

Corporate Governance Report (Part C Of Schedule V)

The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance. The detailed report on Corporate Governance for the financial year 2017-18 demonstrating the Company's accountability to its stakeholders is set out hereunder.

1. Company's Philosophy on Corporate Governance:

In IEX, Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency, growth, enhancing investor's confidence and return on investments to the shareholders.

Corporate Governance is about promoting corporate fairness, transparency and accountability in the best interest of various stakeholders in a Company. It is a system by which business corporations are directed and controlled. IEX believes that good governance should entail trusteeship, empowerment and accountability of the management while remaining proactive to the Government policies.

The Corporate Governance philosophy has been scripted as under:

"As a good corporate citizen, our Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability besides building confidence in its various stakeholders, thereby paving the way for long term success."

Our Company is committed to creating value that is not only profitable to the business but sustainable in the long-term interests of all stakeholders. In pursuit of same, we consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance as well as the leadership and governance in the Company.

The Corporate Governance of IEX is geared by the following:

- i. To meet the short term, medium term & long term objectives and specific targets every year set by the Government of India and the persons at the helm of its affairs, i.e. the Board, by empowering people at the most appropriate levels keeping the job profile/ functions in view.
- ii. To respond to the challenges and the emerging opportunities and to play a pivotal role in the economic development of the country.
- iv. The corporate governance structure specifies the distribution of rights, responsibilities and powers among different participants

in the corporation. All strategic decisions regarding investment, diversification, major decisions regarding procurement, commercial and finance are preceded ahead after approval by the Board.

2. Board of Directors:

(A) Composition of the Board:

The Company has an optimum combination of Executive and Non-Executive Directors with a woman Director on the Board, comprising of expert professionals having experience in diverse areas such as management, technical, finance and legal.

As at March 31, 2018, the Board comprised of 9 Directors, of which 3 (three) were Independent Non-Executive Director, 5 (five) were Non-Executive Directors and 1 (one) Managing Director & CEO.

In compliance with the requirement of Regulation 17(1) (b) of the SEBI Listing Regulations, the chairperson of the board is a non-executive director hence, one-third of the Board members are Independent Directors, Mr. Dinesh Kumar Mehrotra, is a Chairman of the Board.

For details of board composition, please next page

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

Except in case of emergent meetings, inter alia, 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 Companies Act, 2013. During the financial year 2017-18, twelve (12) meetings of the Board were held and the gap between any two meetings did not exceed one hundred and twenty days (120 days). The said Board Meetings were held on, April 18, 2017, May 12, 2017, May 30, 2017, June 12, 2017, July 11, 2017, September 05, 2017, September 20, 2017, September 26, 2017, October 12, 2017, November 08, 2017, February 02, 2018, March 14, 2018.

In certain cases, the Board's approval was taken by passing resolutions through circulation, as permitted by law, which were confirmed in the subsequent meeting of the Board of Directors.

During the year under review, the Minimum information required to be placed before the Board of directors as specified in Part A of the Schedule II of SEBI Listing Regulations, to the extent applicable and deemed appropriate by the Management, was periodically placed before the Board for their consideration. These informations were made available either as a part of the agenda papers or tabled before the Board Meeting at the time of meeting.

The Board's composition, and in respect of each Director, the nature of directorship, the number of meetings attended, directorship(s) in other companies, chairmanship(s) and membership(s) of committees of the Board of other companies are given below:

Sr. no.	Name and DIN Number of the Director	Nature of Directorship	Number of Board Meetings (in no.)		Attendance at the last AGM held on 25-Jul-2017	Directorship(s) in other companies as on March 31, 2018#	Chairmanship(s) and Membership(s) of Board Committee in Companies (**) including this company as on March 31, 2018	
			Held	Attended			Chairman	Member
1.	Mr. Dinesh Kumar Mehrotra (DIN: 00142711)	Chairman Independent Non-Executive	12	12	No	9	1	3
2.	Mr. Satyanarayan Goel (DIN: 02294069)	Managing Director & CEO	12	12	Yes	Nil	Nil	1
3.	Prof. Kayyalathu Thomas Chacko (DIN: 02446168)	Independent Non-Executive	12	11	Yes	1	1	1
4.	Mr. Vallabh Roopchand Bhanshali (DIN: 00184775)	Independent Non-Executive	12	3	No	8	Nil	Nil
5.	Ms. Renuka Ramnath (DIN: 00147182)	Non-Executive Director	12	5	No	13	2	3
6.	Mr. Bejul Somaia ⁽¹⁾ (DIN: 00059201)	Non-Executive Director	12	9	No	6	Nil	1
7.	Mr. Gopal Srinivasan (appointed wef April 18, 2017)	Non-Executive Director	11	9	No	14	Nil	2
8.	Mr. Ajeet Kumar Agarwal (DIN: 02231613)	Non-Executive Nominee Director	12	1	No	3	Nil	1
9.	Mr. Mahendra Singhi (appointed wef May 30, 2017) (DIN: 00243835)	Non-Executive Director	9	7	No	2	Nil	1
10.	Mr. Puneet Yadu Dalmia (DIN: 00022633) ⁽²⁾	Non-Executive Director	2	1	No	N.A	N.A	N.A

