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Multi Commodity Exchange files DRHP for public issue

MUMBAI: Multi Commodity Exchange (MCX), India's leading commodity exchange, has proposed to go public through an initial public offering (IPO) that will see its existing shareholders diluting 12.60 per cent of equity. It filed its Draft Red Herring Prospectus (DRHP) with Sebi on Thursday.

The offer for sale from the existing shareholders, including promoter Financial Technologies (FT) led by Jignesh Shah, is through a 100 per cent book-building process. Under sectoral regulator Forward Markets Commission's norms, the anchor investor FT is required to reduce its stake to 26 per cent from the present 31.18 per cent, which it has declared to achieve through the IPO. The company plans to list the shares on the BSE initially.

This is the second time MCX is filing the prospectus for an IPO.

Earlier in 2008, MCX had planned to raise money through an IPO but it could not proceed with the listing due to poor market conditions. ENS