exchange of India Limited (The shares include 6 shares held by nominees of Multi Commodity Exchange of India Limited)	23,99,85,000	100%	23,99,85,000	100%

d. The Company has only one class of equity shares having par value of Rs 10/- each. The Company declares and pays dividend in Indian Rupees. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the proportion of equity shares held.

e. No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

f. No class of shares have been bought back by the Company during the period of five years immediately preceding the current year.

14. Other equity

Surplus/(deficit) in the statement of profit and loss: Rs. in lakh

Particulars	As at	
	March 31, 2025	March 31, 2024
Opening balance at the beginning of the year	(16,868)	(11,604)
Transfer to Core Settlement Guarantee Fund (refer note 36)	(1,415)	(8,506)
Add: profit for the year	14,297	3,242
Balance at the end of the year	**(3,986)**	**(16,868)**

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

15. Core Settlement Guarantee Fund (SGF) (refer note 36)

Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance (cash component)	78,056	58,976
Add/(Less): Clearing Corporation Limited - contribution	4,902	11,234
Add: Exchange- MCX contribution*	4,778	3,370
Add: Settlement related penalties	5,278	4,476
Total	**93,014**	**78,056**

*includes Rs. 3,543 lakh (previous year: Rs. 2,452 lakh) as additional contribution to Core SGF, additional amount is on account of penalty and interest

16. Other non-current financial liabilities:

Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Employee benefits payable	216	221
Total	**216**	**221**

16 (a). Non- current lease liabilities

Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liability (refer note 29)	-	98
Total	**-**	**98**

17. Non-current provisions

Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for compensated absences	75	53
Total	**75**	**53**

18. Current - other financial liabilities

Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Advance received from members and applicants towards		
- Trading margin from members	1,05,456	91,770
- Member's security deposits	2,226	2,666
Trade / Security deposits from settlement bankers	2,300	2,300
Payable to holding company (refer note 32)	1,964	1,181
Employee benefits payable	471	367
Members obligation for transaction fees	21	23
Warehouse deposits	34	42
Others	41	1
Total	**1,12,513**	**98,350**

18 (a). Current lease liabilities

Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liability (refer note 29)	121	223
Total	**121**	**223**

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

19. Other current liabilities **Rs. in lakh**

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	2,019	1,107
Payable to Core Settlement Guarantee Fund	0	0
Income received in advance	1	-
Total	**2,020**	**1,107**

20. Current provisions: **Rs. in lakh**

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for compensated absences	11	9
Provision for gratuity (refer note 34)	50	38
Total	**61**	**47**

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

21. Revenue from operations **Rs. in lakh**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of services		
Clearing and Settlement fees (refer note 32)	12,022	6,996
Annual subscription fees	109	103
Membership admission fees	123	143
	12,254	7,242
Other operating revenues		
Income from treasury	9,638	8,385
Warehouse income	1,921	1,049
Others	84	60
	11,643	9,494
Total	**23,897**	**16,736**

22. Other Income **Rs. in lakh**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on income tax refund	34	45
Provisions written back	313	99
Miscellaneous income	4	4
Total	**351**	**148**

23. Employee benefits expense **Rs. in lakh**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages, bonus and other allowances	2,614	2,163
Contribution to provident and other funds	139	111
Staff welfare expenses	6	25
Total	**2,759**	**2,299**

24. Finance costs **Rs. in lakh**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on overdraft	28	4
Interest on lease liabilities (refer note 29)	20	33
Total	**48**	**37**

25. Information technology expenses **Rs. in lakh**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Software support charges (refer note 32)*	4,868	9,947
Total	**4,868**	**9,947**

* includes Rs. 4,735 lakhs (previous year: Rs. 9,852 lakh) charged by holding company

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

26. Other expenses **Rs. in lakh**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Advertisement	2	2
Rent	546	353
Insurance	30	26
Financial Disincentive (refer note 36)	150	-
Settlement payment to SEBI [refer note 36(a)]	270	-
Provision towards show cause notice [refer note 36(b)]	175	-
Travelling and conveyance	91	69
Printing and stationery	2	2
CSR related expenses (refer note 37)	54	58
Legal and professional	188	221
Membership fees and subscriptions	31	31
Payment to the auditors	-	-
- For audit	6	6
- For taxation matters	1	1
Loss on fixed assets sold/scrapped	-	0
Directors Sitting fees	165	155
Office	36	16
Miscellaneous	18	12
Total	**1,765**	**952**

