LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you, being an Eligible Shareholder/beneficial owners of Equity Shares of Indian Energy Exchange Limited (the "**Company**") as on the Record Date in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 and subsequent amendments thereof. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Buyback Offer i.e. IIFL Holdings Limited or the Registrar to the Buyback Offer i.e. Karvy Fintech Private Limited (formerly, KCPL Advisory Services Private Limited). Please refer to the section on "***Definition of Key Terms***" for the definition of the capitalized terms used herein.

INDIAN ENERGY EXCHANGE LIMITED
Registered Office: Unit No. 3, 4, 5 & 6, Fourth Floor, TDI Centre Plot No. 7, District Centre, Jasola, New Delhi 110 025
Contact Person: Mr. Vineet Harlalka, CFO, Company Secretary and Compliance Officer
Tel.: +91 (11) 4300 4000; **Fax**: +91 (11) 4300 4015; **Email**: compliance@iexindia.com; **Website**: www.iexindia.com;
Corporate Identification Number: L74999DL2007PLC277039

CASH OFFER FOR BUYBACK OF NOT EXCEEDING 37,29,729 (THIRTY SEVEN LAKHS TWENTY NINE THOUSAND SEVEN HUNDRED TWENTY NINE) FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 1 EACH, REPRESENTING 1.23% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY AS ON MARCH 31, 2018, FROM ALL THE ELIGIBLE SHAREHOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE I.E. FRIDAY, FEBRUARY 15, 2019 ON A PROPORTIONATE BASIS, THROUGH THE "TENDER OFFER" THROUGH STOCK EXCHANGE MECHANISM FOR CASH AT A PRICE OF ₹ 185 (RUPEES ONE HUNDRED EIGHTY FIVE ONLY) PER EQUITY SHARE FOR AN AGGREGATE CONSIDERATION NOT EXCEEDING ₹ 69,00,00,000 (RUPEES SIXTY NINE CRORES ONLY).

1) The Buyback is being undertaken by the Company in accordance with the provisions contained in Article 7(e) of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014 (the "**Share Capital Rules**"), the Companies (Management and Administration) Rules, 2014 (the "**Management Rules**"), Regulation 4(iv)(a) and other applicable provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (the "**Buyback Regulations**") and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory, regulatory or governmental authorities under applicable laws including but not limited to SEBI, the Stock Exchanges and Reserve Bank of India, etc.
2) The Buyback Offer Size which is not exceeding ₹ 69,00,00,000 (Rupees Sixty Nine Crores Only) represents 24.97% of the aggregate of the fully paid-up share capital and free reserves, as per the audited financial statements of the Company for the financial year ended March 31, 2018 and is within the statutory limits of 25% of the aggregate of the fully paid up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2018.
3) The Letter of Offer will be sent to the Eligible Shareholders as on the Record Date i.e. Friday, February 15, 2019.
4) The procedure for tender offer and settlement is set out in paragraph 20 (*Procedure for Tender Offer and Settlement*) beginning on page 25 of this Letter of Offer.
5) For mode of payment of cash consideration to the Eligible Shareholders, please refer to paragraph 20.28 *(Method of Settlement)* beginning on page 28 and paragraph 20.29 *(Settlement of Funds/Payment Consideration)* on page 29 of this Letter of Offer.
6) A copy of the Public Announcement, the Draft Letter of Offer and this Letter of Offer is expected to be available on the website of SEBI i.e. http://www.sebi.gov.in and on the Company's website i.e. www.iexindia.com.
7) Eligible Shareholders are advised to refer to paragraph 17 (*Details of Statutory Approvals*) on page 21 of this Letter of Offer and paragraph 21 (*Note on Taxation*) beginning on page 29 of this Letter of Offer before tendering their Equity Shares in the Buyback.

MANAGER TO THE BUYBACK OFFER	REGISTRAR TO THE BUYBACK OFFER
IIFL HOLDINGS LIMITED 10th Floor, IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel (West) Mumbai 400 013 **Contact Person**: Mr. Sachin Kapoor / Ms. Nishita Mody **Tel**: +91 (22) 4646 4600 **Fax**: +91 (22) 2493 1073 **Email**: iex.buyback@iiflcap.com **Website**: www.iiflcap.com **SEBI Registration Number**: MB/INM000010940 **Validity Period**: Permanent Registration **CIN**: L74999MH1995PLC093797	**KARVY FINTECH PRIVATE LIMITED** *(Formerly, KCPL Advisory Services Private Limited)* Karvy Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad 500 032, Rangareddi, Telangana, India **Contact Person**: Mr. M. Murali Krishna **Tel**: +91 (40) 6716 2222 **Fax**: +91 (40) 2343 1551 **Email**: iex.buyback@karvy.com **Website**: www.karvyfintech.com **SEBI Registration Number**: INR000000221 **Validity Period:** Permanent Registration **CIN:** U67200TG2017PTC117649

BUYBACK PROGRAMME	
BUYBACK OPENS ON	**Friday, March 22, 2019**
BUYBACK CLOSES ON	**Thursday, April 4, 2019**
LAST DATE/TIME OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO THE BUYBACK OFFER	**Saturday, April 6, 2019 by 5:00 P.M.**

TABLE OF CONTENTS

S. No.	Content	Page No.
1.	Schedule of the Activities of the Buyback Offer	1
2.	Definition of Key Terms	2
3.	Disclaimer Clause	4
4.	Text of the Resolution passed at the Board Meeting	5
5.	Details of Public Announcement	9
6.	Details of the Buyback	9
7.	Authority for the Buyback	10
8.	Necessity of the Buyback	10
9.	Management Discussion and Analysis of the likely impact of Buyback on the Company	10
10.	Basis of Calculating Buyback Price	11
11.	Sources of Funds for the Buyback	12
12.	Details of the Escrow Account and the amount to be deposited therein	12
13.	Capital Structure and Shareholding Pattern	13
14.	Brief Information about the Company	13
15.	Financial Information about the Company	19
16.	Stock Market Data	20
17.	Details of Statutory Approvals	21
18.	Details of Registrar to the Buyback Offer	22
19.	Process and Methodology for the Buyback	22
20.	Procedure for Tender Offer and Settlement	25
21.	Note on Taxation	29
22.	Declaration by the Board of Directors	32
23.	Auditors Certificate	34
24.	Material Documents for Inspection	37
25.	Details of Compliance Officer	37
26.	Details of the remedies available to the Eligible Shareholders/ Beneficial Owners	37
27.	Details of the Investor Service Centre	38
28.	Details of Manager to the Buyback Offer	38
29.	Declaration by the Directors regarding authenticity of the information in this Letter of Offer	38

1. SCHEDULE OF THE ACTIVITIES OF THE BUYBACK OFFER

Activity	Date	Day
Date of Board Meeting approving the proposal of the Buyback	December 20, 2018	Thursday
Date on which the results of the postal ballot through which the Equity Shareholders approved the Buyback was declared	January 31, 2019	Thursday
Date of Public Announcement for Buyback	February 1, 2019	Friday
Date of publication of the Public Announcement for the Buyback	February 4, 2019	Monday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	February 15, 2019	Friday
Date of Opening of the Buyback Offer	March 22, 2019	Friday
Date of Closing of the Buyback Offer	April 4, 2019	Thursday
Last date of receipt of the completed Tender Forms and other specified documents	April 6, 2019	Saturday
Last date of verification of Tender Forms by the Registrar to the Buyback	April 12, 2019	Friday
Last date of intimation to the Stock Exchange regarding acceptance / non-acceptance of tendered Equity Shares by the Registrar to the Buyback	April 12, 2019	Friday
Last date of settlement of bids on the Stock Exchanges	April 15, 2019	Monday
Last date of dispatch of share certificate(s) by Registrar to the Buyback / payment to shareholders/ return of unaccepted demat shares by Clearing Corporation to Shareholder Broker/ Eligible Shareholders	April 15, 2019	Monday
Last date of extinguishment of Equity Shares bought back	April 22, 2019	Monday

Note: Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates

2. DEFINITION OF KEY TERMS

This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specified otherwise, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buyback Regulations, the Companies Act, the Depositories Act, and the rules and regulations made thereunder.

References to "Rupees", "₹" and "Rs." are references to lawful currency of the Republic of India.

Term	Description
Acceptance/Accept/Accepted	Acceptance of Equity Shares, tendered by Eligible Shareholders in the Buyback Offer
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange i.e. BSE in the form of a separate window in accordance with the SEBI Circulars
Additional Shares / Additional Equity Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Equity Shareholder up to the Equity Shares held by an Eligible Shareholder as on the Record Date
Articles/ AOA	Articles of Association of the Company
Board Meeting	Meeting of the Board of Directors held on Thursday, December 20, 2018 approving the proposal for the Buyback Offer
Board/ Board of Directors/ Director(s)	Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Committee' thereof)
BSE	BSE Limited
Buyback/ Buyback Offer / Offer/ Buyback Offer Size	Buyback of not exceeding 37,29,729 (Thirty Seven Lakhs Twenty Nine Thousand Seven Hundred Twenty Nine) Equity Shares at a price of ₹ 185 (Rupees One Hundred Eighty Five Only) per Equity Share for an aggregate consideration not exceeding ₹ 69,00,00,000 (Rupees Sixty Nine Crores Only), on a proportionate basis, from Eligible Shareholders by way of a tender offer through the stock exchange mechanism in terms of the Buyback Regulations read with the SEBI Circulars. The maximum number of Equity Shares proposed to be bought back represent 1.23% of the total number of Equity Shares in the paid-up share capital of the Company.
Buyback Committee/ Committee	The Buyback Committee of the Board, constituted and authorized for the purposes of the Buyback by way of a resolution of the Board dated December 20, 2018
Buyback Closing Date	Thursday, April 4, 2019
Buyback Entitlement / Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback Offer, based on the number of Equity Shares held by such Eligible Shareholder on the Record Date and the ratio/ percentage of Buyback applicable in the category to which such Eligible Shareholder belongs
Buyback Opening Date	Friday, March 22, 2019
Buyback Period	The period between the date of declaration of results of postal ballot i.e. Thursday, January 31, 2019 and the date on which the payment of consideration to the shareholders who have accepted the Buyback Offer will be made.
Buyback Regulations	The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018
BVP	Bessemer Venture Partners Trust
CCPS	The compulsorily convertible preference shares of the Company of face value of ₹ 10 each
CDSL	Central Depository Services (India) Limited
Clearing Corporation/ ICCL	Indian Clearing Corporation Limited
Company/IEX/ "we" / "Our""	Indian Energy Exchange Limited, unless the context states otherwise
Companies Act, 1956	The Companies Act, 1956, as amended (to the extent applicable)
Companies Act, 2013	The Companies Act, 2013, as amended (to the extent notified)
Company's Broker	IIFL Securities Limited
Depositories	Collectively, NSDL and CDSL
Depositories Act	The Depositories Act, 1996, as amended
Designated Stock Exchange	The designated stock exchange for the Buyback, being, BSE
DIN	Director Identification Number
Draft Letter of Offer/ Offer Document/ DLoF	The draft letter of offer dated Friday, February 8, 2019 filed with SEBI through the Manager to the Buyback Offer, containing disclosures in relation to the Buyback as specified in the Buyback Regulations
DP	Depository Participant
DTAA	Double Taxation Avoidance Agreement
Equity Shares/ Shares	Fully paid-up equity shares of face value ₹ 1 each of the Company
Equity Shareholders/ Shareholders	Holders of the Equity Shares of the Company and includes beneficial owner(s) thereof
Eligible Shareholder(s)	All equity shareholders / beneficial owner(s) of Equity Shares of the Company as on Record Date i.e. Friday, February 15, 2019
Escrow Account	The escrow account titled "**IEX – Buyback Escrow Account 2019**" opened with the Escrow

Term	Description
	Agent in terms of the Escrow Agreement
Escrow Agent	HDFC Bank Limited
Escrow Agreement	The escrow agreement dated March 5, 2019 entered into between the Company, Escrow Agent and IIFL Holdings Limited
Exchange Act	United States Securities Exchange Act of 1934
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended
FPI(s)	Foreign Portfolio Investor(s)
FTIL	Financial Technologies (India) Limited (now known as 63 Moons Technologies Limited)
Form / Tender Form	Form of Acceptance-cum-Acknowledgement to be filled in by the Eligible Shareholders to participate in the Buyback
Financial Year/Fiscal/FY	Period of 12 months ended March 31 of that particular year
General Category	Eligible Shareholders other than the Small Shareholders
HUF	Hindu Undivided Family
IEX ESOP Trust	The Employee Stock Options Trust of the Company
IGAAP	Indian Generally Accepted Accounting Principles
Income Tax Act	The Income-tax Act, 1961, as amended
KYC	Know Your Customer
Letter of Offer / LoF	This Letter of Offer dated Monday, March 11, 2019 containing disclosures in relation to the Buyback as specified in the Buyback Regulations, including comments received from SEBI on the Draft Letter of Offer
Lightspeed	Lightspeed Venture Partners VIII Mauritius
LTCG	Long-term Capital Gains
Manager / Manager to the Buyback Offer / IIFL	IIFL Holdings Limited
NECS	National Electronic Clearing Service
NEFT	National Electronic Funds Transfer
Non-Resident Shareholders	Includes Non-Resident persons and bodies corporate, Non-Resident Indians (NRI), FPI(s) and erstwhile OCBs
NRE	Non Residents External
NRI	Non Resident Indian
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Offer Period / Tendering Period	Period of 10 Working Days from the date of opening of the Buyback Offer till its closure (both days inclusive)
Offer Price / Buyback Offer Price/ Buyback Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e. ₹ 185 (Rupees One Hundred Eighty Five Only) per Equity Share, payable in cash. The Buyback Committee at its meeting held on Friday, February 1, 2019 approved the Buyback Offer Price as ₹ 185 (Rupees One Hundred Eighty Five Only)
PAN	Permanent Account Number
PFS	PTC India Financial Services Limited
Postal Ballot Notice	Postal ballot notice dated Thursday, December 20, 2018 through which the Equity Shareholders of the Company approved the Buyback, results of which were announced on Thursday, January 31, 2019
Public Announcement / PA	The public announcement, made in accordance with the Buyback Regulations, dated February 1, 2019 which was published on Monday, February 4, 2019 in all editions of the Business Standard (English National daily) and Business Standard (Hindi and Regional National daily), Hindi being the regional language of New Delhi where the registered office of the Company is located.
Ratio of Buyback	The ratio of the Buyback: (i) in case of Small Shareholders ("**Reserved Category**", 19 Equity Shares for every 261 Equity Shares held by such Small Shareholder on the Record Date; and (ii) for Eligible Shareholders other than Small Shareholders ("**General Category**"), 4 Equity Shares for every 373 Equity Shares held by such Eligible Shareholder on the Record Date
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom the Letter of Offer and Tender Form will be sent and who are eligible to participate in the Buyback Offer in accordance with Buyback Regulations. This date shall be Friday, February 15, 2019
Registrar to the Buyback Offer/ Registrar	Karvy Fintech Private Limited *(formerly, KCPL Advisory Services Private Limited)*
SEBI	Securities and Exchange Board of India
SEBI Circulars	Tendering of Equity Shares by Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Term	Description
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEC	United States Securities and Exchange Commission
Shareholder Broker	A stock broker (who is a member of the BSE and/or NSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback
Small Shareholder	An Eligible Shareholder, who holds Equity Shares of market value not more than two lakhs rupees, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date i.e. Friday, February 15, 2019
STCG	Short-term Capital Gains
Stock Exchanges	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed
Tender Offer	Method of buyback as defined in Regulation 2(i)(q) of the Buyback Regulations
TRS	Transaction Registration Slip
Transaction Costs	The filing fees payable to the SEBI, Stock Exchanges fees, advisors fees, turnover charges, public announcement publication expenses, printing and dispatch expenses, transaction cost viz. brokerage, applicable taxes such as securities transaction tax, stamp duty, GST, and any other incidental and related expenses.
Working Day	Working day shall mean any working day of the SEBI

3. DISCLAIMER CLAUSE

As required, a copy of this Letter of Offer has been submitted to the SEBI. It is to be distinctly understood that submission of this Letter of Offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in this Letter of Offer. The Manager to the Buyback Offer, IIFL Holdings Limited, has certified that the disclosures made in this Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act, 2013 and the Buyback Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Letter of Offer, the Manager to the Buyback Offer is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose. The Manager to the Buyback Offer, IIFL Holdings Limited, has furnished to SEBI a due diligence certificate dated Friday, February 8, 2019 in accordance with Buyback Regulations which reads as follows:

"We have examined various documents and materials contained in the annexure to this letter, as part of the due diligence carried out by us in connection with the finalization of the Public Announcement and the Draft Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:

- *the Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback Offer;*
- *all the legal requirements connected with the said Buyback Offer including Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, have been duly complied with;*
- *the disclosures in the Public Announcement and the Draft Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the Eligible Shareholders of the Company to make a well informed decision in respect of the captioned Buyback Offer;*
- *funds used for Buyback shall be as per the provisions of the Companies Act, 2013, as amended."*

The filing of this Letter of Offer with SEBI does not, however, absolve the Company from any liabilities under the provisions of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

The Board of Directors declare and confirm that no information/ material likely to have a bearing on the decision of the Eligible Shareholders has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to a mis-statement/ mis-representation, the Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013, Buyback Regulations and other applicable laws and regulations.

