

MCX/SEC/2544

August 11, 2025

BSE Limited
Department of Corporate Services
PJ Towers, Dalal Street,
Mumbai - 400 001.

Ref: Scrip code: 534091 Scrip ID: MCX

Subject: Transcript of the “Earnings Conference Call” with investor(s)/analyst(s) on Q1 FY-2026 results.

Dear Sir,

Please find enclosed herewith transcript of the “Earnings Conference Call” with investor(s)/analyst(s) held on Monday, August 04, 2025, at 16.00 p.m. (IST) on Q1 FY-2026 results.

The said transcript is also uploaded on the website of the Company at <https://www.mcxindia.com/investor-relations/ir-meetings>

Further, we hereby confirm that no unpublished price sensitive information was shared/discussed during the said earnings call.

Kindly take the same on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For Multi Commodity Exchange of India Limited

Manisha Thakur
Company Secretary

Encl.: As above



“Multi Commodity Exchange of India Limited

Q1 FY '26 Earnings Conference Call”

August 04, 2025

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MANAGEMENT:

MS. PRAVEENA RAI – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

MR. MANOJ JAIN – CHIEF OPERATING OFFICER

MR. CHANDRESH SHAH – CHIEF FINANCIAL OFFICER

MR. RISHI NATHANY – CHIEF BUSINESS OFFICER

MR. PRAVEEN DG – CHIEF RISK OFFICER

Moderator: Ladies and gentlemen, good day, and welcome to Multi Commodity Exchange of India Q1 FY '26 Earnings Conference Call. Joining us on the call are Ms. Praveena Rai, Managing Director and Chief Executive Officer, MCX; Mr. Manoj Jain, Chief Compliance Officer; MCX; Mr. Chandresh Shah, Chief Financial Officer, MCX; Mr. Praveen DG, Chief Risk Officer; and Mr. Rishi Nathany, Chief Business Officer, MCX.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Praveena Rai, MD and CEO, MCX. Thank you, and over to you, ma'am.

Praveena Rai: Thank you very much, and good afternoon, everybody. Thank you for joining the call today. So, we've announced our results, and I'm very happy to say that MCX has seen a high-performance quarter. We have announced an income at a consolidated level in the first quarter of FY2026 of INR406 crores, which is a growth of 60% on a year-on-year basis. It's the highest ever revenue for MCX. So, I would take this opportunity to thank all our members and participants for this.

Our profit after tax has grown to INR203 crores. And the health of this growth is really reflected in the average daily turnover number for the quarter, which stands at a very healthy INR3,10,000 crores. So INR3 trillion. The financial year has begun very well. I think we've seen growth, adaptability, a lot of strategic actions coming into execution, along with, of course, a very dynamic and evolving market environment. We've seen increased participation from institutions, hedgers, including the MSME sector along with our financial participants. We've had a huge, continued drive around awareness as well as product innovation.

Since April, we've launched a series of products. We've launched products in the bullion segment, involving the 10-gram futures on gold, options on some of our silver products, the much-awaited electricity futures as well as cardamom in the agri sector. So really, products across all the segments, nearly all the segments in which we operate. This really broadens the risk management for our stakeholders across the industries that are represented here.

We continue to work very closely with regulators, our members, member associations so that we can develop this market further into maturity so that the impact that MCX makes for the commodity markets in India is significantly enhanced, with the transparent price discovery and price benchmark mechanism. We remain highly focused on strengthening our technology and risk framework. This is an imperative as it has always been and will be much required in the times to come to support our growth.

We have also had a very momentous decision where the Board approved a stock split of 1:5. The objective was really to make the stock more affordable, giving more access to a broader range of investors on the face value being reduced from INR10 to INR2 per share. This is, of course, subject to all the approvals hereafter.

As we really look at the financial year, the quarter one results with three more quarters to go, I really look at all our entities in the ecosystem who are exposed to commodity price risks to appreciate the impact and the benefit of the hedging mechanism and look at the regulated exchange traded commodity derivatives to better manage this risk. And our member brokers who continue to educate, in fact, many of them have also established commodity desks to support the industry in how to really leverage these hedging instruments.

