

CORPORATE GOVERNANCE REPORT

Corporate Governance is about commitment to values, ethical business conduct and transparency. We, at Multi Commodity Exchange of India Limited (hereinafter referred to as 'the Company' or 'Your Company' or 'MCX'), are committed to making good governance an integral part of our business culture.

The Company, is in compliance with the requirements stipulated under Regulations 17 to 27, read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the SEBI Listing Regulations'), as applicable, with regard to Corporate Governance. The detailed report on Corporate Governance for the Financial Year (FY) 2018-19 demonstrating the Company's accountability to its stakeholders is set out hereunder.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Transparency, integrity, comprehensive disclosures, professionalism and structured accountability are the cornerstones of your Company's value system. Our actions are governed by these values and principles, which are reinforced at all levels within the Company. These principles, along with fair and transparent disclosures, guide your Company's Management to serve and protect long-term interests of all its stakeholders, including shareholders, customers, employees, farmers, members of the Exchange and the communities in which it operates. This philosophy of the Company has been further strengthened with the adoption of the MCX Code of Conduct for Board of Directors and Senior Management of the Company, MCX Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

2. BOARD OF DIRECTORS:

(A) Composition of the Board:

The Company's Board has an optimum combination of Executive and Non-Executive Directors with 3 (three) Women Directors (one being an Independent Director), all being professionals having experience in diverse areas such as management, technology, finance and legal.

As on March 31, 2019, the Board comprised 11 (eleven) members, of which 5 (five) were Public Interest Directors (i.e. Independent Directors), 5 (five) Shareholder Directors and the Managing Director and Chief Executive Officer (MD&CEO). Except Mr. Mrugank Paranjape who was an Executive Director, others including the Chairman were Non-Executive Directors.

The aforesaid constitution was in compliance with the Companies Act, 2013 and the SEBI Listing Regulations, with more than one-third of the Board comprising of Independent Directors. However, it was not meeting the composition requirement specified under Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (hereinafter referred to as 'the SECC Regulations'), owing to the resignation tendered by Mr. Arun Bhargava as a Public Interest Director (PID) from the Board of MCX with effect from March 06, 2019. Regulation 23(2) of the SECC Regulations states that the number of public interest directors shall not be less than the number of shareholder directors on the Governing Board of the Exchange and for computing the same the Managing Director shall be included in the category of Shareholder Directors. The same was brought to the notice of SEBI and the Company was advised to comply with the relevant provisions of the Companies Act, 2013 and the SEBI Regulations in this regard. The Company, in compliance with the SECC Regulations, recommended to SEBI for its approval, names of candidates for appointment as a PID for filling the vacancy arising out of the resignation of Mr. Arun Bhargava.

Mr. Arun Bhargava tendered his resignation for personal reasons being the diminishing interest in work and to revert his interest in reading and writing. He confirmed that there are no other material reasons than stated.

The Board's composition and in respect of each Director, the category of Directorship, the number of board meetings attended during the year, attendance at the last Annual General Meeting (AGM), number of Directorship(s) in other Companies, names of Listed Entities where he/she is a Director, Chairmanship(s) and Membership(s) of Committees held by him/her in other Public Limited Companies are given below:

Sr. No.	Name and DIN of the Director	Category of Directorship	Board Meetings		Attendance at the last AGM held on August 31, 2018	Number of Directorship(s) in other companies (*) as on March 31, 2019	Names of other listed entities where serving as a Director	Chairmanship(s) and Membership(s) of Board Committees in other Companies (**) as on March 31, 2019	
			Held#	Attended				Chairman	Member
1.	Mr. Saurabh Chandra (DIN: 02726077)	Chairman, Non-Executive, Independent	8	8	Yes	4	-	0	2
2.	Mr. Amit Goela (DIN: 01754804)	Non-Executive, Non-Independent	8	8	Yes	5	• Suryaamba Spinning Mills Limited – Non-Executive, Independent	0	0
3.	Mr. Basant Seth ¹ (DIN: 02798529)	Non-Executive, Independent	7	7	Yes	3	• Roto Pumps Limited - Non-Executive, Independent • State Bank of India - Non-Executive, Independent	0	2
4.	Mr. Chengalath Jayaram (DIN: 00012214)	Non-Executive, Non-Independent	8	8	Yes	5	• Kotak Mahindra Bank Limited – Non-Executive, Non-Independent • Allsec Technologies Limited- Non-Executive, Independent	0	2
5.	Dr. Deepali Pant Joshi ² (DIN: 07139051)	Non-Executive, Independent	6	6	Yes	1	-	0	1
6.	Mr. Hemang Raja ³ (DIN: 00040769)	Non-Executive, Non-Independent	8	8	Yes	3	• IDFC First Bank Limited- Non-Executive, Independent	1	2
7.	Ms. Madhu Vadera Jayakumar ⁴ (DIN: 00016921)	Non-Executive, Non-Independent	8	5	No	3	• Aptech Limited- Non-Executive, Independent	0	1
8.	Ms. Padma Raghunathan (DIN: 07248423)	Non-Executive, Non-Independent	8	7	Yes	0	-	0	0
9.	Mr. Prithvi Haldea (DIN: 00001220)	Non-Executive, Independent	8	8	Yes	7	• Nucleus Software Exports Limited- Non-Executive, Independent	2	1
10.	Mr. Shankar Aggarwal (DIN: 02116442)	Non-Executive, Independent	8	8	Yes	6	• Skill Infrastructure Limited-Executive • Dish TV India Limited- Non-Executive, Independent	1	0
11.	Mr. Mrugank Paranjape (DIN: 02162026)	Executive	8	7	Yes	1	-	0	0
12.	Mr. Arun Kumar Nanda ¹ (DIN: 00010029)	Non-Executive, Independent	1	1	NA	NA	NA	NA	NA
13.	Mr. Subrata Kumar Mitra ¹ (DIN: 00029961)	Non-Executive, Independent	1	1	NA	NA	NA	NA	NA
14.	Dr. M. Govinda Rao ² (DIN: 01982343)	Non-Executive, Independent	2	2	NA	NA	NA	NA	NA
15.	Mr. Arun Bhargava ⁵ (DIN: 02375147)	Non-Executive, Independent	7	7	Yes	NA	NA	NA	NA

Note: There are no inter-se relationships between the Board Members

The number of Directorships, Committee Membership(s)/Chairmanship(s) of all Directors is within the respective limits prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

No. of meetings held during the tenure of the Director on the Board.