The Board of Directors also declare and confirm that funds borrowed from the banks and financial institutions will not be used for the Buyback.

Special Notice to Shareholders in the United States

The Buyback Offer is being made for securities of an Indian company and is subject to the laws of India. It is important for U.S. securities holders to be aware that this document is subject to tender offer laws and regulations in India that are different from those in the U.S. and has been prepared in accordance with Indian format and style, which differs from customary U.S. format and style. The Buyback will remain open for a fixed period of 10 Working Days as required under the Buyback Regulations and not a minimum of 20 business days as prescribed by Rule 14e-1(a) under the Exchange Act. For details of the letter for exemptive relief filed by the Company with SEC, see "*Details of Statutory Approvals*" on page 21.

Any financial information included in this Letter of Offer or in any other documents relating to the Buyback has been or will be prepared in accordance with non-U.S. accounting standards that may not be comparable to financial statements of

companies in the United States or other companies whose financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles.

The receipt of cash pursuant to the offer by an Eligible Shareholder may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each Eligible Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of accepting the Buyback.

It may be difficult for U.S. holders of Equity Shares to enforce their rights and any claims they may have arising under the U.S. federal securities laws in connection with the Buyback, since the Company is incorporated in a country other than the United States, and some or all of its officers and directors may be residents of countries other than the United States. The U.S. holders of shares in the Company may not be able to sue the Company or its officers or directors in a non-U.S. court for violations of U.S. securities laws. Further, it may be difficult to compel the Company or its affiliates to subject themselves to the jurisdiction or judgment of a U.S. court.

Neither the SEC nor any state securities commission of the United States has approved or disapproved the Buyback, or passed any comment upon the adequacy or completeness of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

Disclaimer for Persons in Other Foreign Countries:

This Letter of Offer does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions.

Forward Looking Statement:

This Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', 'will continue', 'will pursue' or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

4. TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on Thursday, December 20, 2018. The extract of the resolution of the Board Meeting is as follows:

I. APPROVAL FOR BUYBACK OF EQUITY SHARES CONSTITUTING 1.23% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE PAID UP SHARE CAPITAL OF THE COMPANY

"**RESOLVED THAT** pursuant to the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Companies Act, 2013 as amended (the "**Companies Act**") and in accordance with Article 7(e) of the Articles of Association of the Company, the Companies (Share Capital and Debentures) Rules, 2014 (the "**Share Capital Rules**"), the Companies (Management and Administration) Rules, 2014 to the extent applicable, and in compliance with the, Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, (the "**Buyback Regulations**"), and any statutory modification(s) or re-enactment thereof, for the time being in force and, subject to the approval of shareholders by postal ballot and/or e-voting and also such other approvals, permissions and sanctions of Securities and Exchange Board of India ("**SEBI**"), Registrar of Companies, Delhi and Haryana (the "**ROC**"), Reserve Bank of India ("**RBI**") and/ or other authorities, institutions or bodies (the "**Appropriate Authorities**"), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "**Board**" which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the Buyback by the Company of its fully paid-up equity shares of Re.1 each ("**Equity Shares**") not exceeding 3,729,729 (Thirty Seven Lakhs Twenty Nine Thousand Seven Hundred Twenty Nine) Equity Shares of the Company (representing 1.23% of the total number of equity shares in the paid-up share capital of the Company) at a maximum price of Rs. 185 (Rupees One Hundred Eighty Five only) per equity share (the "**Maximum Price**") payable in cash aggregating to the total consideration not exceeding Rs. 69,00,00,000 (Rupees Sixty Nine Crores only) (excluding Company's transaction costs viz. brokerage, securities transaction tax, service tax, stamp duty, etc.) (the "**Buyback Offer Size**") being 24.97% of the fully paid up share capital and free reserves as per the audited financial statements of the Company for the financial year ended March 31, 2018, which is not exceeding 25% of the aggregate of the fully paid-up share capital and free reserves as per the audited financial statements of the Company for the financial year ended March 31, 2018 from the equity shareholders of the Company, on the record date, on a proportionate basis, through the '**Tender Offer**' route as prescribed under the Buyback Regulations (hereinafter referred to as the "**Buyback**"). The Buyback Offer Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, fees and charges payable to stock exchanges, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses."

RESOLVED FURTHER THAT the Company, to the extent legally permissible, implement the Buyback using the

"Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and notice issued by BSE Limited bearing number 20170202-34 dated February 2, 2017, each as may be amended from time to time.

RESOLVED FURTHER THAT such Buyback may be made out of the Company's free reserves and / or securities premium account and/or such other sources as may be permitted by law through "Tender Offer" route and as required by the Buyback Regulations and the Companies Act, the Company may Buyback Equity Shares from all the existing members holding Equity Shares of the Company on a proportionate basis, provided 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buyback or number of Equity Shares entitled as per the shareholding of small shareholders on the record date, whichever is higher, shall be reserved for the small shareholders, as prescribed in the Buyback Regulations.

RESOLVED FURTHER THAT the Company has complied and shall continue to comply with Section 70 of the Companies Act wherein:

(a) It shall not directly or indirectly purchase its own shares:

  (i) through any subsidiary company including its own subsidiary companies; or

  (ii) through any investment company or group of investment companies;

(b) There are no defaults subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years;

(c) The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act."

RESOLVED FURTHER THAT confirmation is hereby made by the Board of Directors that:

(a) all Equity Shares of the Company are fully paid up;

(b) the Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting;

(c) the Company shall not issue and allot any shares or other specified securities (including ESOPs) including by way of bonus, till the date of expiry of the buyback period, as defined in the Buyback Regulations;

(d) the Company, as per the provisions of Regulation 24(i)(f) of the Buyback Regulations, shall not raise further capital for a period of one year from the expiry of the buyback period, as defined in the Buyback Regulations, except in discharge of its subsisting obligations;

(e) the Company shall not buy back its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;

(f) the Company, as per the provisions of Section 68(8) of the Companies Act, will not issue same kind of shares or other securities including allotment of new shares under clause (a) of sub-section (1) of Section 62 or other specified securities within a period of 6 months after the completion of the Buyback except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.

(g) the Company shall not make any offer of buyback within a period of one year reckoned from the date of the buyback period, as defined in the Buyback Regulations;

(h) the Company shall not Buyback its Equity Shares so as to delist its Equity Shares from the stock exchanges;

(i) that the aggregate consideration for Buyback not exceeding Rs. 69,00,00,000 (Rupees Sixty Nine Crores only), does not exceed 25% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2018 (the last audited financial statements available as on the date of the Board meeting);

(j) that the maximum number of Equity Shares proposed to be purchased under the Buyback i.e. 37,29,729 (Thirty Seven Lakhs Twenty Nine Thousand Seven Hundred Twenty Nine) Equity Shares, does not exceed 25% of the total number of Equity Shares in the paid-up share capital of the Company;

(k) the Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and/ or Financial Institutions for paying the consideration to the equity shareholders who have tendered their Equity Shares in the Buyback;

(l) the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback as prescribed under the Companies Act and rules made thereunder;

(m) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date.;

(n) the Company shall pay the consideration only by way of cash;

(o) the Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI;

(p) the Company shall not buy-back out of the proceeds of an earlier issue of the same kind of shares or same kind of

other specified securities.

RESOLVED FURTHER THAT the Board of Directors hereby confirm that they have made full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company, the Board of Directors has formed an opinion that:

(a) immediately following the date of this Board meeting and the date on which the results of the Postal Ballot/ E-voting will be declared, there will be no grounds on which the Company could be found unable to pay its debts;

(b) as regards the Company's prospects for the year immediately following the date of this Board meeting as well as for the year immediately following the date on which the results of the Postal Ballot/ E-voting will be declared approving the Buyback, and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting and the date on which the results of the Postal Ballot/ E-voting will be declared; and

(c) in forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act and the Insolvency and Bankruptcy Code, 2016, including prospective and contingent liabilities."

RESOLVED FURTHER THAT the proposed Buyback be implemented from the existing shareholders of the Company as disclosed under the shareholding pattern filings made by the Company from time to time under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 ("**SEBI Takeover Regulations**"), as amended as the Board may consider appropriate on the record date. The funds for the implementation for the proposed Buyback will be sourced out of the free reserves (share premium, general reserve and retained earnings etc.) and/or such other sources as may be permitted by the Buyback Regulations or the Act, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit."

RESOLVED FURTHER THAT the Company shall not Buyback the locked-in Equity Shares or other specified securities, if any and non-transferable Equity Shares or other specified securities, if any, till the pendency of the lock-in or till the Equity Shares or other specified securities become transferable.

"**RESOLVED FURTHER THAT** the Board hereby takes on record the auditor report dated December 20, 2018 issued by M/s. B S R & Associates LLP, Chartered Accountants, the Statutory Auditor of the Company, as required under clause (xi) Schedule I of the (Buyback) Regulations and placed before the Board for its noting."

RESOLVED FURTHER THAT the draft of the Declaration of Solvency prepared in the prescribed form, placed before the meeting be and is hereby approved and the Board be and hereby authorise Mr. Satyanarayan Goel, Managing Director & CEO together with any other Director to finalise and sign the same, for and on behalf of the Board, and Mr. Vineet Harlalka, CFO & Company Secretary be and is hereby authorised to file the same with the ROC and the SEBI.

RESOLVED FURTHER THAT Buyback from shareholders who are persons resident outside India including the Foreign Portfolio Investors, Overseas Corporate Bodies, if any, shall be subject to such approvals, if, and to the extent necessary or required including approvals from the Reserve Bank of India ("**RBI**") under Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, if any.

RESOLVED FURTHER THAT no information/ material likely to have a bearing on the decision of the investors has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to mis-statement/ misrepresentation, the Board and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buyback Regulations.

RESOLVED FURTHER THAT the Buyback is being proposed in keeping with the Company's desire to improve the Company's return on equity and increased shareholder value.

RESOLVED FURTHER THAT in terms of Regulation 24(iii) of the Buyback Regulations, Mr. Vineet Harlalka, CFO & Company Secretary be and is hereby appointed as the Compliance Officer for the Buyback."

"**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on any shareholder to offer and/ or any obligation on the Company or the Board or the Buyback Committee to Buyback any shares and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law."

"**RESOLVED FURTHER THAT** the Company do maintain a register of securities bought back wherein details of Equity Shares bought back, consideration paid for the Equity Shares bought back, date of cancellation of Equity Shares and date of extinguishing and physically destroying of Equity Shares and such other particulars as may be prescribed, shall be entered and that the Company Secretary of the Company be and is hereby authorised to authenticate the entries made in the said register."

"**RESOLVED FURTHER THAT** any of the Directors of the Company and /or the Company Secretary for the time being, be and are hereby severally authorized to file necessary e-forms with the ROC and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions.

"**RESOLVED FURTHER THAT** Mr. Satyanarayan Goel, Managing Director & CEO of the Company and Mr. Vineet Harlalka, CFO & Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to the aforesaid resolutions."

"**RESOLVED FURTHER THAT** a copy of this resolution duly certified by any one of the Directors of the Company or the Company Secretary be given to such authorities as may be required from time to time.

II. APPROVAL FOR APPOINTMENT OF VARIOUS INTERMEDIARIES FOR THE BUYBACK PROCESS

"**RESOLVED THAT** the approval of Board be and is hereby accorded for appointment of following intermediaries for the Buyback of equity shares of the Company and authorize Mr. Satyanarayan Goel, Managing Director & CEO to negotiate and finalize the terms and conditions with following intermediaries:

a) IIFL Holdings Limited as the Managers for the Tender Offer at such fee and other terms and conditions as mutually agreed with them and other terms and conditions as mutually agreed with them;

b) Cyril Amarchand Mangaldas, Advocates and Solicitors as the Legal Advisors for the Tender Offer at such fee and other terms and conditions as mutually agreed with them and other terms and conditions as mutually agreed with them;

c) M/s. B S R & Associates LLP, Chartered Accountants, who are the Statutory Auditors of the Company to carry out the certification work at such fee and other terms and conditions as mutually agreed with them and other terms & conditions as mutually agreed with them;

d) M/s Ravi Rajan & Co, Chartered Accountants, to carry out the certification work at such fee and other terms and conditions as mutually agreed with them and other terms & conditions as mutually agreed with them.

RESOLVED FURTHER THAT Mr. Satyanarayan Goel, Managing Director & CEO of the Company and Mr. Vineet Harlalka, CFO & Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to the aforesaid resolutions.

RESOLVED FURTHER THAT a copy of this resolution duly certified by any one of the Directors of the Company or the Company Secretary be given to such authorities as may be required from time to time."

III. APPROVAL FOR THE CONSTITUTION OF BUYBACK COMMITTEE

"**RESOLVED THAT** a Committee be and is hereby constituted ("**Buyback Committee**") comprising of Mr. Satyanarayan Goel, Managing Director & CEO, Mr. Gautam Dalmia, Director and Mr. Mahendra Singhi, Director, the Company Secretary of the Company shall act as the Secretary to the Buyback Committee and that the Buyback Committee is hereby authorized, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper, as the Buyback Committee may consider to be in the best interests of the shareholders, including but not limited to:

(a) initiation of all necessary actions for preparation and issue of public announcement, draft letter of offer, letter of offer and other related documents;

(b) finalizing the terms of Buyback like the Buyback offer price, mechanism for the Buyback, record date, entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback;

(c) earmarking and making arrangements for adequate sources of funds for the purposes of the Buyback;

(d) making all applications to the Appropriate Authority for their requisite approvals as may be required;

(e) give information, explanation, declaration and confirmations in relation to the Buyback, as may be required by the Appropriate Authorities;

(f) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or the Board, as required under applicable law;

(g) enter into escrow arrangements as may be required in terms of the Buyback Regulations;

(h) opening, operation and closure of all necessary accounts, including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing persons to operate the said accounts;

(i) preparation, signing and filing of public announcements, the draft letter of offer/ letter of offer with the SEBI, ROC, the stock exchanges and other Appropriate Authority(ies);

(j) appoint any intermediaries / agencies / persons as may be required for the purposes of the Buyback and decide and settle the remuneration for all such intermediaries/ agencies/ persons, including by the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;

(k) affix the Common Seal of the Company on relevant documents required to be executed for the Buyback of shares in accordance with the provisions of the Articles of Association of the Company;

(l) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories, SEC and/or other Appropriate Authorities;

(m) obtain all necessary certificates and reports from statutory auditors and other third parties as required under applicable law and to address queries as may arise in relation to the implementation of the Buyback;

(n) deal with stock exchanges (including their clearing corporations), where the equity shares of the Company are listed and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015;

(o) sub-delegate all or any of the authorisations conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(s) of the Company;

(p) give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback;

(q) settle and resolve any queries or difficulties raised by SEBI, stock exchanges, ROC and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback."

RESOLVED FURTHER THAT the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be any two members and the Buyback Committee may regulate its own proceedings and meet as often as required, to discharge its functions.

RESOLVED FURTHER THAT the Buyback Committee shall have the power and authority to delegate all or any of the authorities conferred upon it to any Director/ officer(s) and/ or representatives of the Company, in order to give effect to the aforesaid resolutions and to revoke and substitute such delegations/ sub- delegation of authority from time to time."

"**RESOLVED FURTHER THAT** Mr. Satyanarayan Goel, Managing Director & CEO of the Company and Mr. Vineet Harlalka, CFO & Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to the aforesaid resolutions."

AND THAT a copy of this resolution duly certified by any one of the Directors of the Company or the Company Secretary be given to such authorities as may be required from time to time.

5. DETAILS OF PUBLIC ANNOUNCEMENT

In accordance with the provisions of Regulation 7(i) of the Buyback Regulations, the Company has made a Public Announcement dated February 1, 2019 in relation to the Buyback which was published on February 4, 2019 in the following newspapers.

Publication	Language	Editions
Business Standard	English	All editions
Business Standard	Hindi and Regional *(Regional language being Hindi)*	All editions

The Public Announcement was issued within two working days from the date of the Shareholder's approving the Buyback, by special resolution through postal ballot, the result of which was declared on Thursday, January 31, 2019.

A copy of the Public Announcement is available on the SEBI website at www.sebi.gov.in and on the website of the Company at www.iexindia.com.