All at MCX express our gratitude to all stakeholders, regulators, member brokers as well as our vendors and investors in this call and outside for their continued support to MCX.

So, thank you very much, and we can open the session to questions.

Moderator: Thank you very much. The first question is from the line of Devesh Agarwal from IIFL Capital. Please go ahead.

Devesh Agarwal: Good afternoon, everyone, and thank you for the opportunity. Firstly, congratulations on a very great set of numbers to the entire team. The two questions, ma'am, that I have. First is basically, there was a delay in commencement of trading on one of the days. So just wanted to understand what exactly the issue was in terms of why the delay. And secondly, has there been any regulatory steps being taken up by SEBI in this particular instance? And are we expecting any penalty from SEBI for this?

Praveena Rai: Yes. So, it's a very important question to address. And as mentioned, we continue to be highly focused on our technology excellence. On the day, as mentioned, there was a database anomaly, which led to this delay in overnight clearing system processes,

and hence, the delay in opening of trading. That was immediately corrected. We have worked with experts in the space, the topmost experts available. The core issue was immediately identified and fixed, and we are confident that this will not recur. All processes associated with regular root cause analysis, reporting and working with the regulator are in process. And that is a regular process. That's something that we work very closely with the regulator on. So, I would, at this stage, say nothing untoward there.

Devesh Agarwal: Sure. And the second question is on the expenses. So, although the growth in the revenue is very heartening. But the margins we were expecting it to be higher than what we have actually reported. And per se, I see that the employee expense and SGF expense has been higher than the expectation. So, anything particular one-offs in the quarter? Or do we expect that the expense run rate will likely remain high going forward as well? And also, the EBITDA margin that we have reported in this quarter around 65-odd percent, you think this number is sustainable? Or going forward, we may see some decline with the increase in the cost? That would be my last question.

Praveena Rai: Yes. So, thank you. I think that's a very important question. And this is, as always, Q1 over Q4 impact playing out here. In Q4, we did have certain one-off expenses. And as we look at really driving our growth significantly through launch of new products, increased number of participants to drive MCX business towards maturity and growth, we will continue to invest as required.

So, I would say that last year, we had -- the efficiency that was delivered last year will continue to sustain. And at this stage, when we are in a growth phase, it will not be prudent to really say that we will be looking at further tightening the belt here. So, the focus is on growth while we do everything that we need to do to sustain the efficiency.

Devesh Agarwal: Just ma'am, if you can put some guidance, this 65% margin that we have, do we think this number is sustainable? Or we see this going downward / upward basis over the next, say, 2, 3, 4 quarters?

Chandresh Shah: Devesh, these margins could be a little under pressure, but we'll try to work on that because the volumes what we have seen in July are also a little weak. So, these margins are a function of revenue and expenses. So, while we can control the expenses, the revenue is depending on the volumes. So it can be under some pressure, but we'll have to see as the year progresses.

Devesh Agarwal: Right, sir. Perfect. Thank you so much.

- Moderator:** Thank you. The next question is from the line of Prayesh Jain from MOSL. Please go ahead.
- Prayesh Jain:** Hi, thanks for the opportunity. I just extended that question on the previous question. So, if you look at your employee cost, previous quarter in the different -- previous quarter we had highlighted that there were some extraordinary or some one-off bonus provisions that had happened. Now this quarter, again, we have seen a similar run rate.
- Do we expect the run rate to continue? Or now just an additional point out there, whether the variable pay for this year will be apportioned over the 4 quarters? Or how is it kind of accounted, so how should we think about the employee cost?
- Praveena Rai:** Yes. So, there is an apportionment. So, to that extent, the numbers hold that portion. Having said that, I think the numbers reflect a certain level of growth in people as well as annual performance, increment numbers and so on, which have already been accounted for as well as the apportionment.
- Prayesh Jain:** So, this quarter run rate should sustain for the rest of the year?
- Praveena Rai:** Yes.
- Prayesh Jain:** Yes. Okay. Got it. Secondly, on the business front. Anything on the base metals, delivery centres, sorting out or anything on co-location that you can share with us?
- Praveena Rai:** So, in terms of metals, I think there's been a lot of consultation activity with our stakeholders. There will be some announcements on optimization that we will be making soon. On co-location, as you know, this is completely in regulatory remit, so nothing much for us to say there.
- Prayesh Jain:** Why is MCX not allowed versus, say, exchanges, other equity exchanges on for co-location?
- Praveena Rai:** Yes, could you repeat yourself, please?
- Prayesh Jain:** I'm saying what's the rationale for SEBI to not give us co-location services versus co-location services being provided by equity exchanges.
- Praveena Rai:** I don't know Prayesh, it's a difficult question to answer here. So, we'll have to leave that with regulatory remit now.
- Prayesh Jain:** Okay, thank you.