** Excludes Directorship(s) in Foreign Companies and partnerships in LLPs.*

*** Only Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies have been considered.*

1. In terms of SEBI approval, Mr. Basant Seth was appointed as an Independent Director on the Board of the Company w.e.f. May 19, 2018 to fill in the vacancy arising out of the completion of tenure of Mr. Arun Kumar Nanda and Mr. Subrata Kumar Mitra w.e.f. close of business hours on May 18, 2018.

2. In terms of SEBI approval, Dr. Deepali Pant Joshi was appointed as an Independent Director on the Board of the Company w.e.f. August 08, 2018 to fill in the vacancy arising out of the completion of tenure of Dr. M. Govinda Rao w.e.f. close of business hours on August 07, 2018.

3. Mr. Hemang Raja was liable to retire by rotation at the 16th Annual General Meeting (AGM) of the Company held on August 31, 2018 and being eligible, offered himself for re-appointment. The resolution of his re-appointment was passed by requisite majority.

4. Ms. Madhu Vadera Jayakumar was liable to retire by rotation at the 16th Annual General Meeting (AGM) of the Company held on August 31, 2018 and being eligible, offered herself for re-appointment. The resolution of her re-appointment was passed by requisite majority.

5. Mr. Arun Bhargava ceased to be an Independent Director on the Board of the Company w.e.f. March 06, 2019 consequent to his resignation from the Board.

(B) Number of Board Meetings held, the dates thereof, and the information provided to the Board:

Except in case of emergent meetings convened to take care of exigencies of business, the Company gives adequate notice of meetings to the Board of Directors. The meetings held at a shorter notice were attended by adequate number of Independent Directors and were in compliance with the provisions of the Companies Act, 2013. During the Financial Year 2018-19, 8 (Eight) meetings of the Board of Directors were held and the gap between any two meetings did not exceed 120 (one hundred and twenty) days. The said Board meetings were held on April 28, 2018, July 20, 2018, August 31, 2018, October 23, 2018, December 07, 2018, January 15, 2019, February 25, 2019, March 27, 2019. In certain cases, the Board's approval was taken by passing resolution/s through circulation, as permitted by law, which were confirmed in the subsequent meeting/s of the Board of Directors.

During the year under review, the information mentioned in Part A of Schedule II of the SEBI Listing Regulations, was placed before the Board, from time to time, for their consideration, to the extent applicable and deemed appropriate by the Management. This information was made available as a part of the agenda papers or only in exceptional cases, tabled at the Board Meeting/s.

(C) Independent Directors:

Independent Directors (also referred as 'Public Interest Directors') are nominated by SEBI on the recommendation of Board of Directors of the Company in accordance with the provisions of the SECC Regulations, 2018 and the guidelines/directions/circulars etc. issued by SEBI in this regard. The Independent Directors have varied experience and expertise in their respective field / profession which they bring to all the deliberations at the Board/Committee meetings. The Company issues a formal letter of appointment to all Independent Directors which, *inter-alia*, sets out the expectation of the Board from the Directors so appointed, their fiduciary duties and the accompanying liabilities. The terms and conditions of their appointment have been disclosed on the website of the Company. The Independent Directors are complying with the provisions relating to limit of directorships as required under Regulation 17A of the SEBI Listing Regulations.

Each Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations. The Board has received declarations from the Independent Directors and in its opinion, the Independent Directors satisfy the criteria of independence as specified in the SEBI Listing Regulations as well as Companies Act, 2013 and are independent of the management.

The meetings of the Independent Directors' Committee/Public Interest Directors' Committee were held on June 11, 2018, July 20, 2018 and January 14, 2019. During the meetings, the Independent Directors reviewed, the following:

- a) Status of compliance with SEBI letters/ circulars;
- b) The functioning of regulatory departments including the adequacy of resources dedicated to regulatory functions;
- c) The performance of Non-Independent Directors and the Board as a whole;
- d) The performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors;
- e) The quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties;
- f) Working of the other committees where the Independent Directors are also members.

(D) Familiarisation Programme for Directors:

The Company has conducted familiarisation programmes for the Directors in order to familiarise them with the nature of the industry, operations of the company, functioning of various departments etc. Periodic presentations are made at the Board/Committee Meetings on business development plan and performance, risk management, technology, etc. Updates on relevant statutory changes and important letters received from SEBI are placed before the Board/Committee, as the case may be. The Board Members are also provided with the information/documents sought by them, from time-to-time, to enable them to have an understanding of the Company, its operations, procedures and practices. The details of familiarisation programme conducted for Directors during FY 2018-19 have been posted on the website of the Company at https://www.mcxindia.com/docs/default-source/investor-relations/corporate-governance/directors-familiarisation-programme_march2019_updated.pdf?sfvrsn=a464d990_2.

(E) Compliance reports of applicable laws:

The Board periodically reviews compliance reports, pertaining to all laws applicable to the Company as received from the MD & CEO, backed up with confirmations from the respective heads of departments, as well as, steps taken by the Company to rectify instances of non-compliances, if any.

(F) Code of Conduct:

The Company has formulated and implemented a comprehensive Code of Conduct for the Board of Directors and Senior Management/ Key Management Personnel (KMPs) of the Company which is available on the website of the Company at https://www.mcxindia.com/docs/default-source/investor-relations/corporate-governance/mcx-code-of-conduct_april2019.pdf?sfvrsn=e0edd890_2. The Board Members and the Senior Management Personnel/KMPs affirm compliance with the Code of Conduct at the time of their appointment and thereafter on an annual basis. The Directors and KMPs also affirm compliance with the Code of Ethics prescribed by SEBI. Further, all employees of the Company, at the time of joining, undertake to abide by the Code of Ethics of the Company.

The declaration by the MD & CEO as required under Regulation 34(3) read with Schedule V(D) of the SEBI Listing Regulations, stating that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Financial Year 2018-19 is annexed.

(G) Code of Conduct for Prevention of Insider Trading and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information:

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013, with a view to regulating trade in securities by the Designated Persons of the Company.

Further, the Company has also adopted the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information under the aforesaid SEBI Regulations for preserving the confidentiality of Unpublished Price Sensitive Information and preventing misuse of such information and also ensuring timely, fair and adequate disclosure of events and occurrences that could impact price discovery in the market for the Company's securities.

(H) Directors' Remuneration and Shareholding:

I. Remuneration of the Executive Directors and their Shareholding

The aggregate value of salary and perquisites paid/payable for the year ended March 31, 2019 along with the shareholding as at March 31, 2019 is as below:

Particulars	Mr. Mrugank Paranjape (MD&CEO) (Amount in ₹)
Remuneration	
Fixed Component:	
Salary and allowances	2,20,00,000.00
Monetary value of perquisites	39,600.00
Retiral Benefits	
Reimbursement of expenses	
Variable Component:	
Commission	
Bonus/Incentive/ Variable pay *	8,25,000.00
Total	
Leave Encashment	
Gross Total	
Directors Sitting Fees for FY 2018-19	NA
Shareholding as at March 31, 2019 (in Nos.)	Nil

Note: The above mentioned figures exclude gratuity, if applicable.