6. DETAILS OF THE BUYBACK

The Board of Directors of the Company at their meeting held on Thursday, December 20, 2018 passed a resolution to buyback equity shares of the Company and sought approval of shareholders, by a special resolution, through Postal Ballot Notice. Through the Postal Ballot Notice, the shareholders of the Company have approved, by way of special resolution, the Buyback of not exceeding 37,29,729 (Thirty Seven Lakhs Twenty Nine Thousand Seven Hundred Twenty Nine) fully paid-up equity shares of face value ₹ 1 each from all the existing Equity Shareholders of the Equity Shares of the Company, on a proportionate basis, through the "**Tender Offer**" process, under Regulation 4(iv)(a) of the Buyback Regulations, at a maximum price of ₹ 185 (Rupees One Hundred and Eighty Five Only) per Equity Share payable in cash, for an aggregate consideration not exceeding ₹ 69,00,00,000 (Rupees Sixty Nine Crores Only). The Buyback Committee at its meeting held on Friday, February 1, 2019 has approved the final Buyback Offer Price as ₹ 185 (Rupees One Hundred Eighty Five Only).

The details of the Buyback are set out below:

Name of the Company	Indian Energy Exchange Limited
Maximum number of Equity Shares proposed to be bought back pursuant to the Buyback	Not exceeding 37,29,729 (Thirty Seven Lakhs Twenty Nine Thousand Seven Hundred Twenty Nine) Equity Shares of Re. 1 each of the Company
Number of Equity Shares as a percentage of the existing paid-up Equity Share capital of the Company	The maximum number of Equity Shares proposed to be bought back represent 1.23% of the total number of Equity Shares in the paid-up share capital of the Company.
Buyback Offer Price	₹ 185 (Rupees One Hundred Eighty Five Only) per Equity Share
Applicable regulations of SEBI and provisions of the Companies Act, in accordance with which the Buyback offer is made	The Buyback is being undertaken in terms of Chapter III of the Buyback Regulations, Sections 68, 69, 70 and any other applicable provisions of the Companies Act, 2013 and the Share Capital Rules, the Management Rules, including any statutory modification or re-enactment thereof for the time being in force.
Methodology for the Buyback	The Buyback is being undertaken on a proportionate basis through the Tender Offer process prescribed under the Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Shareholders and settlement of the same, through the stock

Name of the Company	Indian Energy Exchange Limited
	exchange mechanism as specified in the SEBI Circulars and notice issued by BSE bearing number 20170202-34 dated February 2, 2017.
Maximum amount to be expensed towards the Buyback and its percentage with respect to the net worth of the Company	The maximum amount required by the Company for the said Buyback will not be exceeding ₹ 69,00,00,000 (Rupees Sixty Nine Crores Only) (excluding transaction costs viz. brokerage, securities transaction tax, service tax, GST, stamp duty, etc.) representing 24.97% of the fully paid-up share capital and free reserves, as per the audited financial statements of the Company for the financial year ended March 31, 2018 (the last audited financial statements available as on the date of Board Meeting recommending the proposal of the Buyback) and is within the limits of 25% of aggregate of fully paid-up share capital and free reserves as per the audited financial statements of the Company for the financial year ended March 31, 2018
Shareholding of the Promoters and its percentage with respect to the total paid-up Equity Share capital of the Company	The Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control. Accordingly, this requirement is not applicable
Intention of the Promoters and the persons in control of the Company to participate in the Buyback	The Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control. Accordingly, this requirement is not applicable
Promoters' shareholding after the Buyback	The Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control. Accordingly, this requirement is not applicable
Statement that post Buyback non-promoter shareholding shall not fall below the minimum level required as per the listing conditions/agreement	The Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control. Accordingly, this requirement is not applicable

7. AUTHORITY FOR THE BUYBACK

The Buyback is in accordance with the provisions contained in Article 7(e) of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013, as amended, the Share Capital Rules, the Management Rules and the provisions contained in the Buyback Regulations.

The Buyback is subject to approvals as may be necessary, from time to time from statutory authorities including but not limited to SEBI, BSE and NSE.

The Board of Directors at their meeting on Thursday, December 20, 2018 passed a resolution approving Buyback of Equity Shares of the Company and sought approval of Shareholders, by a special resolution through Postal Ballot Notice. The Shareholders of the Company have approved the Buyback by way of a special resolution, through the postal ballot as aforesaid.

8. NECESSITY OF THE BUYBACK

The Buyback is being undertaken by the Company to effectively utilize its surplus cash by rewarding its equity shareholders. The Buyback of Equity Shares will result in reduction of the paid up equity share capital of the Company. The Company believes that the Buyback may create long term value for its equity shareholders. The Buyback through Tender Offer process under the Buyback Regulations gives an option to the existing equity shareholders to either receive the surplus cash by tendering their Equity Shares in the Buyback or remain invested and enjoy the percentage increase in the shareholding in the post Buyback capital. The Buyback through Tender Offer, inter-alia, offers the following advantages:

(i) The Buyback gives the Company an opportunity to distribute surplus cash to its shareholders in proportion to their shareholding;

(ii) The Buyback involves allocation of 15% reservation to small shareholders subject to their entitlement as required under the Buyback Regulations. The Company believes that this reservation for small shareholders would benefit a large number of public and retail shareholders, who would get classified as "small shareholders";

(iii) The Buyback may help in improving return on equity and other financial ratios, by a reduction in the equity base, thereby leading to long term increase in shareholders' value; and

(iv) The Buyback gives an option to the existing equity shareholders to either participate in the Buyback and receive cash in lieu of equity shares accepted under the Buyback or not participate in the Buyback and enjoy a resultant increase in their percentage shareholding in the Company post the Buyback without any additional investment.

9. MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF BUYBACK ON THE COMPANY

9.1 The Buyback is not likely to cause any material impact on the profitability/ earnings of the Company except a reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming there is full response to the Buyback to the extent of 100%, the funds deployed by the Company towards the Buyback would be not exceeding ₹ 69,00,00,000 (Rupees Sixty Nine Crores Only) (excluding transaction costs viz. brokerage, securities transaction tax, service tax, GST, stamp duty, etc.).

9.2 In terms of the Buyback Regulations, under the Tender Offer process, the promoters of the Company have the option to participate in the Buyback. However, the Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control. Hence, the disclosure of promoters' intention to participate in the Buyback, promoters' holding before and after the Buyback is not applicable.

9.3 Assuming full acceptance of Equity Shares in the Buyback, the aggregate percentage shareholding of the public (excluding

Equity Shares held by IEX ESOP Trust) after the Buyback will be 99.54% of the post Buyback Equity Share capital of the Company compared to the public shareholding percentage as on the date of Record Date i.e. 99.55% of the total paid-up Equity Share capital of the Company.

9.4 The Buyback shall not result in a change in control or otherwise affect the existing management structure of the Company.

9.5 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, FPIs, Indian financial institutions, banks, mutual funds and the other Shareholders including other bodies corporate, the shareholding pattern of the Company would undergo a change. The FPIs are advised to ensure that their investment in the Company continues to be within the limit prescribed under applicable laws, post completion of the Buyback. Under the Consolidated Foreign Direct Investment Policy notified by the D/o IPP F. No. 5(1)/2017-FC-1 effective from August 28, 2017 ("**FDI Policy**"), no non-resident investor/entity, including persons acting in concert, can hold more than 5% of the outstanding Equity Shares of the Company.

Further, under the Central Electricity Regulatory Commission (Power Market) Regulations, 2010 ("**Power Market Regulations**"): (i) a member of the power exchange can have a maximum of 5% shareholding (whether directly or indirectly) in the power exchange; (ii) any shareholder other than a member of the power exchange can have a maximum of 25% shareholding (whether directly or indirectly) in the power exchange.

9.6 The debt-equity ratio post Buyback will be compliant with the permissible limit of 2:1 prescribed under Section 68 of the Companies Act, 2013 and Regulation 4(ii) of the Buyback Regulations, even if the response to the Buyback is to the extent of 100% (full acceptance).

9.7 The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for its business operations. The Buyback may help in improving return on equity and other financial ratios, by a reduction in the equity base, thereby leading to long term increase in shareholders' value.

9.8 In compliance with regulation 24(i)(b) of the Buyback Regulations, the Company shall not issue and allot any equity shares or other specified securities (including ESOPs) including by way of bonus till the date of expiry of the Buyback Period.

9.9 The Company shall not raise further capital for a period of one year from the expiry of Buyback Period except in discharge of its subsisting obligations.

9.10 Salient financial parameters consequent to the Buyback based on the audited financial statements as on March 31, 2018 and unaudited limited review for six months period ended September 30, 2018 of the Company are as under:

Parameters	Based on Unaudited limited reviewed results (September 30, 2018)		Based on Audited Financial Statements (March 31, 2018)	
	Pre Buyback	Post Buyback	Pre Buyback	Post Buyback
Net Worth* (Rs. in Lakhs)(1)	28,859.95	21,959.95	28,372.39	21,472.39
Profit/(Loss) for the period (Rs. in Lakhs)	8,456.12	8,456.12	13,168.52	13,168.52
Return on Net Worth*(2)	29.30%	38.51%	46.41%	61.33%
Earnings Per Equity Share (EPS) (Basic) (in Rs.)(3)(4)	2.80	2.84	4.46	4.52
Book Value per share* (in Rs.)(5)	9.57	7.37	9.41	7.21
Price Earnings (PE) (6)	28.69	28.29	35.94	35.46
Total Debt/ Equity ratio*(7)	Nil	Nil	Nil	Nil

(1) Net Worth is equal to Equity Share Capital + Reserves and surplus (excluding revaluation reserves and miscellaneous expenditure to the extent not written off)

(2) Return on Net Worth = Profit / (Loss) for the period / Net worth

(3) Earnings per Share = Profit / (Loss) for the period attributable to Equity Shareholders / Weighted number of Equity Shares outstanding

(4) EPS post Buyback is computed after reducing 37,29,729 Equity Shares to be bought back under the Buyback from weighted average number of Equity Shares outstanding

(5) Book value per Equity Share = Net worth / Number of Equity Shares

(6) Price / Earnings ratio is calculated as closing market price of the Equity Shares on NSE on March 31, 2018 divided by Earnings per equity share for the year on pre and post Buyback basis. Price / Earnings ratio for period ending September 30, 2018 is calculated as closing market price of the Equity Shares on NSE as on September 30, 2018 divided by annualized earning per equity share calculated using profits of last 6 months ending as on September 30, 2018 on pre and post Buyback basis.

(7) Debt-Equity Ratio = Debt / Equity (Equity Share Capital + Reserves and surplus)

(8) Company had approved the sub-division of the nominal value of equity shares of the company from the earlier nominal value of ₹ 10 each to nominal value of ₹ 1 each, thereby keeping the paid-up share capital intact, the record date for the said corporate action was October 22, 2018, calculation of EPS has been done on the basis of split off shares for 2016, 2017, 2018 and half year September 30, 2018.

** Excluding revaluation reserves and miscellaneous expenditure to the extent not written off.*

10. BASIS OF CALCULATING BUYBACK PRICE

10.1 The Maximum Price and the Buyback Offer Price was finalized by the Buyback Committee based on (i) a premium of 17.86% on BSE and 18.60% on NSE over the volume weighted average price of the equity shares on BSE and NSE respectively for one month preceding the date of intimation to the BSE/ NSE for the Board Meeting to consider the proposal of the Buyback;

(ii) premium of 18.19% on BSE and 17.71% on NSE over the volume weighted average price of the equity on BSE and NSE respectively for 2 weeks preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback; (iii) premium of 18.10% on BSE and 17.91% on NSE over the closing market price of the Equity Shares on BSE and NSE respectively on the date of the intimation to BSE/ NSE for the Board Meeting to consider the proposal of the Buyback; and (iv) premium of 16.10% on BSE and 16.57% on NSE over the closing market price of the Equity Shares on BSE and NSE respectively on the date prior to the date of the Public Announcement.

10.2 For trends in the market price of the Equity Shares of the Company, please refer to paragraph 16 *(Stock Market Data)* of this Letter of Offer.

10.3 The closing market price of the Equity Shares as on the date of intimation to the BSE and NSE for the Board Meeting for considering the Buyback i.e. Thursday, December 13, 2018 was ₹ 156.65 and ₹ 156.90 on BSE and NSE, respectively.

10.4 The book value of the Company pre-Buyback as on March 31, 2018 and six months ended September 30, 2018 was ₹ 9.41 and ₹ 9.57 respectively, which will decrease to ₹ 7.21 and ₹ 7.37 post Buyback Offer based on the assumption of full acceptance of the Buyback and subject to the notes mentioned to table on salient financial parameters in paragraph 9.10 of this Letter of Offer.

10.5 The earnings per share of the Company pre-Buyback as on March 31, 2018 and six months ended September 30, 2018 was ₹ 4.46 and ₹ 2.80 respectively which will increase to ₹ 4.52 and ₹ 2.84 respectively post Buyback based on the assumption of full acceptance of the Buyback and subject to the notes mentioned to the table on salient financial parameters in paragraph 9.10 of this Letter of Offer.

10.6 The Return on Net-worth of the Company pre-Buyback as on March 31, 2018 and six months ended September 30, 2018 was 46.41% and 29.30% respectively which will increase to 61.33% and 38.51% respectively post Buyback based on the assumption of full acceptance of the Buyback and subject to the notes mentioned to table on salient financial parameters in paragraph 9.10 of this Letter of Offer.

11. SOURCES OF FUNDS FOR THE BUYBACK

11.1 Assuming full acceptance, the Company would utilise internal accruals for the purpose of the Buyback.

11.2 The Company has confirmed that the Buyback shall be made out of free reserves and/or securities premium account of the Company and/or such other sources as may be permitted by the Buyback Regulations or the Companies Act as at March 31, 2018 (the last audited standalone financial statements available as on the date of Board Meeting recommending the proposal of the Buyback). The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet and annual report(s).

11.3 The funds borrowed by the Company from banks and financial institutions will not be used for the Buyback.

12. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT TO BE DEPOSITED THEREIN

12.1 In accordance with Regulation 9(xi) of the Buyback Regulations, an Escrow Agreement has been entered into amongst the Company, the Manager to the Buyback and the Escrow Agent.

12.2 In accordance with the Buyback Regulations, the Company has opened an Escrow Account in the name and style "**IEX – Buyback Escrow Account 2019**" with the Escrow Agent, namely, HDFC Bank Limited, having its registered office situated at HDFC Bank House, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013 and acting through its branch office at Lodha – I, Think Techno Campus, O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai 400 042. In accordance with Regulation 9(xi) of the Buyback Regulations, the Company shall, as and by way of security for performance of its obligations, deposit ` 17,25,00,000/- (Rupees Seventeen Crore Twenty Five Lakhs only) in the Escrow Account on or before the opening of the Buyback Offer. IIFL Holdings Limited will be empowered to operate the Escrow Account in accordance with the Buyback Regulations.

12.3 M/s Ravi Rajan & Co., Chartered Accountants, located at 505A, 5th Floor, D-4, Rectangle -1, New Delhi – 110 017, India, **Tel. No.**: +91 (11) 4054 8860 - 62, **Fax.**: +91 (11) 4054 8860-62, **Extn**: 102; **Contact Person**: Prashant Bhatia (Membership No.: 508452) have certified, vide their certificate dated Thursday, December 20, 2018, that the Company has adequate and firm financial resources for fulfilling all obligations under the Buyback Offer.

12.4 Based on the above certificate, the Manager to the Buyback Offer has satisfied itself about the ability of the Company to implement the Buyback Offer in accordance with the Buyback Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

13.1 The capital structure as on date of the Record Date (i.e. Friday, February 15, 2019), is as follows:

Particulars	Aggregate value at face value (₹ *in lakhs*)
Authorised share capital	
40,25,00,000 Equity Shares of ₹ 1 each	4,025.00
Issued, subscribed and paid up share capital before the Buyback	
30,32,86,240 Equity Shares of ₹ 1 each, fully paid up	3,032.86
Issued, subscribed and paid up share capital after the Buyback	
29,95,56,511 Equity Shares of ₹ 1 each, fully paid up	2,995.57*

**Assuming full acceptance of 37,29,729 Equity Shares in the Buyback Offer in the Ratio of Buyback Entitlement*

13.2 During the three years preceding the date of this Letter of Offer, the Company has not bought back any Equity Shares under any Buyback programme.

13.3 As on the date of this Letter of Offer, there are no outstanding preference shares, partly paid-up Equity Shares or outstanding convertible instruments or calls in arrears.

13.4 The shareholding pattern of the Company pre-Buyback, as on the Record Date (i.e. Friday, February 15, 2019), as well as the post Buyback (assuming full acceptance of the Buyback) shareholding, is as shown below:

Particulars	Pre-Buyback		Post-Buyback*	
	No. of Equity Shares	% of the existing equity share capital	No. of Equity Shares	% of the post Buyback equity share capital
Promoters	Nil	N.A.	Nil	N.A.
Foreign Investors (including Non Resident Indians, FPIs and Foreign Mutual Funds)	11,62,74,168	38.34%	29,95,56,511	100%
Financial Institutions/ Banks/ Mutual Funds promoted by Banks/ Institutions	3,82,18,877	12.60%		
Others (public, public bodies corporate etc.)	14,87,93,195	49.06%		
Total	**30,32,86,240**	**100.00%**	**29,95,56,511**	**100.00%**

**Assuming full acceptance of 37,29,729 Equity Shares in the Buyback Offer in the Ratio of Buyback Entitlement*

13.5 The Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control. Accordingly, details of the shareholding of promoters post Buyback is not applicable.

