



**METROPOLITAN STOCK EXCHANGE OF INDIA LIMITED  
(Formerly Known As MCX Stock Exchange Limited)**

**Registered Office:** 4<sup>th</sup> Floor, Vibgyor Tower, C62, Bandra Kurla Complex, Bandra (East), Mumbai-400098

CIN: U65999MH2008PLC185856

Tel. +91 22 6112 9000, Fax +91 22 2652 5419

Website: [www.msei.in](http://www.msei.in) Email: [secretarial@msei.in](mailto:secretarial@msei.in)

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**NOTICE**

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**NOTICE** is hereby given that the Seventh Annual General Meeting of Metropolitan Stock Exchange of India Limited (Formerly known as MCX Stock Exchange Limited) will be held on September 30, 2015 at 4.30 p.m. at registered office of the Company at 4th Floor, Vibgyor Tower, C-62, Bandra Kurla Complex, Bandra (East), Mumbai- 400098, to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015, the Reports of the Board of Directors and the Auditors thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2015.
2. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as ‘Act’) and the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification, variation or enactment thereof, M/s. T R Chadha & Co, Chartered Accountants, having Registration No. 006711N issued by the Institute of Chartered Accountants of India, be and are hereby appointed as auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 11<sup>th</sup> Annual General Meeting of the Company on such remuneration as agreed upon by the Board of Directors and the Auditors, in addition to the reimbursement of service tax and actual out of pocket expenses incurred in connection with the audit of accounts of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorised to do all such acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**SPECIAL BUSINESS:**

**3. APPOINTMENT OF MR. ANAND SINHA, AS AN INDEPENDENT DIRECTOR OF THE COMPANY.**

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as ‘Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 23 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 (hereinafter referred as ‘SECC Regulations’), SEBI Circular dated December 13, 2012 on ‘Procedural norms on Recognitions, Ownership and Governance for Stock Exchanges and Clearing Corporations’ as may be amended from time to time and Articles of Association of the Company, Mr. Anand Sinha (DIN: 00682433), who was appointed as a Public Interest Director on June 19, 2015 by Securities and Exchange Board of India for a period of three years and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from him proposing himself as a candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for his remaining period as Public Interest Directorship not liable to retire by rotation.”

**RESOLVED FURTHER THAT** any of the Directors and/or the Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**4. APPOINTMENT OF MR. PANKAJ TALWAR AS A SHAREHOLDER DIRECTOR OF THE COMPANY.**

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the ‘Act’) and Rules made there under (including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force), Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 (hereinafter referred as ‘SECC Regulations’) and SEBI Circular dated December 13, 2012 on ‘Procedural norms on Recognitions, Ownership and Governance for Stock Exchanges and Clearing Corporations’ as may be amended from time to time and subject to approval of SEBI and other approvals in this regard as may be necessary and subject to such condition(s) and modification(s) as may be prescribed and imposed by such authorities while granting such approval(s), permission(s) and sanction(s), and Articles of Association of the Company, Mr. Pankaj Talwar (DIN: 02150719), who has consented to act as a Director and in respect of whom the Exchange has received a notice in writing under Section 160 of the Act from him proposing

himself as a candidature for the office of Shareholder Director be and is hereby appointed as a Shareholder Director of the Company liable to retire by rotation.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary/expedient to give effect to this resolution.”

**5. PAYMENT OF REMUNERATION TO MR. SAURABH SARKAR, MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER FOR A PERIOD OF ONE YEAR.**

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 197 of the Companies Act, 2013 read with rule 7(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as ‘Act’), and the Rules made thereunder, (including any amendment/modification thereof), Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 (hereinafter referred as ‘SECC Regulations’) and subject to such other necessary approval(s), consent(s) or permission(s), as may be required, the consent of the members of the Company be and is hereby accorded to the remuneration payable to Mr. Saurabh Sarkar, Managing Director & CEO for the period of one year (i.e. from February 01, 2015 to January 31, 2016) of Rs. 1.75 crore per annum, one third of which i.e. Rs. 58,32,750/- be converted into variable pay, which would be payable subject to performance to be assessed by Nomination cum Remuneration & Compensation Committee and the Board, along with Malus and clawback arrangements as provided in the SEBI guidelines as well as in the Compensation Policy for KMPs of the Exchange.

**RESOLVED FURTHER THAT** the other terms and conditions of the appointment as approved by the shareholders at the Extra Ordinary General Meeting of the Company held on March 14, 2014 shall remain unchanged.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to take all such acts as may be necessary, proper and expedient to give effect to this resolution.”