(1) Mr. Bejul Somaia (DIN: 00059201) Non-Executive Director had ceased to be director wef July 17, 2018

(2) Mr. Puneet Yadu Dalmia (DIN: 00022633) Non-Executive Director had ceased to be director wef May 18, 2017

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

#Excludes directorship(s) in Indian Energy Exchange, foreign companies, alternate directorships, section-8 companies and One person Companies.

**Only audit committee and stakeholders' relationship committee of Indian public limited companies have been considered.

-Leave of absence was granted on request to those directors who could not attend the meeting(s).

(C) Independent Directors

Your Company appoints Independent Directors on the Board who are having expertise/experience in their respective field/profession. Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, CERC (Power Market) Regulations 2010 and Listing Agreement/ Regulation 16(1)(b) of the SEBI Listing Regulations, as applicable. All Independent Directors maintain their limit of directorships as required under Regulation 25(1) of the SEBI Listing Regulations. The Company has issued a formal letter of appointment to all Independent Directors and the terms and conditions of their appointment have been disclosed on the Company's website. The Independent Directors met once during the year, the meeting was held on December 15, 2017, at Mumbai and, inter alia:

(a) Reviewed the performance of Non-Independent Directors and the Board as a whole;

(b) Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;

(c) Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary to effectively and reasonably perform their duties;

(d) Noted the status of compliance with SEBI letters/circulars and reviewed the functioning of the regulatory departments;

(D) Familiarization Programme for Independent Directors

The Board Members are provided with the documents sought by them that enable them to have a good understanding of the Company, its operations, procedures and practices. Periodic presentations are made at the Board/Committee Meetings on business development plan and performance, risk management, technology, etc. Also, updates on relevant statutory changes and

letters received from CERC, as applicable, are regularly circulated to the Directors at the Board Meetings. The appointment letter issued to the Independent Directors, inter alia, sets out the expectation of the Board from the Directors so appointed, their fiduciary duties and the accompanying liabilities. The Independent Directors are also apprised about their role at their separate meeting. Further, all Directors annually affirm adherence to the Code of Conduct of the Company and Code of Ethics which, inter alia, sets out their role, responsibilities, etc.

The details of familiarization programme for Independent Directors have been posted on the Company's website under the weblink <https://www.ixindia.com/pdf/Familiarisation%20Programme%20for%20Independent%20Director.pdf>

(E) Compliance reports of applicable laws

The Board periodically reviews compliance reports pertaining to all laws applicable to the Company, prepared by the Company as well as steps taken by it 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 of the Company which is available on the Company's website under the weblink <https://www.ixindia.com/pdf/Code%20of%20Conduct%20For%20Board%20Members%20And%20Senior%20Management%20Personnel.pdf>.

The Board Members and the Senior Management Personnels affirm compliance with the Code of Conduct on an annual basis.

The necessary declaration by the MD & CEO as required under Regulation 34(3) read with Schedule V(D) of the SEBI Listing Regulations regarding adherence to the Code of Conduct has been obtained for the financial year 2017- 18 and forms part of this Annual Report. Further, all the employees are required to affirm compliance with the Code of Ethics of the Company at the time of joining.

(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 Companies Act, 2013, with a view to regulate trading 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, 2018 and the outstanding stock options along with the shareholding as at March 31, 2018 is as below:

(₹ in Lakhs)

Particulars	Mr. Satyanarayan Goel (Managing Director and Chief Executive Officer)
Remuneration	
Fixed Component:	
Salary and allowances	149.24
Monetary value of perquisites	Nil
Retiral Benefits –PF	7.68
Variable Component:	
Bonus/Variable pay	67.83
Total	224.75
Leave Encashment -	2.67
Gross Total	227.42
Outstanding Stock options (ESOP 2010) (in Nos.) as at March 31,2018	11,250
Shareholding as at March 31, 2018 (in Nos.)	33,750

ii. Remuneration paid to the Non-Executive Directors for attending the Board and Committee meetings during the year ended March 31, 2018, outstanding stock options and their shareholding as at March 31, 2018 is as below:

Name of the Director	Sitting Fees (Amount in ₹)		Outstanding Stock options (ESOP 2010) (in Nos.)	Shareholding in the Company as at March 31, 2018 (in Nos.)
	Board Meetings	Committee Meetings		
Mr. Dinesh Kumar Mehrotra	1,080,000	1,980,000	N.A	Nil
Prof. Kayyalathu Thomas Chacko	990,000	1,260,000	N.A	Nil
Mr. Vallabh Roopchand Bhanshali	270,000	120,000	N.A	Nil
Ms. Renuka Ramnath	Nil	Nil	N.A	Nil
Mr. Gopal Srinivasan	Nil	Nil	N.A	Nil
Mr. Ajeet Kumar Agarwal*	90000	Nil	N.A	Nil
Mr. Mahendra Singhi	Nil	Nil	N.A	Nil
Mr. Puneet Yadu Dalmia ⁽¹⁾	Nil	Nil	N.A	N.A.