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

27. Contingent liabilities and commitments (to the extent not provided for):

There are no contingent liabilities as at the end of the current year and previous year which have not been provided for in the book of accounts

Capital commitments: **Rs. in lakh**

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-

28. Income tax related to items charged or credited directly to profit or loss during the year :

a. Income tax expense: **Rs. in lakh**

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Current tax	9	11
Deferred tax	-	-
Excess provision for tax relating to previous years	-	12
Total Income tax expense	**9**	**23**

b. Reconciliation of tax expense: **Rs. in lakh (as otherwise stated)**

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Reconciliation:		
Profit / (loss) before tax	14,336	3,282
Applicable tax rate	25.17%	25.17%
Computed expected tax expense	3,608	826
Add:		
Expenses disallowed	299	227
Income from other source	9	11
Less:		
Expenses allowed	(217)	(178)
Contribution to SGF	(356)	(2,141)
Set off of business loss	(3,334)	1,265
	9	**11**
Excess provision for tax relating to prior year	-	12
Income tax expense per profit & loss account	**9**	**23**
Effective tax rate	**0.06%**	**0.70%**

c. Deferred tax relates to the following: **Rs. in lakh**

Particulars	As at March 31, 2025	As at March 31, 2024
Expenses allowable on payment basis	-	-
Other items giving rise to temporary differences (including impact on fair value of investments)	-	-
Difference between WDV of property, plant and equipment as per books of accounts and income tax	-	-
Deferred tax asset / (liability)	**-**	**-**

d. Reconciliation of deferred tax assets / (liabilities) net: **Rs. in lakh**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance as on 1st April	-	-
Tax income / (expense) during the year recognized in profit & loss account	-	-
Deferred tax liability reversed during the year	-	-
Closing balance	**-**	**-**

Note: No deferred tax assets has been recognised owing to uncertainity over significant future taxable profits against which such temporary difference can be utilised.

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

29. IND AS 116 Leases:

a) The movement in lease liabilities during the year: **Rs. in lakh**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance as on 01.04.2024	**321**	**528**
Additions during the year	67	-
Finance costs incurred during the year	20	33
Payment of lease liabilities	(286)	(239)
Lease liabilities as on 31.03.2025	**121**	**321**
Non-current lease liability	-	98
Current lease liability	121	223

b) The carrying value of the right of use and depreciation charged during the year: **Rs. in lakh**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance as on 01.04.2024	303	517
Additions during the year	67	-
Depreciation charged during the year	(259)	(214)
Right to use asset as on 31.03.2025	**111**	**303**

c) Amounts recognised in statement of profit or loss: **Rs. in lakh**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on ROU	259	214
Finance costs incurred during the year	20	33

d) Maturity analysis of lease liabilities: **Rs. in lakh**

Particulars	As at March 31, 2025	As at March 31, 2024
Maturity Analysis of contractual undiscounted cash flows		
Less than 1 year	121	223
1-5 years	-	98
More than 5 years	-	-

During the current year, rent amount for the Gift city premises towards short term lease is Rs. 23 lakh (previous year: Rs. 12 lakh)

30. Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Rs. in lakh (as otherwise stated)

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Weighted average shares outstanding - basic and diluted	23,99,85,000	23,99,85,000
Net profit available to equity shareholders	14,327	3,259
Basic and diluted earnings per share	5.97	1.36

31. Segment reporting

Based on the risks and returns identified, organizational structure and the internal financial reporting system, the business segment is the primary segment for the Company and accordingly "business of facilitating clearing and settlement of trades in commodities" is considered as the only Primary Reportable business segment. Further, since the Company renders services only in the domestic market in India, there is no geographical segment.