Mr. Mrugank Paranjape was appointed as the MD & CEO of the Company w.e.f. May 09, 2016 for a period of 3 years. He was not entitled to any severance allowance and his employment was subject to termination in accordance with the Company's policy and/or his employment contract, the notice period being 3 months.

* In terms of the provisions of the SECC Regulations, 2018, 50% of the variable pay to Key Management Personnel is to be paid on a deferred basis after 3 years.

Note: In terms of the provisions of the SECC Regulations, 2018, ESOPs and other equity linked instruments in the stock exchange shall not be offered or provided as part of the compensation for the key management personnel. Accordingly, the KMPs are not granted any ESOPs by the Company.

II. Remuneration paid to the Non-Executive Directors for attending the Board and Committee Meetings during the year ended March 31, 2019 and their shareholding as at March 31, 2019 is as below:

Name of the Director	Gross Sitting Fees (Amount in ₹)		Outstanding Stock options (in Nos.)	Shareholding in the Company as at March 31, 2019 (in Nos.)
	Board Meetings	Committee Meetings		
Mr. Saurabh Chandra	7,00,000	13,90,000	N.A.	-
Mr. Amit Goela	7,00,000	3,20,000	N.A.	100
Mr. Basant Seth	6,25,000	8,10,000	N.A.	-
Mr. Chengalath Jayaram	7,00,000	9,60,000	N.A.	-
Dr. Deepali Pant Joshi	5,50,000	2,90,000	N.A.	-
Mr. Hemang Raja	7,00,000	2,40,000	N.A.	-
Ms. Madhu Vadera Jayakumar	4,50,000	30,000	N.A.	-
Ms. Padma Raghunathan*	6,00,000	1,40,000	N.A.	-
Mr. Prithvi Haldea	7,00,000	14,70,000	N.A.	-
Mr. Shankar Aggarwal	7,00,000	16,30,000	N.A.	-
Mr. Arun Kumar Nanda	75,000	60,000	N.A.	-
Mr. Subrata Kumar Mitra	75,000	30,000	N.A.	-
Dr. M. Govinda Rao	1,50,000	2,10,000	N.A.	-
Mr. Arun Bhargava	6,00,000	9,30,000	N.A.	-

**Sitting fees of Ms. Padma Raghunathan was credited to the bank account of National Bank for Agriculture and Rural Development, the organization where she is employed, as per instructions received by the Company to this effect.*

There were no pecuniary relationships or transactions between the Non-Executive Directors and the Company during FY 2018-19, except for sitting fees paid to the Non-Executive Directors.

The Board of Directors in its meeting held on December 07, 2018, on the recommendation of the Nomination and Remuneration Committee, approved the increase in sitting fees to be payable to Non-executive Directors for attending the Board Meetings from ₹ 75,000/- per meeting to ₹ 1,00,000/- per meeting. For the Committee Meetings, the same was increased from ₹ 30,000/- per meeting to ₹ 50,000/- per Meeting. Accordingly, revised sitting fees was paid to the Non-Executive Directors for the Board /Committee meetings held on/after December 07, 2018. The sitting fees paid to the Non-Executive Directors including the Independent Directors is within the limits prescribed under the Companies Act, 2013. The criteria of making payments to Non-Executive Directors is available on the website of the Company at https://www.mcxindia.com/docs/default-source/investor-relations/corporate-governance/criteria-of-making-payments-to-non-executive-directors_june2019.pdf?sfvrsn=b15ba090_2.

Further, the Board/respective Committees induct Independent External Experts on certain Committees of the Board where mandatorily prescribed by the Regulator and/or to the extent it is considered appropriate to seek value addition/assist smooth functioning. The External Experts were entitled to the same sitting fees as the Non-Executive Directors for attending the Committee Meetings during FY 2018-19.

(I) The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company and are available with the Board :

- **Systems and Technology** – Understanding the growing demands of the market, anticipating future technological trends and monitoring the efficiency, resilience and efficacy of the system.
- **Regulatory and Governance** – Developing good corporate governance practices, protecting the legitimate interests of the company, its employees, stakeholders and the communities in which it operates, maintaining board and management accountability and understanding the regulatory framework and ensuring compliance thereof in letter and spirit, risk assessment and its minimisation.
- **Leadership and Strategic Planning** – Leadership experience in business development and strategic planning, driving change and long term growth, formulation and execution of strategies in the best interest of the Company.
- **Finance and accounting** – Management of the finance function including investments, ensuring integrity of financial information and monitoring that the financial controls are robust and defensible, treasury management.
- **Diversity** – Diversity of knowledge, experience, gender, outlook and principles, understanding of different geographies/cultures.

(J) The Company has formulated the criteria for performance evaluation of Individual Directors, Chairperson of the Board, Board Committees and the Board as a whole. The annual evaluation process and the criteria for the same are set out in the Directors' Report.

3. BOARD COMMITTEES:

In accordance with the provisions of the Companies Act, 2013, the SEBI Listing Regulations and the SECC Regulations, 2018, the Board has constituted/re-constituted the Committees during FY 2018-19. In addition to the Statutory Committees, other Committees are also constituted by the Board for effective exercise of its powers.

During the year, the Committees viz. Independent Oversight Committee of the Governing Board for Trading and Surveillance Function, Sub-Committee for Monitoring Compliance of Suggestions given in SEBI Inspection Report, Investor Services Committee, Oversight Committee for Product Design, Ethics Committee, Independent Oversight Committee of the Governing Board for Member Regulation, Disciplinary Action Committee, Defaulters' Committee and Settlement Guarantee Fund Committee were rescinded and a new Committee "Regulatory Oversight Committee" was constituted in accordance with the provisions of SECC Regulations, 2018 and SEBI Circular SEBI/HO/MRD/DOP2DSA2/CIR/P/2019/13 dated January 10, 2019 on "Committees at Market Infrastructure Institutions."

The Chairman of the Board/Chairman of the respective Committees, in consultation with the Company Secretary and the MD&CEO, determine the schedule for the Committee Meetings in accordance with Company's policy for frequency of Committees meetings framed pursuant to the provisions of SECC Regulations, 2018. The minutes of all the Committee Meetings are placed at their subsequent Meetings and also before the Board for its noting. The recommendations of the Committees are placed before the Board for approval, wherever required.