13.6 The aggregate shareholding of Directors of the Company as on the date of the Record Date (i.e. Friday, February 15, 2019) is as follows:

S. No.	Name	Number of Equity Shares	% Shareholding
1.	Ajeet Kumar Agarwal	Nil	Nil
2.	Dinesh Kumar Mehrotra	Nil	Nil
3.	Gautam Dalmia	Nil	Nil
4.	Gopal Srinivasan	Nil	Nil
5.	Kayyalathu Thomas Chacko	Nil	Nil
6.	Mahendra Kumar Singhi	Nil	Nil
7.	Renuka Ramnath	Nil	Nil
8.	Satyanarayan Goel	2,71,300	0.09%
9.	Tejpreet Singh Chopra*	Nil	Nil

**Appointed as an additional director designated as Independent Director (Non-executive) with effect from March 5, 2019 subject to approval of the Shareholders of the Company.*

13.7 The aggregate number of Equity Shares purchased or sold by the promoter, promoter companies, directors of the promoter companies and persons in control of the Company during a period of twelve months preceding the date of the Record Date (i.e. Friday, February 15, 2019) is as follows:

The Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control. Accordingly, the details of the transactions of Equity Shares by promoter, promoter companies, director of promoter companies and persons in control of the Company are not applicable.

13.8 There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act, 2013.

14. BRIEF INFORMATION ABOUT THE COMPANY

14.1 The Company was incorporated as Indian Energy Exchange Limited on March 26, 2007 with the Registrar of Companies, Mumbai, Maharashtra as a public limited company under the Companies Act, 1956 and received its certificate of commencement of business on April 17, 2007. The Company's registered office is situated at Unit No. 3, 4, 5 & 6, Fourth Floor, TDI Centre Plot No. 7, District Centre, Jasola, New Delhi 110 025, India.

14.2 The registered office of the Company was changed from 1st Floor, Malkani Chambers, Off Nehru Road, Vile Parle (East), Mumbai 400 099 to Unit No. 3, 4, 5 and 6, Fourth Floor, TDI Centre, Plot No. 7, District Centre, Jasola, New Delhi 110 025, India with effect from January 1, 2015 for administrative convenience, cost effectiveness, growth potential and business opportunities.

14.3 The Company is an exchange for trading of a range of electricity products in India. Electricity products traded over the electronic trading platform of the Company comprise (i) electricity contracts in blocks of 15 minutes in the day-ahead-market, (ii) electricity contracts for fixed terms, such as intra-day contracts, daily contracts, day ahead contingency contracts and contracts up to 11 days ahead, known as the term-ahead-market, (iii) renewable energy certificates, and (iv) energy saving certificates.

14.4 The Equity shares of the Company are listed on BSE Limited (Security Code: "**540750**") and on the National Stock Exchange of India Limited (Symbol: "**IEX**") since October 23, 2017.

14.5 In the financial year 2018, the Company's audited total revenues was ₹ 25,607.14 lakhs and profit after tax was ₹ 13,168.52 lakhs. For the six months ended September 30, 2018, the Company's unaudited total revenues was ₹ 14,940.24 lakhs and profit after tax was ₹ 8,456.12 lakhs. The Company's total revenues and profit after tax have grown at a compounded annual growth rate of 13.11% and 14.68%, respectively, between the financial year 2016 and the financial year 2018.

14.6 Details of the changes in share capital of the Company since incorporation are as follows:

History of the equity share capital of our Company

Date of allotment of the Equity Shares	Reasons for allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of Consideration (cash, other than cash)	Cumulative No. of Equity Shares	Cumulative paid-up Equity Share capital (₹)
March 26, 2007	Subscription to the MoA(1)	50,000	10	10	Cash	50,000	5,00,000
January 4, 2008	Allotment(2)	2,40,00,000	10	10	Cash	24,050,000	24,05,00,000
January 21, 2008	Allotment(3)	9,50,000	10	10	Cash	25,000,000	25,00,00,000
March 31, 2009	Preferential Allotment(4)	16,89,190	10	10	Cash	26,689,190	26,68,91,900
July 8, 2010	Allotment pursuant to ESOP 2010 (5)	5,33,784	10	10	Cash	27,222,974	27,22,29,740
September 30, 2010	Allotment pursuant to ESOP 2010 (6)	72,788	10	10	Cash	27,295,762	27,29,57,620
August 28, 2015	Allotment pursuant to conversion of CCPS (7)	8,93,896	10	Not Applicable	Conversion of CCPS*	28,189,658	28,18,96,580
December 24, 2015	Allotment pursuant to conversion of CCPS (8)	1,14,929	10	Not Applicable	Conversion of CCPS*	28,304,587	28,30,45,870
February 8, 2016	Allotment pursuant to conversion of CCPS (9)	5,07,606	10	Not Applicable	Conversion of CCPS*	28,812,193	28,81,21,930
May 30, 2017	Allotment pursuant to conversion of CCPS (10)	3,03,287	10	Not Applicable	Conversion of CCPS*	29,115,480	29,11,54,800
September 20, 2017	Allotment pursuant to conversion of CCPS (11)	12,13,144	10	Not Applicable	Conversion of CCPS*	30,328,624	30,32,86,240
October 19, 2018	Sub-division of Equity Shares from Rs. 10 each to Re. 1 each(12)	30,32,86,240	1	Not Applicable	Sub-division	30,32,86,240	30,32,86,240

* *The CCPS were allotted for cash.*

1. *FTIL was allotted 49,994 Equity Shares pursuant to its subscription to the Memorandum of Association of the Company and Dewang Sunderraj Neralla, C. Subramaniam, V. Hariharan, Shreekant Y. Javalgekar, P.Ramanathan and Hariraj Shankar Chouhan were allotted 1 Equity Share each, as nominees of FTIL, pursuant to their subscription to the Memorandum of Association of the Company.*

2. *Allotment pursuant to the resolution passed by the Board at its meeting held on January 4, 2008 to (i) FTIL: 10,950,000 Equity Shares; (ii) PFS: 6,500,000 Equity Shares; (iii) Rural Electrification Corporation Limited: 1,250,000 Equity Shares; (iv) Reliance Energy Limited: 1,250,000 Equity Shares; (v) Adani Enterprises Limited: 300,000 Equity Shares; (vi) IDFC Limited: 1,250,000 Equity Shares; (vii) Lanco Infratech Limited: 1,250,000 Equity Shares; and (viii) The Tata Power Company Limited: 1,250,000 Equity Shares.*

3. *Allotment of 950,000 Equity Shares to Adani Enterprises Limited pursuant to the resolution passed by the Board at its meeting held on January 21, 2008.*

4. *Preferential allotment of 439,190 Equity Shares to PFS and 1,250,000 Equity Shares to Jindal Power Limited pursuant to the resolution passed by Board at its meeting held on March 31, 2009.*

5. *Allotment of 533,784 Equity Shares to IEX ESOP Trust pursuant to the resolution passed by the Board at its meeting held on July 8, 2010.*

6. *Allotment of 72,788 Equity Shares to IEX ESOP Trust pursuant to the resolution passed by the Board at its meeting held on September 30, 2010.*

7. *Upon conversion of 893,896 CCPS held by BVP, 893,896 Equity Shares were allotted to BVP pursuant to a resolution passed by the Board at its meeting held on August 28, 2015.*

8. *Upon conversion of 114,929 CCPS held by BVP, 114,929 Equity Shares were allotted to BVP pursuant to a resolution passed by the Board at its meeting held on December 24, 2015.*

9. *Upon conversion of 507,606 CCPS held by BVP, 507,606 Equity Shares were allotted to BVP pursuant to a resolution passed by the Board at its meeting held on February 8, 2016.*

10. *Upon conversion of 303,287 CCPS held by Lightspeed, 303,287 Equity Shares were allotted to Lightspeed pursuant to a resolution passed by the Board at its meeting held on May 30, 2017.*

11. *Upon conversion of 1,213,144 CCPS held by Lightspeed, 1,213,144 Equity Shares were allotted to Lightspeed pursuant to a resolution passed by the Board at its meeting held on September 20, 2017.*

12. *Sub-division of Equity Shares of the Company from Equity Shares of face value of ₹ 10 each to Equity Shares of face value of ₹ 1 each.*

History of the CCPS capital of our Company

Date of allotment of the CCPS	Reasons for allotment/ Cancellations	No. of Preference Shares	Face value (₹)	Issue Price (₹)	Nature of Consideration (cash, other than cash)	Cumulative No. of Preference Shares	Cumulative paid-up Preference Share capital (₹)
September 30, 2010	Pursuant to the Investment Agreement(1)	3,032,862	10	115.41	Cash	3,032,862	30,328,620
August 28, 2015	Conversion of CCPS to Equity Shares pursuant to the Investment Agreement (2)	(893,896)	10	Not applicable	Not applicable	2,138,966	21,389,660
December 24, 2015	Conversion of CCPS to Equity Shares pursuant to the Investment Agreement (3)	(114,929)	10	Not applicable	Not applicable	2,024,037	20,240,370
February 8, 2016	Conversion of CCPS to Equity Shares pursuant to the Investment Agreement (4)	(507,606)	10	Not applicable	Not applicable	1,516,431	15,164,310
May 30, 2017	Conversion of CCPS to Equity Shares pursuant to the Investment Agreement(5)	(303,287)	10	Not applicable	Not applicable	1,213,144	12,131,440
September 20, 2017	Conversion of CCPS to Equity Shares pursuant to the Investment Agreement(6)	(1,213,144)	10	Not Applicable	Not applicable	-	-

1. *Preferential allotment of 1,516,431 CCPS to BVP and 1,516,431 CCPS to Lightspeed pursuant to a resolution passed by the Board at its meeting held on September 30, 2010.*

2. *893,896 CCPS held by BVP were converted to 893,896 Equity Shares pursuant to a resolution passed by the Board at its meeting held on August 28, 2015.*

3. *114,929 CCPS held by BVP were converted to 114,929 Equity Shares pursuant to a resolution passed by the Board at its meeting held on December 24, 2015.*

4. *507,606 CCPS held by BVP were converted to 507,606 Equity Shares pursuant to a resolution passed by the Board at its meeting held on February 8, 2016.*

5. *303,287 CCPS held by Lightspeed were converted to 303,287 Equity Shares pursuant to a resolution passed by the Board at its meeting held on May 30, 2017.*

6. *1,213,144 CCPS held by Lightspeed were converted to 1,213,144 Equity Shares pursuant to a resolution passed by the Board at its meeting held on September 20 2017.*

14.7 The Board of Directors of the Company as on the date of this Letter of Offer (i.e. Monday, March 11, 2019) is as under:

S. No.	Name, DIN Qualification, Occupation and Age	Designation	Date of Appointment	Other Directorships
1.	**Dinesh Kumar Mehrotra** ***DIN***: 00142711 ***Qualification*:** Bachelor's course in science from the University of Patna ***Occupation***: Retired Professional ***Age***: 65 Years	Chairman and Independent Director	Five consecutive years with effect from March 30, 2015	• V L S Finance Limited • Metropolitan Stock Exchange of India Limited • Computer Age Management Services Limited • Indostar Capital Finance Limited • UTI Asset Management Company Limited • Tata AIA Life Insurance Company Limited • West End Housing Finance Limited
2.	**Satyanarayan Goel** ***DIN***: 02294069 ***Qualification***: Bachelor's Degree of Science In Electrical Engineering from the Sambalpur University and Master's Degree Of Business Administration from the University of Delhi ***Occupation***: Service ***Age***: 64 Years	Managing Director and Chief Executive Officer	Five consecutive years with effect from January 21, 2014 (Re-appointed for a period of six months with effect from January 21, 2019)	NIL
3.	**Kayyalathu Thomas Chacko** ***DIN:*** 02446168 ***Qualification***: Post graduate degree in Economics from University of Kerala, Post graduate degree in Public Administration from John Fitzgerald Kennedy School of Government, Harvard University ***Occupation***: Retired Indian Administrative Services officer ***Age***: 72 Years	Independent Director	Five consecutive years with effect from March 30, 2015	NIL
4.	**Renuka Ramnath** ***DIN***: 00147182 ***Qualification***: Bachelor's degree of Textiles from V.J. Technological Institute, University of Mumbai, Master's degree of Management Studies from Chetna R.K. Institute of Management & Research, University of Mumbai, Advanced Management Program, the International Senior Managers Program from the Graduate School of Business Administration, Harvard University ***Occupation***: Business	Non-Executive Director	Regularized as a Non-Executive Director with effect from September 28, 2012 (Liable to retire by rotation)	• Multiples Alternate Asset Management Private Limited • Multiples Equity Fund Trustee Private Limited • Shri Nath G Corporate Management Services Private Limited • Arvind Limited • PVR Limited • Vikram Hospital (Bengaluru) Private Limited • Ultratech Cement Limited • Tata Communications

S. No.	Name, DIN Qualification, Occupation and Age	Designation	Date of Appointment	Other Directorships
	Age: 57 Years			Limited • Institutional Investor Advisory Services India Limited • L&T Technology Services Limited • Multiples ARC Private Limited • Encube Ethicals Private Limited • Arvind Fashions Limited • PeopleStrong HR Services Private Limited • Vastu Housing Finance Corporation Limited
5.	**Mahendra Singhi*** ***DIN***: 00243835 ***Qualification***: Bachelor's degree of science from the University of Jodhpur, Bachelor's degree of Law from the Rajasthan University, Member of the Institute of Chartered Accountants of India ***Occupation***: Service ***Age***: 66 Years	Non-Executive Director	Regularized as Non-Executive Director with effect from July 25, 2017 (Liable to retire by rotation)	• Dalmia Cement (Bharat) Limited
6.	**Ajeet Kumar Agarwal** ***DIN***: 02231613 ***Qualification***: Bachelor's degree of commerce from the University of Delhi and Fellow member of the Institute of Chartered Accountants of India ***Occupation***: Service ***Age***: 58 Years	Non-Executive Director	August 22, 2012 (Liable to retire by rotation)	• Rural Electrification Corporation Limited • REC Transmission Projects Company Limited • REC Power Distribution Company Limited
7.	**Gopal Srinivasan** ***DIN***: 00177699 ***Qualification***: Bachelor's degree of commerce from the University of Madras, Chennai and Master's degree of business administration from the Graduate School of Business Administration, University of Michigan, U.S.A ***Occupation***: Industrialist ***Age***: 60 Years	Non-Executive Director	Regularized as Non-Executive Director with effect from July 25, 2017 (Liable to retire by rotation)	• TVS Electronics Limited • Sundaram-Clayton Limited • Lucas-TVS Limited • Harita Techserv Limited • TVS Logistics Services Limited • Wonderla Holidays Limited • TVS Capital Funds Private Limited • TVS Investments Private Limited • T V Sundaram Iyengar & Sons Private Limited • Sundaram Industries Private Limited

S. No.	Name, DIN Qualification, Occupation and Age	Designation	Date of Appointment	Other Directorships
				• TVS Wealth Private Limited • NextWealth Entrepreneurs Private Limited • Cointribe Technologies Private Limited; • Sundaram Investments Private Limited • Geeyes Family Holdings Limited • IVC Association • IIT Madras Research Park • Chennai International Centre • Chennaiangels Network Association
8.	**Gautam Dalmia** ***DIN***: 00009758 ***Qualification***: Bachelors of Science and Master of Science degree in Electrical & Electronics Engineering from Columbia University, USA ***Occupation***: Industrialist ***Age***: 51 Years	Additional Director (Non-Executive)	Appointed as an Additional Director with effect from December 20, 2018	• Rama Investment Co Private Limited • Sita Investment Company Limited • Dalmia Bharat Sugar and Industries Limited • Mobius Knowledge Services Private Limited • Dalmia Cement (Bharat) Limited • Mobius365 Data Services Private Limited • Odisha Cement Limited
9.	**Tejpreet Singh Chopra** ***DIN***: 00317683 ***Qualification***: Bachelors degree in Economics from St. Stephen's College, University of Delhi, Master's degree in Business administration from Cornell University and attended Executive Programme at Harward Kennedy School ***Occupation***: Business ***Age***: 49 Years	Additional Director and designated as Independent Director (Non-Executive)	Appointed as an Additional Director and designated as Independent Director with effect from March 5, 2019, subject to approval of Shareholders of the Company	• Bharat Light and Power Private Limited • BLP Clean Energy Private Limited • BLP Renewable Energy Private Limited • BLP Wind Project (Amberi) Private Limited • BLP Vayu (Project 1) Private Limited • BLP Vayu (Project 2) Private Limited • SRF Limited • Gujarat Pipapav Port Limited