Moderator: Thank you. The next question is from the line of Amit Chandra from HDFC Securities. Please go ahead.

Amit Chandra: Yes, thanks for the opportunity. So, my first question is on the uptick that we have seen on the bullion options. So, post the launch, it has now become 46% of the notional turnover. But in terms of premium, it is only 18%. So, I understand we have like lower premium notional here. But how do you see this thing evolving in terms of the contribution for going higher in terms of premium as well?

And also, how do you see this in terms of the cannibalization that we can have here to the futures volume as well because futures, there is a significantly large contribution from bullion as well. So, this is the first question?

Rishi Nathany: Yes. So, Amit, point being is that premiums are a function of volatility, and that is why you are seeing a lower premium to notional in bullion as compared to energy products. Having said that, there is no cannibalization of futures due to increase in options if you observe. The futures volumes have also increased while options volumes have increased. So, I think it is the trend, shows that both futures and options grow at the same time and have that potential.

Amit Chandra: Okay. And sir, in the continuation to this, what kind of tweaks are required in terms of the existing products for both gold and silver in terms of margins and in terms of specification so that we get more retail participation? And how the participation has changed in terms of the newer product that has been launched after the monthly expiry? Is it more retail heavy, or we are seeing a mix of both -- the similar mix that we had for other products in options?

Rishi Nathany: So, we have made certain tweaks. The bimonthly options contracts have been made monthly, and we have seen a healthy participation there after also. If you compare the retail participation from the Q4, it has increased in terms of percentage in Q1 FY '25-26. So, from 51.79%, it has increased to 52.37%. So, retail participation has also increased. The gold 10-gram contract has brought in a lot of retail interests. I believe we do whatever is necessary to look at all types of participants, whether retail or otherwise.

Amit Chandra: Okay. And the second question is on the costing aspect. So obviously, we have seen some higher costs. But how do you see the tech cost going ahead from here on? What kind of investments we require more on a longer-term perspective in terms of the existing tech cost or we think that we are mostly invested in terms of the technology, which is going to drive for the next 2 years?

Or we need some additional investment in terms of technology? And also, from the SGF perspective, how to see earlier, we were of the view that SGF would be in the range of 6% of the revenue, but it has now gone up to 8%. So, what could be the like normalized SGF that we can assume?

Praveena Rai: So let me take the tech cost question. So, we will continue to invest in technology. We have to continue to invest in technology as we broad base our products and continue to put our foot on the pedal with the kind of growth that we're looking at. So that's a given. Doing it more efficiently is really the question, and I think that's what I covered in the early part that we will continue to focus and deliver the kind of efficiency that we looked at on the technology side. So, will we invest, and will it mean another big bump up of cost, we don't expect so, that we will continue to invest, and we will do that in a manner that is done efficiently. With reference to SGF, Chandresh, can you step in on that?

Chandresh Shah: Yes. So, Amit, the SGF contribution this time it is not increased, it is in similar line, but all the regulatory fees, including SEBI regulatory fees, which is paid on turnover is also included in that line.

Amit Chandra: Thank you.

Moderator: Thank you. The next question is from the line of Vikram Raghavan from Moon Capital. Please go ahead.

Vikram Raghavan: Hello team. Congratulations on your best ever performance. I have two questions. One is, what will be the effective tax rate going forward? The second question is on the other operating income that has stayed flat over the years. I wanted to ask why it is not increasing as a function of volume as it largely comprises income from margin money.

