

**Metropolitan Clearing Corporation of India Limited**

**12<sup>th</sup> Annual General Meeting, September 18, 2020**

**Transcript of the 12<sup>th</sup> Annual General Meeting of Metropolitan Clearing Corporation of India Limited held on Friday, September 18, 2020 as per the requirements of the General Circular No. 14/2020, issued by the Ministry of Corporate Affairs dated April 8, 2020.**

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**Directors Present**

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|------------------|---|--|
| Mr. Vijay Ranjan | : | Chairman of the Board (through video conferencing from Ahmedabad)  |
| Ms. Rita Menon   | : | Public Interest Director (through video conferencing from New Delhi)   |
| Mr. Alok Mittal  | : | Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee (through video conferencing from New Delhi) |
| Mr. Balu Nair    | : | Managing Director & CEO (through video conferencing from Kerala)   |

**Members Present**

- |                       |   |   |
|-----------------------|---|---|
| Mr. Saket Bhansali    | : | Representative of Metropolitan Stock Exchange of India Limited (through video conferencing from Mumbai) |
| Mr. Ajay Puri         | : | Representative of Multi Commodity Exchange of India Limited (through video conferencing from New Delhi) |
| Ms. Manisha Thakur    | : | Nominee of Metropolitan Sock Exchange of India Limited (through video conferencing from Kolkatta)       |
| Mr. Kundan Zamvar     | : | Nominee of Metropolitan Sock Exchange of India Limited (through video conferencing from Mumbai)         |
| Mr. Anish Kumar Sinha | : | Nominee of Metropolitan Sock Exchange of India Limited (through video conferencing from Mumbai)         |

**Auditors Present**

- |                     |   |   |
|---------------------|---|---|
| Mr. Aditya Kanetkar | : | Representative of M/s. Kirtane & Pandit LLP, Statutory Auditor (through video conferencing from Mumbai) |
| Mr. A. Sekar        | : | Secretarial Auditor (through video conferencing from Mumbai)  |

**KMP's Present**

- |                      |   |  |
|----------------------|---|--|
| Mr. Krishna J. Wagle | : | Chief Financial Officer (through video conferencing from Mumbai) |
| Ms. Avni Patel       | : | Company Secretary (through video conferencing from Mumbai)       |

## **1. Date, Time and Venue of the Meeting:**

The 12<sup>th</sup> AGM of the Company was held on Friday, September 18, 2020 by using 'Google Meet' Application. The Meeting commenced at 02:30 P.M. through video conference from Vibgyor Towers, 4th floor, Plot No C 62, G Block, Opp. Trident Hotel Bandra Kurla Complex, Bandra (E), Mumbai – 400098 and concluded at 3:00 P.M.

## **2. Transcript of the Meeting:**

### **Ms. Avni Patel, Company Secretary**

I welcome everyone to the 12th Annual General Meeting of Metropolitan Clearing Corporation of India Limited. Due to the outbreak of COVID-19 pandemic, the meeting is being conducted through Video Conference. The meeting is being recorded for the purpose of statutory requirements. Before I hand over the proceedings to the Chairman to declare the meeting open, I would like to highlight certain points here. The joining to this meeting opened 15 minutes before the scheduled time of the commencement of the meeting, which is 2:30 pm and it will remain open for another 15 minutes after the end of the meeting. Members are encouraged to join the meeting through their laptops and headphones for a better experience and use internet with a good speed to avoid any disturbance during the meeting. Participants connecting from mobile devices or tablets or through laptops connecting via a mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use a stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. I request the Chairman to proceed with the meeting.