The details with respect to the composition, terms of reference, meetings and attendance for Audit Committee, Nomination and Remuneration Committee and the Stakeholders' Relationship Committee are given below:

AUDIT COMMITTEE:

The Audit Committee plays a vital role in ensuring high level of governance standards by overseeing, monitoring and advising the Company's management and auditors in conducting audits and preparation of financial statements.

I. Terms of Reference:

The terms of reference of the Audit Committee are as follows, and shall include such other functions as may be prescribed in Companies Act, 2013 and SEBI Listing Regulations, and/or such other applicable laws, rules, regulations, guidelines and circulars as issued or amended from time to time:

- i. recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii. examination of the financial statement and the auditors' report thereon;
- iv. granting approval / omnibus approval, subject to conditions as may be prescribed under any applicable laws, regulations, guidelines, or any subsequent modification of transactions of the company with related parties;

In case of transaction, other than transactions referred to in section 188 of Companies Act, 2013, and where Committee does not approve the transaction, it shall make its recommendations to the Board;

Also, in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Committee and it is not ratified by the Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Committee;

- v. scrutiny of inter-corporate loans and investments;
- vi. valuation of undertakings or assets of the company, wherever it is necessary;
- vii. evaluation of internal financial controls and risk management systems;
- viii. monitoring the end use of funds raised through public offers and related matters;
- ix. review the financial statements, in particular, the investments made by unlisted subsidiary.

II. Powers of the Committee:

The Audit Committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. The Committee may also call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

III. Role of the Committee:

The role of the Audit Committee and the information to be reviewed by the Audit Committee shall be as specified in SEBI Listing Regulations or as may be amended from time to time.

IV. Composition, meetings and attendance during the year:

During the Financial Year 2018-19, 14 (fourteen) Audit Committee Meetings were held and the gap between any two meetings did not exceed 120 (one hundred and twenty) days. The said meetings were held on April 28, 2018, July 20, 2018, August 30, 2018, September 17, 2018, October 08, 2018, October 23, 2018, November 30, 2018, December 06, 2018, December 24, 2018, January 15, 2019, February 07, 2019, February 11, 2019, February 24, 2019 and March 27, 2019. The constitution and the number of meetings attended by the members are as under:

Members *	Category	Meetings held#	Meetings attended
Mr. Shankar Aggarwal (Chairman) @	Non-Executive, Independent	14	14
Mr. Basant Seth	Non-Executive, Independent	13	12
Mr. Prithvi Haldea	Non-Executive, Independent	13	13
Mr. Chengalath Jayaram	Non-Executive, Non-Independent	14	11
Mr. Arun Bhargava	Non-Executive, Independent	13	12
Mr. Subrata Kumar Mitra (Chairman) @	Non-Executive, Independent	1	1

*During the year, the Audit Committee was re-constituted by the Board on June 13, 2018. The Committee comprised of Mr. Shankar Aggarwal, Mr. Basant Seth, Mr. Prithvi Haldea and Mr. Chengalath Jayaram as on March 31, 2019.

No. of meetings held during the tenure of the Director in the Committee.

@ The tenure of Mr. Subrata Kumar Mitra as an Independent Director on the Board of MCX completed w.e.f. close of business hours on May 18, 2018. Thereafter, Mr. Shankar Aggarwal was appointed as the Chairman of the Committee.

Invitees to the Audit Committee Meetings included the CFO, MD&CEO, and Partners / Representatives of the Statutory Auditors and Internal Auditors. Executives from various departments attend the Audit Committee Meetings where matters relating to their respective departments are discussed. The Company Secretary is the Secretary to the Committee.

All members of the Audit Committee are financially literate and have adequate accounting and related financial management expertise.

Mr. Shankar Aggarwal, Chairman of the Audit Committee, attended the last Annual General Meeting of the Company held on August 31, 2018.

NOMINATION AND REMUNERATION COMMITTEE :

Nomination and Remuneration Committee works with the Board to determine the attributes, skills and experience required for the Board as a whole as well as for individual members, in overseeing succession planning at the Company and recommending the appointment and remuneration of Directors/KMPs.

I. Terms of Reference:

- i. Identify persons who are qualified to become Directors and who may be appointed as Key Management Personnel in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- ii. Identify Key Management Personnel, other than personnel as specifically provided in its definition under SECC Regulations, 2018;
- iii. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Management Personnel and other employees, in terms of the compensation norms prescribed by SEBI, as applicable;
- iv. The Nomination and Remuneration Committee shall, *inter-alia*, while formulating the policy ensure that—
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- v. Determine the tenure of a Key Management Personnel, other than a Director, to be posted in a regulatory department;
- vi. Selecting the Managing Director;
- vii. Recommend to the Board, all remuneration, in whatever form, payable to KMPs in terms of the Compensation/ Nomination and Remuneration policy;

- viii. Frame and review, atleast once in 3 years, the performance evaluation/review policy for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- ix. Recommend to the Board, the performance evaluation/review policy and changes made therein, for its approval;
- x. Recommend whether to extend or continue the term of appointment of the PID, on the basis of the report of performance evaluation of PID;
- xi. Devise a policy on diversity of Board of Directors.

The Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as **Annexure VII** to the Directors' Report.

II. Composition, meetings and attendance during the year:

During the Financial Year 2018-19, 11 (Eleven) meetings of the Nomination and Remuneration Committee were held. The said meetings were held on April 28, 2018, June 11, 2018, July 20, 2018, September 17, 2018, November 16, 2018, December 24, 2018, January 15, 2019, February 11, 2019, February 19, 2019, February 24, 2019 and March 27, 2019. The constitution and the number of meetings attended by the members are as under:

Members *	Category	Meetings held#	Meetings attended
Mr. Shankar Aggarwal (Chairman) @	Non-Executive, Independent	11	11
Mr. Saurabh Chandra	Non-Executive, Independent	11	11
Mr. Prithvi Haldea	Non-Executive, Independent	5	5
Mr. Chengalath Jayaram	Non-Executive, Non- Independent	6	6
Mr. Desh Deepak Mishra\$	Independent External Expert	4	4
Mr. Arun Kumar Nanda (Chairman) @	Non-Executive, Independent	1	1

*During the year, the Nomination and Remuneration Committee was reconstituted by the Board on January 15, 2019. The committee comprised of, Mr. Shankar Aggarwal, Mr. Saurabh Chandra and Mr. Prithvi Haldea as at March 31, 2019.

\$ Appointed as an Independent External Expert only for the limited purpose of recommendation relating to selection of Managing Director in terms of the provisions of SECC Regulations, 2018.

No. of meetings held during the tenure of the Director on the Committee.

