

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF INDIAN ENERGY EXCHANGE LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER ROUTE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY BACK OF SECURITIES) REGULATIONS, 2018.

This Public Announcement (the "Public Announcement") is being made pursuant to the provisions of Regulation 7 (i) and Schedule II to be read along with Schedule I of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (the "Buyback Regulations") for the time being in force including any statutory modifications and amendments from time to time.

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 THE COMPANY OF FACE VALUE OF ₹ 1 EACH AT A PRICE OF ₹ 185 (RUPEES ONE HUNDRED EIGHTY FIVE ONLY) PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS USING THE STOCK EXCHANGE MECHANISM.
1. DETAILS OF THE BUYBACK OFFER

- The Board of Directors (the "Board", which expression includes any committee constituted by the Board to exercise its power, including the powers conferred by the resolution) of Indian Energy Exchange Limited ("IEX" or the "Company") at their meeting held on Thursday, December 20, 2018 (the "Board Meeting") passed a resolution to buyback equity shares of the Company and sought approval of its shareholders, by a special resolution, through postal ballot notice (including e-voting) dated December 20, 2018, the results of which were announced on Thursday, January 31, 2019 (the "Postal Ballot"). Through the Postal Ballot, 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 ("Shares" or "Equity Shares") from all the eligible shareholders/beneficial owners of Equity Shares as on the Record Date (i.e. Friday, February 15, 2019) ("Eligible Shareholders") of the Company, on a proportionate basis, through the "Tender Offer" process (the "Buyback" / "Buyback Offer"), at a maximum price of ₹ 185 (Rupees One Hundred Eighty Five Only) per Equity Share (the "Maximum Price") payable in cash, for an aggregate consideration not exceeding ₹ 69,00,00,000 (Rupees Sixty Nine Crores Only) (excluding transaction costs viz. brokerage, securities transaction tax, service tax, stamp duty, etc.) (the "Buyback Offer Size"). The buyback committee (the "Buyback Committee") at its meeting held on Friday, February 1, 2019 has approved the final Buyback price as ₹ 185 (Rupees One Hundred Eighty Five Only) (the "Buyback Offer Price").
- 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 of the Companies Act, 2013, as amended from time to time (the "Companies Act"), the Companies (Share Capital and Debentures) Rules, 2014 (the "Share Capital Rules"), the Companies (Management and Administration) Rules, 2014, (the "Management Rules") including any statutory modification or re-enactment thereof for the time being in force and the provisions contained in the Buyback Regulations.
- The Buyback is further subject to approvals, permissions and sanctions as may be necessary, and subject to such conditions and modifications, if any, from time to time from statutory, regulatory or governmental authorities as required under applicable laws including but not limited to Securities and Exchange Board of India ("SEBI") and the stock exchanges where the Equity Shares of the Company are listed i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), which together with BSE shall be collectively referred as the "Stock Exchanges").
- The Buyback shall be on a proportionate basis from all the Eligible Shareholders of the Company through the "Tender Offer" process, as prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Eligible Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular "Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting" bearing number CIR/CFD/POLICYCELL/11/2015 dated April 13, 2015 read with SEBI circular bearing number CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 (the "SEBI Circulars") and notice issued by BSE bearing number 20170202-34 dated February 2, 2017, each as may be amended from time to time. Please see paragraph 12 below for details regarding Record Date and share entitlement for tender in the Buyback.
- The Buyback Offer Size does not include any other expenses incurred or to be incurred for the Buyback like filing fees payable to SEBI, fees and charges payable to Stock Exchanges, public announcement publication expenses, printing and dispatch expenses, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty and other incidental and related expenses.
- A copy of this Public Announcement is available on the Company's website (www.iexindia.com) and is expected to be available on the website of SEBI (www.sebi.gov.in) and on the website of Stock Exchanges (www.nseindia.com and www.bseindia.com).
- The participation in the Buyback by Eligible Shareholders may trigger capital gains taxation in India and/or in their country of residence. The transaction of Buyback would also be chargeable to securities transaction tax in India. In due course, the Eligible Shareholders will receive a letter of offer, which will contain a detailed note on taxation. However, in view of the particularized nature of tax consequences, the Eligible Shareholders are advised to consult their own legal, financial, accounting and tax advisors prior to participating in the Buyback.

