

Metropolitan Clearing Corporation of India Limited

13th Annual General Meeting, November 25, 2021

Transcript of the 13th Annual General Meeting of Metropolitan Clearing Corporation of India Limited held on Thursday, November 25, 2021 as per the requirements of the General Circular No.14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, and General Circular No. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs.

Directors Present

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. P.K. Ramesh	: Shareholder Director through video conferencing from Mumbai)
Mr. Saket Bhansali	: Shareholder Director through video conferencing from Mumbai)
Mr. Krishna J. Wagle	: Managing Director

Members Present

Mr. P. K. Ramesh	: Representative of Metropolitan Stock Exchange of India Limited (through video conferencing from Mumbai)
Mr. Saket Bhansali	: Nominee of Metropolitan Stock Exchange of India Limited (through video conferencing from Mumbai)
Ms. Manisha Thakur	: Nominee of Metropolitan Stock Exchange of India Limited (through video conferencing from Mumbai)
Mr. Neeraj Gupta	: Nominee of Metropolitan Stock Exchange of India Limited (through video conferencing from Mumbai)
Mr. Anish Kumar Sinha	: Nominee of Metropolitan Stock 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 Kolhapur)
Mr. A. Sekar	: Secretarial Auditor (through video conferencing from Mumbai)

KMP's Present

Mr. A. Sebastin	: Chief Operating Officer
Mr. Kirit Dodiya	: Chief Financial Officer
Ms. Avni Patel	: Company Secretary

1. Date, Time and Venue of the Meeting:

The 13th AGM of the Company was held on Thursday, November 25, 2021 physically at the Registered Office of the Company as well as through Video Conferencing by using 'Zoom' Application. The Meeting commenced at 3:00 P.M. through video conference from Building A, Unit 205B, 2nd Floor, Agastya Corporate Park, Sunder Baug Lane, Kamani Junction, L.B.S Road, Kurla West, Mumbai - 400070 and ended at 3:30 P.M. The meeting was adjourned for agenda item no. 1 till further notice.

2. Transcript of the Meeting:

Ms. Avni Patel, Company Secretary

I welcome everyone to the 13th Annual General Meeting of Metropolitan Clearing Corporation of India Limited. Due to the outbreak of COVID-19 pandemic, the meeting is also 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 that the joining to this meeting opened 15 minutes before the scheduled time of the commencement of the meeting, which is 3:00 pm and it will remain open for another 15 minutes after the end of the meeting. I now request Mr. Vijay Ranjan, being the Chairman of the Board, to take the Chair and proceed with the meeting as the quorum is present.

Mr. Vijay Ranjan, Chairman's address:

I welcome everyone to the 13th 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 (MCA) 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, Chairman and Public Interest Director am present in the meeting through video conference from my residence in Ahmedabad. The address is available with the Company. 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 clearly hear the proceedings of the meeting.

The Chairman then invited the other Directors, Members and Auditors to introduce themselves.

Ms. Rita Menon, Public Interest Director

Thank you, Chairman. I am Rita Menon. I am joining this 13th Annual General Meeting of the Metropolitan Clearing Corporation of India Limited through video conference from my

residence in New Delhi at S-298, Panchsheel Park. I have received the agenda, notice and other documents relevant to the Meeting. I confirm that I can see and hear everybody. I am alone in the room and no one has access to the discussion of AGM. Thank you.

Mr. Alok Mittal, Public Interest Director

I am Alok Mittal, a Public Interest Director of MCCIL. I am attending this meeting from my office in, New Delhi. The complete address is with the Company. I confirm that nobody else in this room is privy to the discussion. Thank you.

Mr. P. K. Ramesh, Shareholder Director and Nominee of MSE

I am P.K. Ramesh, Shareholder Director of Metropolitan Clearing Corporation of India Limited. I got the notice and other particulars about this 13th AGM of MCCIL and conversing with the items. I am attending this meeting from Metropolitan Stock Exchange of India Limited's registered office at Piramal Towers along with my co-Shareholder Director Mr. Saket Bhansali and other shareholders of MCCIL.

Ms. Manisha Thakur, Shareholder (Nominee of MSE)

This is Manisha Thakur, attending as Nominee of MSE.