(1) Mr. Puneet Yadu Dalmia (DIN: 00022633) Non-Executive Director had ceased to be director wef May18, 2017

* Sitting fees towards attendance of meetings by Mr. Ajeet Kumar Agarwal were paid to REC LTD, organization in which they were 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 2017-18, except for sitting fees paid to the Non-Executive Directors.

ESOP details are more particularly mentioned in **Annexure - II** to the Directors' Report and Note 42 of the Notes to Financial Statement for the year ended 31 March 2018.

During FY 2017-18, the Non-Executive Directors were entitled to sitting fees of ₹90,000/- per meeting for attending the Meetings of the Board and ₹60,000/- per meeting for attending the Meetings of the Committees of the Board.

The sitting fees paid to the Non-Executive Directors and / or Independent Directors is within the limits prescribed under the Companies Act, 2013.

3. BOARD COMMITTEES:

The Board has constituted various Committees to take informed decisions in the best interest of the Company. Such Committees are constituted in accordance with the provisions of the Companies Act, 2013, the SEBI Listing Regulations, CERC Power Market Regulations 2010 and Exchange Business Rules and Bye Laws, as applicable, in order to ensure effective oversight on the functioning of Exchange and to facilitate cohesive decision making.

The Committees monitor the activities falling within their terms of reference. During the year, the Committees were reconstituted, wherever required, inter-alia, to provide for appropriate representation of the members of the Board in terms of the regulatory requirements and to ensure smooth functioning.

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. The minutes of all the Committee Meetings are placed at the respective subsequent Meetings and also before the Board for its noting. The recommendations of Committees are submitted to the Board for approval, wherever required.

The details w.r.t. composition, terms of reference, meetings and

attendance for Audit Committee, Nomination and Remuneration Committee, CSR Committee and the Stakeholders' Relationship Committee are given below:

i. AUDIT COMMITTEE

As required under Section 177 of the Companies Act, 2013 (the 'Act') and as per Regulation 18 of SEBI Listing Regulations, your Board has constituted a competent Audit Committee consisting of majority of Independent Directors as its members. During the year the members of the Audit Committee were Mr. D K Mehrotra– Non-executive Independent Director (as the Chairman), Prof. K.T. Chacko –Non-executive Independent Director and Mr. Bejul Somaia–Non-executive Director.

All the Members of the Committee has requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

(A) Terms of Reference:

The 'terms of reference' of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and as per applicable Clauses of SEBI Listing Regulations.

(B) Composition and attendance:

During the financial year 2017-18, 6 (Six) Audit Committee Meetings were held and the gap between any two meetings did not exceed one hundred and twenty days. The said meetings were held on April 18, 2017, June 12, 2017, September 05, 2017, November 08, 2017, February 02, 2018, and March 14, 2018. The constitution and the number of meetings attended with respect to the Audit Committee are as under:

Member	Category	No. of Meetings Held#	No. of Meetings Attended
Mr. Dinesh Kumar Mehrotra (Chairman)	Independent Non-Executive Director	6	6
Prof. Kayyalathu Thomas Chacko	Independent Non-Executive Director	6	5
Mr. Bejul Somaia	Non-independent Non-Executive Director	6	5

ii. NOMINATION AND REMUNERATION COMMITTEE:

As required under Section 178 of the Companies Act, 2013 (the 'Act') and as per Regulation 19 of SEBI Listing Regulations your Company has a competent Nomination and Remuneration Committee consisting of 50% of Independent Directors as its members. The members of Nomination and Remuneration Committee are Prof. K.T. Chacko– Non-executive Independent Director (as the Chairman), Mr. D K Mehrotra –Non-executive Independent Director, Ms. Renuka Ramnath- Non-executive Director and Mr. Mahendra Singhi, Non-Executive Director.

The Company's Nomination & Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as "Annexure - IV" to this Report. The said Policy is directed towards rewarding performance based on periodic review of achievements. Further, the Company has formulated the criteria for performance evaluation of individual Directors, Board Committees and the Board as a whole.

A) Terms of Reference:

The Terms of Reference of the Nomination and Remuneration Committee are in conformity with Section 178 of the Companies Act, 2013 SEBI Listing Regulations.