2. MAXIMUM AMOUNT REQUIRED UNDER THE BUYBACK, ITS PERCENTAGE OF THE TOTAL PAID UP CAPITAL AND FREE RESERVES AND THE SOURCES OF FUNDS FROM WHICH THE BUYBACK WOULD BE FINANCED

- 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 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. 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.
- 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, stamp duty, etc.) and is within the permitted limits computed in accordance with the provisions of Section 68 of the Companies Act, 2013.
- The Buyback will be sourced from the free reserves and/or securities premium account and/or such other sources of the Company as may be permitted by the Buyback Regulations or the Companies Act. 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 of the Company and the details of such transfer shall be disclosed in its subsequent audited balance sheet. The Company confirms that as required under Section 68(2)(d) of the Companies Act, 2013, 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.
- 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. Please note that upon completion of the Buyback, which will include 15% reservation for small shareholders as required under the Buyback Regulations, there is a possibility that the post Buyback shareholding of a non-resident investor/entity or of a member may exceed the prescribed thresholds based on their shareholding on the Record Date, even if they participate in the Buyback to the full extent of their entitlement. There can be no assurance that this will not result in a breach of the FDI Policy and/or the Power Market Regulations and shareholders are accordingly requested to monitor their direct and indirect shareholding in the Company.

3. BUYBACK PRICE AND THE BASIS OF ARRIVING AT THE BUYBACK PRICE

- The Equity Shares of the Company are proposed to be bought back at a maximum price of ₹ 185 (Rupees One Hundred Eighty Five Only) per Equity Share. The Maximum Price has been arrived at after considering trends in the closing price of the Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed in the past one year. The Buyback Committee at its meeting held on Friday, February 1, 2019 has approved ₹ 185 (Rupees One Hundred Eighty Five) as the final Buyback Offer Price.
- 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 this Public Announcement.

4. MAXIMUM NUMBER OF EQUITY SHARES THAT THE COMPANY PROPOSES TO BUYBACK

The Company proposes to Buyback not exceeding 37,29,729 (Thirty Seven Lakhs Twenty Nine Thousand Seven Hundred Twenty Nine) Equity Shares.

5. NECESSITY FOR 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:

- The Buyback gives the Company an opportunity to distribute surplus cash to its shareholders in proportion to their shareholding;
- 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";
- 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
- 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.

6. DETAILS OF SHAREHOLDING AND TRANSACTIONS OF EQUITY SHARES OF THE COMPANY

- The Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control.
- The aggregate shareholding of promoter, promoter companies as on the date of notice of Postal Ballot i.e. Thursday, December 20, 2018 is as follows:
Not Applicable

- The aggregate shareholding of directors of promoter companies as on the date of notice of Postal Ballot i.e. Thursday, December 20, 2018 is as follows:
Not Applicable
- Intention of the promoters and persons in control of the Company to tender Equity Shares in the Buyback:
The Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control.
- The details of the date and price of acquisition of the Equity Shares that the promoters intend to tender are set-out below:
Not Applicable
- 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 six months preceding the date of the notice of Postal Ballot i.e. Thursday, December 20, 2018 is as follows:
Not Applicable
- The aggregate shareholding of the directors of the Company as on the date of notice of Postal Ballot i.e. Thursday, December 20, 2018 is as follows:

S. No.	Name of the Director	Number of Equity Shares held	Percentage of issued share capital (%)
1.	Satyanarayan Goel	2,82,800	0.09
2.	Ajeet Kumar Agarwal	Nil	Nil
3.	Dinesh Kumar Mehrotra	Nil	Nil
4.	Gautam Dalmia	Nil	Nil
5.	Gopal Srinivasan	Nil	Nil
6.	Kayyalathu Thomas Chacko	Nil	Nil
7.	Mahendra Kumar Singhi	Nil	Nil
8.	Renuka Ramnath	Nil	Nil
9.	Vallabh Roopchand Bhanшали	Nil	Nil