Chandresh Shah: Yes. So, Vikram, effective tax rate for MCX is around 20.72%. The reason being that our subsidiary, MCXCCL, whatever contribution to SGF they make is tax deductible expense, though it is not debited to P&L. So that's why they don't have tax provision and that is bringing the effective tax rate down.

Praveena Rai: There was a question on margin, right? Could you just repeat that question?

Vikram Raghavan: Other operating income. So that has stayed flat over the years. That is a function of margin money, which is a function of volume. So why is it not increasing in line with the volumes?

- Chandresh Shah:** So, Vikram, other income does not include this income of the margin money, that is part of income from operations.
- Vikram Raghavan:** Okay. I am mistaken. I'm sorry for that. So, the effective tax rate would continue to be at 21% in the future also, yes?
- Chandresh Shah:** Yes, around 21%, 22%.
- Vikram Raghavan:** Thank you. Thank you, sir. And thank you, ma'am. All the best for your future performance.
- Moderator:** Thank you. The next question is from the line of Lavanya Tottala from UBS. Please go ahead.
- Lavanya Tottala:** Hi. Thank you for this opportunity and congratulations on a great set of numbers. So just on the new products and the recent products. So maybe if you can explain us or help us understand how we are working on the recent products or development specifically maybe electricity derivatives and the next new products which are in line for the launch. That's question number one. Second, I just wanted clarity on the cost. So specifically, one is depreciation. So, it has been fluctuating in the last 3 quarters. So where do we see those stable levels here?
- Praveena Rai:** Yes, Lavanya, so I think on the product side, we spoke about the launches we've had, both in bullion as well as electricity, cardamom. So, electricity contract was launched in June, and the cardamom contract in July, of course, just a few days back. We are also looking at quite a healthy pipeline of products. So, these were things that we've been -- we worked on few months back and slowly as these approvals keep coming in and we are able to then bring them to market with a certain timeline. We, of course, have to time the market so that we can't do multiple things at the same time, and we will have a calendar of launches playing out. I expect that this will be across categories. So, we have plans in the metal complex as well as in the agri side as we speak now and bullion also. I think your other question was on cost stability. It's something that -- sorry.
- Chandresh Shah:** Depreciation cost.
- Praveena Rai:** Depreciation cost. Yes, you want to take that.
- Chandresh Shah:** Yes. So, Lavanya, depreciation depends on the tech investment that we do. And till the time there is fresh investment happening or assets are fully depreciated, this number is bound to change every period.

- Lavanya Tottala:** Okay. Okay. So maybe just one question, if I can squeeze in is, more or less our license fees should be broadly stable from here, and the staff cost also, like as you have mentioned in the earlier question, should be stable from here, even in Q4. Is that right understanding?
- Chandresh Shah:** License fees is linked to the revenue from that product, energy product. So, it is directly linked to that. So, it will vary with the variation in the income from energy products.
- Lavanya Tottala:** This is a step-up model which we have with CME, right?
- Chandresh Shah:** Yes.
- Lavanya Tottala:** Okay. So, staff costs will be stable even in Q4? Is that understanding right or Q4, are we expecting one more jump similar to last year?
- Praveena Rai:** With growth of the business, there will continue to be some growth in staff cost, yes. So, the business can't grow with flat staff cost at this rate. So that's what I said that whatever efficiency is there in the business, when we look at a full year basis, as of last year, we'll continue to retain that efficiency.
- Lavanya Tottala:** Yes. Got it. Thank you. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Chintan Sheth from Girik Capital. Please go ahead.
- Chintan Sheth:** Hi, this is Chintan from Girik Capital. One question was on SGF contribution. If I see the previous quarter number and full year number, that got revised upward by meaningfully from INR63-odd crores for the full year '25, now in the Q1 audited really hit INR79 crores if I'm not mistaken. So, I'm trying to understand the reason for further revision to -- okay, it's clubbed with the regulatory fees, is it sir?
- Chandresh Shah:** Yes, that's right.
- Chintan Sheth:** Okay. So INR63 crores plus whatever it is, is the regulatory fee, which has been clubbed. Got it. Second question is on the other operating income. Like somebody was asking about it earlier that it has been flat relative to the volumes we have seen. So, if you can run us through what ... what drives that other operating income one more time, it would be great. And the last question was on the breakup of the transaction revenue, if you can provide for the quarter, futures plus options?
- Chandresh Shah:** Yes. Chintan, the breakup of transaction charges between futures and options is INR109 crores from futures and INR227 crores from options.