**6. RATIFICATION AND APPROVAL OF TRANSACTIONS WITH METROPOLITAN CLEARING CORPORATION OF INDIA LIMITED (FORMERLY KNOWN AS MCX SX CLEARING CORPORATION LIMITED) (MCCIL) UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Regulation 35 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 read with Clause 49 of the listing agreement and any other applicable provisions, if any, including any re-enactment/modification/amendment thereof, the Members of the Company do hereby ratify and approve the material related party transactions of the Company with Metropolitan Clearing Corporation of India Limited (Formerly known as MCX SX Clearing Corporation Limited), subsidiary of the Company (being a related party within the meaning of the Listing Agreement)

continuing beyond March 31, 2015, under the pre-existing arrangements which are disclosed under the explanatory statement of this Notice.

**RESOLVED FURTHER THAT** the members of the Company do hereby ratify and also accord further approval to the Board of Directors to sign and execute all the documents deeds and writings and to do all such acts, things as may be deemed necessary thereto to give effect to this resolution”.

**By Order of the Board of Directors  
For Metropolitan Stock Exchange of India Limited  
(Formerly known as MCX Stock Exchange Limited)**

**Sd/-  
Divya Damania  
Company Secretary  
ACS: - A28328**

**Place: Mumbai  
Date: August 29, 2015**

**Registered Office:  
4<sup>th</sup> Floor, Vibgyor Towers,  
Plot No. C-62,  
Bandra Kurla Complex,  
Mumbai 400 098.  
CIN: U65999MH2008PLC185856**

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Pursuant to Section 105(1) of the Companies Act, 2013, read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of Members not exceeding 50 (fifty) in number and holding in aggregate not more than 10 (Ten) per cent of the total share capital of the Company carrying voting rights. In the case of a Member holding more than 10 (ten) per cent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder. A proxy shall not vote except on a poll.
3. Proxies in order to be effective must be lodged with company not less than 48 hours before the commencement of the meeting.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business at Item No.3, 4, 5 & 6 of the accompanying notice are annexed hereto.
5. A statement annexed giving the details of the Director seeking appointment under Item No.3 & 4 of the accompanying notice as required by Clause 49 of the listing agreement read with Regulation 35 of the SECC Regulations.
6. The Register of Director's and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rule 17 of the Companies (Appointment and Qualification) Rules, 2014 will be available for inspection by the members at the Meeting in terms of Section 171 of the Companies Act, 2013.
7. As per the provisions of Section 113 of the Companies Act, 2013, Corporate Shareholders are requested to send a duly certified copy of the Board/Managing Committee Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
8. Members/Proxy holders are requested to bring their attendance slip duly signed and copy of the Annual Report to attend the meeting.
9. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories to all the shareholders on August 28, 2015. The notice is also available on the website of the Company i.e. <http://www.msei.in/about-us/announcements.aspx>.
10. **Note: Only the shareholders who are not trading members of the Exchange or their associates and agents, shall be eligible to vote for Resolution No. 4.**

## Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013

### Item No. 3.

Your Board vide circular resolution dated May 07, 2015 approved and recommended the name of Mr. Anand Sinha to SEBI for nomination as Public Interest Director ('PID') on the Board of Exchange. SEBI had vide letter dated June 19, 2015 approved the appointment of Mr. Anand Sinha as Public Interest Director of the Exchange for a period of three years under provisions of SECC Regulations. In terms of clause 6.3.7 of SEBI circular dated December 13, 2012, Mr. Anand Sinha is not liable to retire by rotation.

As per the new Companies Act, 2013 which had come into effect from April 1, 2014, the term Independent Director had been defined for the first time in section 149(6). In terms of clause 49 of the listing agreement read with the said section, 1/3<sup>rd</sup> of your Board needs to consist of Independent Directors, appointed in the manner specified in that Act. Section 149 further requires that the Independent Directors shall be appointed for fixed terms of upto 5 years and for a maximum upto two consecutive terms and shall not be liable to retire by rotation.

In view of the requirement in Regulation 23(3) of the SECC Regulations that the number of Public Interest Directors shall not be less than the number of shareholder directors, the same is not capable of being complied consistently while complying with section 149 of the Companies Act, 2013, if Independent Directors and Public Interest Directors are treated as mutually exclusive. On the other hand, concepts of Public Interest Directors under SECC Regulations and Independent Directors under section 149 of Act are complementary. As may be seen from the definition of Public Interest Directors contain in section 2(1)(n) of the SECC Regulations which provides that it is mandatory for the Public Interest Director to be first an Independent Director.