### **Mr. Vijay Ranjan, Chairman's address:**

I welcome everyone to the 12th Annual General Meeting. In view of the restrictions due to outbreak of COVID-19 and considering the social distancing norms, the AGM is being conducted through VC / OAVM. The meeting is convened and conducted in accordance with the circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India (SEBI). The Statutory Registers as per the provisions of the Companies Act, are available for inspection in electronic mode in terms of the aforesaid circular. Before we start the main proceedings of the meeting, we should complete the roll call. I am Vijay Ranjan. I am present in the meeting through video conference from my residence in Ahmedabad. I have received the notice and all the relevant material for the meeting and no one except myself is present in the room or have access to the proceedings of the meeting and I can see and hear clearly the proceedings of the meeting. Mr. Alok Mittal, the Chairman of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee and Ms. Rita Menon, Public Interest Director are attending the meeting through VC. Now I would request my colleagues Directors, Members, Auditors, CFO and CS on the video conference to introduce themselves. For the smooth conduct of the meeting, all the Members are requested to mute their mikes and Members who have any questions on the resolutions shall unmute themselves.

**Ms. Rita Menon, Public Interest Director**

Good Afternoon Everyone. I am Rita Menon, a Public Interest Director of MCCIL. I am joining this through video conference from my residence in New Delhi address of which is known to the Company. I have received the notice and I am alone in this room and no one is privy to any of the documents of the meetings

**Mr. Alok Mittal, Public Interest Director**

I am Alok Mittal, a Public Interest Director of MCCIL. I am attending this meeting from my residence in, New Delhi. The address is known to the Company and no one has access to the proceedings of the meeting and I am alone in this room.

**Mr. Balu Nair, Managing Director & CEO**

Good Afternoon everyone, I am Balu Nair, Managing Director & CEO of MCCIL. I am attending this meeting through video from Kerala. Address has been shared with the Company Secretary. I have received the notice of the meeting and gone through the same and I am alone in this room.

**Mr. Krishna J. Wagle, Chief Financial Officer**

Good Afternoon everyone. I am Krishna Wagle, Chief Financial Officer of MCCIL. I am present in the meeting through video conference from my residence in Borivali, Mumbai. I am alone in this room.

**Mr. Ajay Puri, Representative of Multi Commodity Exchange of India Limited**

I am Ajay Puri, representative of Multi Commodity Exchange of India Limited (MCX).I am present in the meeting from my residence in New Delhi. I am alone in this room

**Mr. Saket Bhansali, Representative of Metropolitan Stock Exchange of India Limited**

I am Saket Bhansali, representative of Metropolitan Stock Exchange of India Limited (MSE), Shareholder of MCCIL. I am attending this meeting from the Office in Bandra Kurla Complex, Mumbai. I have received the notice and no one else except myself is present in the room. I can hear and see everyone.

**Mr. A Sekar, Secretarial Auditor**

I am A. Sekar, Secretarial Auditor of MCCIL. I am present in the meeting through video conference from B-305, Sai Jyote, Lalubhai Park, Vile Parle (West), Mumbai. I have received the notice and I am alone in this room.

**Ms. Avni Patel, Company Secretary**

I am Avni Patel, Company Secretary of MCCIL. I am present in the meeting through video conference from my residence in Ghatkopar, Mumbai. I am alone in this room.

**Mr. Kundan Zamvar, Nominee of Metropolitan Stock Exchange of India Limited**

I am Kundan Zamvar, nominee of Metropolitan Stock Exchange of India Limited, Shareholder of MCCIL. I am present in the meeting through video conference from my residence in Chembur, Mumbai. I am alone in this room.

**Ms. Manisha Thakur, Nominee of Metropolitan Stock Exchange of India Limited**

I am Manisha Thakur, nominee of Metropolitan Stock Exchange of India Limited, Shareholder of MCCIL. I am attending this meeting from Kolkata. I am alone in this room. I have received Notice in due time.

**Mr. Anish Kumar Sinha, Nominee of Metropolitan Stock Exchange of India Limited**

I am Anish Kumar Sinha, nominee of Metropolitan Stock Exchange of India Limited, Shareholder of MCCIL. I am attending this meeting from my residence in Mumbai. I am alone in this room. I have received notice in time.

**Mr. Aditya Kanetkar, Representative of M/s. Kirtane & Pandit LLP, Statutory Auditors**

Good Afternoon everyone. I am Aditya Kanetkar, representative of M/s. Kirtane & Pandit LLP, Statutory Auditor of MCCIL. I am attending this meeting from Mumbai. I am alone in this room.