- Chintan Sheth:** Okay. Great. And on the other operating income...
- Chandresh Shah:** Other operating income is part of income from operations. What you're referring is to other income?
- Chintan Sheth:** No, no, no. So, if I add INR109 crores and INR227 crores, and deduct it from INR373 crores as income from operations, there is INR30- INR40-odd crores of other operating income, which comes from, I think, the Clearing Corporation, I believe, right? That's part of money -- revenue recognized over there. If you can broadly -- that line item has been pretty much stable. So, I'm trying to understand what drives that number or how should one look at it?
- Chandresh Shah:** You're right. That is the other operating income of our subsidiary, MCX Clearing Corporation. And largely it is stable, you are right. So, it includes income from margin money and warehousing income, etcetera.
- Chintan Sheth:** But it doesn't grow with the volumes...
- Chandresh Shah:** So that is not linked with volumes.
- Chintan Sheth:** So, it's not linked to volumes.
- Chandresh Shah:** No.
- Chintan Sheth:** Okay. You expect it to stay stable, right? That is where one has to look at it. Okay, got it. I will join the queue. Thank you.
- Moderator:** Thank you. The next question is from the line of Jyotirmoy Jhena, an individual investor. Please go ahead.
- Jyotirmoy Jhena:** Yes. Hi, good afternoon. Congrats on the great quarter. I just had a couple of questions. Have you seen any volumes trail off because of this ban on Jane Street by SEBI? And are there any plans to introduce much longer-term products so that primary consumers can participate, for example, 2-year, 3-year, 5-year contracts on...
- Rishi Nathany:** Thanks, Jyotirmoy. So, we keep working on various contracts and whether they are longer term depends on the market acceptance as well. So, we do work on various maturities. And for example, in gold 10 grams, if you see there was liquidity within the fourth month when we launched. So, we are also very happy to see liquidity across months.

- Praveena Rai:** And we do -- and I just want to say, sorry Rishi I just want to come in here, but we do intend to extend the long-dated contracts as well. So, we are working on that.
- Rishi Nathany:** And regards to your first question, it was more of an equity side issue. At MCX, we do not see any such issues relating to the matters you brought out.
- Jyotirmoy Jhena:** That has been the concern for capital markets generally. Thank you very much.
- Moderator:** Thank you. The next question is from the line of Sanket Godha from Avendus Spark. Please go ahead.
- Sanket Godha:** Yes, thank you for the opportunity. Sir, can you break down that INR26.8 crores exactly into SGF contribution and the other regulatory costs? So just to want to figure out whether it is 6 or 7 percentage of the total transaction income. That's point number one. And the second question, just wanted to understand your view, sir, that premium to notional, especially if you see in the month of July has come off meaningfully.
- Just from your understanding point of view, given the volumes are increasing in MCX, whether the retail participation going up, that leading to more people trading in out-of-the-money contracts and leading to structurally lower premium to notional number. Is it a fair assessment to make so that the growth in the notional might not translate probably in the same proportion to the premium growth. Any color if you can give how the out-of-money contracts are trading to understand that trend, sir?
- Chandresh Shah:** Yes. So Sanketh, see that broadly I can tell you what all is included in this expense line of INR26.81 crores. So, it is contribution to IPF and ISF, which is 1%, 1% each of TC. It is a provision for contribution to SGF and the regulatory fees that we pay to SEBI. The exact breakup, I don't have it handy, but broadly, you can assume it is around -- it's around INR4 crores.
- Sanket Godha:** So INR4 crores is...
- Chandresh Shah:** Regulatory...
- Sanket Godha:** Other regulatory expenses and rest is your SGF cost, that's the way I need to understand, right?
- Chandresh Shah:** Yes.
- Rishi Nathany:** To answer your second question regarding premium to notional, premium to notional is a result of various factors. It's just not trading out of the money. It's also about the volatility in the market. If you observe the beginning of the first quarter, there was

heightened volatility because of global geopolitical situations. It has also investor behaviour. So naturally, it will keep changing from time to time. Having said that, we have been able to more or less maintain a consistent premium to notional. Of course, it would differ from product to product. So, it's very difficult to give you a color as to where premium to notional is headed. Having said that, we always try to increase participation on the exchange, and that should result in overall higher volumes.

