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'MCX to divest 50% in MCX-SX in 2-3 months, no IPO'

Kolkata, July 26: The Multi-Commodity Exchange plans to complete the process of divestment of 80% in its subsidiary MCX Stock Exchange Ltd (MCX-SX) in the next two to three months. "The divestment process of MCX-SX has been initiated and will be completed in a couple of months to meet regulatory requirements," MCX-SX managing director and CEO Joseph Massey said during a brief visit to Kolkata.

Asked whether the target time-frame for divestment was two months, he did not deny it. The approval from the Securities and Exchange Board of India (Sebi) in allowing equity trading by MCX-SX hinged on meeting the equity structure by promoters and shareholders. Massey said that so far divestment was awaited for some 50% of MCX's holding in MCX-SX. "So far, we have finalised 30% divestment with banks and financial institutions like Andhra Bank, Union Bank, Bank of India and IFCI," Massey said.

He said that the entire divestment would be done through the current process of negotiated deals and there would be no possibility of a public offer. MCX has appointed three consultants such as Nomura and Deutsche, for divestment. According to regulatory requirement, some special shareholders could retain up to 15% stake and corporates, up to 5%. *PTI*