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

32. Related Party Information

Names of related parties and nature of relationship:

Nature of relationship	Name of Related Party
Holding Company	Multi Commodity Exchange of India Limited (MCX)
Directors	Mr. Ved Kumar Jain (upto 04.12.2023)
	Mr. Nagesh Pinge (upto 04.12.2023)
	Mr. Rajesh Doshi (upto 21.02.2024)
	Dr. Brinda Jagirdar (upto 04.12.2023)
	Mr. P.S. Reddy (upto 22.09.2023)
	Mr. Narendra Kumar Ahlawat
	Mr. Mohan Narayan Shenoi (w.e.f 08.03.2023)
	Mr. Prafulla Chhajed (w.e.f 11.12.2023)
	Mr. Srinivas Petluri (w.e.f 11.12.2023)
	Ms. Kemisha Soni (w.e.f 11.12.2023)
	Mr. Manoj Jain (w.e.f. 18.01.2024)
	Mr. Sundara Iyer Ganesh Kumar S (w.e.f. 22.02.2024)
Key Managerial Personnels (KMP's)	(i) Mr. Narendra Kumar Ahlawat, MD & CEO
	(ii) Mr. Rajesh Kumar Agrawal, Chief Financial Officer (CFO)
	(iii) Mr. Mandar Kulkarni, Company Secretary and VP-Legal
	(iv) Mr. Soundararajan Venkatadas,Chief Operating Officer
	(v) Mr. Praveen Kotian, Head - Legal
	(vi) Mr. Ulhas Ranade, AVP - Warehousing Operations (upto 20.02.2023)
	(vii) Mr. Gitesh Shah, Head - Clearing and Settlement and Collaterals (upto 31.01.2024)
	(viii) Mr. Himanshu Raja, AVP- Spot and Delivery (upto 10.10.2024)
	(ix) Mr. Fardeen Ahmed Iftekhar Siddiquee- Chief Risk Officer (CRiO) (w.e.f. 19.11.2024)
	(x) Mr. Pradip Govind Gurav- Head - HR, Admin & Procurement (w.e.f. 10.12.2024)
	(xi) Mr. Anilkumar Varma, Chief Technology Officer
	(xii) Mr. Arnav Datta, Head – Warehousing Operations, Collaterals, Delivery and Spot (w.e.f. 20.02.2023)
	(xiii) Mr. M Ramalingam, Chief Regulatory officer and Compliance Officer, Head -Membership & Default and Inspection & Investor Grievance (w.e.f. 14.06.2023)
	(xiv) Mr. Mihir Malode- Chief Information Security Officer (CISO) and Data Protection Officer (w.e.f. 05.09.2023)
	(xv) Mr. Pankaj Goel (upto 23.03.2023)

Note:

Includes deferred variable pay of Rs. 45,64,148/- paid to KMP's and Ex- KMP's for the Financial Year 2020-21 paid in Second Quarter of Financial Year 2024-25.

Includes deferred variable pay of Rs. 22,57,267/- paid to KMP's and Ex- KMP's for the Financial Year 2019-20 paid in Second Quarter of Financial Year 2023-24.

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

Transactions with related parties:

The details of transactions with related parties for the year ended March 31, 2025 are as follows:

Rs. in lakh

Nature of Transactions	Holding Company	Shareholder's Directors	Independent Directors	KMP's	Total
Transactions					
Re-imbursements charged to the Company	12	-	-	4	16
Re-imbursements charged by the Company	7	-	-	-	7
Clearing and Settlement fees (^)	12,022	-	-	-	12,022
50% sharing of status report-processing charges	7	-	-	-	7
Regulatory fees, transactions charges, fines and penalties and other collections on behalf of MCX	2,23,695	-	-	-	2,23,695
Rent paid	310	-	-	-	310
IT and other infrastructure charges	4,735	-	-	-	4,735
Rent deposit paid	3				3
SGF contribution received from MCX	3,543				3,543
Sitting fees paid	-	25	139	-	164
Balances as at March 31, 2025					
Net receivables	1,156	-	-	-	1,156
Payable to holding company	1,964	-	-	-	1,964
Rent deposit	64	-	-	-	64

(^) Clearing & settlement fees disclosed on accrual basis.

The details of transactions with related parties for the year ended March 31, 2024 are as follows:

Rs. in lakh

Nature of Transactions	Holding Company	Shareholder's Directors	Independent Directors	KMP's	Total
Transactions					
Re-imbursements charged to the Company	15	-	-	3	18
Re-imbursements charged by the Company	1	-	-	-	1
Clearing and Settlement fees (^)	6,996	-	-	-	6,996
50% sharing of status report-processing charges	6	-	-	-	6
Regulatory fees, transactions charges, fines and penalties and other collections on behalf of MCX	1,35,349	-	-	-	1,35,349
Rent paid	251	-	-	-	251
SGF contribution received from MCX	2,452				2,452
IT and other infrastructure charges	9,852	-	-	-	9,852
Sitting fees paid	-	22	133	-	155
Balances as at March 31, 2024					
Net receivables	682	-	-	-	682
Payable to holding company	1,181	-	-	-	1,181
Rent deposit	61	-	-	-	61

(^) Clearing & settlement fees disclosed on accrual basis.

