

MSEI rolls out revival strategy to stay afloat

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The Metropolitan Stock Exchange of India (MSEI), formerly the MCX Stock Exchange (MCX-SX), is said to be reducing its cost and losses, getting companies from regional exchanges as part of its turnaround strategy, to stay afloat in the highly competitive segment.

MSEI, struggling due to dwindling volumes and inadequate

reserves, has reduced its annual losses by 33 per cent in the last financial year. "We have reduced losses primarily by focusing on cost reduction," said Abhijit

Chakraborty, chief financial officer and head of strategy at MSEI.

"Focus is on top line growth. We have gained nearly 400 basis points (bps) in currency futures market share in couple of months," he added.

As part of the plan, MSEI has listed over 130 companies and is in the process getting another 40 on its platform. Most of these were earlier listed on the now-defunct Delhi Stock Exchange. "The exchange has an affordable listing fee of ₹5 lakh for such companies, and listing of these

companies would fetch ₹10 crore to the exchange," said MSEI.

Besides, the bourse is also doing bulk and block deals on its equity segment. "We will focus on getting liquidity and developing the currency derivatives segment, interest rate derivatives, exchange-traded funds (ETFs), and single stock (bulk/block deals) market, in the first phase of our revival strategy," said Uday Kumar,

managing director and chief executive, MSEI.

The first deal, was for Balaji Telefilms, was valued at ₹108 crore (for 26 per cent stake). Several brokers have shown interest in

this segment due to lower impact cost and almost zero slippage while executing the bulk/block deal. "We need to raise capital to fund the growth strategy and capitalisation needs of our subsidiary. We are in talks with investors and are confident we shall be able to close our fundraising in a quarter's time," added Chakraborty.

In the wake of the ₹5,700-crore payment crisis at the National Spot Exchange, MSEI had distanced itself from its former promoter, Financial Technologies, and the MCX brand, earlier part of the same group.

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