Your Company is required to comply with the aforesaid provision of the Companies Act, 2013 at all point of times. Hence it is proposed to treat, Mr. Anand Sinha, Public Interest Directors as Independent Director as per section 149 of the Companies Act, 2013. As per applicable provisions of the Companies Act, 2013, Mr. Anand Sinha being eligible has offered himself for appointment as Independent Directors for his remaining period as Public Interest Directorship not liable to retire by rotation. A notice in writing has been received by the Company alongwith the deposit of Rs. 1,00,000/- as per the provisions of Section 160 of the Companies Act, 2013 from him proposing himself as a candidature for the office of Independent Director for his remaining period as Public Interest Director not liable to retire by rotation

Mr. Anand Sinha is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Company has also received declaration from him that he meets with the criteria of independence as prescribed both under sub- section 149(6) of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013 for such appointment as Independent Director.

Accordingly, the Board recommends the Resolution at Item No. 3 of the accompanying Notice for appointment of Mr. Anand Sinha as Independent Director. Your approval is sought for the same.

None of the Directors except Mr. Anand Sinha or Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

#### **Item No. 4.**

The Company had received a letter from one of the shareholder recommending the appointment of Mr. Pankaj Talwar, as Shareholder Director on the Board of the Company.

Accordingly, the Board vide its circular resolution dated July 7, 2015 had approved appointment of Mr. Pankaj Talwar, as Shareholder Director subject to approval of shareholders and SEBI. A notice together with requisite deposit of Rs. 1,00,000/- under Section 160 of the Companies Act, 2013 read with Rule 13 of the Companies (Appointment and Qualification) Rules, 2014 has been received from him signifying his intention to propose himself as candidature for office of Shareholder Director of the Company.

Pursuant to Regulation 24 of the SECC Regulations, 2012 read with para 6.4.1 of SEBI circular dated December 13, 2012 the names of persons to be appointed as Shareholder Director shall first be approved by the governing board of the stock exchange/ clearing corporation, followed by shareholders' approval before submitting the same to SEBI for approval.

Mr. Pankaj Talwar, if appointed shall be liable to retire by rotation and will receive remuneration by way of fees for attending meetings of the Board or Committee thereof and reimbursement of expenses for participation in the Board and other meetings.

The appointment shall be subject to the approval of SEBI pursuant to Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012.

Accordingly, the Board recommends the Resolution at Item No. 4 of the accompanying Notice for appointment of Mr. Pankaj Talwar as a Shareholder Director. Your approval is sought for the same.

Mr. Talwar is not related to any other Director or Key Managerial Personnel of the Company. None of the Directors except Mr. Talwar, or key managerial personnel, or their relatives, are in any way, concerned or interested, financially or otherwise in this resolution.

#### **Item No. 5.**

Mr. Saurabh Sarkar had joined as MD & CEO with effect from February 1, 2014. The shareholders at the Extra Ordinary General Meeting held on March 14, 2014 approved the remuneration for a period of one year w.e.f February 01, 2014 upto January 31, 2015. It was discussed during his appointment that his compensation would be due for revision after one year of service. SEBI also, while approving the appointment of MD & CEO, had approved compensation structure only for the first year. Accordingly, Nomination cum Remuneration and Compensation Committee and the Board at their meeting held on January 20, 2015 and February 09, 2015 respectively, approved the remuneration of Rs. 1.75 crore per annum. One third of the said remuneration i.e. Rs. 58,32,750/- was converted into variable pay which would be payable to him subject to performance to be assessed by Nomination cum Remuneration & Compensation Committee and the Board along with Malus and clawback arrangements as provided in the SEBI guidelines as well as in the Compensation Policy for KMPs of the Exchange. Accordingly, his fixed

salary is effectively reduced by the amount that has been now kept as variable pay. The said remuneration approved by the Board is for a period of one year i.e. from February 01, 2015 to January 31, 2016. As per Regulation 27(4) of the SECC Regulations, the compensation payable to the managing director shall be as approved by the SEBI and the terms and conditions of the compensation of the managing director shall not be changed without prior approval of the SEBI. Accordingly, SEBI vide letter dated March 27, 2015 approved the revised remuneration payable for a period of one year i.e. from February 01, 2015 to January 31, 2016 to Mr. Saurabh Sarkar as approved by the Board of the Exchange.

As per Rule 7(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the companies other than listed companies and subsidiary of a listed company may without Central Government approval pay remuneration to its managerial personnel, in the event of no profit or inadequate profit beyond ceiling specified in Section II, Part II of Schedule V subject to complying with certain conditions as prescribed which are fulfilled by your Company.