**Mr. Vijay Ranjan, Chairman**

The Notice and all the relevant material for the Meeting were provided to respective persons. Since the meeting is being conducted through Video Conference, attendance slip, proxy form and route map were not annexed to the Notice of AGM. With the consent of the members present, the Notice convening the meeting may be taken as read as the same had already been circulated to the Members.

**Mr. Kundan Zamvar, Shareholder**

Yes

**Mr. Anish Kumar Sinha, Shareholder**

Yes

**Mr. Vijay Ranjan, Chairman**

“Before we take up the business in the notice, I would like to give the members, a brief overview of the Company’s performance.

Distinguished Shareholders and their Representatives, the Board Members and our Auditors, I have great pleasure in welcoming you all to the Twelfth Annual General Meeting of your Company

It's my pleasure to inform you that your Company was amongst the first Indian Clearing Corporations which could successfully launch its services under interoperability as per the timelines stipulated by the SEBI on June 3, 2019. Under interoperability, your company can now clear trades of NSE and BSE in addition to MSE in Currency Derivatives Segment, Equity Cash Market and Equity Derivatives Segment. Further, your company has started providing clearing and settlement services to the Mutual Fund segment of Indian Commodity Exchange Limited (ICEX) with effect from December 27, 2019, in addition to the Commodity Derivatives Segment.

On the strength of its state of art systems and prudent risk management techniques, all settlements undertaken by the Company during financial year 2019-20 were completed without defaults and delay. Thus, your Company maintains a track record of having carried out all settlements from the date of commencement of its operations in timely manner and without defaults.

In the financial year ended March 31, 2020, with due approvals, the company has effected a reduction in share capital by 170,000,000 (Seventeen Crore) Equity Shares of INR 10/- each (Indian Rupees Ten only) held by the shareholders on proportionate basis on the record date of August 29, 2019.

Your Company has reported profit in FY 2019-20 and maintained its networth as per the regulatory requirements.

Your Company successfully complied with the provisions of CSR under the Companies Act and spent an amount of INR 6.33 lakh towards CSR related activities in FY 2019-20.

The recognition of the Company as a Clearing Corporation is subject to renewal on a yearly basis and the validity of the current recognition is from October 3, 2019 to October 2, 2020 subject to certain conditions.

With a view to reduce operational expenses your company has entered into a lease agreement for office premises at Kurla in Mumbai in the month of February, 2020. However, on account of Covid 19 pandemic the company could not complete the refurbishment of the new office and has not been able to shift so far. However the work of getting necessary approval from the concerned authorities and refurbishment, etc is in progress and we expect to shift before the end of this financial year.

Before I conclude I would like to make a special mention of the untiring efforts of our employees, from the Managing Director, CFO, Company Secretary down to the junior most employee involved in the operations and management, directly or indirectly who has worked tirelessly to successfully comply with all the demands made on the company and that too within the timelines

provided. I sincerely thank each one for their commitment and hard work. This year has been particularly taxing in view of implementing interoperability, shifting office premises and to top it all the pandemic which forced people to work from home and yet to keep the operations going seamlessly. I do not have enough words to praise their efforts.

And finally, I would like to extend my thanks to the regulators, shareholders, Auditors, the Governing Board and the Management of our Holding Company MSE, Business Partners, and Vendors for their support which helped us in discharging our role as a Clearing Corporation. I would also like to thank my fellow Board Members for their unstinted support and encouragement.

Thank You all.

We can now proceed with the ordinary business of the company. The first agenda item relates to the adoption of Financial Statement along with the Reports of Auditors and Board of Directors. I would request the members to ask their questions, if any, on the Business of the Company, the Financial Statements, and the Auditors Report. Any Question please.

I would request one of the members to propose the said resolution and another member to second the same.

**Mr. Anish Kumar, Shareholder**

I propose the resolution

**Mr. Kundan Zamvar, Shareholder**

I second the resolution

**Mr. Vijay Ranjan, Chairman**

I now put Resolution No. 1 to vote by show of hands. Those in favour/ those against. Carried unanimously. I now declare that the resolution is passed unanimously.