Praveena Rai: And we are very happy that with the kind of growth that we've seen with bullion, which really starts stacking up in a very significant way in its contribution even more than in the past.

Sanket Godha: Got it, ma'am. Maybe if I can squeeze one more. Ma'am, just on weekly expiry thing, which we have spoken in the past, anything you are hearing from SEBI? And if you intend to launch, then most likely it would be in which product segment, whether it will be in index options or bullion or crude or energy. Just if you can give a bit of how it -- where is it in the status basically?

Praveena Rai: Yes, Sanket, nice question is what I can tell you. And see, we've been talking about the index options, right? So, when I spoke about this pipeline of products that we are going to put into the calendar, we do expect the index options to be a part of that.

Now what really will be the kind of monthly, etcetera, is something that we will announce in due course. But I would expect that the general regulatory outlook towards weekly is fairly conservative. So, I think we should sort of bear that perspective in mind in what we can expect.

Sanket Godha: Understood, ma'am. That's useful. Thank you very much. That's it for me.

Moderator: Thank you. The next question is from the line of Sanil Desai from ICICI Securities. Please go ahead.

Sanil Desai: Yes, good evening, ma'am. Congratulations on a good set of numbers. So, my first question is more of a clarification just on the newly launched electricity futures. So, are this being charged on the same transaction fee as we charge on other futures or is there any wave off which we are offered right now?

Praveena Rai: Same.

Sanil Desai: So, we are charging the same. Okay. And secondly, like we pay the product license fee to LME, is it a similar kind of arrangement with IEX, which we have here, like same percentage or anything different over here?

- Praveena Rai:** We do have an agreement with IEX giving us the rights to use their price. So, it's a very simple price that gives us a reference to the contract.
- Sanil Desai:** So, is it like some percentage of it? What it would be broadly or something? If you can...
- Praveena Rai:** Yes. So, I don't think we'll be able to share exact details here. But yes, we do have an arrangement. We do have an agreement on this.
- Sanil Desai:** Yes. Okay. And just one more small question...
- Moderator:** Sorry to interrupt, sir, but I may request you to rejoin the question queue for follow-up questions.
- Sanil Desai:** Sure.
- Moderator:** Thank you. The next question is from the line of Chintan Seth from Girik Capital. Please go ahead.
- Chintan Seth:** Yes. Thank you for the follow-up. Just wanted to understand how do you look at electricity futures in the broader scheme of things? We are launching new products and everything. But we have been waiting for this for quite some time. So, we are kind of excited if you can just what our internal...
- Rishi Nathany:** Your voice is muffled. We cannot understand you clearly, please.
- Chintan Seth:** Yes. So, my question was on the electricity futures. We have been trying to get the approval for quite some time. And now we have got it, what internally we are thinking to scale this up? And how should you -- what will be the benchmarks or goals or targets you are setting yourself for to scale this up in the future?
- Praveena Rai:** Yes. So, I think we are also very excited, Chintan, about this contract because it's a completely new product space, and it's a very large market when it comes to India. There is also very stable spot exchange mechanism that exists. So, on the back of all that, I think we have launched the contract.
- We've seen a good pickup in the early days. In fact, the first month is August. The first month of the contract is August. So, the month now has opened, even though we launched in July to sort of warm the contract up. So, from the 1st of July, the sort of mechanisms really start playing out.

So, there's a very nice healthy open interest of about 700 lots that's built up. So, I would say early indications are looking green. The expectation of the contract is positive. I think it will add to our energy segment. And we want to continue to build into that segment so that we build -- cover all energy products in the segment there.