(B) Composition and attendance:

During the financial year 2017-18, 6 (Six) meetings of the Nomination and Remuneration Committee were held. The said meetings were held on June 12, 2017, June 13, 2017, August 16, 2017, October 12, 2017, February 02, 2018, and February 23, 2018. The constitution and the number of meetings attended with respect to the Nomination and Remuneration Committee are as under:

Member	Category	No. of Meetings Held#	No. of Meetings Attended
Prof. Kayyalathu Thomas Chacko (Chairman)	Independent Non-Executive Director	6	6
Mr. Dinesh Kumar Mehrotra	Independent Non-Executive Director	6	6

Ms. Renuka Ramnath	Non-Independent - Non-executive	6	4
Mr. Mahendra Singhi ¹	Non-Independent - Non-executive	5	5
Mr. Bejul Somaia ²	Non-independent Non-Executive Director	Nil	NA
Mr. Puneet Yadu Dalmia ^{3&4}	Non-Independent - Non-executive	Nil	NA

1. Admitted as Member w.e.f. 12-June-2017.

2. Ceased to be Member w.e.f.18-Apr-2017,

3. Admitted as Member w.e.f. 18-Apr-2017

4. Ceased to be Director w.e.f.18-May-2017

#No. of meetings held during the tenure of the director on the committee.

The Company Secretary of the Company was the Secretary of the Committee.

iii. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC):

The Company has Stakeholders Relationship Committee pursuant to Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee is constituted primarily with the objective of redressing shareholders' complaints /grievances.

(A) Terms of reference:

The Terms of Reference of the Stakeholders Relationship Committee are in conformity with Section 178 of the Companies Act, 2013 and Clause 20 of the SEBI Listing Regulations.

(B) Composition and attendance:

During the financial year 2017-18, 1 (one) meetings of the Stakeholder Relationship Committee were held. The said meetings were held on February 02, 2018. The constitution and the number of meetings attended with respect to the Stakeholder Relationship Committee are as under:

The Committee comprises of Prof. KT Chacko (Chairman), Mr. Satyanarayan Goel, and Mr. Gopal Srinivasan as the members of the committee.

Member	Category	No. of Meetings Held	No. of Meetings Attended
Prof. Kayyalathu Thomas Chacko (Chairman)	Independent -Non - Executive Director	1	1
Mr. Gopal Srinivasan	Independent -Non - Executive Director	1	1
Mr. Satyanarayan Goel	Managing Director & CEO	1	1

The Company Secretary of the Company was the Secretary of the Committee.

Name of Compliance Officer: Mr. Vineet Harlalka

Designation: CFO & Company Secretary

The Company Secretary & Compliance Officer can be reached at the registered & corporate office of the Company.

Email: compliance@iexindia.com

Tel: +91-11-43004000

Details of the number of complaints received from shareholders and attended during the financial year.

Opening balance	Number of complaints received during the year 2017-2018 (From 23rd October, 2017 to 31st of march, 2018)	Number of complaints resolved during the year 2017-2018 (From 23rd October, 2017 to 31st of march, 2018)	Number of pending complaints on 31st of march, 2018
0(NIL)	50(fifty)	50(fifty)	0(NIL)

The complaints were attended to the satisfaction of shareholders by the Company and / or its Registrar & Share Transfer Agent – Karvy Computershare Private Limited, and no complaints remained pending to be attended as at March 31, 2018.

Details of shares lying in the suspense account as at March 31, 2018 (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 * October 23, 2017	21	189
2.	Number of shareholders who approached the issuer for transfer of shares from suspense account during the year	18	162
3.	Number of shareholders to whom shares were transferred from suspense account during the year	18	162
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying as at March 31, 2018	3	27

* Company Shares were listed on stock exchanges on October 23, 2017.

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

iv. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

Your Company has a competent Corporate Social Responsibility Committee as per the Corporate Social Responsibility Policy as required under Section 135 of the Companies Act, 2013, which shall indicate the activities to be undertaken by the Company on Corporate Social Responsibility and Recommend the amount of expenditure to be incurred. The members of CSR Committee are Prof. K.T. Chacko– Non-executive Independent Director (as the Chairman), Ms. Renuka Ramnath –Non-executive Director and Mr. S N Goel Managing Director & CEO.

(A) Terms of reference:

The Terms of Reference of the Corporate Social Responsibility Committee are in conformity with Section 135 of the Companies Act, 2013.

