(This is only an advertisement for information purpose and not a prospectus announcement)

MCX
METAL & ENERGY
Trade with Trust

Multi Commodity Exchange of India Limited

We were originally incorporated as a private limited company under the Companies Act, 1956, as amended (**"Companies Act"**) on April 19, 2002 as Multi Commodity Exchange of India Private Limited. Subsequently, we were converted into a public limited company and consequently our name was changed to Multi Commodity Exchange of India Limited on May 16, 2002. We received a fresh certificate of incorporation dated May 28, 2002 from the Registrar of Companies, Maharashtra (**"RoC"**) upon change of name. For details of change in name and registered office, see sections titled "General Information" and "History and Certain Corporate Matters" on pages 67 and 169 respectively of the Red Herring Prospectus. **Registered Office:** Exchange Square, Suren Road, Chakala, Andheri (East), Mumbai 400 093 **Tel:** (91 22) 6731 8888; **Fax:** (91 22) 6649 4151 **Contact Person:** P. Ramanathan, Company Secretary and Chief Compliance Officer; **E-mail:** mcxofs@mcxindia.com; **Website:** www.mcxindia.com

Promoter of our Company: FINANCIAL TECHNOLOGIES (INDIA) LIMITED

PUBLIC OFFER OF 6,427,378 EQUITY SHARES OF ₹ 10 EACH OF MULTI COMMODITY EXCHANGE OF INDIA LIMITED ("MCX" OR "OUR COMPANY") THROUGH AN OFFER FOR SALE BY FINANCIAL TECHNOLOGIES (INDIA) LIMITED, STATE BANK OF INDIA (EQUITY), GLG FINANCIALS FUND, ALEXANDRA MAURITIUS LIMITED, CORPORATION BANK, ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED AND BANK OF BARODA (THE "SELLING SHAREHOLDERS") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] MILLION (THE "OFFER"). THE OFFER COMPRISES A NET OFFER OF 6,177,378 EQUITY SHARES TO THE PUBLIC AND A RESERVATION OF UP TO 250,000 EQUITY SHARES FOR THE ELIGIBLE EMPLOYEES. THE OFFER WOULD CONSTITUTE 12.60% OF THE POST OFFER PAID-UP EQUITY CAPITAL. THE NET OFFER WOULD CONSTITUTE 12.11% OF THE POST OFFER PAID-UP EQUITY CAPITAL.

CORRIGENDUM TO THE RED HERRING PROSPECTUS DATED FEBRUARY 10, 2012

NOTICE TO INVESTORS

This is with reference to the Red Herring Prospectus dated February 10, 2012 (**"Red Herring Prospectus"**) filed with the Registrar of Companies, Mumbai, Maharashtra (the **"RoC"**) and the Securities and Exchange Board of India (**"SEBI"**) in relation to the Offer. All capitalized terms used in this notice shall, unless the context otherwise requires, have the meanings ascribed in the Red Herring Prospectus. Investors may note that the following disclosures supplement the disclosures in the Red Herring Prospectus:

Disclosures Related to the Complaint by M/s Drishti Multi Commodity Private Limited

1. In the section "Outstanding Litigation – Cases filed against our Company – Criminal cases" beginning on page 391 of the Red Herring Prospectus the following disclosure will be inserted:

   *"M/s Drishti Multi Commodity Private Limited (the **"Complainant"**), through Vinod Kumar Gupta, has filed a criminal complaint (Complaint No. 83/SW/ 2010) (the **"Complaint"**), against Safal National Exchange of India Limited (**"Safal"**) (our erstwhile joint venture), and 10 others, before the Additional Chief Metropolitan Magistrate's Ninth Court at Bandra, Mumbai, (the **"Court"**) under inter alia Sections 406, 420, 120-B and 34 of the Indian Penal Code, 1860 alleging false representation and cheating. In the Complaint, our Company, two Directors, Jignesh P. Shah and Joseph Massey and our Promoter, FTIL have also been named as parties. The Complainant has submitted (a) that 'stringent process of warrant be issued' against the parties for the commission of offences punishable under the aforesaid sections, and, (b) for such other reliefs as the circumstances of the case demand. In this regard, the Court vide its order dated May 25, 2011 (the "Order") had stated that the Senior P.I. Bandra Police Station should inquire about the Complaint and submit a report under Section 202 of the Criminal Procedure Code, 1973 on or before August 11, 2011.*