@ The tenure of Mr. Arun Kumar Nanda as an Independent Director on the Board of MCX completed w.e.f. close of business hours on May 18, 2018. Thereafter, Mr. Shankar Aggarwal was appointed as the Chairman of the Committee.

Mr. Shankar Aggarwal, Chairman of the Committee, attended the last Annual General Meeting of the Company held on August 31, 2018.

STAKEHOLDERS' RELATIONSHIP COMMITTEE :

Stakeholders' Relationship Committee constituted by the Board oversees matters relating to the interest of the Stakeholders as well as quality of investor services provided by the Company.

I. Terms of reference:

The terms of reference of the Committee shall, *inter-alia*, include:

- i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

II. Composition, meetings and attendance during the year:

During the Financial Year 2018-19, 2 (two) meetings of the Stakeholders' Relationship Committee were held. The said meetings were held on April 28, 2018 and October 23, 2018. The constitution and the number of meetings attended by the members are as under:

Members *	Category	Meetings held#	Meetings Attended
Dr. Deepali Pant Joshi (Chairperson) @	Non-Executive, Independent	1	1
Ms. Padma Raghunathan	Non-Executive, Non- Independent	2	2
Mr. Amit Goela	Non-Executive, Non- Independent	2	1
Mr. Hemang Raja	Non-Executive, Non- Independent	0	0
Dr. M. Govinda Rao (Chairman) @	Non-Executive, Independent	1	1

*During the year, the Stakeholders' Relationship Committee was reconstituted by the Board on August 31, 2018 and February 12, 2019. The committee comprised of Dr. Deepali Pant Joshi, Ms. Padma Raghunathan, Mr. Amit Goela and Mr. Hemang Raja as at March 31, 2019.

No. of meetings held during the tenure of the Director on the Committee.

@ The tenure of Dr. M. Govinda Rao as an Independent Director on the Board of MCX completed w.e.f. close of business hours on August 07, 2018. Thereafter, Dr. Deepali Pant Joshi was appointed as the Chairperson of the Committee.

Mr. Amit Goela attended the last Annual General Meeting of the Company held on August 31, 2018, as a representative of the Committee.

Mr. Ajay Puri, Company Secretary and Compliance Officer of the Company, is the Secretary to the Committee.

Mr. Ajay Puri can be reached at the registered office address of the Company (email: ig-mcx@mcxindia.com, Tel: +91-22-6731 8888, Fax: +91-22-6649 4151).

Details of the number of complaints received from shareholders and attended during the financial year ended March 31, 2019 are given below:

Opening balance	Received	Attended	Closing balance
0	16	16	0

The complaints were attended to the satisfaction of shareholders by the Company and/or its Registrar & Share Transfer Agent (RTA) - Karvy Fintech Private Limited, and no complaints remained pending to be attended as at March 31, 2019.

Details of shares lying in the suspense account as at March 31, 2019 (Pursuant to Regulation 34(3) and Schedule V Part F of the SEBI Listing Regulations):

Sr. No.	Particulars	No. of shareholders	No. of shares
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying as at April 01, 2017	6	44
2.	Number of shareholders who approached the issuer for transfer of shares from suspense account during the year	0	0
3.	Number of shareholders to whom shares were transferred from suspense account during the year	0	0
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying as at March 31, 2018	6	44

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

The broad terms of reference & constitution as at March 31, 2019 of other Board Committees are as under:

- i. **Investment Committee:** The Investment Committee approves the overall investment policy of the Company as well as any subsequent changes therein within the overall scope and framework of the policy and oversees the implementation of the policy. The members of the Committee are given below:
Mr. Chengalath Jayaram (C)
Mr. Basant Seth
Dr. Deepali Pant Joshi
Mr. Hemang Raja
Ms. Madhu Vadera Jayakumar
- ii. **Standing Committee on Technology:** The said Committee, *inter-alia*, monitors the adequacy of systems capacity and efficiency and looks into the changes being suggested by the Exchange to the existing software/ hardware at the Exchange and performs such other functions as prescribed by the Regulator and the Board. The members of the Committee are given below:
Mr. Shankar Aggarwal (C)
Mr. Saurabh Chandra
Mr. Prithvi Haldea
Prof. Sriram Srinivasan (Independent External Expert)
Prof. Rajat Moona (Independent External Expert)
- iii. **Risk Management Committee:** The said Committee, *inter-alia*, formulates and monitors implementation of the risk management policy, reviews the risk management framework and risk mitigation measures from time to time. The members of the Committee are given below:
Dr. Deepali Pant Joshi
Mr. Basant Seth
Mr. Udayan A Maroo (Independent External Expert)
- iv. **Corporate Social Responsibility (CSR) Committee:** The Committee, *inter-alia*, formulates the CSR policy of the Company (including changes thereto) and monitors implementation of the same from time to time. It also recommends the expenditure to be incurred on activities undertaken/to be undertaken by the Company as per the said policy. The members of the Committee are given below:
Mr. Amit Goela
Dr. Deepali Pant Joshi
Ms. Padma Raghunathan
Ms. Madhu Vadera Jayakumar
- v. **Independent Directors'/Public Interest Directors' Committee:** The Committee, *inter-alia*, reviews the performance of the Chairperson, Non-Independent Directors and the Board as a whole, assesses the quality, quantity and timeliness of flow of information between the Management and the Board, reviews status of compliance with SEBI letters and circulars, and performs such other functions as prescribed in the Companies Act, 2013, the SEBI Listing Regulations and the SECC Regulations, 2018 and the circulars/ guidelines etc. issued thereunder. The Committee comprises of all Independent Directors on the Board of MCX. The members of the Committee are given below:
Mr. Saurabh Chandra (C)
Mr. Basant Seth
Dr. Deepali Pant Joshi
Mr. Prithvi Haldea
Mr. Shankar Aggarwal
- vi. **Advisory Committee:** The Committee advises the Governing Board on non-regulatory and operational matters including product design, technology, charges and levies. It comprises of trading members of the Stock Exchange and the Chairperson of the Board as the head of the Committee. The MD&CEO is a permanent invitee to the meetings.
- vii. **Member Selection Committee:** The Committee, *inter-alia*, looks into applications for admission of members and transfer as well as withdrawal of membership, formulates policy for regulatory actions including declaring a member as defaulter, imposes appropriate regulatory measures, makes recommendation to the

MCX IPF Trust regarding payment of claims, oversees contribution towards Core Settlement Guarantee Fund (SGF) of the Clearing Corporation and performs such other functions as prescribed in the SECC Regulations, 2018 and the circulars/guidelines etc. issued thereunder. The members of the Committee are given below:

Mr. Prithvi Haldea (C)

Mr. Saurabh Chandra

Dr. Deepali Pant Joshi

Mr. P.V. Ananthakrishnan (Independent External Expert)