The relevant disclosures to be made in terms of the said provisions are given below:

## **I. General Information about the Company**

### **1. Nature of Industry**

Your company, Metropolitan Stock Exchange of India Limited (Formerly known as MCX Stock Exchange Limited), was incorporated on August 14, 2008 under the Companies Act, 1956 (the Act) and is recognised by Securities and Exchange Board of India (SEBI) under Section 4 of Securities Contracts (Regulation) Act, 1956. The Exchange was notified as a “recognised stock exchange” under Section 2(39) of the Companies Act, 1956 by Ministry of Corporate Affairs, Govt. of India on December 21, 2012. In line with global best practices and regulatory requirements, clearing and settlement of trades on the Exchange are conducted through a separate Clearing Corporation - Metropolitan Clearing Corporation of India Limited (Formerly known as MCX-SX Clearing Corporation Ltd) (MCCIL).

The Exchange offers an electronic, transparent and hi-tech platform for trading in Capital Market Futures & Options, Currency Derivatives and Debt Market Segments.

### **Business Operations**

The Exchange has commenced operations in the Currency Derivatives (CD) Segment on October 7, 2008, under the regulatory framework of SEBI and Reserve Bank of India (RBI). The Exchange has launched Capital Market Segment, Futures and Options Segment and flagship index ‘SX40’ on February 9, 2013 and commenced trading from February 11, 2013. Trading in the ‘SX40’ index derivatives began from May 15, 2013. The Debt Market Segment of the Company was launched on June 7, 2013, and trading commenced from June 10, 2013. The Exchange commenced trading operations in cash-settled IRF in its Currency Derivatives Segment on January 20, 2014.

**2. Date or expected date of commencement of commercial production-** Not Applicable

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus-** Not Applicable



#### 4. Financial Performance

As per the audited figures for the period ended March 31, 2015, the Company had a total income of Rs. - 45.21 crore and a net loss after tax of Rs. 60.12 crore.

#### 5. Foreign Investments and Foreign Collaborators

As on March 31, 2015, the Company does not have foreign investors or foreign collaborators. However after the end of financial year, two non-resident individuals to whom warrants were transferred by Multi Commodity Exchange of India Limited exercised warrants into Equity shares.

## II. Information about the Managerial Personnel

### 1. Background details

Mr. Saurabh Sarkar had joined the Exchange on February 1, 2014 subsequent to receipt of SEBI approval. Mr. Sarkar comes with rich experience of over 18 years and in his prior assignment, he was the MD & CEO at United Stock Exchange of India Ltd. In his earlier assignments he has worked with leading firms such as Credit Agricole CIB, Calyon, Standard Chartered Bank and ANZ Grindlays Bank. An expert in the financial markets industry, he has keen insight on current needs of Indian Capital Market and areas of development. Other particulars relating to Mr. Sarkar are as follows:

Date of birth	May 4, 1969
Date of appointment	February 1, 2014
Qualification	Bachelor of Technology (B. Tech) from Indian Institute of Technology, Delhi. PGDBM (MBA) from XLRI, Jamshedpur.
Expertise in specific functional areas	Financial & Banking Sectors
Directorship held in other public limited companies. (excluding foreign companies and Section 25 companies)	-
Membership/chairmanship of Committees of other public limited companies. (includes details of only Audit Committee and Shareholder Grievance Committee)	-
No. of shares held in the Company	-

Mr. Sarkar is neither related to any managerial personnel of the Company nor has any, direct or indirect, pecuniary relationship with the Company.

### 2. Past Remuneration

The shareholders at the Extra Ordinary General Meeting held on March 14, 2014 approved the remuneration of Mr. Saurabh Sarkar for a period of one year of Rs. 1.75 crore per annum w.e.f February 01, 2014 upto January 31, 2015.

### **3. Recognition or Awards**

- Mr. Sarkar is a part of the Secondary Market Advisory Committee (SMAC) of SEBI
- Member of the Executive Board committee of South Asian Federation of Exchanges (SAFE), a regional forum of exchanges and regulated entities.
- Is a part of the National Executive Committee of FICCI and also a member of the Capital Markets Committee of FICCI.

### **4. Job Profile and his suitability**

As MD & CEO, Mr. Saurabh Sarkar is in charge of all affairs concerning the Company including business development and also to carry out duties entrusted to him by the Board of Directors from time to time, including serving on any executive body or Committee of the Company. He also exercises powers as assigned to him, subject to superintendence, control and directions of the Board in the best interest of the Company. Having regard to his vast experience in the financial and banking sectors and previous achievements, Mr. Sarkar is eminently suited for the position.