   On February 17, 2012, the Complainant had sent an email to the BRLMs and our Company with the details of the Complaint, including a copy of the Order and a draft of the Complaint dated April 29, 2010, stating that the Complaint should have been disclosed in the Red Herring Prospectus. At the time of filing the Red Herring Prospectus, and as of the date of this corrigendum, the Company, its Directors and Promoter have not received any summons, process or orders from any Court in connection with the aforesaid matter and accordingly are not aware of any liability in connection with the aforesaid criminal complaint."

2. A cross reference to the above litigation will also be included in the section titled *"Outstanding Litigation – Litigation against our Directors"* and *"Outstanding Litigation – Cases filed against our Promoter"* both beginning on page 391 of the Red Herring Prospectus. Accordingly, relevant risk factor no. 1 and 2 in the section titled "Risk Factors" beginning on page 15 of the Red Herring Prospectus is also updated to include reference to the said complaint.

   Details relating to Safal and its status appear on pages 23, 225 and 259 in the Red Herring Prospectus.

Supplemental Disclosures Related to the Bombay High Court Order Concerning MCX Stock Exchange Limited ("MCX-SX")

1. In the section *"Risk Factors"* in Risk Factor 8 on page 24 of the Red Herring Prospectus, the statement *"Pursuant to the order dated October 14, 2011, the Bombay High Court has asked SEBI to amicably resolve the matter and re-look at the application"* shall be replaced as follows:

   "The Bombay High Court at a hearing held on November 25, 2011 heard the arguments of the parties and has reserved its final orders in the matter. At this hearing, FTIL and our Company have furnished an undertaking to the Bombay High Court by which they have jointly and severally undertaken to reduce their total shareholding in MCX-SX so that they do not collectively hold more than 5.0% or such other limits as may be prescribed under the MIMPS Regulations from time to time and that such reduction would take place within such timeline as directed by SEBI.

   In order to comply with the above undertaking and subject to final order from the Bombay High Court, our Company may have to sell or transfer part or all of its equity shareholding in MCX-SX to other investors. There is no assurance of the value that we may realize from the sale or transfer of such equity shares held by us in MCX-SX. Moreover, because our Company and FTIL have not agreed on how to proceed with reducing the collective shareholding in MCX-SX to 5.0%, there is no assurance that our Company will retain any shareholding in MCX-SX at all."

2. In the section "*Other Companies – Cases filed against MCX-SX"* on page 242 of the Red Herring Prospectus, the following shall be inserted after "MCX-SX has filed a writ petition dated October 29, 2010 before the Bombay High Court challenging this SEBI order":

   "The Bombay High Court at a hearing held on November 25, 2011 heard the arguments of the parties and has reserved its final orders in the matter. At this hearing, FTIL and our Company have furnished an undertaking to the Bombay High Court by which they have jointly and severally undertaken to reduce their total shareholding in MCX-SX so that they do not collectively hold more than 5.0% or such other limits as may be prescribed under the MIMPS Regulations from time to time and that such reduction would take place within such timeline as directed by SEBI."

