



## About ICEX (Indian Commodity Exchange) Limited Unlisted Equity

### ICEX Business

**(i)** Indian Commodity Exchange Ltd ("ICEX") is a recognized commodity exchange regulated by the Securities and Exchange Board of India ("SEBI") with a demutualized corporate structure and online trading, clearing, and settlement following best practices. The Company operates in one reportable business segment called Commodity Exchange and one reportable geographical segment called Commodity Exchange. It operates within India. Hence, "Business of Facilitation of Commodity Trading and Related Activities" is deemed to be the only major reportable business segment.

**(ii)** After receiving approval from SEBI to resume trading, the Exchange started launching the 1 Carat Diamond Derivatives Contract on August 28, 2017. ICEX is the first exchange in the world to introduce the Diamond Derivatives Contract. The Exchange introduced the Steel Long Contract on August 28, 2018, exactly one year after it resumed trading.

**(iii)** During the financial year 2018-19, the National Company Law Tribunal ("NCLT"), by its joint order dated 27th August 2018, approved the amalgamation of National Multi-Commodity Exchange of India Limited ("NMCE") with ICEX on 31st August 2018, which became effective on 7th September 2018. The set date under the scheme was 1st April 2017. Accordingly, NMCE was amalgamated with ICEX during the same year. Commodities traded on the erstwhile NMCE became automatically traded on the ICEX platform as per law. The exchange currently has 16 different commodity derivatives contracts available for trading on its platform.

**(iv)** On 11 July 2019, the Padi Basmati Derivatives Contract was also launched. The Exchange intends to introduce innovative contracts from time to time and maintain its status as an innovative exchange.

**(v)** By SEBI requirements and following pre-2012 SECC Regulations, the Exchange has transferred its services relating to clearing, settlement, delivery, and risk management services to Metropolitan Clearing Company of India Limited ("MCCIL") by signing a Clearing and Settlement Agreement with MCCIL.

**(vi)** The Exchange has successfully built its infrastructure and technology with the support of an experienced management team. ICEX has partnered with Millennium IT, a leading technology provider, a subsidiary of the London Stock Exchange Group, whose systems are used by stock exchange companies across the globe. The exchange is ideally positioned to tap the vast potential of the commodity market and encourage the participation of farmers, traders, and actual users to benefit from pricing, risk management, and supply chain management in the commodity market.

## **SEBI Commodity Business Promotion Initiative**

(i) Recently, SEBI has taken various steps to boost the commodity derivatives market. In a key decision to strengthen the commodity market, SEBI has allowed mutual funds to participate in commodity futures along with PMS. This has allowed mutual funds and portfolio managers to participate in the agricultural and non-agricultural derivatives (CDS) sector. Previously, Alternative Investment Funds (AIFs) were allowed to trade in commodity futures.

(ii) Notable policy initiatives include allowing commodity options, allowing foreign companies to hedge their commodity exposure on Indian Commodity Exchanges, and introducing commodity index trading.

(iii) During FY 2018-19, SEBI permitted two more exchanges to operate commodity derivatives markets. With this, there are now five SEBI-recognized multi-commodity electronic national exchanges, including ICEX.

(iv) SEBI has permitted ICEX to start mutual fund distribution using the exchange infrastructure and the exchange plans to launch this arm in the current fiscal.

## **FY 2019-20 Financial Highlights:**

- 1.** Operating profit for FY 2019-20 was Rs 3,230 crore as against Rs 1,900 crore in FY 2018-19.
- 2.** Net loss after tax for the year ended March 31, 2020, was Rs. 42.32 billion as against Rs. 28.57 billion for the year ended March 31, 2019.
- 3.** Net assets stood at Rs. 129.37 million as of March 31, 2020.
- 4.** During the financial year 2019/20, the Company achieved a new milestone with the launch of Padi Basmati Futures Contract on 11 July 2019. ICEX created the world's first organized, transparent, and regulated diamond derivatives market.
- 5.** ICEX planned and launched its operations in the area of mutual fund distribution schemes and related activities during the financial year 2019-20.
- 6.** The average daily turnover during FY19-20 was 15,641 crore as against 9,362 crore (unilateral) during FY18-19 with a total of 7,098 clients trading on the exchange.
- 7.** The total turnover of commodity futures traded on the ICEX exchange during FY19-20 was 40,511 crore as against 24,000 crore in FY18-19.
- 8.** ICEX has a nationwide presence with 138 SEBI registered members, 1298 accredited persons, and 3340 terminals including Computer to Computer Links (CTCLs) in 329 cities/towns across India (as of March 31, 2020).