*Resigned with effect from January 8, 2019

- The Company confirms that no defaults have been made or are subsisting in the repayment of deposits accepted, 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.
- CONFIRMATION FROM THE BOARD**
The Board of Directors of the Company on the date of the Board Meeting i.e. Thursday, December 20, 2018 has confirmed that it has made full enquiry into the affairs and prospects of the Company and has formed the opinion that:
 - immediately following the date of the 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;
 - as regards the Company's prospects for the year immediately following the date of the 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 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 the Board Meeting and the date on which the results of the Postal Ballot/ E-voting will be declared; and
 - 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.

9. 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").

- 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.
- The accompanying Statement of permissible capital payment in connection with the buyback by the Company of its equity shares in accordance with clause (x) 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 initiated for identification purposes only.

Management's Responsibility for the Statement

- 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

- Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance:
 - 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;
 - 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
 - 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.
- 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.
- 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.
- 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.
- Based on inquiries conducted and our examination as above, we report that:
 - 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;
 - 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
 - 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

- 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*	3,016.00
(30,159,992 equity shares of face value of ₹ 10 each)	
Free reserves as on 31 March 2018*	
- General reserve	3018.70
- Retained earnings*	18,400.25
- Securities Premium account	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 & CEO

DIN: 02294069

Place: New Delhi

Date: 20 December 2018

Unquote
10. PROCESS AND METHODOLOGY TO BE ADOPTED FOR BUYBACK

- The Buyback is open to all Eligible Shareholders of the Company holding Shares either in physical and/or dematerialised form on the Record Date.
- The Buyback shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting" notified by the SEBI Circulars as may be amended from time to time and following the procedure prescribed in the circular issued by the BSE bearing number 20170202-34 dated February 2, 2017, Companies Act 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.
- For implementation of the Buyback, the Company has appointed **IIFL Securities Limited** as the registered broker to the Company (the "Company's Broker") to facilitate the process of tendering of Equity Shares through stock exchange mechanism for the Buyback and 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
E-mail: iexbuyback.iifl@iiflcap.com, Website: www.iifl.com
SEBI Registration Number: INZ000164132
- For the purpose of this Buyback, BSE has been appointed as the Designated Stock Exchange. Separate acquisition window will be provided by BSE to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buyback. The details of the platform will be as specified by BSE from time to time. In case, the Eligible Shareholders' registered stock broker is not registered with the BSE, the Eligible Shareholders may approach the Company's Broker to place the bid.
- At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company's Broker. During the tendering period, the order for selling the Equity Shares will be placed in the acquisition window by Eligible Shareholders through their respective stock brokers during normal trading hours of the secondary market. The stockbrokers (each a "Shareholder Broker") can enter orders for dematerialized Shares as well as physical Shares.

10.6 Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialized form:

- Eligible Shareholders who desire to tender their Equity Shares in the 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.
- The Eligible Shareholder who wish to tender Equity Shares in the Buyback is required to transfer the Equity Shares under the Buyback to the special account of the Indian Clearing Corporation Limited ("Clearing Corporation" / "ICCL"), through the early pay-in mechanism as prescribed by the Designated Stock Exchange or the Clearing Corporation prior to placing bid by the Shareholder Broker.
- The details of the special account of the Clearing Corporation and the settlement number for the Buyback will be provided in a separate circular which shall be issued at the time of opening of the Buyback Offer by the Designated Stock Exchange and/or Clearing Corporation.
- Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock 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., depository participant ID, client ID, no. of Equity Shares tendered etc.
- For custodian participant orders for dematerialized 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 close 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.
- In case of non-receipt of the completed tender form and other documents, but receipt of 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.