Supplemental Disclosures Related to the FMC Order Concerning the Investor Protection Fund

1. In the section *"Risk Factors"* in Risk Factor 12 on page 25 of the Red Herring Prospectus, the Risk Factor shall be replaced as follows:

   "Pursuant to a letter from FMC dated February 16, 2012, all penalties levied and collected by our Exchange are to be credited to Investor Protection Fund ("IPF"). Accordingly we must recognize an expense of ₹ 181.14 million, an amount which arose in Fiscals 2007, 2008, 2009, 2010, 2011 and the nine months ended December 31, 2011 and is currently being credited to our profit and loss account and simultaneously disclosed as a contingent liability in our standalone and consolidated financial statements, by March 31, 2012.

   During fiscal 2007, the FMC issued guidelines requiring us to, among other things, create a trust by January 1, 2008 to administer the IPF and, in the interim, to keep all the penalties imposed and collected by us from our Exchange members for non-compliances (net of recoveries towards administrative expenses), in a separate bank account. While awaiting clarification from the FMC on these guidelines, we had credited all penalties other than the FMC prescribed penalties that we imposed on our members as our income to our profit and loss account while simultaneously disclosing the said amounts as a contingent liability in our standalone and consolidated financial statements. On February 17, 2012, we received a letter dated February 16, 2012 from the FMC ordering that all penalties, including amounts that were disclosed as a contingent liability towards the non FMC prescribed penalties, must be transferred to the IPF by March 31, 2012, and that we must report our compliance to the FMC by April 10, 2012. As a result of this order, we will recognize an expense of ₹ 181.14 million (which is the accumulated amount of such penalties credited by us as income), in fiscal 2012, which will adversely affect our results of operations."

2. In the section *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* on page 386 of the Red Herring Prospectus, the following shall replace the text under "Investor Protection Fund":

   During fiscal 2007, the FMC issued guidelines requiring us to, among other things, create a trust by January 1, 2008 to administer the IPF and, in the interim, to keep all the penalties imposed and collected by us from our Exchange members for non-compliances (net of recoveries towards administrative expenses), in a separate bank account. While awaiting clarification from the FMC on these guidelines, we had credited all penalties other than the FMC prescribed penalties that we imposed on our members as our income to our profit and loss account while simultaneously disclosing the said amounts as a contingent liability in our standalone and consolidated financial statements. Such amounts credited to the profit and loss account are set out below for the periods indicated:

(Rs. in million)

	Fiscal					Nine Months Ended December 31, 2011	Total
	2007	2008	2009	2010	2011		
Penalty income credited to the profit and loss account during the year (net of recoveries towards administrative expenses)	25.95	27.86	26.11	21.93	40.43	38.85	181.14

On February 17, 2012, we received a letter from the FMC dated February 16, 2012 directing that all penalties must be transferred to the IPF by March 31, 2012, and that we must report our compliance to the FMC by April 10, 2012. As a result of this order, we will recognize an expense of ₹ 181.14 million (which is the accumulated amount of such penalties credited by us as income), in fiscal 2012, which will adversely affect our results of operations."

Except for the above, the contents of the Red Herring Prospectus remain unchanged. These changes will be reflected in the Prospectus to be filed with the RoC.

The Red Herring Prospectus stands amended to the extent stated herein above.

The above notice is required to be read in conjunction with other disclosures in the Red Herring Prospectus.

For **MULTI COMMODITY EXCHANGE OF INDIA LIMITED**

Date: February 21, 2012

Sd/-

Place : Mumbai

Managing Director

"Multi Commodity Exchange of India Limited is proposing, subject to market conditions and other considerations, an initial public offer of its equity shares and has filed the Red Herring Prospectus with the Registrar of Companies ("RoC"). The Red Herring Prospectus is available on the website of SEBI at www.sebi.gov.in and the respective websites of the Book Running Lead Managers ("BRLMs") at www.edelweissfin.com, http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm and www.morganstanley.com/indiaofferdocuments.

Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled "Risk Factors" on page 15 of the Red Herring Prospectus. This advertisement may not be published or distributed in the U.S., Canada or Japan and is not an offer or solicitation of an offer for sale of securities in the U.S. These securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the U.S. absent registration or an exemption from registration under such act".