Ms. Anish Kumar, Shareholder (Nominee of MSE)

Anish Kumar, attending as Nominee of MSE.

Mr. Neeraj Gupta, Shareholder (Nominee of MSE)

I am Neeraj Gupta, attending as Nominee of MSE.

Mr. Krishna J. Wagle, Managing Director

I am Krishna Wagle, Managing Director of MCCIL. I am attending this 13th AGM from the registered office of the Company. I have received the notice and agenda items of the meeting. I can see and hear all Members. Alongwith me my colleagues CFO, CS and COO are present. Thank you.

Mr. Kirit N. Dodiya, Chief Financial Officer

I am Kirit Narendra Dodiya, Chief Financial Officer of MCCIL attending the 13th Annual General Meeting of MCCIL from its registered office. I have received all the agenda papers and relevant documents. I am here in the Board room alongwith the MD, COO and CS.

Mr. A. Sebastin, Chief Operating Officer

Good afternoon to all I am Sebastin, COO of MCCIL attending the 13th AGM. I have received the agenda papers. I am attending alongwith the MD, CFO and Company Secretary at the registered office of the Company. Thank you.

Ms. Avni Patel, Company Secretary

Good afternoon everyone. This is Avni Patel. I am attending this meeting from the registered office of the Company. I have with me the MD, COO and CFO.

Mr. A Sekar, Secretarial Auditor

I am A. Sekar, Secretarial Auditor of MCCIL. I am participating this meeting virtually. I am attending from my residence in Vile Parle West, Mumbai. Nobody else is present in the room and no one else has access to the proceedings of the Meeting.

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

This is Aditya Kanetkar, representative of M/s. Kirtane & Pandit LLP, Statutory Auditor of MCCIL. I am attending this meeting from Kolhapur. I confirm that I am alone in this room. Thank you.

Mr. Vijay Ranjan, Chairman

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 raise their hand and shall unmute themselves.

The Notice and all the relevant material for the Meeting were provided to respective persons. 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. Shall I take the notice as read.

We'll take the notice as read.

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, the Board Members and the representatives, our Auditors, I have great pleasure in welcoming you to the Thirteenth Annual General Meeting of your Company.

Your Company clears trades of NSE, BSE and MSE in Currency Derivatives Segment, Equity Cash Market and Equity Derivatives Segment under interoperability. Further, your company provides clearing and settlement services for Commodity Derivatives Segment and Mutual Fund segment of Indian Commodity Exchange Limited (ICEX).

Despite the challenges faced on account of the pandemic and the associated lockdowns, I am happy to inform you that your Company was able to provide uninterrupted clearing services even during the lockdown and all settlements undertaken by the Company during the financial year 2020-21 were completed without defaults and delay. This amply proved the strength of its state of art systems and prudent risk management techniques. Thus, your

Company maintains a track record of having carried out all settlements from the date of commencement of its operations in timely manner without defaults.

The Company maintained its networth as per the regulatory requirements.

Your Company has received recognition as a Clearing Corporation for a period of one year from October 3, 2021 to October 2, 2022.

Your Company has shifted its registered office to Agastya Corporate Park, Kurla West, with effect from January 01, 2021.

Before I conclude, I would like to extend my thanks to the regulators, shareholders, the Auditors, the employees, 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. With the continued support of our stakeholders, I am sure that MCCIL shall be able to reap the opportunities and meet all the challenges in the future as well.

Thank You all.

We can now proceed with the 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 resolution no. 1.

Avni, what is Resolution no.1

Ms. Avni Patel, Company Secretary

Regarding adoption of Financials.

Mr. Vijay Ranjan, Chairman

Adoption of Financial Statements along with the Reports of Auditors and Board of Directors.

Are there any question please.

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

Any proposers.

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

Any proposers.

Shareholders shall propose.

Ms. Avni Patel, Company Secretary

Yes.

Mr. Vijay Rajan, Chairman

Any Shareholder Directors or nominee shareholder shall propose. Can nominee shareholder propose.

Ms. Avni Patel, Company Secretary

Nominee Shareholder can propose. All of them are Shareholders.