The second agenda item is relating to approve remuneration payable to Mr. Balu Nair (DIN: 07027100), Managing Director & CEO of the company. Mr. Balu Nair was appointed as Managing Director and CEO of the Company with effect from June 20, 2019. The remuneration of Mr. Balu Nair was fixed at INR of 75,00,000/- per annum plus Annual Variable Pay not exceeding 25% of the remuneration on cost to company (all inclusive) for a period of one year.

It is proposed to fix the same remuneration for Mr. Balu Nair for another period of one year i.e. from June 20, 2020 to June 19, 2021

I would request the members to ask their questions, if any



**Mr. Saket Bhansali, Shareholder**

No questions

**Mr. Ajya Puri, Shareholder**

No questions

**Mr. Vijay Ranjan, Chairman**

I would request one of the members to propose the said resolution and another member to second the same.

**Mr. Kundan Zamvar, Shareholder**

I propose the resolution

**Mr. Anish Kumar, Shareholder**

I second the resolution

**Mr. Vijay Ranjan, Chairman**

I now put Resolution No. 2 to vote by show of hands. Those in favour. I now declare that the resolution is passed unanimously.

The next item is relating to appointment of Mr. P.K. Ramesh (DIN: 08363403) as shareholder director of the company, subject to approval of the SEBI. In terms of the SECC Regulations, 2018, the Governing Board of every recognized clearing corporation shall include shareholder director. In view of the above, MSE vide its email dated July 18, 2020 has recommended the name of Mr. P.K. Ramesh, Chief Regulatory and Compliance Officer of Metropolitan Stock Exchange of India Limited as Shareholder Director of the Metropolitan Clearing Corporation of India Limited (MCCIL). The Board of Directors has already recommended nomination of Mr. P.K. Ramesh as Shareholder Director. The appointment shall be subject to approval of SEBI. I would request the members to ask their questions, if any

**Mr. Vijay Ranjan, Chairman**

I would request one of the members to propose the said resolution and another member to second the same.

**Mr. Anish Kumar, Shareholder**

I propose the resolution

**Ms. Manish Thakur, Shareholder**

I second the resolution

**Mr. Vijay Ranjan, Chairman**

I now put Resolution No. 3 to vote by show of hands. I now declare that the resolution is passed unanimously.

The next item is relating to appointment of Mr. Saket Bhansali (DIN: 06817955) as shareholder director of the company, subject to approval of the SEBI.

In terms of the SECC Regulations, 2018, the Governing Board of every recognized clearing corporation shall include shareholder director. In view of the above, MSE vide its email dated July 18, 2020 has recommended the name of Mr. Saket Bhansali, Senior Vice President – Head, New Initiatives and now Chief Financial Officer of Metropolitan Stock Exchange of India Limited as Shareholder Director of the Metropolitan Clearing Corporation of India Limited (MCCIL). The Board of Directors has already recommended nomination of Mr. Saket Bhansali as Shareholder Director. The appointment shall be subject to approval of SEBI. I would request the members to ask their questions, if any

**Mr. Vijay Ranjan, Chairman**

I take it that there are no questions. I would request one of the members to propose the said resolution and another member to second the same.

**Mr. Anish Kumar Sinha, Shareholder**

I propose the resolution

**Mr. Kundan Zamvar, Shareholder**

I second the resolution

**Mr. Vijay Ranjan, Chairman**

I now put Resolution No. 4 to vote by show of hands. I now declare that the resolution is passed unanimously.

With that, all the items pertaining to the meeting are completed. I would like to thank the Directors, Members and Auditors for participating in the Meeting and I wish everyone good health and safety in the year ahead.

**Mr. Balu Nair, Managing Director & CEO**

On behalf of the members and all others present at the Meeting, I thank Mr. Vijay Ranjan for chairing and conducting this Meeting and his continuous guidance and leadership to the Clearing Corporation

**Mr. Vijay Ranjan, Chairman**

I now declare the Meeting as closed. Thank You All.