### **5. Proposed remuneration**

It is proposed that he shall draw remuneration of Rs. 1.75 crore per annum (all inclusive on a cost to company basis), for a period of one year with effect from February 01, 2015 ("date of effective appointment/joining") one third of his CTC i.e. Rs. 58,32,750/- shall be payable to him subject to performance to be assessed by Nomination cum Remuneration & Compensation Committee and the Board. Accordingly, his fixed salary is effectively reduced by the amount that has been now kept as variable pay. The remuneration payable to him after deducting the variable pay is 1.16 crore per annum.

The annual increment shall be as decided by the Board after considering recommendations of the Nomination cum Remuneration & Compensation Committee and approved by the shareholders.

### **6. Comparison with industry**

The remuneration to MD & CEO is based on a pricing programme that takes into account both market practice as well as internal business considerations. From a market viewpoint, the Company has positioned the remuneration package taking into consideration those of its principal competitors and other companies in the securities and commodities market infrastructure sector.

### **7. Pecuniary Relationship**

Mr. Saurabh Sarkar has no pecuniary relationship directly or indirectly with the Company or with any other managerial personnel of the Company.

### III. Other Information

1. **Reasons of Loss-** The Company has incurred a loss of 60.12 crore as against loss of 154.53 crore incurred in the previous year. The drop in revenue was mainly due to fall in the volumes in Currency Derivatives Segment (CD Segment). The business was primarily impacted because of the sentimental fallout of the defaults in another Exchange floated by the erstwhile promoter and introduction of zero pricing by competitor and extremely low currency market volatility.

2. **Steps taken or proposed for improvement:-**

The Company has taken great efforts in controlling cost and has managed to reduce the loss substantially. The loss has been brought down from Rs 154.53 crore in FY 2013-14 to Rs. 60.13 a sizeable drop by 61%. The Company is working to further control on cost in the year FY 2015-16.

The Company in response to rights issue received Rs. 73.97 crore. However, the Board in accordance with SECC Regulations decided to retain Rs 60.75 crore through rights issue. The Company is in dialogue with few strategic investors who would be investing in the Company. Fresh capital in the Company will boost the confidence of the trading members who will actively trade on the Exchange platform, thus, boosting the volumes of the exchange and increase in revenue. The Company is also focusing in further improving its other revenue streams like listing fees and Data feed charges. The Company is seeing increase in Banks' and Members' participation. Fourteen Foreign Portfolio Investors (FPIs) have recently registered with the Company, several others are in pipeline.

3. **Expected increase in productivity and profits in measurable terms:** - The Exchange is focusing on increasing its market share in Currency Derivative Futures from its current level of 8% to 15% by end of December 2015.

4. **Reason / Justification for payment of remuneration beyond limits:-**

All the challenges faced by the Company in fast few years was bravely faced and resolved under the able leadership of Mr. Saurabh Sarkar (MD & CEO). The Company successfully maintained its networth above the stipulated Regulatory limit of Rs. 100 crore. The fall in the volumes has been arrested and business plans have been chalked out to improve the Company's market share.

In compliance with the provisions of Sections 197 and all other applicable provisions of the Act if any, read with relevant rules and provisions of Schedule V of the Act, the terms of remuneration specified as above are now being placed before the Members for their approval by way of special resolution.

Copy of resolution passed by the Board at its Meetings held on February 09, 2015 and January 20, 2015 in respect of the above and the SEBI's approval letter may be inspected by shareholders at the Registered Office of the Company between 10.30 am and 12.30 pm on all business days upto the date of the meeting.

The Directors recommend the resolution set forth in item No. 5 for the approval of the Members as Special Resolution.

None of the Directors except Mr. Saurabh Sarkar, or key managerial personnel, or their relatives are concerned or interested, financially or otherwise, in this resolution.

**Item No. 6.**

The revised Clause 49 of the listing agreement, effective from October 01, 2014, requires shareholders' approval by means of a special resolution for material related party transaction continuing beyond March 31, 2015, even if such transaction is in the ordinary course of business of the concerned company and at an arm's length basis.

A transaction with a related party shall be considered material under Clause 49 of the Listing Agreement if the transaction/transactions in a contract to be entered into individually or taken together with the previous transactions during a financial year exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statement of the Company. There are no new contracts/transactions entered with Metropolitan Clearing Corporation of India Limited (Formerly known as MCX-SX Clearing Corporation Ltd) (MCCIL) during the year. All the transactions are under the pre-existing arrangements.