(B) Composition and attendance

The CSR Committee met four times during the year 2017-2018,

4 (four) meetings were held on following dates: June 13, 2017, November 01, 2017, February 03, 2018 & March 15, 2018

Member	Category	No. of Meetings Held	Meetings Attended
Prof. Kayyalathu Thomas Chacko (Chairman)	Independent -Non - Executive Director	4	4
Mr. Satyanarayan Goel	Managing Director & CEO	4	4
Ms. Renuka Ramnath	Non-Independent - Non-executive	4	1

Other Board Committees

i. **Strategic Committee:** The Strategic Committee, inter-alia, explores and identifies development of new products for launching at exchange platform and studies and gives advice on the strategic plans for the long-term development of the Company. The committee comprises following members:

- Mr. Vallabh Bhanshali (Chairman)
- Ms. Renuka Ramanth
- Mr. Mahendra Singhi (Admitted w.e.f 12 June, 2017)
- Mr. Gopal Srinivasan (Admitted w.e.f 12 May, 2017)
- Mr. Bejul Somaia (Ceased w.e.f July 17, 2018)
- Mr. Satyanarayan Goel

ii. **IPO Committee:** the said committee, inter-alia to, evaluates the capital market scenario, formulates the strategy for bringing the IPO of the Company and to facilitate other related activities of the Company. The committee comprises following members:

- Mr. Dinesh Kumar Mehrotra (Chairman)
- Ms. Renuka Ramnath
- Mr. Bejul Somaia (Ceased w.e.f July 17, 2018)
- Mr. Satyanarayan Goel
- Mr. Mahendra Singhi (Admitted w.e.f. Sep 05,17)

iii. **Technology Advisory Committee:** the said committee, inter-alia, reviews, advises management and decides on technological advancement requirements in the Company with the aim of new product and having a cutting edge exchange technology and it also gives recommendations to the Board on the technological needs of the Company. The committee comprises following members:

- Mr. Mahendra Singhi (Chairman)
- Mr. Gopal Srinivasan
- Mr. Bejul Somaia (Ceased w.e.f July 17, 2018)

iv. **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 committee comprises following members:

- Mr. Dinesh Kumar Mehrotra (Chairman)
- Mr. Ajeet Kumar Agarwal
- Mr. Satyanarayan Goel

v. **Enterprise Risk Management Committee:** The said Committee, inter-alia, monitors implementation of the risk management

policy, oversees Exchange's integrated risk measurement system and risk and control measures that are needed to be built into the system. The committee comprises following members:

- Prof. Kayyalathu Thomas Chacko (Chairman)
- Mr. Mahendra Singhi (Admitted w.e.f 08-Nov-2017)
- Mr. Satyanarayan Goel

Committees formed as per CERC (Power Market) Regulations 2010

(i) Risk Management Committee: The Board has constituted Risk Management Committee as per clause (ii) of Regulation 25 of CERC (Power Market) Regulation, 2010. The said committee reviews that the Power Exchange is adopting the best practices while formulating prudent and dynamic risk management processes based on changing risk profiles of the market and reviews the Risk Management framework process of the Exchange on half yearly basis (in January and July) each year. The committee comprises following members:

- Prof. Kayyalathu Thomas Chacko (Chairman)
- Mr. Satyanarayan Goel
- Mr. Rajesh Kumar Mediratta
- Mr. Akhilesh Awasthy
- Mr. Vineet Harlalka (Admitted w.e.f 08-Nov-2017)
- Dr. Pareshnath Paul (Admitted w.e.f 08-Nov-2017)
- Mr. Indranil Chatterjee (Admitted w.e.f 08-Nov-2017)
- Mr. Prasanna Rao

(ii) Market Surveillance Committee: The board has constituted Market Surveillance Committee as per clause (iii) of Regulation 25 of CERC (Power Market) Regulations, 2010. The said committee ensures the fair, transparent and unbiased market platforms to members and ensures that the interests of generators and consumers are safeguarded and also the movement in prices and volume are monitored closely and efficiently. The committee comprises following members:

- Mr. Dinesh Kumar Mehrotra (Chairman)
- Mr. Satyanarayan Goel
- Mr. Akhilesh Awasthy
- Mr. Vineet Harlalka
- Dr. Pareshnath Paul (Admitted w.e.f 08-Nov-2017)
- Mr. Indranil Chatterjee (Admitted w.e.f 08-Nov-2017)
- Mr. Prasanna Rao

(iii) SGF Management Committee: The Board has constituted SGF Management Committee as per Clause (iv) of Regulation, 25 of CERC (Power Market) Regulations, 2010. The said Committee, inter-alia, monitors the adherence of regulatory directions in respect of Settlement Guarantee Fund (SGF), contribution of Members to the SGF, its investment, utilization and recoupment of SGF in case it is utilized to meet residual defaults, subject to the provisions of the Bye laws, Rules and Regulations of the Exchange. The committee comprises following members:

- Mr. Dinesh Kumar Mehrotra (Chairman)
- Mr. Satyanarayan Goel
- Mr. Rajesh Kumar Mediratta
- Mr. Akhilesh Awasthy