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

Terms and conditions of transactions with related parties

The services provided to and received from related parties are made on terms equivalent to those that prevail in arm's length transactions.
Outstanding balances at the year end are unsecured, interest free and will be settled in cash. There have been no guarantees received or provided for any related party receivables or payable.

Compensation of key managerial personnel of the Company

Rs. in lakh

Nature of transactions	Year ended March 31, 2025	Year ended March 31, 2024
Salary and Allowances paid/payable to KMP's :-		
Mr. Narendra Kumar Ahlawat	169	155
Mr. Rajesh Kumar Agrawal	66	59
Mr. Mandar Kulkarni	53	46
Mr. Soundararajan Venkatadas	127	122
Mr. Pankaj Goel (upto 23.03.2023)	-	9
Mr. Praveen Kotian	34	32
Mr. Ulhas Ranade (upto 20.02.2023)	-	2
Mr. Gitesh Shah (upto 31.01.2024)	-	112
Mr. Himanshu Raja (upto 10.10.2024)	30	47
Mr. Anilkumar Varma	83	76
Mr. Arnav Datta (w.e.f. 20.02.2023)	57	50
Mr. M Ramalingam (w.e.f. 14.06.2023)	74	53
Mr. Mihir Malode (w.e.f. 05.09.2023)	49	32
Mr. Fardeen Ahmed Iftekhar Siddiquee (w.e.f. 19.11.2024)	23	-
Mr. Pradip Govind Gurav (w.e.f. 10.12.2024)	11	-

Notes :
1. There are no amounts written off or written back during the year in respect of debts due from or to related parties.
2. KMPs as on the respective dates are considered.
3. Parties with no transactions during the year, are not considered in the statement.

33. There are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006 except as disclosed in Balance Sheet, this information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

34. Employee Benefit Plans:

a. Post employment defined benefit plans :

The Company makes annual contributions to the Employee's Group Gratuity Assurance Scheme administered by the Life Insurance Corporation of India ('LIC'), a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

The following tables set out the funded status of the gratuity plans and the amounts recognized in the Company's financial statements as at March 31, 2025 and March 31, 2024.

Rs. in lakh

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	236	238
Interest cost	17	18
Current service cost	33	28
Actuarial (gains)/ losses on obligations - Due to change in financial assumptions	9	6
Actuarial (gains)/ losses on obligations - Due to experience	17	6
Benefits paid from the fund	(35)	(60)
Present value of benefit obligations at the end of the year	**277**	**236**
Change in plan assets		
Fair value of plan assets at the beginning of the year	198	201
Interest income	15	15
Assets transferred in/acquisitions	-	-
Assets transferred out/disinvestments	-	-
Remeasurements - return on plan assets excluding amounts included in interest income	(4)	(5)
Contributions by the employer	53	47
Benefits paid from the fund	(35)	(60)
Fair value of plan assets at the end of the year	**227**	**198**
Funded status - excess of obligation over plan assets	**50**	**38**

Amount for the year ended March 31, 2025 and March 31, 2024 recognized in the Statement of Profit and Loss under employee benefits expenses.

Rs. in lakh

Recognized in Profit and Loss	Year ended	
	March 31, 2025	March 31, 2024
Current service cost	33	28
Net interest cost	3	3
Expenses recognized	**36**	**31**

Amount for the year ended March 31, 2025 and March 31, 2024 recognized in statement of other comprehensive income:

Rs. in lakh

Recognized in Other Comprehensive Income (OCI)	Year ended	
	March 31, 2025	March 31, 2024
Actuarial (gains) / losses on obligation for the year	26	12
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	4	5
Change in asset ceiling	-	-
Net (income)/expense for the year recognized in OCI	**30**	**17**

The weighted-average assumptions used to determine benefit obligations as at March 31, 2025 and March 31, 2024 are set out below:

Weighted Average Actuarial Assumptions	Year ended	
	March 31, 2025	March 31, 2024
Discount rate	6.81%	7.50%
Weighted average rate of increase in compensation levels	7.50%	7.50%
Weighted average duration of defined projected benefit obligation	12	12

Rs. in lakh

Sensitivity Analysis	Year ended	
	March 31, 2025	March 31, 2024
Projected benefit obligation on current assumptions	276	236
Delta effect of +1% change in rate of discounting	(21)	(19)
Delta effect of -1% change in rate of discounting	25	22
Delta effect of +1% change in rate of salary increase	25	22
Delta effect of -1% change in rate of salary increase	(21)	(19)
Delta effect of +1% change in rate of employee turnover	(2)	(1)
Delta effect of -1% change in rate of employee turnover	3	1

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

Additional Details :

Methodology adopted for Valuation is Projected Unit Credit Method.

