Rathi & Associates
COMPANY SECRETARIES
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ANNUAL SECRETARIAL COMPLIANCE REPORT

(Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)
of
Multi Commodity Exchange Clearing Corporation Limited *('the Company')*
for the year ended 31st March, 2020

We have been appointed by the Company to submit the Annual Secretarial Compliance Report Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended 31st March 2020.

We have examined:

(a) the documents and records made available to us and explanation provided by the Company and its officers;

(b) the filings/ submissions made by the Company to the Securities and Exchange Board of India from time to time; and

(c) the website of the Company

for the year ended 31st March, 2020 ("Reporting Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, includes:-

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has been made applicable pursuant to the requirement of Regulation 33 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018;

(b) The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018;

(c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 *(to the extent specified in Schedule C of the said Regulations)*;

Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the Reporting Period:-

a. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

c. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

d. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

e. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; and

f. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

and circulars/ guidelines issued thereunder.

Based on the above examination, we hereby report that, during the Reporting Period:

a) The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder;

b) The Company has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

c) During the Reporting Period, SEBI had issued a notice to Multi Commodity Exchange of India Limited, the Holding Company, as per the details* provided below:

Sr. No.	**Action taken By**	**Details of violation**	**Details of action taken E.g. fines, warning letter, debarment, etc.**	**Observations/ remarks of the Practicing Company Secretary, if any.**
1.	Securities and Exchange Board of India vide letter dated : May 9, 2019	Violation of Regulation 3 of SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations) read with section 12A(e) of the SEBI	SEBI strongly advised the company to be careful in future to avoid recurrence of such instances and to make prompt disclosure wherever	The Company had submitted a report to SEBI on institutional mechanism put in place for preventing insider trading.

		Act, 1992 when there was a leakage of UPSI relating to the proposed MCX-NSE merger which as per SEBI was attributable to the inadequacy of the processes/ controls/ systems that MCX Ltd. as a listed company had put in place.	deemed necessary, particularly, when such rumours appeared in the media. SEBI also advised to submit a report on institutional mechanism put in place by MCX Ltd. for preventing insider trading, as mandated under regulation 9A of PIT Regulations, within 15 days from the date of letter i.e. May 09, 2019. The Company was also asked to conduct an internal inquiry into the leakage of unpublished price sensitive information relating to MCX-NSE merger and take appropriate action against those responsible for the same.	Further, as directed by SEBI, the Exchange conducted an internal inquiry in the said matter and had submitted a report to SEBI relating thereto.

**obtained from the Annual Secretarial Compliance Report of the Holding Company*

Apart from the above, there were no actions taken against the Company/ its promoters / directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars)* under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

d) The Company has taken the following actions to comply with the observations made in previous reports:

Sr No.	Observations of Practising Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31st March 2019	Actions taken by Listed entity, if any	Comments of Practising Company Secretary on the action taken by the Listed entity
	Not Applicable			

e) The Company has revised the terms of appointment of the Statutory Auditors in accordance with the requirements specified in the SEBI Circular No. CIR/CFD/CMD 1/114/2019 dated October 18, 2019.

For RATHI & ASSOCIATES
COMPANY SECRETARIES

NEHA RAJAT LAHOTY
Digitally signed by NEHA RAJAT LAHOTY
Date: 2020.06.22 16:54:37 +05'30'

NEHA R LAHOTY
PARTNER
FCS: 8568
COP: 10286
UDIN: F008568B000365001

Date: June 22, 2020
Place: Mumbai