** Please note that Mahendra Singhi's name in his passport is mentioned as Mahendra Kumar Singhi.*

14.8 The details of changes in the Board of Directors during the last three years from the date of this Letter of Offer (i.e. March 11, 2019) are as under:

S. No.	Name, Designation and DIN	Effective Date	Reasons
1.	Tejpreet Singh Chopra **Designation**: Independent Director **DIN**: 00317683	March 5, 2019	Appointment as Additional Independent Director
2.	Vallabh Roopchand Bhanshali **Designation**: Independent Director **DIN**: 00184775	January 8, 2019	Cessation

S. No.	Name, Designation and DIN	Effective Date	Reasons
3.	Gautam Dalmia **Designation**: Non-Executive Director **DIN**: 00009758	December 20, 2018	Appointment as Additional Director
4.	Bejul Somaia **Designation**: Non-Executive Director **DIN**: 00059201	July 17, 2018	Cessation
5.	Mahendra Singhi **Designation**: Non-Executive Director **DIN**: 00243835	May 30, 2017	Appointment
6.	Puneet Yadu Dalmia **Designation**: Non-Executive Director **DIN**: 00022633	May 18, 2017	Cessation
7.	Gopal Srinivasan **Designation**: Non-Executive Director **DIN**: 00177699	April 18, 2017	Appointment
8.	Rajeev Kumar Malhotra **Designation**: Non-Executive Director **DIN**: 02383396	March 29, 2017	Cessation
9.	Vishal Vijay Gupta **Designation**: Non-Executive Director **DIN**: 01913013	March 7, 2016	Cessation

14.9 The Buyback will not result in any benefit to any Directors of the Company/ person in control of the Company/ group companies except to the extent of their intention to participate in the Buyback and actual participation in the Buyback and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the Equity Share Capital of the Company, post Buyback.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1 The salient financial information of the Company, as extracted from the audited financial statements for the last three financial years viz. March 31, 2018, March 31, 2017 and March 31, 2016 and unaudited limited reviewed for six months period ended September 30, 2018 is detailed below:

(Amount in ₹ Lakhs)

Particulars	For six months period ended on September 30, 2018 (IND-AS)	For the year ended March 31, 2018 (IND-AS)	For the year ended March 31, 2017 (IND-AS)	For the year ended March 31, 2016 (IGAAP)
	Un-audited	**Audited**	**Audited**	**Audited**
Months	**6**	**12**	**12**	**12**
Revenue from Operations	13,383.11	23,044.80	19,864.52	17,502.79
Other Income	1,557.13	2,562.34	3,422.66	2,511.18
Total Revenue	14,940.24	25,607.14	23,287.18	20,013.97
Total Expenses (excluding finance and depreciation and amortization)	2,466.39	4,557.63	5,518.42	4,985.55
Finance Cost	11.78	22.66	41.60	26.75
Depreciation and amortization expense	522.22	1,027.34	341.96	339.42
Profit/(Loss) before Tax	11,939.85	19,999.51	17,385.20	14,662.25
Total income tax expenses (including Deferred Tax)	3,483.73	6,830.99	6,027.07	4,649.17
Profit/(Loss) after Tax	8,456.12	13,168.52	11,358.13	10,013.08
Equity Share capital				
Equity share capital*	3,016.96	3,016.00	2,861.11	2,881.22
Instruments entirely equity in nature	-	-	151.64	151.64
Reserves & Surplus/Other Equity**	25,842.99	25,356.39	24,808.70	16,784.95
Total Equity/ Net worth*	28,859.95	28,372.39	27,821.45	19,817.81
Total Debt (excluding working capital loans)	-	-	-	-

** Excludes 1,590,620 Equity Shares, 1,686,320 Equity Shares and 2,011,320 Equity Shares held by IEX ESOP Trust of face value of Rs.1 each for September 30, 2018, March 31, 2018 and 2017 respectively. Since financials for FY 2015-16 were prepared under IGAAP, equity share capital was not reduced with the shares held by IEX ESOP Trust. The number of shares has been adjusted for the share split of 10:1 where ever applicable in the calculations. The Equity share capital includes the Compulsory Convertible Preference Shares o/s at the end of the year, as applicable.*

*****Excluding revaluation reserves and miscellaneous expenditure to the extent not written off. The Company does not have any revaluation reserves and miscellaneous expenditure to the extent not written off.***

***Note**: The Company's total revenues and profit after tax have grown at a compounded annual growth rate of 13.11% and 14.68%, respectively, between the financial year 2016 and the financial year 2018.*

***Note:** The above information has been furnished based on the audited financial statements prepared under Indian Accounting Standards ('Ind AS') for FY2017, FY2018 and H12019 and under IGAAP for FY2016. The financial information for six months ended September 30, 2018 is unaudited but was subjected to a limited review by Statutory Auditors of the Company under Regulation 33 of the Securities and Exchange*

Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015, as amended.

15.2 Financial Ratios for the last three financial years viz. Fiscal 2018, 2017 and 2016 and six months period ended September 30, 2018 are as under:

Key Ratios	For six months ended September 30, 2018 (Unaudited)	For the year ended March 31, 2018 (Audited)	For the year ended March 31, 2017 (Audited)	For the year ended March 31, 2016 (Audited)
Earnings per Share (₹) (Basic)*	2.80	4.46	3.91	3.42
Earnings per Share (₹) (Diluted)*	2.80	4.41	3.77	3.30
Total Debt/ Equity Ratio	-	-	-	-
Book Value per Share (₹)	9.57	9.41	9.23	6.53
Return on Net worth (%)	29.30%	46.41%	40.82%	50.53%
Debt/ Net worth (%)	-	-	-	-

** In the annual general meeting of the Company held on September 18, 2018, the Shareholders of the Company had approved the sub-division of the nominal value of equity shares of the Company from the earlier nominal value of Rs. 10 each to nominal value of Re. 1 each, thereby keeping the paid share capital intact, the record date for the said corporate action is October 22, 2018. Accordingly, as required by Ind AS-33 on Earnings per Share, the EPS of current and previous periods have been restated.*

The key financial ratios, mentioned herein above, have been computed as under:

Net worth	Equity Share Capital + Reserves & Surplus (excluding revaluation reserves and miscellaneous expenditure to the extent not written off)
Earnings Per Share (Basic)	Profit / (Loss) for the period Attributable to Equity Shareholders / Weighted Number of Equity Shares outstanding
Earnings Per Share (Diluted)	Profit / (Loss) for the period Attributable to Equity Shareholders / Weighted Number of Equity Shares outstanding
Book Value per share	Net worth / Number of Equity Shares outstanding at year end
Debt-Equity Ratio	Total Debt/ Net Worth
Return on Net Worth (%)	Profit / (Loss) for the period / Net worth

15.3 The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 of the Companies Act, 2013 and the rules made thereunder.

16. STOCK MARKET DATA

16.1 The Company's Equity Shares are listed on the BSE and NSE.

16.2 The high, low and average market prices in preceding three financial years (April to March period) and the monthly high, low and average market prices for the six months preceding the date of this Letter of Offer (i.e. Monday, March 11, 2019) from September, 2018 to February, 2019 and the corresponding volumes on the BSE and NSE is as follows:

For BSE:

Period	High* (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price* (₹)	Total volume traded in the period (No. of Shares)
Preceding 3 years								
October 23, 2017 - March 31, 2018**	1,674.40	January 10, 2018	1,51,218	1,405.00	March 7, 2018	1,930	1,548.83	22,69,880
April 1, 2016 - March 31, 2017**	**Not Applicable**							
April 1, 2015 - March 31, 2016**	**Not Applicable**							
Preceding 6 months								
February 2019^	168.00	February 12, 2019	11,434	150.50	February 28, 2019	94,507	161.14	2,13,014
January 2019	167.90	January 2, 2019	15,071	154.95	January 8, 2019	8,214	161.44	14,81,687
December 2018	172.95	December 24, 2018	7,032	153.00	December 6, 2018	8,379	161.94	2,42,943
November 2018	178.00	November 09, 2018	4,720	153.00	November 2, 2018	12,024	157.38	1,52,913
October 18, 2018 to October 31, 2018***	174.50	October 22, 2018	2,274	146.95	October 23, 2018	27,003	159.03	29,97,152
October 1, 2018 to	1,689.00	October 4,	2,757	1580.85	October 4,	2,757	1,631.12	1,68,805

Period	High* (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price* (₹)	Total volume traded in the period (No. of Shares)
October 17, 2018***		2018			2018			
September 2018	1,771.00	September 27, 2018	1,699	1572.05	September 28, 2018	4,016	1,711.26	1,66,756

Source: BSE

* *High and Low price for the period are based on intraday prices and Average Price is based on average of closing price.*

** *Date of Listing on BSE: October 23, 2017*

*** *Sub-division of the nominal value of equity shares of the Company from the earlier nominal value of ₹ 10 each to nominal value of Re. 1 each effective from October 19, 2018.*

^ *In case of two days with the same price, the date with the higher volume has been chosen.*

For NSE:

Period	High* (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price* (₹)	Total volume of traded in the period (Shares)
Preceding 3 years								
October 23, 2017 - March 31, 2018**	1,677.00	January 10, 2018	2,40,442	1,402.00	March 7, 2018	6,994	1,551.13	67,83,449
April 1, 2016 - March 31, 2017**	**Not Applicable**							
April 1, 2015 - March 31, 2016**	**Not Applicable**							
Preceding 6 months								
February 2019	169.95	February 7, 2019	47,355	150.00	February 28, 2019	4,23,259	161.34	34,79,484
January 2019^	168.50	January 2, 2019	29,307	156.10	January 8, 2019	65,601	161.70	26,23,885
December 2018	171.25	December 20, 2018	6,59,333	150.50	December 11, 2018	13,868	161.97	17,09,132
November 2018	169.50	November 12, 2018	3,91,820	154.50	November 05, 2018	40,872	157.98	24,07,584
October 18, 2018 to October 31, 2018***	175.80	October 30, 2018	3,77,150	149.05	October 23, 2018	45,844	160.29	45,34,193
October 1, 2018 to October 17, 2018***	1,670.00	October 17, 2018	8,953	1,587.95	October 4, 2018	13,822	1,634.03	2,29,151
September 2018	1,780.00	September 5, 2018	93,135	1,560.10	September 28, 2018	15,864	1,713.76	5,47,929

Source: NSE

* *High and Low price for the period are based on intraday prices and Average Price is based on average of closing price.*

** *Date of Listing on BSE: October 23, 2017*

*** *Sub-division of the nominal value of equity shares of the Company from the earlier nominal value of Rs. 10 each to nominal value of ₹ 1 each effective from October 19, 2018.*

^ *In case of two days with the same price, the date with the higher volume has been chosen.*

16.3 The closing market price of the Equity Shares of the Company:

(a) As on Wednesday, December 19, 2018, i.e. the trading day before Thursday, December 20, 2018, being the date of the Board Meeting approving the Buyback was ₹ 166.15 per Equity Share on BSE and ₹ 166.30 per Equity Share on NSE.

(b) As on Thursday, December 20, 2018, i.e. the date of Board Meeting approving the Buyback was ₹ 167.05 per Equity share on BSE and ₹ 167.50 per Equity share on NSE.

(c) As on Friday, December 21, 2018, i.e. the day immediately after Thursday, December 20, 2018, being the date of Board Meeting approving the Buyback was ₹ 169.95 per Equity Share on BSE and ₹ 169.70 per Equity Share on NSE.

17. DETAILS OF STATUTORY APPROVALS

17.1 The Buyback Offer is subject to approval, if any required, under the provisions of the Companies Act, 2013, the Buyback Regulations and/or such other applicable rules and regulations in force for the time being.

17.2 Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under applicable FEMA Regulations, read with the consolidated FDI policy issued by the Government of India, are not required to obtain approvals from RBI.

17.3 Erstwhile OCB are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer. The

Company shall not accept Equity Shares from OCB Shareholders in respect of whom such RBI approval is required and copies of such approvals are not submitted.

17.4 The Company had requested (through counsel appointed) that the staff of the Division of Corporation Finance of the SEC to grant exemptive relief with respect to Rule 14e-1(a) under the Exchange Act. Rule 14e-1(a) of the Exchange Act provides that a tender offer must remain open for a minimum of 20 business days. The staff of the Division of Corporation Finance of the SEC has, through its letter dated March 1, 2019, granted exemptive relief to the Company, permitting the Buyback to remain open for a fixed period of 10 Working Days, in compliance with the Buyback Regulations.

17.5 The Buyback has been approved by the Board of Directors in their meeting held on Thursday, December 20, 2018 and by the Shareholders by special resolution through postal ballot, the results of which were declared on Thursday, January 31, 2019.

18. DETAILS OF REGISTRAR TO THE BUYBACK OFFER

The Eligible Shareholders holding Equity Shares are required to send the Tender Form, TRS and other documents by super scribing the envelope as "**IEX Buyback Offer 2019**" to the Registrar to the Buyback Offer either by registered post/courier or hand deliver at their below office, so that the same are received within 2 (two) days from the Buyback Closing Date i.e. Saturday, April 6, 2019.

KARVY FINTECH PRIVATE LIMITED
(formerly, KCPL Advisory Services Private Limited)
Karvy Selenium Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad 500 032, Rangareddi, Telangana, India
Contact Person: Mr. M. Murali Krishna
Tel: +91 (40) 6716 2222
Fax: +91 (40) 2343 1551
Email: iex.buyback@karvy.com
Website: www.karvyfintech.com
SEBI Registration Number: INR000000221
Validity Period: Permanent Registration
CIN: U67200TG2017PTC117649

TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUYBACK OFFER.

ELIGIBLE SHAREHOLDERS ARE ADVISED TO ENSURE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS ARE COMPLETE IN ALL RESPECTS; OTHERWISE THE SAME ARE LIABLE TO BE REJECTED.

ELIGIBLE SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM ARE ADVISED TO GET THEIR SHARES DEMATERIALIZED BEFORE TENDERING THEIR EQUITY SHARES IN THE BUYBACK.

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

19.1 The Company proposes to buyback not exceeding 37,29,729 (Thirty Seven Lakhs Twenty Nine Thousand Seven Hundred Twenty Nine) Equity Shares from the Eligible Shareholders of the Company, on a proportionate basis, through the Tender Offer process at a price of ₹ 185 (Rupees One Hundred Eighty Five Only) per Equity Share, payable in cash for an aggregate consideration not exceeding ₹ 69,00,00,000 (Rupees Sixty Nine Crores Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. The maximum number of Equity Shares proposed to be bought back represents 1.23% of the total number of Equity Shares in the paid-up share capital of the Company as on March 31, 2018. The Buyback Committee at its meeting held on Friday, February 1, 2019 has approved the Buyback price as ₹ 185 (Rupees One Hundred Eighty Five Only). The Buyback is in accordance with the provisions of Article 7(e) of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI, Stock Exchanges, RBI etc. The Buyback Offer Size represents 24.97% of the aggregate of the fully paid-up share capital and free reserves as per the audited financial statements of the Company for the financial year ended March 31, 2018 (the last audited financial statements available as on the date of Board Meeting recommending the proposal of the Buyback) and is within the statutory limits of 25% of the aggregate of fully paid up share capital and free reserves as per the audited accounts of the Company for the Financial Year ended March 31, 2018.

THE COMPANY EXPRESSES NO OPINION AS TO WHETHER ELIGIBLE SHAREHOLDERS SHOULD PARTICIPATE IN THE BUYBACK AND, ACCORDINGLY, ELIGIBLE SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN ADVISORS TO CONSIDER PARTICIPATION IN THE BUYBACK.

19.2 In terms of the Buyback Regulations, under the 'Tender Offer' process, the promoters of the Company have the option to participate in the Buyback. However, the Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control.

19.3 Record Date, Ratio of Buyback and entitlement of each Shareholder

(a) The Buyback Committee in its meeting held on Friday, February 1, 2019 announced Friday, February 15, 2019 as

Record Date for the purpose of determining the Buyback Entitlement and the names of the Shareholders, who are eligible to participate in the Buyback Offer.

(b) The Equity Shares proposed to be bought back by the Company shall be divided in two categories:

- Reserved category for Small Shareholders ("**Reserved Category**"); and
- General category for all Eligible Shareholders other than Small Shareholders ("**General Category**")

(c) As defined in the Buyback Regulations, a "**Small Shareholder**" is a shareholder who holds Equity Shares having market value, on the basis of closing price on the Stock Exchanges in which the highest trading volume as on Record Date, of not more than ₹ 2,00,000 (Rupees Two Lakhs). As on Record Date, the volume of Shares traded on NSE was 49,014 shares and on BSE was 4,470 Shares. Accordingly, NSE being the exchange with highest turnover, the closing price was ₹ 161.75 and hence all Shareholders holding not more than 1,236 Equity Shares as on the Record Date are classified as 'Small Shareholders' for the purpose of the Buyback Offer.