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Since investment is with insurance company, Assets are considered to be secured.

Assumptions regarding future mortality experience are set in accordance with the Indian Assured Lives Mortality (2006-08)

Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by LIC, since the fund is managed by LIC.

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.

The Company expects to contribute Rs. 51 lakhs to the plan assets during Financial Year 2025-26

Actuarial Gains/Losses are recognized in the year of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation

Maturity profile of projected benefit obligation: **Rs. in lakh**

Projected Benefits Payable in Future Years from the Date of Reporting	March 31, 2025	March 31, 2024
Within 1 year	6	5
1-2 year	45	6
2-3 year	22	41
3-4 year	50	21
4-5 year	21	41
5 and above years	433	408

b. Defined Contribution Plans :

Amounts recognised as expenses towards contributions to Provident and Family Pension Fund, Employee State Insurance Corporation and other funds by the Company are Rs. 103 Lakh (previous year Rs. 80 lakh).

Rs. in lakh

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Contribution to Provident and Family Pension Fund	102	79
Contribution to Labour Welfare Fund	0	0
Contribution to Employees Deposit Linked Insurance (EDLI)	1	1

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

35. Financial Instruments

A. Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2025 and at March 31, 2024 are as follows:

Rs. in lakh

Particulars	Refer Note	As at March 31, 2025 Carrying value	As at March 31, 2025 Fair value	As at March 31, 2024 Carrying value	As at March 31, 2024 Fair value
Financial assets:					
At amortised cost:					
Cash and cash equivalents	9	33,763	33,763	17,935	17,935
Bank Balances other than cash and cash equivalents	10	1,51,926	1,51,926	76,931	76,931
Bank deposits and interest accrued (current & non-current)	4 & 11	37,651	37,651	85,042	85,042
Trade receivables	8	2,067	2,067	1,091	1,091
Other financial assets (current & non-current)	4 & 11	277	277	238	238
Fair value through profit or loss:					
Investments in mutual funds	7	1,423	1,423	2,507	2,507
Financial liabilities:					
At amortised cost:					
Trade payables		768	768	627	627
Other financial liabilities	18	1,12,513	1,12,513	98,350	98,350
Lease liabilities	16(a)&18(a)	121	121	321	321

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2025:

Rs. in lakh

Particulars	As of March 31, 2025	Fair value measurement at end of the year using		
		Level 1	Level 2	Level 3
Assets				
Investments in Mutual Funds	1,423	1,423	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2024:

Rs. in lakh

Particulars	As of March 31, 2024	Fair value measurement at end of the year using		
		Level 1	Level 2	Level 3
Assets				
Investments in Mutual Funds	2,507	2,507	-	-

The fair value of mutual fund valued at NAV as on the reporting date as declared by the Fund house.

B. Financial risk management:

Financial risk factors:

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a. Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables.

b. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

c. Credit risk:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Ageing of account receivables as at March 31, 2025 is as follows: **Rs. in lakh**

Particulars	Outstanding for following periods from due date				Total
	Less than 6 months	6 months -1 year	1-2 Years	More than 3 years	
Undisputed Trade receivables — considered good	2066	0	0	1	2,067
Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-
Undisputed Trade Receivables — credit impaired	-	-	-	-	-
Disputed Trade Receivables — considered good	-	-	-	-	-
Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-
Disputed Trade Receivables — credit impaired	-	-	-	-	-
Total	**2,066**	**0**	**0**	**1**	**2,067**

Ageing of account receivables as at March 31, 2024 is as follows: **Rs. in lakh**

Particulars	Outstanding for following periods from due date				Total
	Less than 6 months	6 months -1 year	1-2 Years	More than 3 years	
Undisputed Trade receivables — considered good	1090	0	0	1	1,091
Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-
Undisputed Trade Receivables — credit impaired	-	-	-	-	-
Disputed Trade Receivables — considered good	-	-	-	-	-
Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-
Disputed Trade Receivables — credit impaired	-	-	-	-	-
Total	**1,090**	**0**	**0**	**1**	**1,091**

d. Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position on a daily and weekly basis.