Any new product is going to take time to build out. Everything that we see today and the numbers we see have happened over years. So, what we want to look at here is early milestones to ensure that there is a trading book that is active and available, so that any producer or distributor or corporate is able to manage their price hedging mechanisms.

So, it's been extremely positive, the kind of feedback we've had from corporates. We've had many industrial organizations, in fact, call up proactively wanting to understand more and starting to try how the contract works in any...

Yes. So let me just finish this last line. In any industrial setup, nearly 30% to 40% of their expenses is energy and electricity. So, I think we are finding a lot of commercial corporate participation interest and nearly 50% of our current participation also is from that space.

Chintan Seth: Great. Great, ma'am. All the very best for the future. Thank you. Thank you for answering my question.

Moderator: Thank you. The next question is from the line of Shalini Gupta from East India Securities. Please go ahead.

Shalini Gupta: Good evening. I wanted to ask like, whole market volumes seem to have shot up. What is the reason?

Rishi Nathany: So Shalini, we have been growing consistently over the years. It's not that it has shot up suddenly. And it is a factor of increasing awareness, increasing participation, and that is translating into higher volumes. So, the business is growing, and commodities are taking their place in the sun, so as to say. So, I think that is also the reason why people are preferring commodities as a viable asset class, and more investor interest is there in commodities.

Shalini Gupta: So, you are expecting this to continue...

Praveena Rai: I will also add that one is, of course, the macro aspects of what's happening, but I think there's also been a lot of very focused efforts and initiatives taken to create more energetic engagement, interaction, spreading the knowledge of why commodity

derivatives matter and so on and so forth. I mean these will take time to play out overall. But I think everything sort of adds up into this space.

Shalini Gupta: Okay. And ma'am, my second question, why are options volumes much higher than futures volumes? I've seen this across the years, across the quarters.

Rishi Nathany: So Shalini, if you understand the cost of trading options is quite cheap as compared to cost of trading futures. And that is a function of what the market prefers. We promote all products. We are -- we have equanimity towards all products. We would like all segments, all products to grow. But end of the day, it is the participants who decide what to trade.

Shalini Gupta: That's fair. But why are options costs lower? Because the brokerage cost will be the same across options in futures.

Rishi Nathany: It's the taxation angle, Shalini.

Shalini Gupta: Okay. So, options are taxed at a lower rate?

Praveen DG: So generally, it is like if you take futures and options, the taxation part is one thing. And apart from that one, even the brokers charge differently for futures and options.

Moderator: Sorry to interrupt, ma'am, but I may request you to rejoin the question queue.

Shalini Gupta: Yes, yes. All right. Thank you.

Moderator: The next question is from the line of Aditya Bhatia from Electrum Capital. Please go ahead.

Aditya Bhatia: Hi, just a bookkeeping question. What is the average realization for the current quarter? And number 2, on a more macro level, with the regulators increasing scrutiny in the derivatives market, are you seeing any near to mid-term regulatory or compliance headwinds?

Rishi Nathany: So, in terms of average realization, now you will understand that it is true to label. So, there is no average realization. What we announced, there's a fixed fee for everyone, and that is the realization. So, there is no variability in the realization. And in terms of commodity markets, we are very small compared to the equity markets, and we continue to grow, and we see continued interest in people to participate here.

See, commodities markets have a varied participants. So, you have a lot of hedgers, real users, exporters, importers, physical market participants primary producers and

consumers coming into this market. So, you cannot equate it with equity markets where they're just issuers or investors or traders. Here, there are a lot of other participants. So, commodity markets actually serve a larger economic purpose.

Aditya Bhatia: Sure. Thank you.

Moderator: Thank you. The next question is from the line of Aditya Yadav from Transcend Capital. Please go ahead.

Aditya Yadav: Yes, hi, good evening. My question was an extension to previous participant's question. I understand you've discussed there have been multiple initiatives which have been taken in terms of awareness, distribution, etcetera, which had led to increase in revenue. But still this quarter gone by, this April to June quarter had a step jump in revenue. I mean -- so I just wanted to probe a bit further on that, and you could give your sense why it has suddenly taken off in the last quarter?