Mr. Mrugank Paranjape

- viii. **MCX Investor Protection Fund (IPF) Trust:** The Trust has been created, *inter-alia*, for the management and administration of the Investor Protection Fund ("Fund") which is utilized primarily for protecting and safeguarding the interest of the investors/ clients of the Exchange, in such manner as may be permitted by the Regulator and decided by the Trustees from time to time. The members of the Trust are given below:

Mr. Shankar Aggarwal (C)

Mr. Basant Seth

Mr. Ashok K. Dhare (Representative from investor association)

Mr. Girish Dev (Chief Regulatory Officer)

- ix. **Regulatory Oversight Committee:** The Committee is constituted in terms of the SECC Regulations, 2018 and circular/s issued thereunder to *inter-alia* oversee matters related to member regulation, trading & surveillance related functions, product design and to oversee SEBI inspection observations in respect of each of these, supervise functioning of investor services cell and the investor service fund, oversee implementation of Code of Ethics prescribed for Directors and such other functions as prescribed in the SECC Regulations, 2018 and the circulars/guidelines etc. issued thereunder. The members of the Committee are given below:

Mr. Shankar Aggarwal (C)

Mr. Saurabh Chandra

Mr. C.S. Verma (Independent External Expert)

Mr. Udayan A Maroo (Independent External Expert)

4. GENERAL BODY MEETINGS:

(A) Details of the last three Annual General Meetings (AGMs) held:

Financial Year	Date	Time	Venue of the meeting
2017-18 16 th AGM	August 31, 2018	11.30 a.m.	Yashwantrao Chavan Auditorium, General Jagannath Bhosale Marg, Opposite Mantralaya, Nariman Point, Mumbai - 400021
2016-2017 15 th AGM	August 22, 2017	11.30 a.m.	Nehru Centre Auditorium, Dr. Annie Besant Road, Worli, Mumbai - 400018
2015-2016 14 th AGM	September 19, 2016	11.00 a.m.	Navinbhai Thakkar Auditorium, Near Rajpuria Hall, Shradhdhanand Road, Vile Parle (East), Mumbai - 400057

(B) Particulars of Special Resolutions passed in the last three AGMs:

Date	Particulars
August 31, 2018	➤ No Special Resolutions were passed.
August 22, 2017	➤ No Special Resolutions were passed.
September 19, 2016	➤ Approving foreign investment through Automatic Route upto 34% of the paid-up share capital of the Company vis-a-vis the limit of 49%, being the sectoral cap/statutory ceiling prescribed for Commodity Exchange.

- (C) **Postal Ballot:** During the Financial Year 2018-19, no special resolution was passed through postal ballot. Also, no business required to be transacted through postal ballot is being proposed on or before the ensuing Annual General Meeting of the Company.

- (D) **Extra-ordinary General Meeting:** There was no Extra-ordinary General Meeting held during the Financial Year 2018-19.

5. DISCLOSURES:**(A) Disclosures on materially significant related party transactions**

A detailed note on related party transactions is provided in the Directors' Report. Particulars of material contracts or arrangements with related parties are provided in **Annexure V** to the Directors' Report. The transactions with related parties have been disclosed in **Note 39** of Notes to Accounts of the Standalone and **Note 38** of Notes to Accounts of Consolidated Financial Statements of your Company. Further, the Company's Policy on Related Party Transactions is available on the website of the Company at https://www.mcxindia.com/docs/default-source/investor-relations/corporate-governance/policy_on_related_party_transactions_july2019.pdf?sfvrsn=dadcaf90_4.

(B) Non-compliance by the Company, penalties or strictures imposed by Stock Exchanges, SEBI or any statutory authority, on any matter related to the capital markets during the last three years

There were no instances of non-compliances, penalties or strictures imposed by Stock Exchanges, SEBI or any statutory authority, on any matter related to the capital markets, during the last three years.

(C) Whistle Blower Policy

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable Directors, Stakeholders, including individual employees and their representative bodies to report, in good faith, unethical, unlawful or improper practices, acts or activities. The said mechanism ensures that the whistle blowers are protected against victimization/any adverse action and/ or discrimination as a result of such a reporting and provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no personnel of the Company have been denied access to the Audit Committee. 3 (three) complaints were received during the FY 2018-19 which were dealt with by the Audit Committee. The Whistle Blower Policy has been disclosed on the website of the Company at <https://www.mcxindia.com/docs/default-source/investor-relations/corporate-governance/whistle-blower-policy.pdf?sfvrsn=2>.

(D) Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details have been disclosed in the Business Responsibility Report forming part of the Annual Report.

(E) Management Discussion and Analysis

The Management Discussion and Analysis is covered elsewhere in this Annual Report.

(F) CEO/CFO Certification

The certificate signed by the CEO and CFO in terms of Regulation 17(8) of the SEBI Listing Regulations was placed before the Board of Directors at its meeting held on April 25, 2019 and is annexed to the Report.

(G) Certificates from Practicing Company Secretary

A certificate has been received from M/s P. Naithani & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company as on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Certificate regarding the compliance of conditions of Corporate Governance is annexed.

(H) Statutory Auditors

The particulars of fees paid by the Company to the Statutory Auditors, M/s. Shah Gupta & Co., Chartered Accountants (Firm Registration No. 109574W), during FY 2018-19 on a consolidated basis are as under:

Particulars	Amount in lacs(₹)
- For audit	20
- For taxation matters	3
- For other services	2
Total	25

(I) Compliance with Regulation 34(3) read with Schedule V of the SEBI Listing Regulations

Mandatory Requirements

The Company has complied with all mandatory requirements of corporate governance report as mentioned in sub para (2) to (10) of Schedule V(C) of the SEBI Listing Regulations.

Non-Mandatory Requirements

The Board - The Company maintains a Chairman's office at the Company's premises at its own expense.

Shareholder Rights - The Quarterly financial results as well as all significant information/events disseminated to BSE Ltd. are uploaded on the website of the Company and is available to all the shareholders.

Modified opinion(s) in audit report - The Auditors' Report on statutory financial statements of the Company is unmodified.

Separate posts of Chairman and CEO - The Company has separate posts of the Chairman and CEO.

Reporting of Internal Auditor - The Internal auditor reports directly to the Audit Committee.

(J) Subsidiary

The Audit Committee/Board periodically reviews significant developments, transactions and arrangements entered into with the Unlisted Subsidiary Company, Multi Commodity Exchange Clearing Corporation Limited (MCXCCL). The Audit Committee/Board also reviews the Financial Statements of the Subsidiary Company, including investments made by the Company. The minutes of the Board meetings of the Subsidiary Company are periodically placed before the Board of Directors of the Company.