- Mr. Vineet Harlalka
- Mr. Abhishek Ranjan, BRPL
- Mr. MN Ravi Shankar, Jindal Power Limited
- Mr. Satish Jindal, CEO, JSWPTC
- Mr. Vallabh Bhanshali (Ceased to be member w.e.f. 2nd Feb, 2018)

Other Committees

i. Internal Complaints Committee: The Board has constituted Internal Complaints committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for providing protection to the women against the Sexual harassment at the Workplace and for the prevention and Redressal of complaints of sexual harassment and for other connected/ incidental matters. The said Committee, inter-alia, ensures that the Company is in compliance with the statutory requirements in this regard and a detailed Prevention and redressal of Sexual Harassment policy is put in place for the Company. The committee comprises following members:

- Ms. Shruti Bhatia (Chairperson)
- Mr. Akhilesh Awasthy
- Ms. Sonia Sharma (Admitted w.e.f 05-Sep-2017)
- Ms. Shubra Mendiratta

ii. Membership Admission Committee: The said Committee, inter-alia, evaluates the applications for the membership of the Exchange, makes recommendations of their acceptance/rejection and frames Rules/criteria relating to admission for membership. The committee comprises following members:

- Mr. Satyanarayan Goel (Chairman)
- Mr. Rajesh Kumar Mediratta
- Mr. Akhilesh Awasthy
- Mr. Vineet Harlalka (Admitted w.e.f 08-Nov-2017)
- Mr. Indranil Chatterjee (Admitted w.e.f 08-Nov-2017)
- Mr. Rohit Bajaj

iii. Disciplinary Action Committee: The Disciplinary Action Committee, inter-alia, formulates the policy for regulatory actions to be taken for various violations by the members of the Exchange and is responsible to set out the procedure relating to checks, inspections, enquiries and investigations in order to discover and to prevent and monitor, as the case may be, price manipulation, price distortion and trading malpractices. The committee comprises following members:

- Mr. R.V.Shahi (Chairman)
- Prof. Kayyalathu Thomas Chacko
- Mr. H L Bajaj

xii. Default Committee: The Default Committee, inter-alia, identifies and notifies a member as defaulter and realizes all the assets/deposits of the defaulter/expelled member and appropriate the same amongst various dues and claims against the defaulter/expelled member in accordance with the Rules, Byelaws and Business Rules of the Exchange. The committee comprises following members:

- Mr. Dinesh Kumar Mehrotra (Chairman)
- Prof. Kayyalathu Thomas Chacko
- Mr. Satyanarayan Goel (Admitted w.e.f 08-Nov-2017)

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 (11th)	25-07-2017	02:00 P.M	Fourth floor, TDI
2016-17 (10th)	21-09-2016	02:00 P.M	Centre, District
2015-16 (9th)	12-09-2015	12:30 P.M	Centre, Jasola, New Delhi - 110025

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

Date	Particulars
12-09-2015	Acquisition of perpetual technology license for the exchange trading software from M/s Financial technologies (India) Limited (FTIL) and entering into perpetual license agreement with FTIL.

(C) Extra-ordinary General Meeting:

During the financial year 2017-18, only one extra-ordinary general meeting was held. The particulars of that EGM are given below:

- Date of EGM: May 16, 2017
- Venue: At Board Room of Indian Energy Exchange Limited at fourth floor, TDI center, district center, Jasola, New Delhi-110025.

Special resolutions passed at EGM:

- Adoption of New Articles of Association as per New Companies Act 2013.
- To align ESOP Scheme of the Company as per applicable provisions of the Companies Act, 2013, to the extent notified, read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

(D) Postal Ballot:

During the financial year 2017-2018, no special resolution was passed through postal ballot.

5. Disclosures:

A) Disclosures on materially significant related party transactions

There was no related party transaction entered by the Company during the year in terms of Section 188 of the Companies Act, 2013, except as disclosed under note 39 which is provided in Notes to Financial Statement for the year ended 31 March 2018 .

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under section 134(3)(h) of the Companies Act 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

The policy on dealing with Related party transactions is disclosed

on the Company's website under the weblink <https://www.iexindia.com/pdf/Policy%20on%20Materiality%20&%20Dealing%20With%20Related%20Party%20Transactions.pdf>

(B) Details of Non Compliance by the Listed Entity Penalties or strictures imposed on the listed entity by Stock Exchanges, SEBI or any statutory authority, on any matter related to the capital markets during the last three years.

Your Company had filed a compounding application with the Reserve Bank of India (RBI) related to the contraventions of Section 16(3) of the FEMA to bring down the individual shareholding below the limits prescribed under Regulation 5(1) (i) read with Sr. No. F.9 of Annexure B of Schedule 1 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("TISPRO Regulations"). In reference to which the RBI imposed compounded amount of ₹6.28 Lakhs vide its compounding order vide order reference number FED.CO.CEFA No./6195/15.20.67/2017-18 dated January 23, 2018.