Praveena Rai: Yes. So, I don't think it's suddenly taken off. I think quarter-on-quarter, the last few quarters have been each step, right? So, I think that's probably the way to look at it. So, if you look at every month, every month has had its -- there are some great months and good -- there are some good months.

But overall, quarter-on-quarter, we've seen that broader macro trend of growth is driven by macro parameters as well as all the actions around increasing both products as well as participants. Global actions around bullion, etcetera, have helped the bullion space. This has also coincided with the launch of the monthly options that we've had on gold and silver, the 10-gram launch. So, I think all those moving parts have come together, and that's how that sort of synergistic result is something that we are able to see today.

Aditya Yadav: Okay. All right. Thank you. That's all from my side.

Moderator: Thank you. The next question is from the line of Prakishit Gupta from Fair Value Capital. Please go ahead.

Prakishit Gupta: Thank you very much for the opportunity and congratulations on a great set of results. Most of my questions have been answered. So just one question on the electricity futures, please. While you have already mentioned that the transaction fee charged is the same as other future contracts. However, would you be able to quantify in terms of either volume or maybe value of the business that you expect from this contract, maybe for this entire financial year?

Praveena Rai: Yes. So, sorry, we won't be able to give that because that's something that we are tracking internally. But like I said, I think we're looking at milestones. We're looking at green shoots here. I already shared the data in terms of what our current open interest is looking like. So, the trend is as we've expected.

The focus really is on early actions. The first -- we are just 2 days into the first month actually of the first contract. So, bringing in all the commercial participants and having them to actively participate is one of the primary objectives here.

Prakishit Gupta: Understood. Just one bookkeeping question. You mentioned transaction income split. Please, I just wanted to confirm it. Futures is at INR109 crores and then thereby options would be at INR267 crores, correct?

Chandresh Shah: INR227 crores.

Prakishit Gupta: All right. Thank you very much for answering my questions and good luck for the current quarter.

Moderator: Thank you. Ladies and gentlemen, this will be the last question for today. The next question is from the line of Lavanya Tottala from UBS. Please go ahead.

Lavanya Tottala: Hi. Thank you for the opportunity again. So just wanted to understand one thing, clarification. So, ma'am, you mentioned that the participation in electricity derivatives, 50% is coming from the corporates. So, the rest is coming from capital market participants or have you see DISCOMs using this for hedging or I mean, increasing participation from DISCOMs one can expect over a period of time. Anything on that?

Praveena Rai: See, 50% plus is coming from clients. Of that, I think we really wouldn't be able to say whether it's coming from what kind of participant, DISCOM and so on. But I think we do expect the public sector to take more time to come on Board. The early participation will come from private sector generators, and we are actively engaged with all of them. There is a lot of activity around solar generation and private distribution and so on and so forth. So, we have the open interest of 700 lots.

Lavanya Tottala: Okay. Maybe participation in terms of other contracts, how do you see like in terms of hedging and all? I mean, specifically gold, are we seeing higher share of hedgers in other contracts coming in, specifically gold? Anything there?

Praveen DG: Can you repeat again, Lavanya? You are not clear.

Lavanya Tottala: So, I'm just asking how the participation in other segments has evolved, specifically hedgers in maybe gold, like how it has evolved over a period of time? Is it increased or -- hedging participation...

Praveen DG: You are already aware of it. There's a significant contribution because when you look at it, you have to look from open interest when you are looking at hedgers. And when you are looking for other market participants, maybe you can look at the volume.

In commodities like gold and other commodities, metals and other things, you could see a lot of participation in the hedgers, in terms of their contribution to the open interest, okay? So, in case of volumes, I think it is going to be distributed across many categories of market participants.

Lavanya Tottala: Okay. Perfect. Thank you. Thank you so much, sir.

Moderator: Thank you. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to Ms. Praveena Rai, MD and CEO, MCX, for closing comments.

Praveena Rai: Yes. Thank you very much to everyone who participated, and very high quality of questions. I hope we were able to address all of them. Thank you for your time and participation. Look forward to staying connected.

Moderator: Thank you. On behalf of Multi Commodity Exchange of India Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.