10.7 Procedure to be followed by Eligible Shareholders holding Equity Shares in the physical form:

- 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"). Accordingly, the Eligible Shareholders are advised to approach the concerned depository participant to have their Equity Shares dematerialized for effecting future transfer of Equity Shares.
- Eligible Shareholders who are holding physical Equity Shares and 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 to be carried out before placement of the bid. Such documents will include the (i) tender form duly signed (by all Eligible Shareholders in case shares are in joint names) in the same order in which they hold the shares; (ii) original share certificate(s); (iii) valid share transfer form(s) i.e. Form SH-4 duly filled and signed by the transferors (i.e. by all Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company; (iv) self-attested copy of PAN Card(s) of the Eligible Shareholder(s); (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and legal heirship certificate /succession certificate or probated will, if the original Eligible Shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof which may inter alia consist of any of the following documents: Aadhar card, voter identity card or passport
- Based on these documents, the concerned Shareholder Broker shall place a bid on behalf of the Eligible Shareholders holding Equity Shares in physical form and who wish to tender Equity Shares in the Buyback, using the acquisition window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., of Equity Shares tendered etc.
- Any Shareholder Broker/Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback Offer i.e. Karvy Fintech Private Limited (formerly, KCPL Advisory Services Private Limited) ("Registrar") (at the address mentioned at paragraph 14 below) not later than 2 (two) days from the offer closing date. The envelope should be superscribed as "IEX Buyback Offer 2019". One copy of the TRS will be retained by Registrar to the Buyback Offer and it will provide acknowledgement of the same to the Shareholder Broker/ Eligible Shareholder.
- The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback Offer will verify such bids based on the documents submitted on a daily basis and till such verification BSE shall display such bids as "unconfirmed physical bids". Once Registrar to the Buyback Offer confirms the bids, they will be treated as "confirmed bids".
- In case any Eligible Shareholder 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 well in time so that they can participate in the Buyback Offer before the closure of the tendering period of the Buyback.
- Modification/cancellation of orders will be allowed during the tendering period of the Buyback.
- The cumulative quantity tendered shall be made available on the website of BSE i.e. www.bseindia.com throughout the trading session and will be updated at specific intervals during the tendering period.

11. METHOD OF SETTLEMENT

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

- 11.1 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.
- 11.2 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 Clearing Corporation as per the prescribed schedule.
- 11.3 The Equity Shares bought back in the dematerialized form would be transferred directly to the escrow dematerialized account of the Company (the "Demat Escrow Account") on receipt of the Equity Shares from the Clearing Corporation and settlement mechanism of the BSE/Clearing Corporation.
- 11.4 In case of certain types of Eligible Shareholders' viz. non-resident indians, foreign clients etc. (where there are specific Reserve Bank of India ("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 account for releasing the same to their respective Eligible Shareholder's account onward. For this purpose, the client type details would be collected from the Registrar to the Buyback whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Stock Exchanges and the Clearing Corporation from time to time. In case of deals confirmed by custodian, the settlement will be released to custodian's settlement account.
- 11.5 The Eligible Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to partial acceptance/non-acceptance of Equity Shares under the Buyback.
- 11.6 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.
- 11.7 Any excess physical Equity Shares pursuant to proportionate acceptance/rejection will be returned to the concerned Eligible Shareholders directly by Registrar to the Buyback Offer. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted physical shares, in case the physical shares accepted by the Company are less than the physical shares tendered in the Buyback. The Company will issue a new consolidated share certificate for all the unaccepted and excess physical Equity Shares and return the same to the sole/first shareholder (in case of joint shareholders).
- 11.8 The settlements of fund obligation for dematerialised and physical Equity Shares shall be effected as per the SEBI Circulars and as prescribed by the Stock Exchanges and Clearing Corporation from time to time. For Equity Shares accepted under the Buyback, the Eligible Shareholders holding Equity Shares in dematerialized form will receive funds payout in the Eligible Shareholders' bank account as provided by the depository system from the Clearing Corporation and in case of physical shares, the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market pay out mechanism. If Eligible Shareholder's bank account details are not available or if the funds transfer instruction is rejected by RBI or Shareholder's bank then such funds will be transferred to the concerned Shareholder Broker's settlement bank account for onward transfer to their respective Eligible Shareholders.
- 11.9 The Shareholder Broker would issue contract note for the Equity Shares accepted under the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- 11.10 Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for any cost, 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, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and 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.