Metropolitan Clearing Corporation of India Limited (Formerly known as MCX-SX Clearing Corporation Ltd) (MCCIL) is a subsidiary company and is covered under the definition of the related party. The details of the contract/arrangement with related party which are still in existence are as follows:-

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value for the year.
<b>Metropolitan Clearing Corporation of India Limited (Formerly known as MCX-SX Clearing Corporation Ltd) (MCCIL) (Subsidiary Company)</b>	Agreement for providing Clearing & Settlement Services	From October 01, 2012 till it is terminated	MCCIL on behalf of MSEI would be clearing and settling the trades done on the Exchange. Based on the transaction fees collected by MSEI and computation of its books of accounts, MCCIL will charge MSEI clearing fees.
	Agreement for sharing resources	From January 02, 2013 till it is terminated  (Principal agreement dated Feb 13, 2009 read alongwith addendum dated Jan 5, 2010 stand replaced with this agreement w.e.f. from September 10, 2012)	Installation, Maintenance and support of DOME and Cns Software and networking infrastructure by Financial Technologies (India) Limited (FTIL) in terms of FTIL agreements.  As and when FTIL raises invoices on MSEI under the FTIL agreements half of the 50% of the invoice amount of all such invoices shall be paid by MCCIL.

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value for the year.
	Sub-License Agreement	From September 01, 2014 to March 14, 2018 (For BKC). From May 01, 2015 to October 31, 2015 (For Exchange Square).	To occupy and use a part of Exchange Square Building and BKC.  The rent payable by MCCIL to MSEI are as follows:- BKC- Rs. 255/- plus applicable tax rate per Sq. Ft i.e. 953 Sq Ft per month.  Exchange Square- Rs. 162/- plus applicable tax rate per Sq. Ft i.e. 1673 Sq Ft per month.
	Tripartite Agreement between MSEI, MCCIL and FTIL	From April 15, 2010 till it is terminated.	Agreement to call upon MCCIL to pay amounts under the agreements dated 25th August 2008 and 15th September 2008, in case of default by MSEI and to pay upto 50% of the agreed/revised annual fixed fees under the Maintenance & Technical Services agreements with FTIL.

The Board of Directors recommends the resolution set forth in item No. 6 for approval of the Members as a Special Resolution. Your approval is sought for the same.

None of the Directors or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in passing of this resolution except Mr. Saurabh Sarkar who is a shareholder director in MCCCI.

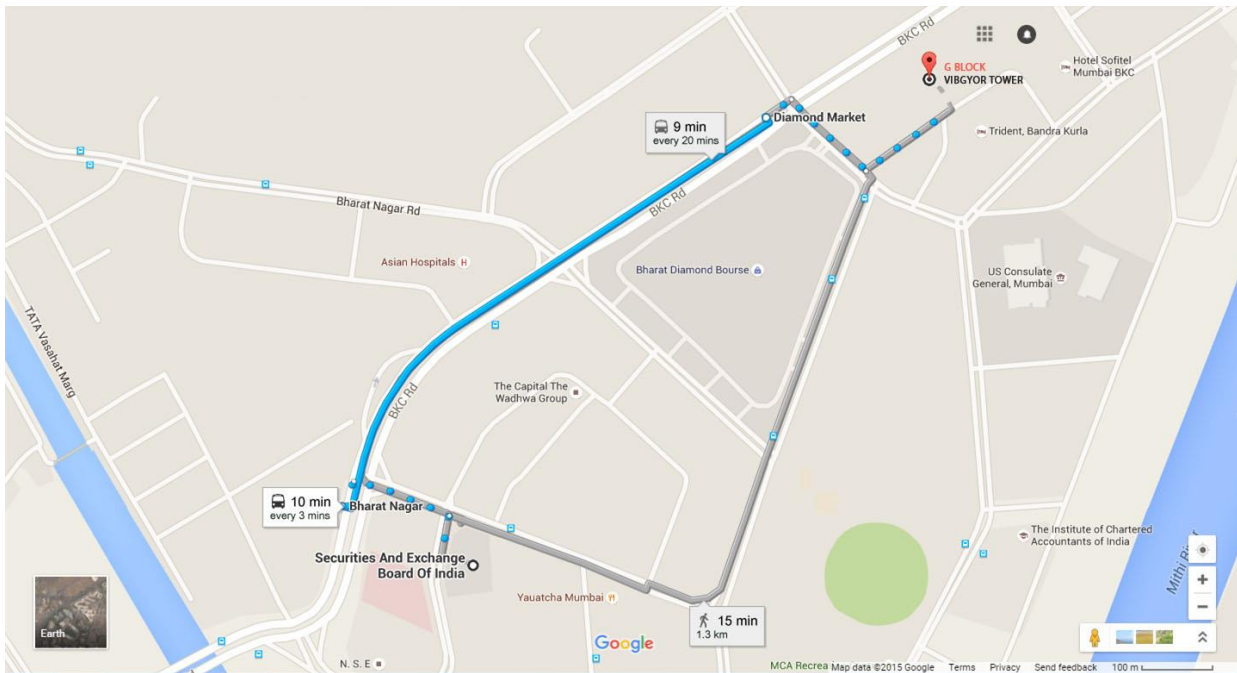
**By Order of the Board of Directors  
For Metropolitan Stock Exchange of India Limited  
(Formerly known as MCX Stock Exchange Limited)**

