PRESS RELEASE

MCX's quarterly operational revenue of Rs. 165.11 crores, up 30 % for Q2 FY23-24 (Y-o-Y)

Key Highlights

- ***The quarterly revenue from operations increased by 30% to Rs. 165.11 crore compared to the corresponding quarter ended September the previous year. On other hand, MCX's operating income increased by 13% for Q2 FY23-24 from Rs. 145.77 crore over the sequential quarter, Q1 FY23-24.***
- ***Average daily turnover (ADT) of futures and options during Q2 FY23-24 saw a significant increase, rising by 25.5% to reach Rs. 1,04,636 crore, compared to the previous quarter's Rs. 83,341 crore.***
- ***The traded clients witnessed a QoQ growth of ~ 13.1% reaching ~ 4.45 lakh during Q2 FY23-24 as against 3.93 lakh in the previous quarter, Q1 FY23-24.***
- ***Options' ADT grew by 38.7% to Rs. 85,873 crore in Q2 FY23-24 from Rs. 61,928 crore in Q1 FY23-24.***
- ***Despite the contribution to the Settlement Guarantee Fund (SGF) of Rs 11.4 crore and payments made to technology vendor, the loss for the quarter was limited to Rs. 19.07 crore.***

Mumbai, Nov 8, 2023: Multi Commodity Exchange of India Ltd (MCX), India's largest Exchange in the Commodity Derivatives Market segment, announced its unaudited financial results for the 2nd Quarter and Half-year ended September 30, 2023. The key highlights are as under:

1. Q2, FY23-24 Operational and Financial Highlights:

1.1 Financial Highlights:

- For the quarter ended September 30, 2023, MCX's total income increased by 10.72% to Rs. 184.02 crore from Rs. 166.21 crore over the sequential quarter ended June 30, 2023. While the operating income increased by 13.27% to Rs. 165.11 crore from Rs. 145.77 crore in sequential quarter, Q1 FY23-24.
- EBITDA for the quarter ended September 30, 2023 decreased by 131% to Rs. (9.79) crore from Rs. 31.13 crore over the sequential quarter ended June 30, 2023.
- For the quarter ended September 30, 2023, the EBITDA margin was (5.32%) and PAT margin was (10.36%) substantially on account of payments to technology vendor.
- Net Profit for the quarter ended September 30, 2023, decreased by 197% to Rs. (19.07) crore from Rs. 19.66 crore over the sequential quarter ended June 30, 2023.

1.2 Operational

- The average daily turnover of futures declined by 12.4% to Rs. 18,763 crore during Q2 FY23-24 from Rs. 21,413 crore in the previous quarter, Q1 FY23-24.
- Options, on the other hand, made significant growth as its ADT increased to Rs. 85,873 crore as against Rs. 61,928 crore in Q1 FY23-24. The average premium turnover also increased to Rs. 1580 crore from Rs. 1,216 crore in Q1 FY23-24.
- During the quarter, the number of total traded clients stood at 4.45 lakh, witnessing a significant growth rate of 13.1% over the previous quarter.
- A total of 17,321 MT of base metals were delivered through exchange mechanism during the 2nd quarter of FY23-24. In Bullion, 2.31 and 130 MT, respectively, of Gold (all variants) and Silver (all variants) were delivered during the same quarter.

2. Quarter ended September 30, 2023 viz-a-viz September 2022 Financial Highlights

- For the quarter revenue from operations increased by 30% to 165 crore compared to the corresponding three-month period ended September last year.
- For the quarter ended September 30, 2023, the total income of MCX stood at Rs. 184 crore vis-à-vis Rs. 146 crore during the corresponding period in the previous year.
- EBITDA for the quarter ended September 30, 2023 stood at Rs. (9.78) crore, as against Rs. 83.85 crore in the corresponding period of FY22-23 mainly on account of payment made to technology vendor and contribution to SGF.
- Net Profit for the quarter ended September 30, 2023, stood at Rs. (19.07) crore, as against Rs. 63.27 crore in the corresponding period of FY22-23.

3. Half-year ended September 30, 2023 Operational Highlights

- During H1 FY23-24, the average daily turnover of futures and options increased by 87.7% reaching Rs. 93,989 crores, compared to the turnover in the same period the previous year.
- The total traded clients in futures and options on the exchange saw a growth of 56.3%, reaching around 5.84 lakh during H1 FY23-24 over the corresponding period last year.
- The average daily turnover of commodity futures experienced a decline of 18.2% during H1 FY23-24, dropping to Rs. 20,088 crores from its value of Rs.24,571 crores in the corresponding period of FY22-23.
- On the other hand, there was significant increase in the notional ADT of options during the first half of FY23-24, increasing by 190% to Rs. 73,901 crores from its previous value of Rs. 25,506 crores in H1 FY22-23.
- During H1 FY23-24, 4.06 and 202.6 MT of Gold (all variants) and Silver (all variants) were delivered through the Exchange mechanism. In base metals, a total of 37,016.5 MT of base metals were delivered.

4. Successful Migration to New Technology Platform

The Exchange successfully completed the migration to a new technology platform on 16th October 2023. The core trading system of TCS's uses Deutsche Borse Group's T7® trading system. Post trade activities such as clearing, risk management, delivery and settlement is facilitated through TCS BaNCS™ for Market Infrastructure. The migration was successfully completed in 2 years and 8 months after MCX announced its partnership with TCS for development of a new technology platform in February 2021.

Since the tech migration, the Exchange witnessed an ADT of Rs. 21,779 crore and Rs. 68,899 crores respectively, in futures and options till end of October (i.e. during Oct 16 - 31, 2023). Further, all products, having expiry in October, have successfully completed one full cycle of settlement and delivery.

Mr. P S Reddy, MD and CEO of MCX, said, "*This migration marks a significant milestone and a new beginning in our quest to develop India's commodity derivatives market eco-system, driven by technology, in alignment with the Exchange's strategic vision. As we move forward, our dedication and commitment to strengthen infrastructure and foster innovation in the industry will continue to reinforce our position as India's leading commodity exchange."*

MCX extends its gratitude to all stakeholders including the regulators, technology service providers, data vendors and member-broking firms for their continuous cooperation, guidance, encouragement, and support.

About MCX:

Having commenced operations on November 10, 2003, Multi Commodity Exchange of India Limited (MCX) is India's first listed, national-level, electronic exchange, and India's leading commodity derivatives exchange with a market share of about 95.2% in terms of the value of commodity futures contracts traded in financial year 2023-24 (April 2023 – September 2023). MCX offers the benefits of fair price discovery and price risk management to the Indian commodity market ecosystem. Various commodities across segments are traded on the Exchange platform. These include bullion, energy, metals and agri commodities. The exchange has forged strategic alliances with various international exchanges, as well as Indian and international trade associations. For more information, about MCX and its products visit: www.mcxindia.com.

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