- 11.11 The Equity Shares lying to the credit of the Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

12. RECORD DATE AND SHAREHOLDER ENTITLEMENT

- 12.1 As required under the Buyback Regulations, the Company has fixed Friday, February 15, 2019 as the record date (the "Record Date") for the purpose of determining the entitlement and the names of the Eligible Shareholders, who are eligible to participate in the Buyback. In due course, the Eligible Shareholders will receive a letter of offer in relation to the Buyback along with a tender offer form indicating the entitlement of the Eligible Shareholder for participating in the Buyback. The Equity Shares proposed to be bought back by the Company, as part of this Buyback shall be divided in to two categories: (a) reserved category for Small Shareholders (A "Small Shareholder" is defined in the Buyback Regulations as a shareholder, who holds Equity Shares having market value, on the basis of closing price of the Equity Shares on the recognized stock exchange registering the highest trading volume in respect of such shares, as on Record Date, of not more than ₹ 2,00,000 (Rupees Two Lakhs only)) and (b) the general category for all other Eligible Shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.
- 12.2 In accordance with proviso to Regulation 6 of the Buyback Regulations, 15% (fifteen per cent) of the number of Equity Shares which the Company proposes to Buyback, or number of Shares entitled as per shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buyback.
- 12.3 On the basis of shareholding as on the Record Date, the Company will determine the entitlement of each Eligible Shareholder to tender their Equity Shares in the Buyback. This entitlement for each Eligible Shareholder will be calculated based on the number of Equity Shares held by the respective Eligible Shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs. The final number of Equity Shares that the Company shall buyback from each Eligible Shareholders will be based on the total number of shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by the Eligible Shareholders.
- 12.4 After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by Eligible Shareholders in that category, and thereafter from Eligible Shareholders who have tendered over and above their entitlement in other category.
- 12.5 The Eligible Shareholders' participation in the Buyback will be voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of Equity Shares to be 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. The Eligible Shareholders may also tender a part of their entitlement. The Eligible Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if at all.
- 12.6 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.
- 12.7 The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations.
- 12.8 The detailed instructions for participation in the Buyback (tendering of Equity Shares in the Buyback) as well as the relevant time table will be included in the letter of offer which will be sent in due course to the Eligible Shareholders as on Record Date who have their email IDs registered with the Company/ Registrar/ depository. However, on receipt of a request by Manager to the Buyback or Registrar to the Buyback to receive a copy of 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. For all remaining Eligible Shareholders who do not have their email IDs registered with the Company/ Registrar / depository or physical share certificate holders, the letter of offer along with the tender form will be sent physically.

13. 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

Tel: +91 (11) 4300 4000, Fax: +91 (11) 4300 4015

Email: compliance@iexindia.com, Website: www.iexindia.com

Investor(s) may contact the Compliance Officer for any clarification or to address their grievances, if any, between i.e. 11:00 a.m. to 5:00 p.m. on all working days except Saturday, Sunday and Public Holidays.

14. REGISTRAR TO THE BUYBACK OFFER AND INVESTOR SERVICE CENTRE

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

KARVY FINTECH

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

15. MANAGER TO THE BUYBACK



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

E-mail: iex.buyback@iiflcap.com, Website: www.iiflcap.com

SEBI Registration Number: MB/INM000010940

Validity Period: Permanent Registration

CIN: L74999MH1995PLC093797

16. DIRECTORS' RESPONSIBILITY

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accept the responsibility for the information contained in this Public Announcement and confirms that this Public Announcement contains true, factual and material information and does not contain any misleading information.

For and on behalf of

Board of Directors of Indian Energy Exchange Limited

Sd/-
Satyanarayan Goel
Managing Director
(DIN: 02294069)

Sd/-
Mahendra Singh
Non-Executive Director
(DIN: 00243835)

Sd/-
Vineet Harlalka
CFO, Company Secretary and
Compliance Officer
Membership Number: A16264

Place: New Delhi

Date: February 1, 2019