## Fundamentals

Fundamentals			
ICEX (Indian Commodity Exchange) Limited	11.0027 Per Equity Share	Market Cap (in cr.)	320.18
Unlisted Shares Price		P/E Ratio	-5.51
Lot Size	5000 Shares	P/B Ratio	0
52 Week High	11.0027	Debt to Equity	0
52 Week Low	11.0027	ROE (%)	-249.15
Depository	NSDL & CDSL	Book Value	0.44
PAN Number	AABCI9479D	Face Value	5
ISIN Number	INE678L01012		

## Financials (Figures in cr)

P&L Statement				
P&L Statement	2021	2022	2023	2024
Revenue	3	2	1.74	0.01
Cost of Material Consumed	0	11	1.7	0.01
Gross Margins	100	-816.67	-603.33	-66.67
Change in Inventory	0	0	0	0
Employee Benefit Expenses	8	5.3	3	3.5
Other Expenses	16	4	45	2.2
EBITDA	-23	-19.1	-49.46	-5.7
OPM	-2300	-1591.67	-20608.33	-95066.67
Other Income	2	0.8	1.5	9.6
Finance Cost	0	0	0	0.07
D&A	4	4	10	0.9
EBIT	-27	-23.1	-59.46	-6.6
EBIT Margins	-2700	-1925	-24775	-110066.67
PBT	-26	-22	-58	3
PBT Margins	-2600	-1833.33	-24166.67	50000
Tax	0	0	0.3	0
PAT	-26	-22	-58.3	3
NPM	-2600	-1833.33	-24291.67	50000
EPS	-0.49	-0.41	-1.09	0.07
Financial Ratios	2021	2022	2023	2024
Operating Profit Margin	-2300	-1591.67	-20608.33	-95066.67
Net Profit Margin	-2600	-1833.33	-24291.67	50000
Earning Per Share (Diluted)	-0.49	-0.41	-1.09	0.07

Balance Sheet				
Assets	2021	2022	2023	2024
Fixed Assets	6	55	2.2	2.3
CWIP	0	0	0	0
Investments	29	14	22	15
Trade Receivables	2	1	0	0
Inventory	0	0	0	0
Other Assets	124	75	60.8	61.7
<b>Total Assets</b>	<b>161</b>	<b>145</b>	<b>85</b>	<b>79</b>
Liabilities	2021	2022	2023	2024
Share Capital	266.7	266.75	266.7	226.7
FV	5	5	5	5
Reserves	-163	-184	-243.3	-240
Borrowings	0	0	0	0
Trade Payables	10	13.6	13	0.5
Other Liabilities	47.3	48.65	48.6	91.8
<b>Total Liabilities</b>	<b>161</b>	<b>145</b>	<b>85</b>	<b>79</b>

Cash-Flow Statement				
Cash- Flow Statement	2021	2022	2023	2024
PBT	-26	-22	-58	3
OPBWC	-24	-19	-6	5.6
Change in Receivables	-2	0.7	2.2	12
Change in Inventories	0	0	0	0
Change in Payables	5	4.4	-1.5	-6
Other Changes	0	-0.5	49.7	-10.1
Working Capital Change	3	4.6	50.4	-14.9
Cash Generated From Operations	-21	-14.4	44.4	-9.3
Tax	0	-0.1	-0.2	-0.3
Cash Flow From Operations	-21	-14.5	44.2	-9.6
Purchase of PPE	-3	0	0	-0.02
Sale of PPE	0	0	0	0.87
Cash Flow From Investment	-12	15.2	-44.3	10.2
Borrowing	0	0	0	0
Divided	0	0	0	0
Equity	0	0	0	0
Others From Financing	0	0	0	-0.56
Cash Flow from Financing	0	-0.6	-0.5	-0.56
Net Cash Generated	-33	0.1	-0.6	0.04
Cash at the Start	34	0.6	0.7	0.1
Cash at the End	1	0.7	0.1	0.14