(i) Financial Arrangements:

Following are the unutilised sanctioned bank overdraft limits against cash margin fixed deposit issued by the bank as at the respective year end:

Rs. in lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Expiring within one year (bank overdraft)	19,630	7,500

(ii) Maturity patterns of other Financial liabilities:

Trade Payables ageing schedule as at March 31, 2025: **Rs. in lakh**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	13	-	-	-	13
Others	755	-	-	-	755
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	**768**	**-**	**-**	**-**	**768**

Trade Payables ageing schedule as at March 31, 2024: **Rs. in lakh**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	11	-	-	-	11
Others	616	-	-	-	616
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	**627**	**-**	**-**	**-**	**627**

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

e. Clearing and Settlement Risk:

Parties to a settlement may default on their obligations for reason beyond the control of the Company. Company guarantees the settlement of trade executed on the Company's platform and maintains a Core Settlement Guarantee Fund to support its guarantee obligations. SEBI introduced the guidelines on stress testing, Core Settlement Guarantee Fund ("SGF") to ensure that Company is compliant with International benchmarks and regulations.

36. Core Settlement Guarantee Fund (SGF):

Securities and Exchange Board of India, vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014 & SEBI/HO/CDMRD/DRMP/CIR/P/2018/11 dated July 11, 2018, inter alia, has issued norms related to the computation of Minimum Required Corpus (MRC) to the Core Settlement Guarantee Fund (SGF). The required contribution shall be contributed by the Clearing Corporation (minimum 50%) from its own fund, Stock Exchange (minimum 25%) and members (maximum 25%). Accordingly, Core SGF has been contributed by Clearing Corporation (MCX CCL) from its own fund and Stock exchange (MCX) as prescribed by SEBI guidelines.

Accordingly, below mentioned amounts are transferred to SGF from reserves of MCXCCL to ensure compliance with said circular:

Rs. in lakh

Particulars	**March 31, 2025**	**March 31, 2024**
Contribution during the year	1,415	8,506
Total	**1,415**	**8,506**

In the event of a clearing member failing to honour settlement commitments, the Core SGF shall be used to fulfil the obligations of that member and complete the settlement without affecting the normal settlement process.

Total Core SGF as on March 31, 2025 is Rs. 93,014 lakhs (as at March 31, 2024: Rs. 78,056 lakhs) comprising of:

Rs. in lakh

Year	**MCXCCL Contribution**	**MCX Contribution**	**Penalties/ Interest**	**Total**
As at March 31, 2025	48,353	19,263	25,398	93,014
As at March 31, 2024	43,451	14,485	20,120	78,056

The Contribution made by MCXCCL and MCX includes the income accrued thereon.

The penalties transferred during the year is Rs. 3,634 lakhs (as at March 31, 2024: Rs. 3,211 lakhs) and interest income on fixed deposits and gain on sale of mutual fund is Rs. 6,466 lakhs (as at March 31, 2024: Rs. 4,949 lakhs).

The Company has contributed Rs. 150 lakhs as a financials disincentive during the year keeping with the provisions of SEBI Circular No. SEBI/HO/MRD1/DTCS/CIR/P/2021/590, dated July 5, 2021.

36. a. The Company made the payment of Rs. 270 lakhs to SEBI towards settlement order issued on March 04, 2025.

36. b. The Company made the provision of Rs. 175 lakhs towards the Show Cause Notice issued by SEBI for financial year 2024-25.

37. Corporate Social Responsibility (CSR):

As per Section 135 of the Companies Act 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social responsibility (CSR) activities.

The CSR activities of the Company are generally carried out through charitable organisations , where funds are allocated by the Company. These organisations carry out the CSR activities as specified in the Schedule VII of the Companies Act, 2013 on behalf of the Company.