C) Whistle Blower Policy:

As required under Regulation 22 of the Listing Regulations & Section 177 (10) of the Companies Act 2013, your Company has an established Vigil Mechanism/ Whistle Blower Policy to enable Directors and the employees of the Company to report, illegal or unethical practices/behavior, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. 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. This Policy, inter-alia, 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 and that no complaints were received during the year. The Whistle Blower Policy has been disclosed on the Company's website under the weblink <https://www.iexindia.com/pdf/Whistle%20Blower%20Anti%20Fraud%20Policy.pdf>

D) Management Discussion & Analysis:

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

6. CEO/CFO Certification:

The certificate signed by the CEO and CFO was placed before the Board of Directors at the meeting held on April 26, 2018. This certificate is attached as **Annexure - XII** in this Annual Report. Declaration by CEO regarding compliance with the Code of Conduct is attached with this Annual Report.

7. Practicing Company Secretary's certificate on Corporate Governance:

The Practicing Company Secretary's certificate regarding the compliance of conditions of Corporate Governance is attached as **Annexure - XIII** in this Annual Report.

8. 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.

Discretionary Requirements: (Part E of Schedule II)

- (A) Shareholder Rights: Quarterly financial results as well as including the summary of significant events disseminated to stock exchanges and are uploaded on the Company's website and are available to all the shareholders.
- (B) Modified opinion(s) in audit report - The auditors' report on statutory financial statements of the Company are unqualified.
- (C) Separate posts of Chairman and CEO
The Company has separate posts of the Chairman and CEO.
- (D) Reporting of Internal Auditor
The Internal auditor's reports directly to the Audit Committee.

9. Subsidiaries:

The Company does not have any subsidiary.

10. Means of Communication:

The quarterly, half yearly, annual results of the Company are published in the newspapers, viz. Business Standard (all edition) an English daily newspaper with circulation in the whole or substantially

the whole of India and in Business Standard (all edition) a Hindi daily newspaper. The financial results, shareholding pattern, press releases, stock information, Annual Reports, Investor presentations are uploaded on the Company's website www.ixindia.com.

The financial results, Investors Presentation and other information are also disseminated to the Stock Exchanges (i.e. BSE Limited and NSE Limited) where the securities of the Company are listed, as required/prescribed under SEBI Listing Regulations.

Significant events, if any, during the financial year, are filed with the Stock exchange and also posted on the Company's website www.ixindia.com 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, contract specifications of products and 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 Agents/ 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 and to those who have requested the Company that they wish to receive the documents in physical mode.

11. General Shareholder Information: Pursuant to Sch. V(C)(9)

1.	Day, Date, Time and Venue of Annual General Meeting (F.Y. 2017-18)	Tuesday, September 18, 2018 at 11:00 A.M. at Dr. S R KVS Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi-Gurgaon Road, Delhi Cantt, New Delhi- 110010, India
2.	Financial year	April 1, 2017 to March 31, 2018
3.	Book Closure date	September 12, 2018 to September 18, 2018 (both days inclusive)
4.	Dividend payment date	The dividend of 220% i.e. ₹22 per equity share as recommended by the Board and if declared by the shareholders, shall be paid / credited within 30 days after the AGM.
5.	Listing on Stock Exchanges	The equity shares of the Company are listed on BSE Ltd and on NSE Ltd. (w.e.f. 23-Oct-2017) The annual listing fee for the years 2017-2018 and 2018-2019 has been paid by the Company to the respective Stock Exchanges.
6.	Stock Market Code:	BSE Scrip Code: 540750 NSE Symbol: IEX
7.	Registrar & Transfer Agents	Karvy Computershare 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
8.	Share Transfer system	99.3178% 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. Shares sent in physical form are generally registered and returned within a period of 15 days from the date of lodgement, provided the documents are in order in all respects.
9.	Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity	As at March 31, 2018, the Company did not have any outstanding GDRs/ ADRs / Warrants or any convertible instruments.

10.	Commodity price risk or foreign exchange risk and hedging activities	Not Applicable
11.	Exchange operations are located at	Unit no. 3,4,5 & 6, fourth floor TDI Centre, Plot No. 7, Jasola, New Delhi- 110025
12.	Address for Correspondence	Registered & Corporate office: Indian energy exchange limited(IEX) Unit no. 3,4,5 & 6, fourth floor TDI Centre, plot no. 7, Jasola, New Delhi- 110025 Tel: +91-11-4300 400 Fax: +91-11-4300 4015
13.	Depository for equity shares	National Securities Depository Limited (NSDL) Central Depository Services (India) Limited (CDSL)
14.	Demat International Securities Identification Number (ISIN) allotted to the equity shares of the Company under the Depository System	INE022Q01012
15.	Corporate Identification Number (CIN) of the Company	L74999DL2007PLC277039

Unclaimed dividend:

As per the provisions of companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends which are unpaid/unclaimed for a period of seven years from the date of transfer to unpaid dividend Account shall be transferred to the investor Education and Protection Fund (IEPF) established by the central Government. Further, the shares in respect of which dividend has not been paid or claimed by the shareholders for consecutive seven years or more shall also be transferred to the Demat account created by 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.