(d) Based on the above definition, there are 75,271 Small Shareholders with aggregate shareholding of 76,85,577 Shares, as on Record Date, which constitutes 2.53% of the outstanding paid up equity share capital of the Company and 206.06% of the number of 37,29,729 Equity Shares which are proposed to be bought back as part of this Buyback Offer.

e) In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders will be 5,59,460 Equity Shares which is higher of:

(i) Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 37,29,729 Equity Shares which works out to 5,59,460 Equity Shares; or

(ii) The number of Equity Shares entitled as per their shareholding as on Record Date i.e. (76,85,577 /30,32,86,240) x 37,29,729) which works outs to 94,516 Equity Shares.

All the outstanding Equity Shares have been used for computing the entitlement of Small Shareholders.

In case the total number of Equity Shares held by the Small Shareholders on the Record Date is less than 5,59,460 (higher of (i) and (ii) above), the maximum number of Equity Shares reserved for Small Shareholders will be restricted to the total number of Equity Shares held by the Small Shareholders as on Record Date.

f) Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 5,59,460 Equity Shares will be reserved for Small Shareholders. Accordingly, General Category shall consist of 31,70,269 Equity Shares.

g) Clubbing of Entitlements

In order to ensure that the same Eligible Shareholders with multiple dematerialized accounts/ folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/ foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/ subaccounts and have a different dematerialization account nomenclature based on information prepared by the Registrar as per the shareholder records received from the depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body – broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

h) Based on the above entitlements, the Ratio of Buyback for both categories is decided as below:

Category	Ratio of Buyback
Reserved Category	19 Equity Shares out of every 261 fully paid-up Equity Shares held on the Record Date
General Category	4 Equity Shares out of every 373 fully paid-up Equity Shares held on the Record Date

The above Ratio of Buyback is approximate and providing indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buyback may provide a slightly different number due to rounding-off. The actual Buyback Entitlement for reserved category for Small Shareholders is 7.27934935789466% and general category for all other Eligible Shareholders is 1.07248372443603 %.

19.4 **Fractional Entitlements**

If the Buyback Entitlement, after applying the abovementioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of 1 (one) Equity Share) then the fractional entitlement shall be ignored for computation of Buyback Entitlement to tender Equity Shares in the Buyback Offer, for both categories of Eligible Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 13 or less Equity Shares as on Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buyback Offer and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered for Additional Equity Shares. The Company shall make best efforts subject to Buyback Regulations in accepting Equity Shares tendered by such Shareholders to the extent possible and permissible.

19.5 **Basis of Acceptance of Equity Shares validly tendered in the Reserved Category**

Subject to the provisions contained in this Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by the Small Shareholders in the Reserved Category in the following order of priority:

(a) Full acceptance (i.e. 100%) of Shares from Small Shareholders in the Reserved Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.

(b) Post the acceptance as described in paragraph 19.5 (a) above, in case, there are any Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of ignoring the fractional entitlement), and have tendered Additional Shares, shall be given preference and one Equity Share each from the Additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.

(c) Post the acceptance as described in paragraph 19.5(a) and (b) above, in case, there are any validly tendered unaccepted Shares in the Reserved Category ("**Reserved Category Additional Shares**") and Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the Reserved Category Additional Shares tendered by the Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with paragraph 19.5(b) above, shall be reduced by one.

(d) Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.5(c) above, will be made as follows:

- For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
- For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.6 **Basis of Acceptance of Equity Shares validly tendered in the General Category**

Subject to the provisions contained in this Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by Eligible Shareholders (other than Small Shareholders) in the General Category in the following order of priority:

(a) Full Acceptance (i.e. 100%) of Shares from Eligible Shareholders in the General Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.

(b) Post the acceptance as described in paragraph 19.6(a) above, in case, there are any validly tendered unaccepted Shares in the General Category **("General Category Additional Shares")** and Shares left to be bought back in General Category, the General Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Eligible Shareholder shall be equal to the General Category Additional Shares validly tendered by the Eligible Shareholders divided by the total General Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in General Category.

(c) Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.6 (b) above, will be made as follows:

- For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
- For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.7 **Basis of Acceptance of Shares between Categories**

(a) After acceptances of tenders, as mentioned in paragraphs 19.5 and 19.6 above, in case, there are any Shares left to be bought back in one category ("**Partially filled Category"**), and there are additional unaccepted validly tendered Shares ("**Further Additional Shares")** in the second Category ('**Over Tendered Category**'), then the Further Additional Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e. valid Acceptances per Shareholder shall be equal to the Further Additional Shares validly tendered by an Eligible Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Shares left to be bought back in the Partially filled Category.

If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has received a Tender Form with zero entitlement and who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Share before acceptance in paragraph 19.7 (a) above out of the Shares left to be bought back in the Partially Filled Category, provided no acceptance could take place from such Shareholder in accordance with paragraph 19.6.

(b) Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 19.7 (a) above:

- For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
- For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.8 For avoidance of doubt, it is clarified that the Shares accepted under the Buyback Offer from each Eligible Shareholder, in accordance with above clauses, shall be lower of the following:

- the number of Shares tendered by the respective Shareholder, and
- the number of Shares held by the respective Shareholder, as on the Record Date.

19.9 For the avoidance of doubt, it is clarified that the Equity Shares tendered by any Eligible Shareholder over and above the number of Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with above clauses.

20. PROCEDURE FOR TENDER OFFER AND SETTLEMENT

20.1 **THE BUYBACK IS OPEN TO ALL ELIGIBLE SHAREHOLDER(S) HOLDING SHARES EITHER IN PHYSICAL AND /OR DEMATERIALIZED FORM ON THE RECORD DATE. HOWEVER, PURSUANT TO THE LODR AMENDMENT (AS DEFINED IN PARAGRAPH 20.21.1 BELOW), THE ELIGIBLE SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM ARE ADVISED TO GET THEIR SHARES DEMATERIALIZED BEFORE TENDERING THEIR EQUITY SHARES IN THE BUYBACK.**

20.2 The Company proposes to effect the Buyback through Tender Offer process, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback Offer as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed to Eligible Shareholders whose names appear on the register of members of the Company, or who are beneficial owners of Equity Shares as per the records of Depositories, on the Record Date and who have their email IDs registered with the Company and for all remaining Eligible Shareholders who do not have their email IDs registered with the Company, the Letter of Offer and the Tender Form will be sent physically. However, on receipt of a request by the Registrar to the Buyback to receive a copy of the Letter of Offer in physical format from such Eligible Shareholder to whom Letter of Offer and Tender Form were emailed, the same shall be sent physically.

20.3 The Company will not accept any Equity Shares offered for Buyback where there exists any restraint order of a Court/ any other competent authority for transfer / disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

20.4 An unregistered shareholder, holding Equity Shares in physical form on the Record Date may tender his shares for Buyback, by submitting the duly executed transfer deed for transfer of shares, purchased prior to Record Date, in his name, along with the offer form, copy of his PAN card and of the person from whom he has purchased shares and other relevant documents as required for transfer, if any **and subsequently dematerializing such Equity Shares before tendering them in the Buyback**.

20.5 The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferrable.

20.6 Eligible Shareholders' participation in Buyback will be voluntary. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Shares accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Shareholders may also tender a part of their Buyback Entitlement. Shareholders also have the option of tendering Additional Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Shares tendered in excess of the Buyback Entitlement by the Shareholder, shall be in terms of procedure outlined in paragraph 19 *(Process and Methodology for the Buyback)* of this Letter of Offer.

20.7 The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.

20.8 As elaborated under Paragraph 19.3(b) above, the Equity Shares proposed to be bought as a part of the Buyback is divided into two categories: (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Shareholders, and the Buyback Entitlement of an Eligible Shareholder in each category shall be calculated accordingly.

20.9 After accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in other category.

20.10 The Buyback shall be implemented by the Company using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, Notice Number 20170202-34 dated February 2, 2017 from BSE and following the procedure prescribed in the Companies Act, 2013 and the Buyback Regulations and as may be determined by the Board (including the Committee authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.

20.11 The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date.

20.12 For implementation of the Buyback, the Company has appointed IIFL Securities Limited as the registered broker to the Company (the "**Company's Broker**") through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:

IIFL Securities Limited
IIFL Centre, Kamala City, Senapati Bapat Marg,
Lower Parel (West), Mumbai 400 013
CIN: U99999MH1996PLC132983
Contact Person: Mr. Kunal Thakkar
Tel: +91 (22) 4646 4600
Fax: +91 (22) 4646 4700
Email: iexbuyback.iifl@iiflcap.com
Website: www.iifl.com
SEBI Registration Number: INZ000164132

20.13 The Company will request BSE to provide a separate acquisition window to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buyback. BSE would be the Designated Stock Exchange for this Buyback Offer. All Eligible Shareholders may place orders in the Acquisition Window of BSE, through their respective stock brokers ("**Shareholder Broker**").

In the event Shareholder Broker(s) of Eligible Shareholder is not registered with BSE then that Eligible Shareholder can approach any BSE registered stock broker and can make a bid by using quick Unique Client Code (UCC) facility through that BSE registered stock broker after submitting the details as may be required by that stock broker to be in compliance with the SEBI regulations. In case Eligible Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Shareholder may approach Company's Broker to bid by using quick UCC facility.

20.14 The Eligible Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit the requisite documents as may be required. The requirement of documents and procedures may vary from broker to broker.

20.15 During the Tendering Period, the order for selling the Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Shareholder Broker during normal trading hours of the secondary market.

20.16 Shareholder Broker can enter orders only for dematerialized Shares.

20.17 Modification / cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period of the Buyback offer. Multiple bids made by single Eligible Shareholder for selling the Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.

20.18 The cumulative quantity tendered shall be made available on the BSE website at www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.

20.19 All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

20.20 **Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form**

20.20.1 Eligible Shareholders who desire to tender their Equity Shares in the electronic/dematerialized form under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback.

20.20.2 The Shareholder Broker would be required to place a bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the BSE. Before placing the bid, the Eligible Shareholder would need to transfer the tendered Equity Shares to the special account of Indian Clearing Corporation Limited ("**Clearing Corporation**" / "**ICCL**"), by using the early pay in mechanism as prescribed by the BSE or the Clearing Corporation. This shall be validated at the time of order/bid entry. The details of the settlement number for the Buyback shall be informed in the issue opening circular that will be issued by BSE and/or the Clearing Corporation.

20.20.3 For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the Tendering Period i.e. date of closing of the Buyback Offer. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

20.20.4 Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, Number of Equity Shares tendered etc.

20.20.5 Eligible Shareholders who have tendered their Equity Shares in the Buyback may deliver the Tender Form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares, along with the TRS generated by the exchange bidding system either by registered post or courier or hand delivery to the Registrar to the Buyback Offer at the address mentioned at paragraph 18 above not later than 2 (two) days from the Buyback Closing Date i.e. Saturday, April 6, 2019. The envelope should be super scribed as "**IEX Buyback Offer 2019**". It is clarified that in case of dematerialized Equity Shares, submission of the Tender Form and TRS is not mandatory. After the receipt of the dematerialized Equity Shares in the account of the Clearing Corporation and a valid bid in the exchange bidding system, the bid for Buyback shall be deemed to

have been accepted for Eligible Shareholders holding the Equity Shares in dematerialized form.

20.20.6 The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or partial acceptance. Further, Eligible Shareholders will have to ensure that they keep the savings bank, account attached to the DP account, active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.

Excess dematerialized Equity Shares or unaccepted dematerialized Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess dematerialized Shares or unaccepted dematerialized Shares, if any, will be returned to the respective custodian depository pool account.

20.20.7 Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):

(i) Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;

(ii) Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Shareholder has expired; and

(iii) In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

20.21 **Procedure to be followed by Registered Eligible Shareholders holding Equity Shares in the Physical form**

20.21.1 ALL EQUITY SHAREHOLDERS HOLDING THE EQUITY SHARES IN THE PHYSICAL FORM SHALL NOTE THAT IN ACCORDANCE WITH THE PROVISO TO REGULATION 40(1) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (NOTIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) (FOURTH AMENDMENT) REGULATIONS, 2018), EFFECTIVE FROM APRIL 1, 2019, TRANSFERS OF SECURITIES SHALL NOT BE PROCESSED UNLESS THE SECURITIES ARE HELD IN THE DEMATERIALIZED FORM WITH A DEPOSITORY ("LODR AMENDMENT"). GIVEN THAT THE SETTLEMENT OF EQUITY SHARES WILL HAPPEN POST THE EFFECTIVE DATE OF LODR AMENDMENT, I.E. APRIL 1, 2019, THE COMPANY SHALL NOT BE ABLE TO ACCEPT THE EQUITY SHARES TENDERED IN PHYSICAL FORM. ACCORDINGLY, THE ELIGIBLE SHAREHOLDERS ARE ADVISED TO APPROACH THE CONCERNED DEPOSITORY PARTICIPANT TO HAVE THEIR EQUITY SHARES DEMATERIALIZED BEFORE TENDERING THEIR EQUITY SHARES IN THE BUYBACK.

20.21.2 IN CASE ANY PERSON HAS SUBMITTED EQUITY SHARES IN PHYSICAL FORM FOR DEMATERIALISATION, SUCH ELIGIBLE SHAREHOLDERS SHOULD ENSURE THAT THE PROCESS OF GETTING THE EQUITY SHARES DEMATERIALISED IS COMPLETED BEFORE SUCH ELIGIBLE SHAREHOLDERS TENDER THEIR EQUITY SHARES IN THE BUYBACK, SO THAT THEY CAN PARTICIPATE IN THE BUYBACK OFFER.

20.22 **Additional requirements in respect of tenders by Non-resident shareholders**

(a) While tendering their Equity Shares under the Buyback Offer, all Eligible Shareholders being Non-resident Shareholders should provide relevant confirmations/ declarations vide the duly filled-in and signed (by all shareholders in case the Equity Shares are held in joint names) Tender Forms (including a copy of the permission received from RBI wherever applicable). In the event relevant confirmations / declarations are not provided in the Tender Forms or there is ambiguity in the information provided, the Company reserves the right to reject such Tender Forms.

(b) FPI shareholders should also enclose a copy of their SEBI registration certificate.

(c) In case the Equity Shares are held on repatriation basis, the Non-Resident Shareholders should enclose documents in support of the same. Such documents should include:

- a copy of the permission received by them from RBI at the time of the original acquisition of Shares
- a letter from the Shareholder's authorized dealer/bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the Non-Resident shareholder from the appropriate account as specified by RBI in its approval.
- Any other document which evidences repatriability of sale proceeds in respect of the tendered Shares.

In case the Non-Resident shareholder is not in a position to produce supporting documents towards enabling repatriation, the Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Shares accepted under the Offer i.e. by way of credit to an non-repatriation bank account or issuance of Rupee demand draft.

(d) If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback Offer are liable to be rejected.

20.23 Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any Eligible Shareholder, shall not invalidate the Buyback Offer in any way.

20.24 The acceptance of the Buyback Offer made by the Company is entirely at the discretion of the Eligible Shareholders of the Company. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buyback Offer. The Company will not be responsible in any manner for any loss of Share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.

20.25 The instructions and authorizations contained in the Tender Form constitute an integral part of the terms of this Buyback Offer.

20.26 **In case of non-receipt of the Letter of Offer / Tender Form:**

If Eligible Shareholder(s) who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Company or Registrar at the address or email id mentioned at the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Eligible Shareholder. An Eligible Shareholder may participate in the Offer by downloading the Tender Form from the website of the Company i.e. www.iexindia.com or send an application in writing on plain paper signed by all Eligible Shareholders (in case of joint holding), stating name and address of Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number, number of Equity Shares tendered for the Buyback.

Please note that Eligible Shareholder(s) who intend to participate in the Buyback will be required to approach their respective Shareholder Broker (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Shareholder Broker or broker in the electronic platform to be made available by the Designated Stock Exchange before the Buyback Closing Date, otherwise the same are liable to be rejected.

The Company shall accept Equity Shares validly tendered by the Shareholder(s) in the Buyback on the basis of their shareholding and entitlement as appearing in the records of the Company as on the Record Date. Eligible Shareholder(s) who intend to participate in the Buyback using the 'plain paper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback Offer, before participating in the Buyback.

20.27 **Acceptance of orders**

The Registrar shall provide details of order Acceptance to Clearing Corporation within specified timelines.

20.28 **Method of Settlement**

Upon finalization of the basis of acceptance as per Buyback Regulations:

(a) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.

(b) The Company will pay the consideration to the Company's Broker on or before the pay-in date for Settlement, who in turn will make the funds pay-in in the settlement account of ICCL, as per the settlement schedule announced by ICCL.

(c) For Equity Shares accepted under the Buyback, the Eligible Shareholder will receive funds payout in their settlement bank account from the Clearing Corporation. If Equity Shareholders' bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, then the amount payable to Eligible Shareholders will be transferred to the Shareholder Broker for onward transfer to the Eligible Shareholder.