Sd/-  
Divya Damania  
Company Secretary  
ACS: - A28328

Place: Mumbai  
Date: August 29, 2015

Registered Office:  
4<sup>th</sup> Floor, Vibgyor Towers,  
Plot No. C-62,  
Bandra Kurla Complex,  
Mumbai 400 098.  
CIN: U65999MH2008PLC185856

# Route Map to the venue of AGM



**DETAILS OF DIRECTORS SEEKING APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT READ WITH REGULATION 35 OF THE SECC REGULATIONS.**

Name of Director	Mr. Anand Sinha	Mr. Pankaj Talwar
Item No.	3	4
Date of Birth	February 3, 1951	October 25, 1966
Brief Resume	Annexure IA	Annexure IB
Expertise in specific functional area	Core areas of expertise include regulation and supervision of the commercial banking sector, non-banking financial companies and urban cooperative banking sector, overseeing of enterprise wide risk management and technology implementation within RBI and in the entire banking sector.	Experience in the Indian equity markets with reputed investment banks in Investment Research and Sales & Trading.
Other Directorship	-	Talwar Equity Management Pvt Ltd Theatre of Devas Mumbai Pvt Ltd Hindu Heritage Protection Pvt Ltd
Chairman/Member of the Committees of the Board of Directors of other companies in which he is a Director.	-	-
No. of Equity shares held in the Exchange	-	50,00,000
Relationship between Directors inter se	-	-

## **Brief Resume of Mr. Anand Sinha**

Mr. Sinha has retired as Deputy Governor, Reserve Bank of India in 2014 after serving in various capacities in a career spanning 37 years that has enabled him an extensive regulatory and supervisory experience in the area of policy formulation and implementation for the regulation of financial sector and, more specifically, banking sector. He has been involved with formulation of several major regulatory and supervisory policies for commercial banks. He has an excellent academic record and vast experience in policy making spanning wide range of areas both at the domestic and international levels.

His core areas of expertise include regulation and supervision of the commercial banking sector, non-banking financial companies and urban cooperative banking sector, overseeing of enterprise wide risk management and technology implementation within the RBI and in the entire banking sector.

He has also worked as an Advisor to the Reserve Bank of India (RBI) to provide guidance and thrust for completion of the new bank licensing process. He was actively associated with high profile investigations such as stock market scam of 1991, IPO related irregularities during 2005-06 and irregularities in derivative transactions, etc.

He has represented India in several global committees including - G20 Working Group on 'Enhancing Sound Regulation and Strengthening Transparency' and Basel Committee on Banking Supervision (BCBS) along with its various sub-committees. He represented Reserve Bank of India on the Boards of SEBI, Exim Bank, ECGC and a few public sector banks.

He was Reserve Bank of India's representative in the Basel Committee on Banking Supervision (BCBS), Bank for International Settlements (BIS), Basel, Switzerland. He also represented the Reserve Bank on three sub-committees/ work streams of the BCBS, namely, Policy Development Group (PDG), Macro Prudential Supervision Group (MPG) and Macro Variable Task Force (MVTF). He was also member of the Board of the Securities and Exchange Board of India (SEBI).

Mr. Sinha joined the Reserve Bank in 1976 after his Masters in Physics from the Indian Institute of Technology, Delhi.

Mr. Sinha is currently working (part time) as Senior Advisor (Financial Services), with the legal firm formerly known as Amarchand & Mangaldas & Suresh A Shroff & Co, Mumbai since July 2014. He is also on the IMF's list of Experts and has recently delivered talks in a program on 'Basel II, Basel III and Macroprudential Approach to Supervision Seminar' in November, 2014 at Pretoria, South Africa.



