PARVEEN KUMAR SINGHAL | Jt. Managing Director, Multi Commodity Exchange of India

Executive with admirable dossier

Singhal has a clean track record throughout his more than four-decade long career. High level of integrity, hard work and knowledge of regulatory nuances make him a different executive, who could steer India's commodity futures trading giant out of crisis in the aftermath of NSEL Scam.

Parveen Kumar Singhal always likes to maintain a low profile image in a world where image is usually bought by boastful talks through expensive PR engineering works. His admirable humility, precision in his work with update of actions on the table, professional and personal integrity, strict adherence to ethics and being a bit over cautious make him an exceptionally competitive and top class executive, especially in sensitive securities and commodity futures market. Strict discipline in every work makes everything simple, any volume of work manageable and every task surmountable. Mr Singhal proves these through his four decades of jobs at different positions from a spinning mill to top-league equity and commodity bourses, at regulatory institutions and a state industrial & financial corporation, besides his role as a investment banker, merchant banker and equity stock broker.

Other than institutions, he also served as member of important committees constituted by Securities and Exchange Board of India (SEBI) on risk management, corporate governance and participation by Securities Brokers in commodity futures market. He was also a member of Regional Council of Institute of Company Secretaries of India (North Zone), an Advisory Board Member of Haryana State Electronics Development Corporation, a member on the Board of National Commodity and Derivatives Exchange and the Forward Market Commission (FMC) nominee to Cotton Association of India. He also headed Delhi Stock Exchange.

Mr Singhal holds MBA degree, Diploma in Business Finance and a Certificate on Capital Markets from the New York University. He has a unique distinction of working with market regulators and also regulator-driven institutions, has a highly flamboyant career history. Each inning has contributed to make his dossier colourful.

Over the years, by virtue of his assignments in diverse fields, he has passed through an era of transformation from conventional to technology-driven, from embryonic stage to full-scale innovation of security markets and nascent stage to maturity of systems, besides acquiring in-depth knowledge of many fields. He has seen the market aberrations and frictions that showed scope for improvement in the systems and took part in the making of safer regulations. All these have helped him make himself an outstanding executive and the most capable one to take the commodity futures market to a new level with trust and transparency.

His humbleness hasn't compelled him to compromise on work quality, punctuality and transparency. These are the most important elements in every business transaction, he points out. When there is a need to proliferate the system of commodity futures trading further, especially among small traders and enterprises even in faraway locations for their business safety, a bourse has to stay on trust and reliability and also expand the reach further. His idea of ensuring small enterprises' active inclusion in futures trading is working well, for which MCX India has tied up with many institutions and associations.

His is a long story of success and resourceful lesson for the new generation. Boastful executives championing modern business and heading big and small institutions have many things to learn from him. The lessons of how admirably he used to steer organisations which he headed at different times by keeping them away from the touch of delinquents and foul players leave behind many lessons for new generation executives. His deep knowledge of the systems and foresight worked in multiple ways-strengthening operations and building public trusts and reliability. These aspects virtually drive modern institutions, especially bourses, to a success.

Not all executives usually pass through every stage of administrative functioning. But there are some with grass-root level touch, who understand the institutional architecture well and complexity of the business thoroughly - Mr Singhal belongs to that variety of executives, who have seen turbulent weather in the market, its after-shock on institutions and worked instrumentally for a course correction without getting disconcerted.



After the fall of National Spot Exchange (NSEL) and the consequent eruption of crisis within Financial Technologies India (FTI), the chief promoter of NSEL, MCX India also was brought under surveillance by the then regulator FMC since FTI was the promoter of MCX India too. FMC subsequently ordered forensic audit at MCX India running through its financial books in trace of empirical evidences for ascertaining MCX involvement in the scam. When some of the senior executives had to leave the organisation after the audit report produced by PricewaterhouseCoopers, Mr Singhal's hands were clean in the same way the Delhi Stock Exchange (DSE) under his leadership remained uninvolved in Ketan Parikh triggered crisis in 2001. Meanwhile, the resignation of Mr Manoj Vaish on 8th May 2014 after three months of the job as Managing Director shook it again, bringing another round of challenge to Mr Singhal and cancelling of his long leave abroad prior to his retirement. That was the period of big crisis, after all MCX India was headless for long time, he recalls.

With the task on his shoulder and without may to assist him, he kept the exchange running with steady improvement on its business month on month due to creditability he built among the market participants during his earlier association with the market. The overwhelming support by the shareholders for his appointment as Joint Managing Director for a period of 3 years in September,2014 ,when his resolution got exclusive additional votes of more than 43 lakhs is a testimony of appreciation of his contribution in saving an Institution. He has been managing the administrative affairs, working with investigators and auditors wherever necessary and successful in keeping the morale of employees and traders intact in the last two and half years, after the NSEL scam. "It is not my over-caution that keeps me away from scams and unethical practice, but thorough knowledge and consciousness of the legal and regulatory framework as well as no non-sense approach ," he says. No one gains anything by sacrificing one's conscience, he sends a message.

Twelve months past his normal superannuation, he is now practically heading an institution that now has a challenge of transforming under new regulator, perhaps which may be tougher since it has to comply with new framework. Untapped potential on the other hand makes MCX India's need of being aggressive and expansionist. At the same time, chairs of many key departments are lying vacant from last more than two years to make his already tough job tougher. He expects his senior executives' cabins to fill with right hands by March next year.

The last two and half decades saw Indian securities market passing through corrections and innovations in its pace towards transformation. There are not many pundits now in active job with the knowledge and experience of the equity and commodity futures market legacy. By virtue of his close involvement in formation of securities market regulation after scrapping the Controller of Capital Issues in the early '90s working with legendary figures like G V Ramakrishna and S S Nadkarni at SEBI, and in the process of institutionalisation of bourse, Singhal could thoroughly understand the nuances of securities market operation, regulatory frameworks and institutional functions also. Similarly, he knows the regime of commodity futures market, its transformation and sees how the market is going to shape under SEBI after the merger of FMC with it. Today he knows every system like a pebble on his palm, which will help MCX India comply with new regulations without feeling any pain. ■