(d) In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Shareholder Broker's settlement accounts for releasing the same to their respective Shareholder's account onward. For this purpose, the client type details would be collected from the Registrar to the Buyback.

(e) In case of bids confirmed by custodian, settlement will be released to custodians' settlement account.

(f) The Equity Shares bought back in the demat form would be transferred directly to the escrow demat account of the Company (the "**Demat Escrow Account**") on receipt of the Equity Shares from the clearing and settlement mechanism of the BSE/Clearing Corporation.

(g) Equity Shares tendered in Physical form will be rejected and returned to the concerned Shareholders directly by Registrar to the Buyback Offer. Share certificates and other documents in respect of such rejected Equity Shares tendered in physical form, if any, will be sent by Registered Post / Speed Post at the Shareholders' sole risk to the sole/first Shareholder (in case of joint Shareholders), at the address recorded with the Company.

(h) The Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Eligible Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Eligible Shareholders from their respective Shareholder Broker, in respect of accepted Equity Shares, could be net of such costs, applicable taxes charges and expenses (including brokerage). The Manager to the Buyback Offer and Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Eligible Shareholders.

(i) Clearing Corporation would settle the trades by making direct funds payout to the Equity Shareholders and the Shareholder Broker would issue contract note. Company's Broker would also issue a contract note to the Company

for the Equity Shares accepted under the Buyback.

(j) The Equity Shares lying to the credit of the Demat Escrow Account will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations and Companies Act, 2013.

20.29 **Settlement of Funds/ Payment Consideration**

The settlements of fund obligation for dematerialised Equity Shares shall be effected as per the SEBI circulars and as prescribed by Exchange and Clearing Corporation from time to time. For Equity Shares accepted under the Buyback, the Eligible Shareholders holding Equity Shares in dematerialised form will receive funds payout in the Shareholder's bank account as provided by the Depository system from Clearing Corporation. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any issue then such funds will be transferred to the concerned Shareholder Brokers' settlement bank account for onward transfer to their respective Eligible Shareholders.

20.30 **Rejection Criteria**

The Equity Shares tendered by Eligible Shareholders would be liable to be rejected on the following grounds:

For Eligible Shareholders holding shares in the dematerialized form if:

(a) the Shareholder is not a Eligible Shareholder of the Company as on the Record Date; or

(b) if there is a name mismatch in the dematerialised account of the Shareholder and PAN.

For Eligible Shareholders holding Equity Shares in the physical form if:

(a) **THE ELIGIBLE SHAREHOLDERS ARE UNABLE TO GET THEIR EQUITY SHARES DEMATERIALIZED BEFORE TENDERING THEIR EQUITY SHARES IN THE BUYBACK.**

21. NOTE ON TAXATION

Disclosures in this paragraph are based on expert opinion sought by the Company.

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

IN VIEW OF THE PARTICULARISED NATURE OF TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUY BACK OF LISTED EQUITY SHARES ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

1. GENERAL

The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 **("Income Tax Act")**.

A person who is treated as non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income or income received by such person in India. In case of shares of a Company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where company is "incorporated" and where its shares can be transferred. Accordingly, since Indian Energy Exchange Limited is incorporated in India, the shares of Indian Energy Exchange Limited would be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act. Further, the non-resident can avail the beneficial provisions of the Double Taxation Avoidance Agreement ('**DTAA**') between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.

The Income Tax Act also provides for different tax regimes/ rates applicable to the gains arising on buyback of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary tax implications on buyback of listed equity shares on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares unless stated otherwise.

2. CLASSIFICATION OF SHAREHOLDERS

Based on the provisions of the Income Tax Act, shareholders can be classified under the following categories:

(a) **Resident Shareholders being:**

- Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals

(BOI)

- Others

(b) **Non Resident Shareholders being:**

- Non Resident Indians (NRIs)
- Foreign Institutional Investors (FIIs)
- Foreign Companies
- Others

3. CLASSIFICATION OF INCOME

Shares can be classified under the following two categories:

a) Shares held as investment (Profit or Gains arising from transfer taxable under the head "Capital Gains")

b) Shares held as stock-in-trade (Profit or Gains arising from transfer taxable under the head "Profits and Gains from Business or Profession")

Gains arising from the transfer of shares may be treated either as "capital gains" or as "business income" for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade). Traditionally, the issue of characterisation of income arising from sale of shares has been a subject matter of litigation with the tax authorities. There have been various judicial pronouncements on whether gains from transactions in securities should be taxed as "business profits" or as "capital gains". However, these pronouncements, while laying down certain guiding principles have largely been driven by the facts and circumstances of each case. Central Board of Direct Taxation (CBDT), the apex body of Income-Tax has issued Circular No. 6 of 2016, as per which, if the taxpayer opts to consider the shares as stock-in-trade, the income arising from the transfer of such shares would be treated as its business income. Also, if such shares are held for a period of more than 12 months, if the taxpayer desires to treat the income arising from the transfer thereof as "capital gains", the same shall not be put to dispute by Income Tax Authorities. However, the choice on characterization, once taken by the taxpayer should be consistent, and shall apply for subsequent years as well.

Further, investments by FIIs in any securities in accordance with the regulations made under the Securities Exchange Board of India Act, 1992 would be treated as capital asset under the provisions of the Income Tax Act.

3.1. SHARES HELD AS INVESTMENT

As per the provisions of the Income Tax Act, where the shares are held as investments, income arising from the transfer of such shares is taxable under the head "Capital Gains". Capital gains on buyback of shares are governed by the provisions of section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per provisions of section 48 of the Income Tax Act. The provisions of Income Tax Act related to buy back of shares under section 115QA in Chapter XII-DA of the Income Tax Act do not apply to shares listed on the stock exchange.

3.1.1. Period of holding

Depending on the period for which the shares are held, the gains would be taxable as 'short term capital gain' or 'long term capital gain':

A. In respect of equity shares which are listed on a recognised Stock Exchange, held for a period less than or equal to 12 months prior to the date of transfer, the same shall be treated as a 'short-term capital asset', and the gains arising therefrom shall be taxable as 'short term capital gains' ("STCG").

B. Similarly, where equity shares which are listed on a recognised Stock Exchange held for a period more than 12 months prior to the date of transfer, the same shall be treated as a 'long-term capital asset', and the gains arising therefrom shall be taxable as 'long-term capital gains' ("LTCG").

3.1.2. Buyback of shares through a recognized stock exchange

Where transaction for transfer of such equity shares (i.e. buyback) is executed through a recognized stock exchange, they are liable to Securities Transaction Tax ('STT'). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security.

The taxability of buyback proceeds would be as under:

- As per the provisions of the Income Tax Act as amended by the Finance Act, 2018, the exemption provided u/s 10(38) of Income Tax Act for LTCG has been withdrawn and tax @10% shall be levied on LTCG exceeding ₹1 Lac in a financial year arising on transfer of listed equity shares without allowing the benefit of indexation. However, gains accrued on such equity shares till 31st January, 2018 have been exempted by providing that the cost of acquisition in respect of such equity shares which would be transferred on or after 1st April, 2018 shall be higher of:

  i) the actual cost of acquisition of such equity shares acquired before 1st February, 2018 or

  ii) the lower of the following:

(a) the highest price of such equity shares quoted on the recognised stock exchange on 31st January, 2018; or

(b) the actual sale value of such equity shares.

However, as per Income Tax Notification No. 60/2018 [F. NO. 370142/9/2017-TPL] dated 01.10.2018, an exemption from the requirement of STT being paid at the time of acquisition of shares provided to certain modes of acquisition including acquisition of shares by a non-resident under the FDI policy. If acquisition is made in such specified modes, the rates specified above shall continue to apply, even if no STT was paid at the time of acquisition of the shares.

If STT is not paid at the time of acquisition of the shares being bought back, entire LTCG arising to the shareholder shall be subject to tax @ 10% under Section 112 of the IT Act (or 20% after claiming indexation benefit which is relevant in case of resident shareholders).

- STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act, without any restriction on the mode of acquisition.

  Further, resident corporate shareholders would also be subject to Minimum Alternate Tax under section 115JB of the Income Tax Act at the rate of 18.50%. This would however be available for offset against taxes payable by such corporate shareholders under normal tax provisions (subject to conditions). In addition to the Tax, Surcharge and Health and Education Cess are leviable (Please refer to Note 5 for rate of surcharge and cess).

  In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG taxable under section 111A of the Income Tax Act. In addition to the above STCG tax, Surcharge and Health and Education Cess are leviable (Please refer to Note 5 for rate of surcharge and cess).

  Non-resident shareholders can avail beneficial provisions of the applicable Double Taxation Avoidance Agreement ('DTAA') entered into by India with relevant country in which the shareholder is resident but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.

  As an overall point, since the buyback is undertaken on the stock exchange, such transaction is chargeable to Securities Transaction Tax ("STT"). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the transaction value separately in the hands of the Seller and the Company.

3.2. **SHARES HELD AS STOCK-IN-TRADE**

If the shares are held as stock-in-trade by any of the shareholders of the Company, then the gains would be characterized as business income and taxable under the head "Profits and Gains from Business or Profession". In such a case, the provisions of section 46A of the Income Tax Act would not apply.

3.2.1. **Resident Shareholders**

A. For individuals, HUF, AOP, BOI, profits would be taxable at slab rates.

B. Domestic Company having turnover or gross receipts not exceeding INR 250 crore of the previous year 2016-17 would be taxable @ 25%.

C. For persons other than stated in (A) & (B) above, profits would be taxable @ 30%.

In addition to the above, Surcharge and Health and Education Cess are leviable (Please refer to Note 5 for rate of surcharge and cess).

No benefit of indexation by virtue of period of holding would be available in any case.

3.2.2. **Non Resident Shareholders**

(a) Non-resident shareholders can avail beneficial provisions of the applicable Double Taxation Avoidance Agreement ('DTAA') entered into by India with relevant country to which shareholder belongs but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.

(b) Where DTAA provisions are not applicable:

- For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates
- For foreign companies, profits would be taxed in India @ 40%
- For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, Surcharge and Health and Education Cess are leviable (Please refer to Note 5 for rate of surcharge and cess).

4. TAX DEDUCTION AT SOURCE (TDS)

4.1. **In case of Resident Shareholders**

In the absence of any specific provision under the Income Tax Act, the Company is not required to deduct tax on the consideration payable to resident shareholders pursuant to the said Buyback.

4.2. **In case of Non-resident Shareholders**

Under the Income Tax laws, any capital gains paid to a non-resident is subject to deduction of tax at source, unless capital gains are realised by FIIs. However, since the buy-back is through the stock exchange, the company will not be able to withhold any taxes, and thus, the company believes that the responsibility of withholding/discharge of the taxes due on such gains (if any) is solely on the custodians/ authorised dealer/ non-resident shareholder with no recourse to the company.

It is therefore important that the non-resident shareholder consult their custodians / authorised dealers / tax advisors appropriately and immediately pay taxes in India (either through deduction at source or otherwise). In the event the company is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the company is entitled to be indemnified by such shareholder. The non-resident shareholders also to provide undertaking to the Company, to provide on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds arising on buyback of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.

TDS as per clause 1(b) of Part II to First Schedule of Finance Act, 2018 which deals with TDS shall be made where the person is non-resident in India, as per rates given below:

S. No.	Nature of Income	Rate of TDS
A	On any investment income	20%
B	On Income by way of Long term gains referred to in Section 115E or sub clause (iii) of clause (c) of sub section (1) of Section 112 of the Income Tax Act	10%
C	On Income by way of long term capital gain referred to in Section 112A of the Income Tax Act	10%
D	On other Income by way of long term gains not being long term capital gains referred to in clauses (33) and (36) of section 10 of the Income Tax Act	20%
E	On Income by way of Short term capital gain referred to in Section 111A of the Income Tax Act	15%

5. RATE OF SURCHARGE AND CESS

In addition to the basic tax rate, Surcharge and Health and Education Cess are leviable as under:

5.1. Surcharge

- In case of domestic companies: Surcharge @ 12% is leviable where the total income exceeds Rs.10 crores and @ 7% where the total income exceeds Rs. 1 crore but upto Rs. 10 crores.
- In case of companies other than domestic companies: Surcharge @ 5% is leviable where the total income exceeds Rs. 10 crores and @ 2% where the total income exceeds Rs. 1 crore but upto Rs. 10 crores.
- In case of Individuals, Hindu Undivided family, Association of Persons, and Body of Individuals: Surcharge @15% is leviable where the total income exceeds Rs. 1 crore and @ 10% where the total income exceeds Rs. 50 Lakhs but upto Rs. 1 crore.
- In case of Firms, Co-operative Societies, or Local Authorities: Surcharge @ 12% is leviable where the total income exceeds Rs. 1 crore.

5.2. Cess

Health and education cess @ 4% is leviable on income tax and surcharge, as applicable.

6. THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE ASSESSING OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE.

The above note on taxation sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. Hence, shareholders should consult their own tax advisors for the tax provisions applicable to their particular circumstances.

22. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under clauses (ix) and clause (x) of Schedule I to the Buyback Regulations:

The Board of Directors made the below mentioned declaration as on the date of passing the board resolution approving the Buyback i.e. December 20, 2018:

(i) no defaults have been made or subsisting in the repayment of deposits accepted or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend to

any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years.

(ii) it has made a full enquiry into the affairs and prospects of the Company and and that based on such full inquiry conducted into the affairs and prospects of the Company has formed an opinion that:

(a) immediately following the date of the Board Meeting held on Thursday, December 20, 2018 and the date of declaration of results of the Postal Ballot, there will be no grounds on which the Company could be found unable to pay its debts;

(b) as regards the Company's prospects for the year immediately following the date of the Board Meeting and as well as for the year immediately following the date on which the results of the Postal Ballot/ E-voting were declared approving the Buyback, having regard to the Board's intentions with respect to the management of the Company's business during the said year and to the amount and character of the financial resources which will in the Board's view be available to the Company during the said year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buyback and within a period of one year from the date of declaration of results of the Postal Ballot, as the case may be;

(c) in forming an opinion as aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act 2013 and the Insolvency and Bankruptcy Code, 2016, including prospective and contingent liabilities.

This declaration is made and issued by the Board of Directors in terms of the resolution passed at its meeting held on Thursday, December 20, 2018.

For and on behalf of the Board of Directors

Sd/- (Satyanarayan Goel) Managing Director and Chief Executive Officer (**DIN:** 02294069)	Sd/- (Mahendra Singhi) Non-Executive Director (**DIN:** 00243835)

23. AUDITORS CERTIFICATE

Report addressed to the Board of Directors by the Company's Statutory Auditors on the permissible capital payment and the opinion formed by the Directors regarding the insolvency:

The text of the Report dated December 20, 2018 received from M/s. B S R & Associates LLP, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote:
The Board of Directors
Indian Energy Exchange Limited
Unit No. 3,4,5 & 6, Fourth Floor,
Plot No. 7, TDI Centre
District Centre, Jasola,
New Delhi -110025

Dear Sirs,

Statutory Auditors' Report in respect of proposed buy back of equity shares by Indian Energy Exchange Limited ('the Company') in terms of clause (xi) of Schedule I of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended (the "SEBI Buyback Regulations").

1. This report is issued in accordance with the terms of our engagement letter dated 11 December 2018. The Board of Directors of Indian Energy Exchange Limited have approved a proposed Buyback of equity shares by the Company at its meeting held on 20 December 2018, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ('the Act') and the SEBI Buyback Regulations.

2. The accompanying Statement of permissible capital payment in connection with the buyback by the Company of its equity shares in accordance with clause (xi) of Schedule I to the SEBI Buyback Regulations and Sections 68, 69 and 70 of the Companies Act, 2013, as amended ('Annexure A') as at 31 March 2018 (hereinafter referred together as the "Statement") is prepared by the Management, which we have initialed for identification purposes only.

Management's Responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2)(c) of the Companies Act, 2013 and the compliance with the SEBI Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

   The Management is also responsible, inter alia, for ensuring that it has, on reasonable grounds, formed the opinion that the Company will not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buyback of its equity shares, i.e. 20 December 2018 (hereinafter referred to as the "date of the Board meeting") and the date on which the results of the shareholders' resolution passed by way of a postal ballot including electronic voting will be declared (hereinafter referred to as the "date of the Postal Ballot Resolution")

Auditors' Responsibility

4. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance:

   (y) whether we have inquired into the state of affairs of the Company in relation to the audited financial statements for the year ended 31 March 2018;

   (z) if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited financial statements in accordance with Section 68(2)(c) of the Act; and

   (aa) if the Board of Directors in their meeting dated 20 December 2018, have formed the opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.