## **Brief Resume of Mr. Pankaj Talwar**

Mr. Pankaj Talwar comes with significant experience in the Indian equity markets with reputed investment banks in Investment Research and Sales & Trading. In the past few years he has leveraged off that experience as an investor in managing his personal capital investing in small and mid-capitalization Indian companies being the core areas of expertise.

An MBA in International Finance from Washington, DC, USA, he is currently the Director in Titanium Capital Management, a private investment company based on significant primary research started by him to invest his personal capital in the Indian equity market mainly concentrating on investments in growing small and mid-capitalization Indian companies.

He has worked with various companies like BNP-Paribas Equities Connect Capital, Morgan Stanley. His foreign experience includes his contribution to W.I. Carr London (Sub-continent Sales) as India Sales Specialist. Identified and initiated India sales (GDRs and direct local investment) among existing and new clients mainly in The UK and mainland Europe with a few exceptions in Hong Kong and United States.

Having the Liberal Arts Certificate Program from Davidson College from USA, Mr. Talwar has successfully managed to have his own Indian contemporary Art gallery in New Delhi – The Talwar Galary. He is currently also the Advisor to Agastya International Educational Foundation, Bangalore.



**METROPOLITAN STOCK EXCHANGE OF INDIA LIMITED**  
**(Formerly Known As MCX Stock Exchange Limited)**  
CIN: U65999MH2008PLC185856

**Registered Office:** 4<sup>th</sup> Floor, Vibgyor Tower, C62, Bandra Kurla Complex, Bandra (East), Mumbai- 400098  
Tel. +91 22 6112 9000, Fax +91 22 2652 5419. Website: [www.msei.in](http://www.msei.in) Email: [secretarial@msei.in](mailto:secretarial@msei.in)

**ATTENDANCE SLIP**

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Details of Shareholders:

No. of Share(s) held \_\_\_\_\_ Folio No. \_\_\_\_\_

Client ID No. \_\_\_\_\_ DP ID No. \_\_\_\_\_

Name(s) of the Shareholder(s) / Proxy (IN BLOCK CAPITALS) :

\_\_\_\_\_

Address :

\_\_\_\_\_

I/We hereby record my/our presence at the seventh Annual General Meeting of MSEI, held at registered office of the Company at 4th Floor, Vibgyor Tower, C62, Bandra Kurla Complex, Bandra (East), Mumbai- 400098 on Wednesday, September 30, 2015 at 4. 30 pm.

Signature of the Shareholder(s)/ Proxy : \_\_\_\_\_

**Note: No duplicate Attendance Slip will be issued at the Meeting venue. You are requested to bring your copy of the Annual Report to the Meeting.**

\_\_\_\_\_



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**PROXY FORM**

*[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_

Email ID: \_\_\_\_\_

Folio No. / Client ID: \_\_\_\_\_

DP ID: \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ equity shares of Metropolitan Stock Exchange of India Limited (Formerly known as MCX Stock Exchange Limited), hereby appoint:

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email ID : \_\_\_\_\_ Signature : \_\_\_\_\_, or failing him/her

2. Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email ID : \_\_\_\_\_ Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the Seventh Annual General Meeting of the Exchange, to be held on Wednesday, September 30, 2015 at 04.30 p.m. at 4th floor, Vibgyor Towers, Plot No C 62, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400098 and at any adjournment thereof in respect of such resolutions as are indicated below:

Particulars	For	Against
<b>Ordinary Business</b>		
1. Adoption of Audited Financial Statements, Directors' Report & Auditors' Report for the financial year ended 31st March, 2015		
2. Appointment of M/s. T R Chadha & Co (Registration No. 006711N), as Statutory Auditors of the Company and to fix their remuneration for the financial year ending 31st March, 2016.		
<b>Special Business</b>		
3. Appointment of Mr. Anand Sinha, as an Independent Director of the Company.		
4. Appointment of Mr. Pankaj Talwar as a Shareholder Director of the Company.		
5. Payment of remuneration to Mr. Saurabh Sarkar, Managing Director & Chief Executive Officer for a period of one year.		
6. Ratification and approval of Transactions with Metropolitan Clearing Corporation of India Limited (Formerly Known As MCX SX Clearing Corporation Limited) (MCCIL) under Clause 49 of the Listing Agreement.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of the Proxy holder(s)

**Note: This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Exchange, not less than 48 hours before the commencement of the Meeting time for holding the meeting.**

Affix One Rupee Revenue Stamp
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