The Company has formulated a Policy on Material Subsidiaries which has been disclosed on the website of the Company at https://www.mcxindia.com/docs/default-source/investor-relations/corporate-governance/material-subsubsidiary-policy.pdf?sfvrsn=321a890_2. As on March 31, 2019, MCXCCL was not a material subsidiary of MCX.

6. MEANS OF COMMUNICATION:

The quarterly, half yearly, annual results of the Company are generally published in the newspapers, namely, Business Standard, an English daily newspaper with circulation in the whole or substantially the whole of India and Navshakti, a Marathi daily newspaper. The financial results, shareholding pattern, press releases, stock information, annual reports, investor presentations are uploaded on the website of the Company www.mcxindia.com. The same are also disseminated to the Stock Exchange (i.e. BSE Ltd.) where the securities of the Company are listed, as required/prescribed under the SEBI Listing Regulations.

Significant events, if any, during the financial year, are reported to the Stock Exchange and also posted on the website of the Company from time-to-time. The Company's website gives information on trading, clearing & settlement, circulars issued by the Exchange, market data, Exchange Rules, Bye-Laws, Business-Rules, products & their contract specifications, membership related information etc.

Go Green Initiative:

As a part of its green initiative, the Company has taken necessary steps to send documents viz. notice of the general meeting, annual report, etc. at the registered email addresses of shareholders. Those who have not yet registered their email ids are requested to register the same with the Registrar & Share Transfer Agent (RTA) / Depository, to enable the Company to send the documents by the electronic mode. Physical copies shall be sent to all those members whose email addresses are not registered with the Company/RTA/Depository and to those who have requested the Company that they wish to receive the documents in physical mode.

7. GENERAL SHAREHOLDER INFORMATION:

1. Day, Date, Time and Venue of Annual General Meeting (F.Y. 2018-19)	Friday, September 20, 2019 at 11:30 a.m. at Ravindra Natya Mandir, Ground Floor, PL Deshpande Auditorium, near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai - 400025.
2. Financial year	April 1, 2018 to March 31, 2019
3. Book Closure date	The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 14, 2019 to Friday, September 20, 2019 (both days inclusive) for the purpose of payment of dividend for the Financial Year ended March 31, 2019 and the AGM of the Company.

4. Dividend payment date	Dividend for the financial year ended 31 st March, 2019, as recommended by the Board of Directors of the Company, if approved at the AGM, will be paid to the Members on/after Friday, September 27, 2019 as under: <ul style="list-style-type: none"> i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, September 13, 2019; ii) To all Members in respect of shares held in physical form after giving effect to valid transposition/transmission requests lodged with the Company on or before the close of business hours on Friday, September 13, 2019. 	
5. Mode of payment of dividend	The dividend shall be remitted through electronic mode where the requisite details are available with the Company, and in all other cases, through account payee/non-negotiable instruments.	
6. Listing on Stock Exchanges	The equity shares of the Company are listed on BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. The applicable annual listing fee has been paid to BSE Limited. Further, in pursuance of Regulation 3.1.1 of the National Stock Exchange (Capital Market) Trading Regulations Part A and other relevant provisions, National Stock Exchange of India Limited (NSE) vide its Circular Ref. No.: 202/2012 dated March 7, 2012 notified that with effect from March 09, 2012 the Company's equity shares were permitted to be traded and admitted to dealings on NSE (Capital market segment).	
7. Stock Market Code	BSE	534091
	Reuters	MCEI.BO
	Bloomberg	MCX:IN
8. Registrar & Share Transfer Agent	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana – 500 032. Ph: 040-67162222, Fax: 040-23001153 Toll Free no.: 1800-345-4001 Email: einward.ris@karvy.com	
9. Share Transfer system	99.99% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. Regulation 40 of SEBI Listing Regulations provides that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Further, as per Regulation 46 of the SECC Regulations, 2018, securities of a recognised stock exchange shall be in dematerialised form. Therefore, shareholders holding shares in physical form are requested to dematerialise the same.	
10. Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	As at March 31, 2019, the Company did not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.	
11. Commodity price risk or foreign exchange risk and hedging activities	The Company does not have any exposure in commodities nor any foreign exchange exposure and therefore no hedging activities are carried out. There is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.	

12. Exchange operations are located at	Exchange Square, Chakala, Suren Road, Andheri (East), Mumbai - 400 093, India.
13. Address for Correspondence	Registered Office: Exchange Square, Chakala, Suren Road, Andheri (East), Mumbai - 400 093, India. Tel: +91-22-6731 8888 Fax: +91-22-6649 4151 Website: www.mcxindia.com
14. Depository for Equity shares	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
15. Demat International Securities Identification Number (ISIN) allotted to the equity shares of the Company under the Depository System	INE745G01035
16. Corporate Identification Number (CIN) of the Company	L51909MH2002PLC135594

Unclaimed Dividend:

As per the provisions of Sections 124 and 125 the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, dividends which are unpaid/unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, the unpaid dividend for FY 2010-11 amounting to ₹ 5180/- was transferred to IEPF on October 05, 2018.

Further, all shares (except when there is a specific order of Court, Tribunal or any Statutory Authority restraining any transfer of shares), in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the IEPF Authority.

Shareholders who have not yet encashed/claimed their dividend are requested to encash/claim the same from the Company /RTA of the Company, before it is transferred to the IEPF. The details of the unpaid/unclaimed amounts lying with the Company as well as details of transfer of shares to IEPF are available on the website of the Company at <https://www.mcxindia.com/investor-relations/iepf-unclaimed-unpaid-amount>.

Shareholders whose dividend/shares are transferred to the IEPF Authority, may claim the same by making an application in prescribed form to the IEPF Authority in this regard, details of which are available on www.iepf.gov.in. No claims shall lie against the Company in respect of the dividend/shares so transferred. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

Dematerialisation of Shares and Liquidity:

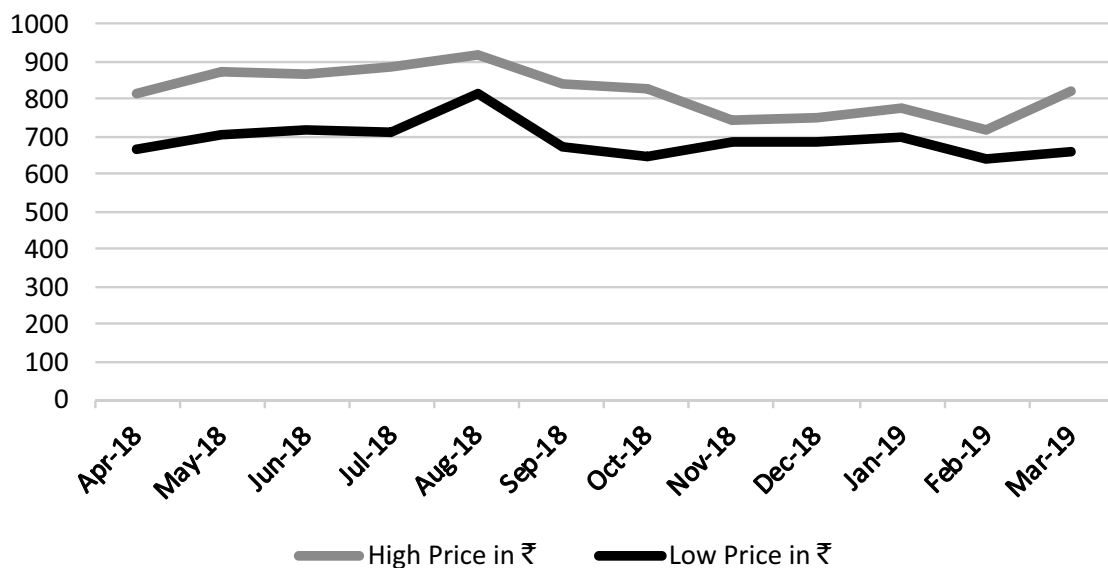
The shares of the Company are tradable compulsorily in dematerialised (electronic) form, and through Karvy Fintech Private Limited, RTA, we have established connectivity with both the depositories viz. NSDL and CDSL. The bifurcation of the category of shares in physical and electronic mode as on March 31, 2019 is given below:

Category	No. of shareholders	% of shareholders	Total Shares	% of Equity
Physical	6	0.00	308	0.00
Demat				
– NSDL	88050	62.59	39283478	77.03
– CDSL	52623	37.41	11714583	22.97
Sub-total	140673	100.00	50995856	100.00
Total	140679	100.00	50998369	100.00

Month-Wise Stock Market Data:

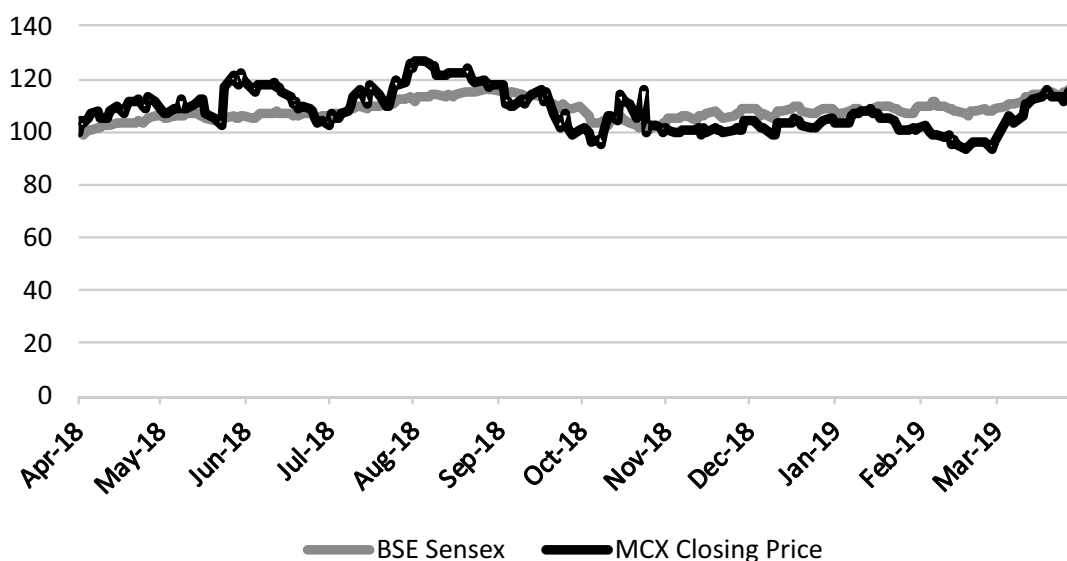
The monthly high and low quotations as well as the volume of shares traded at the BSE are given below:

Month	BSE Limited		
	High Price in ₹	Low Price in ₹	No. of shares traded during the month
April-18	817.00	669.00	869460
May-18	872.00	709.30	1648174
June-18	868.00	720.00	889686
July-18	885.00	712.70	1611401
August-18	917.00	814.75	988197
September-18	843.15	674.25	1203511
October-18	831.40	650.00	3087311
November-18	744.20	688.80	796687
December-18	750.50	688.05	618312
January-19	778.00	701.85	904967
February-19	720.50	643.50	378583
March-19	823.60	660.25	824041



Share Price Performance in Comparison to Broad Based Indices:

Performance of the company's closing price of share vis-à-vis the sensex at a common base of 100 is given below:



Distribution of Shareholding as on March 31, 2019:

Sr. No.	Category(Amount)	Shareholders		Shares held	
		No. of holders	% of Total	No. of shares	% of Total
1	1-5000	137412	97.68	5506781	10.80
2	5001-10000	1765	1.26	1313102	2.58
3	10001-20000	720	0.51	1040390	2.04
4	20001-30000	243	0.17	610921	1.20
5	30001-40000	90	0.06	318532	0.62
6	40001-50000	85	0.06	394366	0.77
7	50001-100000	118	0.08	846973	1.66
8	100001 & Above	246	0.18	40967304	80.33
	Total	140679	100.00	50998369	100.00

Shareholding pattern as on March 31, 2019:

Sr. No	Category	No. of shares held	% of shareholding
1.	Foreign Portfolio Investors	15232999	29.87
2.	Mutual Funds	11377529	22.31
3.	Resident Individuals	11262057	22.08
4.	Financial Institutions /Banks	9032029	17.71
5.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	130439	0.26
6.	NBFC	5581	0.01
7.	Others	3957735	7.76
	Total	50998369	100.00

Detailed shareholding pattern is provided in **Annexure IV** to the Directors' Report.

Reconciliation of Share Capital Audit :

Pursuant to Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002, a qualified Practicing Company Secretary, carries out on a quarterly basis, a Share Capital Audit to reconcile the total admitted equity share capital with NSDL and CDSL, the total issued and listed capital and the report thereon is submitted to BSE Limited, where the Company's shares are listed. Based on the audit report, it is certified/confirmed that the total listed and issued /paid-up capital is in agreement with the aggregate of the total number of shares held in physical form and dematerialised form held with NSDL and CDSL.

For and on behalf of the Board of Directors

Saurabh Chandra

Chairman
(DIN: 02726077)

Mumbai
August 22, 2019