Mr. Vijay Ranjan, Chairman

Anyone proposing this resolution. Nobody is proposing this resolution. Avni what does that mean.

Ms. Avni Patel, Company Secretary

Then we go directly to voting. Whether they accept or reject.

Mr. Vijay Ranjan, Chairman

I now put resolution No. 1 to vote by show of hands. Those in favour. Have you counted Avni.

Ms. Avni Patel, Company Secretary

Only Shareholders have to vote. Not the Directors.

Mr. Vijay Ranjan, Chairman

Anyone in favour. Nobody. Those against.

Ms. Avni Patel, Company Secretary

5 Members have voted against the resolution.

Ms. Rita Menon, Public Interest Director

5 hands.

Mr. Vijay Ranjan, Chairman

Can I request the shareholder to state reason for their dissent.

Mr. P.K. Ramesh, Shareholder

I am P. K. Ramesh, Shareholder Director and representing MSE. The Shareholder Directors of MCCIL have recorded their dissent to the quarterly financial statements as well as to the annual financial statements wherein the reasons have also been recorded in those meetings.

Based on the same reasons, the representative and nominee shareholders of MSE would like to record our dissent for adoption of annual financial statement for the financial year ended on March 31, 2021.

Mr. Vijay Ranjan, Chairman

The second agenda item is relates to appointment of a Director in place of Mr. P.K Ramesh, Shareholder Director (DIN: 08363403) who retires by rotation and being eligible, offers himself for reappointment.

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

Ms. Manisha Thakur, 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.

Ms. Manisha Thakur, Shareholder

I propose the resolution.

Mr. Saket Bhansali, 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.

Now resolution no. 3 and 4.

Appointment of Mr. Krishna J. Wagle (DIN: 09082635) as a director of the company.

Appointment of Mr. Krishna J. Wagle (DIN: 09082635) as the Managing Director of the company and approval of remuneration to be paid to him.

Mr. Krishna J. Wagle has been appointed as Additional Director of the Company by the Board of Directors with effect from February 27, 2021.

Mr. Wagle has also been appointed as Managing Director with effect from February 27, 2021 subject to approval of Shareholders.

Accordingly, it is proposed to appoint Mr. Krishna J. Wagle as Managing Director of the Company for a period of three years with effect from February 27, 2021 at a remuneration of

INR 48,00,000/- per annum plus Annual Variable Pay of INR 24,00,000/- on cost to company (all inclusive, applicable for a period one year from February 27, 2021).

A notice in writing has been received from him signifying the intention to propose his candidature for appointment as Director of the Company. Accordingly, the resolution as stated in notice is placed before the members for their approval.

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

Ms. Manisha Thakur, Shareholder

I wanted to understand that is resolution no. 3 is being proposed.

Mr. Vijay Ranjan, Chairman

Both the resolutions are being proposed together.

Ms. Manisha Thakur, Shareholder

Sir wouldn't it be necessary for us to go separately on both the resolutions.

Ms. Avni Patel, Company Secretary

We can go separately for both the resolutions.

Ms. Manisha Thakur, Shareholder

If it is resolution no. 3 then, Ms. Manisha Thakur is proposing the resolution.

Mr. Neeraj Gupta, Shareholder

I second the resolution.

Mr. Vijay Ranjan, Chairman

Resolution No. 3 is being put to vote. Those in favour. Carried unanimously.

Now Resolution No. 4 is being put to vote i.e. appointment of Mr. Krishna J. Wagle as Managing Director along with the remuneration as mentioned earlier.

Any proposers for the resolution.

I now put resolution No.4 to vote by show of hands. Those in favour. Nobody. Those against.

Ms. Avni Patel, Company Secretary

All of them have rejected

Mr. Vijay Ranjan, Chairman

Mr. Krishna's appointment as Managing Director and remuneration, both gets rejected.

Ms. Avni Patel, Company Secretary

Yes.

Mr. P.K. Ramesh, Shareholder

With respect to item no.4 we would like to add something. Item no. 4 has two parts one is appointment of Mr. Krishna J. Wagle as Managing Director and the other is the remuneration being paid to him.