Shareholders whose dividend/shares are transferred to the IEPF Authority can now claim the same from the Authority following the Refund Procedure as detailed on the website of IEPF Authority.

Dematerialization of shares and Liquidity:

The shares of the Company are tradable compulsory in dematerialized (electronic) form, and through Karvy Computershare private limited, Registrar and share transfer agent, 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 31st of March, 2018 is given below:

Category	No. of shareholders	% of shareholders	Total shares	% of equity
PHYSICAL	7	0.00606	206,902	0.6822
DEMAT				
- CDSL	52,677	45.61925	891,480	2.9394
- NSDL	62,787	54.37469	29,230,242	96.3784
Sub total	115,464	99.99394	30,121,722	99.3178
Total	115,471	100	30,328,624	100

12. Reconciliation of share capital audit:

As stipulated by SEBI, a qualified company secretary carries out, on quarterly basis, reconciliation of share capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital and report thereon is submitted to BSE Ltd. and NSE Ltd., where the Company's shares are listed. Based on the Audit Report, it is certified that the total listed and issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

13. Month wise Stock Market data:

High, low during each month and trading volumes of the Company's Equity shares during the last financial year at BSE & NSE are given below:

Period	NSE			BSE		
	Month's High (In ₹)	Month's Price (In ₹)	No. of Shares Traded	Month's High (In ₹)	Month's Price (In ₹)	No. of Shares Traded
Oct-17	1,660.00	1,500.00	3,891,773	1,658.00	1,500.00	764,448
Nov-17	1,620.00	1,490.00	676,033	1,617.65	1,488.05	215,853
Dec-17	1,650.00	1,494.05	922,252	1,645.00	1,500.00	479,544
Jan-18	1,677.00	1,575.00	708,380	1,674.40	1,577.00	614,874
Feb-18	1,620.00	1,439.95	280,537	1,612.75	1,440.00	26,323
Mar-18	1,645.05	1,402.00	304,474	1,607.00	1,405.00	168,838

14. Share price performance in comparison to broad based indices:

Performance of the Company's closing price of shares vis-à-vis the Sensex and Nifty at common base of 100 is given below:



15. Distribution of Shareholding & Shareholding pattern as on March 31, 2018:

Distribution of shareholding:

S. No.	Category (Shares)	No. of holder	% to holders	No. of Shares	% to Equity
1	1 - 500	115012	99.60	1466264	4.83
2	501 - 1000	202	0.17	147378	0.49
3	1001 - 2000	89	0.08	125463	0.41
4	2001 - 3000	24	0.02	58514	0.19
5	3001 - 4000	18	0.02	60367	0.20
6	4001 - 5000	9	0.01	41684	0.14
7	5001 - 10000	32	0.03	232127	0.77
8	10001 - 20000	23	0.02	357380	1.18
9	20001 - 30000	8	0.01	195853	0.65
10	30001 - 40000	4	-	128149	0.42
11	40001 - 50000	1	-	49100	0.16
12	50001 - 100000	6	0.01	419609	1.38
13	100001 & Above	43	0.04	27046736	89.18
	TOTAL	115471	100.00	30328624	100.00

Shareholding pattern:

INDIAN ENERGY EXCHANGE LIMITED SHARE HOLDING PATTERN AS ON 31/03/2018

S. No.	Description	Cases	Shares	% Equity
1	BODIES CORPORATES	308	13,293,286	43.83
2	FOREIGN CORPORATE BODIES	8	6,946,343	22.90
3	RESIDENT INDIVIDUALS	108,408	2,403,743	7.93
4	FOREIGN PORTFOLIO INVESTORS	16	2,218,868	7.32
5	ALTERNATIVE INVESTMENT FUND	17	1,998,184	6.59
6	MUTUAL FUNDS	12	1,687,913	5.57
7	TRUSTS	6	1,152,750	3.80
8	BENEFICIAL HOLDINGS UNDER MGT-4	2	253,777	0.84
9	EMPLOYEE TRUSTS	1	168,632	0.56
10	H U F	5,794	76,883	0.25
11	NON RESIDENT INDIANS	508	67,225	0.22
12	NBFC	5	23,138	0.08
13	CLEARING MEMBERS	177	22,269	0.07
14	NON RESIDENT INDIAN NON REPATRIABLE	207	12,739	0.04
15	INDIAN FINANCIAL INSTITUTIONS	1	2,718	0.01
16	BANKS	1	156	-
	Total	115,471	30,328,624	100.00