5. The financial statements referred to in paragraph 4 above, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated 26 April 2018.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. Based on inquiries conducted and our examination as above, we report that:

   (a) We have inquired into the state of affairs of the Company in relation to its audited financial statements for the year ended 31 March 2018;

(b) The amount of permissible capital payment (including premium) towards the proposed buyback of equity shares as computed in the Statement attached herewith is, in our view properly determined in accordance with Section 68(2) (c) of the Act. The amounts of share capital and free reserves have been extracted from the audited financial statements of the Company for the year ended 31 March 2018; and

(c) The Board of Directors of the Company, in their meeting held on 20 December 2018 have formed their opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated 20 December 2018 and one year from the date on which the results of the postal ballot will be declared.

Restriction on Use

9. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed Buyback of equity shares of the Company in pursuance to the provisions of Section 68 and other applicable provisions of the Companies Act, 2013 and the SEBI Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the notice of postal ballot, public announcement, draft letter of offer, letter of offer and other documents pertaining to Buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (c) for providing to the managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For **B S R & Associates LLP**
Chartered Accountants
Firm Registration No. 116231W/ W-100024

Manish Gupta
Partner
Membership No. 095037

Place: Gurugram
Date: 20 December 2018

Annexure A

Statement of determination of the permissible capital payment towards Buyback of Equity shares in accordance with Section 68 (2) (c) of the Companies Act, 2013 ('the Act')

Particulars	Amount (Rs. In lakhs)
Paid up equity share capital as on 31 March 2018# (30,159,992 equity shares of face value of Rs. 10 each)	3,016.00
Free reserves as on 31 March 2018# - General reserve - Retained earnings* - Securities Premium account	 3018.70 18,400.25 3,196.94
Total	**27,631.89**
Maximum amount permissible for buyback under Section 68 of the Companies Act, 2013 (25% of the total paid up capital and free reserves)	6,907.97
Amount proposed by Board Resolution dated 20 December 2018 approving the Buyback, subject to shareholders approval by special resolution, based on the audited accounts for the year ended 31 March 2018	6,900.00

 # The above calculation of the paid-up Equity Capital and Free Reserves as at 31 March 2018 for Buyback of equity shares is based on the amounts appearing in the audited financial statements of the Company for the year ended 31 March 2018. These financial statements of the Company are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Act.

** unrealized gain on investments, impact of recognition of financial assets/ liabilities at amortized cost and deferred tax impact on such adjustments has not been considered while computing free reserves.*

For and on behalf of the Board of Directors of

Indian Energy Exchange Limited

Mr. Satyanarayan Goel
Managing Director and Chief Executive Officer
DIN: 02294069

Place: New Delhi
Date: 20 December 2018

24. MATERIAL DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of Indian Energy Exchange Limited at the registered office at Unit No. 3, 4, 5 & 6, Fourth Floor, TDI Centre Plot No. 7, District Centre, Jasola, New Delhi 110 025 India, from 11:00 a.m. to 5:00 p.m. on any day, except Saturdays, Sundays and public holidays (in New Delhi), upto the date of closure of Buyback Offer.

(i) Certificate of Incorporation dated March 26, 2007 and certificate of commencement of business dated April 17, 2007;

(ii) Certified copies of the updated Memorandum of Association and Articles of Association of the Company, as amended from time to time;

(iii) Copies of the annual reports of the Company for the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 and limited review financials for the six months period ended September 30, 2018;

(iv) Copy of the resolution passed by the Board of Directors at the meeting held on Thursday, December 20, 2018 approving proposal for Buyback;

(v) Copy of the special resolution of the Shareholders passed by way of postal ballot, results of which were announced on Thursday, January 31, 2019;

(vi) Copy of report dated Thursday, December 20, 2018 received from M/s. B S R & Associates LLP, Chartered Accountants, the Statutory Auditors of the Company, in terms of clause (xi) of Schedule I of the Buyback Regulations;

(vii) Copy of Declaration of solvency and an affidavit verifying the same in Form SH-9, as prescribed under Section 68(6) of the Companies Act, 2013;

(viii) SEBI Comments vide letter no. SEBI/HO/CFD/DCR1/OW/P/2019/6026/1 dated March 7, 2019;

(ix) Copy of Escrow Agreement dated March 5, 2019 amongst the Company, HDFC Bank Limited and IIFL Holdings Limited;

(x) Copy of the certificate from M/s. Ravi Rajan & Co, Chartered Accountants, the Independent Chartered Accountant engaged by the Company for the Buyback, dated Thursday, December 20, 2018 certifying that the Company has adequate funds for the purposes of Buyback;

(xi) Copy of Public Announcement dated Friday, February 1, 2019 published in the newspapers on Monday, February 4, 2019 regarding Buyback of Equity Shares; and

(xii) Opinion dated February 7, 2019 obtained by the Company on taxation.

25. DETAILS OF COMPLIANCE OFFICER

Mr. Vineet Harlalka
CFO, Company Secretary and Compliance Officer
Unit No. 3, 4, 5 & 6, Fourth Floor,
TDI Centre Plot No. 7, District Centre,
Jasola, New Delhi 110 025, India
Tel: +91 (11) 4300 4000
Fax: +91 (11) 4300 4015
Email: compliance@iexindia.com
Website: www.iexindia.com

Investors may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 11:00 a.m. to 5:00 p.m. on all working days except Saturday, Sunday and Public holidays.

26. DETAILS OF THE REMEDIES AVAILABLE TO THE ELIGIBLE SHAREHOLDERS/ BENEFICIAL OWNERS

In case of any grievances relating to the Buyback (i.e. non-receipt of the Buyback consideration, Share certificate, dematerialization credit, etc.) the investor can approach the Compliance Officer and/or Manager to the Buyback and/or Registrar to the Buyback for redressal.

If the Company makes any default in complying with the provisions of Section 68, 69, 70 of the Companies Act, 2013, or rules made thereunder, the Company or any officer of the Company who is in default shall be punishable in terms of the Companies Act, 2013.

The address of the concerned office of the Registrar of Companies is as follows:

Registrar of Companies, Delhi & Haryana
4th Floor, IFCI Tower,
61, Nehru Place,
New Delhi 110 019

27. DETAILS OF THE INVESTOR SERVICE CENTRE

In case of any query, the shareholders may also contact the Registrar to the Buyback Offer on any day except Saturday, Sunday and Public holidays between 10:00 a.m. and 5:00 p.m. at the following address:

KARVY FINTECH PRIVATE LIMITED
(formerly, KCPL Advisory Services Private Limited)
Karvy Selenium Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad 500 032, Rangareddi, Telangana, India
Contact Person: Mr. M. Murali Krishna
Tel: +91 (40) 6716 2222
Fax: +91 (40) 2343 1551
Email: iex.buyback@karvy.com
Website: www.karvyfintech.com
SEBI Registration Number: INR000000221
Validity Period: Permanent Registration
CIN: U67200TG2017PTC117649

28. DETAILS OF MANAGER TO THE BUYBACK OFFER

IIFL HOLDINGS LIMITED
10th Floor, IIFL Centre, Kamala City
Senapati Bapat Marg, Lower Parel (West)
Mumbai 400 013
Contact Person: Mr. Sachin Kapoor/ Ms. Nishita Mody
Tel: +91 (22) 4646 4600
Fax: +91 (22) 2493 1073
Email: iex.buyback@iiflcap.com
Website: www.iiflcap.com
SEBI Registration Number: MB/INM000010940
Validity Period: Permanent Registration
CIN: L74999MH1995PLC093797

29. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THIS LETTER OF OFFER

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accept responsibility for the information contained in this Letter of Offer and confirm that the information in this Letter of Offer is true, factual and material information and does not contain any misleading information. This Letter of Offer is issued under the authority of the Board of Directors and in terms of the resolution passed by the Board on December 20, 2018 and by the Buyback Committee through Resolution passed by the Buyback Committee meeting held on Monday, March 11, 2019.

For and on behalf of the Board of Directors of
Indian Energy Exchange Limited

Satyanarayan Goel **Managing Director and Chief Executive Officer** **DIN: 02294069**	**Mahendra Singhi** **Non-Executive Director** **DIN: 00243835**	**Vineet Harlalka** **CFO, Company Secretary and Compliance Officer** **Membership Number: A16264**

Date: **March 11, 2019**
Place: **New Delhi**

TENDER FORM
FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR ALL ELIGIBLE SHAREHOLDERS)

Bid Number:

Date:

BUYBACK OPENS ON:	**Friday, March 22, 2019**
BUYBACK CLOSES ON:	**Thursday, April 04, 2019**

For Registrar use		
Inward No.	Date	Stamp

Status: Please tick appropriate box					
	Individual		Foreign Institutional Investors/ Foreign Portfolio Investors		Insurance Company
	Foreign Company		Non Resident Indian / OCB		FVCI
	Body Corporate		Bank / Financial Institution		Pension/ PF
	VCF		Partnership/ LLP		Others (specify)
India Tax Residency Status: Please tick appropriate box					
	Resident in India		Non-Resident in India	Resident of _____ (Shareholder to fill the country of residence)	
Route of Investment (For NR Shareholders only)					
	Portfolio Investment Scheme		Foreign Investment Scheme		

To,
The Board of Directors
Indian Energy Exchange Limited
Unit No. 3, 4, 5 & 6, Fourth Floor, TDI Centre Plot No. 7,
District Centre, Jasola, New Delhi 110 025

C/o: **Karvy Fintech Private Limited** (formerly, KCPL Advisory Services Private Limited)
(Unit: Indian Energy Exchange Ltd)
Karvy Selenium, Tower B, Plot Number 31 & 32, Financial District,
Nanakramguda, Serelingampally, Hyderabad 500 032, Rangareddi, Telangana, India
Tel: +91 (40) 6716 2222; **Fax**: +91 (40) 2343 1551

Dear Sirs,

Sub: Letter of Offer dated Monday, March 11, 2019 to Buyback not exceeding 37,29,729 (Thirty Seven Lakhs Twenty Nine Thousand Seven Hundred Twenty Nine) Equity Shares of Indian Energy Exchange Limited (the "Company") at a price of Rs. 185 (Rupees One Hundred Eight Five Only) per Equity Share ("Buyback Offer Price"), payable in cash ("Buyback")

1. I/We (having read and understood the Letter of Offer dated Monday, March 11, 2019) hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
2. I / We authorise the Company to Buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
3. I / We hereby affirm that the Equity Shares comprised in this tender / offer are offered for Buyback by me / us are free from all liens, equitable interest, charges and encumbrance.
4. I / We irrevocably and unconditionally agree that the Company will pay the Buyback Offer Price only after due verification of the validity of the documents and that the consideration may be paid as per Buyback Regulations.
5. I / We declare that there are no restraints / injunctions or other order(s)/ covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I am / We are legally entitled to tender/ offer the Equity Shares for the Buyback.
6. I / We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Shareholder as per the provisions of Buyback Regulations and circulars issued by SEBI and notices issued by the Designated Stock Exchange.
7. I/ We acknowledge that the responsibility to discharge the tax due on any gains arising on buy-back is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
8. I/ We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on buyback of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.
9. I / We agree that the excess dematerialised Equity Shares or unaccepted dematerialised Equity Shares, if any, tendered would be returned to the Eligible Shareholder as per the provisions of Buyback Regulations and circulars issued by SEBI and notices issued by the Designated Stock Exchange.
10. I / We undertake to return to the Company any Buyback consideration that may be wrongfully received by me / us.
11. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act, 2013 and rules made thereunder and the Buyback Regulations.
12. **Eligible Shareholders holding equity shares in physical form are advised to get their shares dematerialized before tendering their equity shares in the buyback.**
13. Details of Equity Shares held and tendered / offered for Buyback Offer:

	In Figures	**In Words**
Number of Equity Shares held as on Record Date i.e. Friday, February 15, 2019		
Number of Equity Shares entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (including Additional Equity Shares)		

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with Paragraph 19 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

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Acknowledgement Slip: Indian Energy Exchange Limited - Buyback Offer

(to be filled by the Equity Shareholder) (subject to verification)

DP ID: _____ **Client ID:** _____

Received from Mr./ Ms./ Mrs. _____

Form of Acceptance-cum-Acknowledgement, Original TRS along with:

No. of Equity Shares offered for Buyback (In Figures) _____(In Words) _____

_____

Please quote Client ID No. & DP ID No. for all future correspondence

STAMP OF BROKER

14. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)	☐ NSDL ☐ CDSL
Name of the DP	
DP ID No.	
Client ID with the DP	

15. Equity Shareholders Details:

	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) of the Shareholder(s)				
Signature(s)*				
PAN				
Address of the Sole/First Equity Shareholder				
Telephone No. / Email ID of the Sole/First Equity Shareholder				

*Corporate must affix rubber stamp and sign

16. Applicable for all Non- resident Shareholders

- I / We undertake to pay income taxes in India on any income arising on such Buyback and taxable in accordance with the prevailing income tax laws in India within 7th day of the succeeding month in which the Equity Shares are bought back by the Company. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of Equity Shares by me / us. The details of bank account of the sole or first Shareholder to be incorporated in the consideration warrant (to be mandatorily filled).
- I / We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999, as amended (the "**FEMA Regulations**") and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

17. Non-resident shareholders (including NRIs, OCBs and FIIs/ FPIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred i.e. "**INDIAN ENERGY EXCHANGE LIMITED**" and the price at which the Equity Shares are being transferred i.e. "Price determined in accordance with the Buyback Regulations" duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.

INSTRUCTIONS

This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form:

1. This Buyback offer will open on Friday, March 22, 2019 and close on Thursday, April 04, 2019.
2. The Equity Shares tendered in the Buyback shall be rejected if (i) the tenderer is not an Eligible Shareholder of the Company as on the Record Date; or (ii) if there is a name mismatch in the dematerialized account of the Shareholder; or (iii) if the Eligible Shareholder has made a duplicate bid; or (iv) the Eligible Shareholders holding Equity Shares in physical form are unable to get their Equity Shares dematerialized before tendering their Equity Shares in the Buyback.
3. Eligible Shareholders who desire to tender their equity shares in the electronic form under the Buyback would have to do so through their respective Shareholder Broker by indicating the details of equity shares they intend to tender under the Buyback offer.
4. The Eligible Shareholder is required to transfer the Equity Shares under the Buyback Offer to the special account of the Clearing Corporation, by using the settlement number through the early pay-in mechanism prescribed by the Designated Stock Exchange or the Clearing Corporation. This shall be validated by the Shareholder Broker at the time of order/bid entry. The details of the settlement number for the Buyback will be provided in a separate circular which shall be issued at the time of issue opening by Clearing Corporation/BSE.
5. Eligible Shareholders who have tendered their Equity Shares in the Buyback may deliver the Tender Form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares, along with the TRS generated by the exchange bidding system either by registered post or courier or hand delivery to the Registrar to the Buyback Offer not later than 2 (two) days from the Buyback Closing Date i.e. Saturday, April 06, 2019. The envelope should be super scribed as "**IEX Buyback Offer 2019**". In case of non-receipt of the completed Tender Form and other documents, but receipt of Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for Eligible Shareholders holding Shares in dematerialized form. The Buyback shall be rejected for Shareholders holding Shares in dematerialized form in case of receipt of the completed Tender Form and other documents but non-receipt of Equity Shares in the special account of the Clearing Corporation or non-receipt of valid bid in the exchange bidding system.
6. The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or partial acceptance. Excess dematerialized Equity Shares or unaccepted dematerialized Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess dematerialized Shares or unaccepted dematerialized Shares, if any, will be returned to the respective custodian participant.
7. In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the offer by providing their application in plain paper in writing signed by such Eligible Shareholder, stating the name of the Eligible Shareholder, address of the Eligible Shareholder, number of Equity Shares held as on Record Date, Client ID number, DP name, DP ID number, beneficiary account number and number of Equity Shares tendered. Eligible Shareholders have to ensure that their bid is entered in the electronic platform to be made available by BSE before the closure of the Buyback.
8. Eligible Shareholders to whom the Buyback offer is made are free to tender Equity Shares to the extent of their Buyback Entitlement in whole or in part or in excess of their Buyback Entitlement, but not exceeding their holding as on the Record Date.
9. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
10. By agreeing to participate in the Buyback, the Non-resident Shareholders give the Company the unconditional and irrevocable authority and power to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
11. Non-Resident Shareholders must obtain all approvals required to tender the Equity Shares held by them in this Buyback (including without limitation the approval from the RBI).
12. All capitalized items shall have the meaning ascribed to them in the Letter of Offer.

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ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:

(Unit: Indian Energy Exchange Ltd)

Karvy Fintech Private Limited (formerly, KCPL Advisory Services Private Limited)

Karvy Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda,

Serilingampally, Hyderabad 500 032, Rangareddi, Telangana, India

Contact Person: Mr. M. Murali Krishna

Tel: +91 (40) 6716 2222; **Fax:** +91 (40) 2343 1551; **E-mail:** iex.buyback@karvy.com

Website: www.karvyfintech.com; **SEBI Registration Number**: INR000000221

Validity Period: Permanent Registration; **CIN**: U67200TG2017PTC117649