Mr. Vijay Ranjan, Chairman

Ms. Avni Patel can we separate both the resolutions.

Ms. Avni Patel, Company Secretary

The resolutions cannot be separated.

Mr. Vijay Ranjan, Chairman

We cannot separate the resolution as we had made joint application to SEBI for his appointment as Managing Director alongwith the remuneration to be paid.

Mr. P.K. Ramesh, Shareholder

We are only trying to give a pointer over here that we are opposing this resolution is basically because there are two parts to this resolution, one is appointment of Mr. Krishna Wagle as Managing Director and other is his remuneration. He being appointed as Managing Director of the Company is alright for us. But the remuneration part we are dissenting basically because we are not in favour of the increased remuneration, we are of the opinion that remuneration should be rolled back to the original level. But however, these two points are clubbed together as one resolution it is getting opposed in totality.

Mr. Vijay Ranjan, Chairman

Avni please make a note that the shareholders don't have objection to appointment of Mr. Krishna Wagle as Managing Director but they have reservations on the remuneration. So this how it should be noted in the minutes.

Ms. Avni Patel, Company Secretary

Yes Sir.

Mr. Vijay Ranjan, Chairman

Resolution No. 5 now. Ms. Rita Menon was appointed as Public Interest Director (Independent Director) of the Company for a period of three years i.e. from August 10, 2018 to August 09, 2021. The tenure of Ms. Rita Menon (i.e. 1st Term) ended on August 09, 2021.

Pursuant to Regulation 24(3) of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ('SECC Regulations') Public Interest Director shall be nominated for a term of three years, extendable by another term of three years.

SEBI vide its letter no SEBI/HO/MRD2/DCAP/OW/2021/14772/1 dated July 09, 2021 approved extension of term of Ms. Rita Menon as Public Interest Director of the Company for a period of 3 years i.e. from August 10, 2021 to August 09, 2024.

A notice in writing has been received from her signifying the intention to propose her candidature for appointment as Director of the Company.

The resolution proposing her appointment as Public Interest Director as stated in the notice is placed before the members for their approval.

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

Mr. Anish Kumar, Shareholder

Anish Kumar is proposing.

Mr. Saket Bhansali, Shareholder

Saket is seconding.

Mr. Vijay Ranjan, Chairman

I now put the resolution no. 5 to vote by show of hands. Those in favour. Carried unanimously.

Ms. Avni Patel, Company Secretary

Resolution no. 6 relates to re-appointment of Mr. Vijay Ranjan as Independent Director. Mr. Vijay Ranjan was appointed as Public Interest Director (Independent Director) of the Company for a period of three years i.e from August 24, 2018 to August 23, 2021. The tenure of Mr. Vijay Ranjan (i.e 1st Term) ended on August 23, 2021.

Pursuant to Regulation 24(3) of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ('SECC Regulations') Public Interest Director shall be nominated for a term of three years, extendable by another term of three years.

SEBI vide its letter no SEBI/HO/MRD2/DCAP/OW/2021/14772/1 dated July 09, 2021 approved extension of term of Mr. Vijay Ranjan as Public Interest Director of the Company for a period of three years or completing 75 years of age (whichever is earlier). Mr. Vijay Ranjan shall complete 75 years of age on August 16, 2022 since his date of birth is August 17, 1947. Hence, term of Mr. Vijay Ranjan shall be from August 24, 2021 to August 16, 2022.

A notice in writing has been received from him signifying the intention to propose his candidature for appointment as Director of the Company.

The resolution proposing his appointment as Public Interest Director as stated in the notice is placed before the members for their approval.

I would request one of the Member to propose.

Mr. Saket Bhansali, Shareholder

I propose.

Mr. Anish Kumar, Shareholder

Anish seconded.

I now put the resolution to vote. Those in favour. Carried unanimously.

Mr. Vijay Ranjan, Chairman

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.

Mr. Krishna J. Wagle, Managing Director

On behalf of the members and all others present at the Meeting, I thank Mr. Vijay Ranjan for chairing and conducting this Meeting.

Mr. Vijay Ranjan, Chairman

I now declare this meeting as adjourned as financials are not being approved.

Thank you all.