Rs. in lakh

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Amount required to be spent as per Section 135 of the Act	54	58
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	54	58
Total	**54**	**58**

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

38. Foreign currency transaction

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Expenditure in foreign currency:	Foreign Currency	Foreign Currency	INR in Lakh	INR in Lakh
Software License Fees Expense:				
USD	87,000	37,000	73	31
Membership and Subscription:				
USD	28,750	-	25	-
Travelling Expenses:				
USD	700	-	1	-

39. Additional Regulatory Information:

a. Ratios:

Ratios	Numerator	Denominator	Year ended March 31, 2025	Year ended March 31, 2024	Variance
Current ratio (in times)*	Total current assets	Total current liabilities	1.74	1.02	70.83%
Debt-Equity ratio (in times)**	Debt consists of borrowings and lease liabilities	Total equity	0.01	0.04	-84.89%
Debt service coverage ratio (in times)***	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other adjustments	Debt service = Interest and lease payments + Principal repayments	51.84	15.30	238.82%
Return on equity ratio (in %)****	Profit for the year less Preference dividend (if any)	Average total equity	105.56%	33.38%	216.25%
Trade receivables turnover ratio (in times)*****	Revenue from operations	Average trade receivables	15.13	19.15	-20.97%
Trade payables turnover ratio (in times)[$]	Cost of equipment and software licences + other expenses	Average trade payables	9.51	25.02	-61.99%
Net capital turnover ratio (in times)******	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	0.54	0.58	-6.30%
Net profit ratio (in %)	Profit for the year	Revenue from operations	59.95%	19.47%	207.94%
Return on capital employed (in %)*******	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	71.44%	44.53%	60.43%
Return on Investments[#]	Income generated from treasury investments	Average invested funds in treasury investments	7.25%	6.20%	16.88%
Inventory Turnover Ratio	Cost of goods sold or sales	Average Inventory	Not Applicable	Not Applicable	Not Applicable

Multi Commodity Exchange Clearing Corporation Limited

Notes forming part of the financial statements for the year ended March 31, 2025

* Increase in current ratio is due to increase in current Fixed Deposits and bank balance.

** Decrease in Debt-Equity ratio is due to decrease in Ind AS 116 liability.

*** Increase in Debt Service coverage ratio is due to increase in profit for the year.

**** Increase in return on equity is due to increase in profits for the year.

***** The decrease on trade receivables turnover ratio is mainly due to increase in average trade receivables and increase in revenue from operations.

****** decrease in net capital turnover ratio is due to increase in average working capital .

******* increase in return on capital employed is due to increase in profits during the year.

[#] Increase in return on investments is due to increase in average AUM and increase in the yield from fixed deposits and mutual funds

[$] Decrease in trade payable turnover ratio is due to decrease in information technology cost

b. The Company does not hold and there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

c. The Company does not have any layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

d. The Company is not declared wilful defaulter by any bank or financial institution or other lender.

e. The Company does not have any transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

f. The Company has not opted for any Scheme of Arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

g. The Company does not hold any immovable property.

h. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

i. The Company has not received any fund from any party(s) ("Funding Party") with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

j. The Company does not have any pending charges or satisfaction yet to be registered with ROC beyond the statutory period

k. The Company do not have any transaction not recorded in the books of account that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 for the year ended March 31, 2025.

l. The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

m. The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendment Rules, 2021) which is effective from April 01, 2023, states that every Company which uses accounting software for maintaining its books of account shall use only the accounting software where there is a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made to books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses SAP as a primary accounting software for maintaining books of account, which has a feature of recording audit trail edit logs facility. The audit trail feature was enabled and operative throughout the financial year for the transactions recorded in the software impacting books of account at application level.

n. The Company does not have any pending charges or satisfaction yet to be registered with ROC beyond the statutory period

Notes forming part of the financial statements for the year ended March 31, 2025

40. The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post- employment, received Presidential assent in September 2020. The said code is made effective prospectively from May 3, 2023. The Company is assessing the impact, if any, of the Code.

41. The previous year figures have also been reclassified/regrouped to conform to this year's classification.

42. The financial statements were approved by the Board of Directors on May 08, 2025.

As per our report of even date attached.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Prateek Khandelwal
Partner
Membership Number: 139144

Mumbai
May 08, 2025

For and on behalf of the Board of Directors

Narendra Kumar Ahlawat
Managing Director & CEO
DIN : 07629724

Prafulla Chhajed
Chairman
DIN : 03544734

Kemisha Soni
Director
DIN : 06805708

Mandar Kulkarni
Company Secretary

Rajesh Kumar Agrawal
Chief Financial Officer

Mumbai
May 08, 2025