



MULTI COMMODITY EXCHANGE OF INDIA LIMITED

CIN:

Regd. Office:

Tel.:

Fax:

Email id:

website:

POSTAL BALLOT NOTICE

(Notice pursuant to Section 110 of Companies Act, 2013)

("Rules")

("Act")

Alteration of the Main Objects Clause of the Memorandum of Association (MOA) of the Company pursuant to the directions of Forward Markets Commission (FMC/The Commission); and

Alteration of the Articles of Association of the Company

If you are voting through Postal Ballot Form (i.e. physical Ballot), you are requested to carefully read the instructions printed on the Form enclosed herewith and return it, duly completed and signed along with your assent (FOR) or dissent (AGAINST) in the attached self-addressed postage pre-paid BRE, so as to reach the Scrutinizer on or before the close of working hours i.e. 6:30 p.m. on June 13, 2014. Please note that any Postal Ballot Form(s) received after that date will be treated as not having been received.

For e-voting, please read carefully the "Procedure/Instructions for e-voting" enumerated in the notes to this Notice.

June 17, 2014
18, 2014 at 11.00 a.m.

June

SPECIAL BUSINESS (ES):

ITEM NO. 1: ALTERATION OF MAIN OBJECTS CLAUSE OF MEMORANDUM OF ASSOCIATION

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT

'including related eco-systems'

'securities'

'ready'

ITEM NO. 2: ALTERATION OF THE ARTICLES OF ASSOCIATION

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT

ARTICLE 26A:

FMC's Guidelines/Directions/Norms, etc. to be binding on the Company

26A.1 The Company, each of its members and shareholders and their governance in relation to the Company and its business is regulated by the

Forward Markets Commission, Department of Economic Affairs, Ministry of Finance, Government of India (FMC) and/or other regulators and competent authorities under applicable laws. The Company and each of the members and shareholders shall strictly comply with the guidelines, directions, norms, instructions, regulations etc. that may be issued by any of the regulators or competent authorities from time to time.

- 26A.2 The Company and each of its members and shareholders and their eligibility to become and remain members and shareholders of the Company and other rights, privileges and obligations in the Company are governed by the Companies Act and/or the Guidelines/Directions/Norms, etc. as amended or revised from time to time, prescribed/issued by the FMC including the norms regarding Shareholding, Ownership, Net worth, Fit and Proper Criteria, etc. as may be applicable. The members and shareholders and the Company shall comply with such guidelines, directions, norms, instructions, regulations etc. within such period as may be specified in this regard by FMC or other regulators or competent authorities or such reasonable period as may be deemed appropriate by the Board of Directors of the Company.
- 26A.3 The guidelines, directions, norms, instructions, regulations etc. issued by FMC or other regulators from time to time, including the revised norms regarding Shareholding, Ownership, Net worth, Fit and Proper Criteria, etc. issued by FMC shall be deemed to form an integral part of the Memorandum and Articles of Association of the Company and any amendments to such guidelines, directions, norms, instructions, regulations etc. shall be deemed to have been incorporated in the Memorandum and Articles of Association, and the rules and bye-laws of the Company.
- 26A.4 An updated copy of the Memorandum and Articles of Association and Bye-laws of the Company and the guidelines, directions, norms, instructions, regulations etc. issued by FMC or any other regulator or competent authorities including the revised norms regarding Shareholding, Ownership, Net worth, Fit and Proper Criteria, etc. issued by FMC which shall be deemed to form part of the Memorandum and Articles of Association and Bye-laws of the Company shall be available for inspection at the registered office of the Company during normal business hours on any working day.
- 26A.5 The Company shall, on being requested by a member and shareholder, send to him within 7 days of the receipt of the request and subject to payment of such fees as may be determined by the Board from time to time, a copy of each of the guidelines, norms or instructions issued by FMC or any other regulators or competent authorities, which guidelines, norms or instructions are deemed to form an integral part of the Memorandum and Articles of Association and Bye-laws of the Company.

ARTICLE 26B:

Restrictions on shareholding

- 26B.1 No person shall, directly or indirectly, acquire or hold equity shares of the Company unless he is a fit and proper person as per the criteria laid down in the guidelines, directions, norms, etc. instructions issued by FMC or any other regulators or competent authorities under applicable laws.
- 26B.2 No person shall, directly or indirectly, either individually or together with persons acting in concert, acquire/hold equity shares exceeding the prescribed percentage of the paid up equity share capital without the requisite approval of the FMC.
- 26B.3 In the event of any person ceasing to be a 'fit and proper person' or being declared so by the FMC or any other regulator or competent authorities, such person shall forthwith divest his shareholding.

ARTICLE 26C:

Divestment of Shareholding

- 26C.1 Any shareholder of the Company holding shares in excess of the percentage that he is entitled to hold, whether by reason of such person being declared as not fit and proper, or for any other reason, whether such reason arises out of a direction or order of the Central or State Government, Forward Markets Commission or Securities and Exchange Board of India or any order passed by a court, tribunal or any other statutory authority, or otherwise, shall forthwith divest his shareholding and the voting rights of such person shall stand extinguished and any corporate benefit in lieu of such holding shall be kept in abeyance / withheld by the Company.
- 26C.2 The Company shall take necessary steps as it may deem fit so as to ensure that the shareholding of such person is divested forthwith upon such direction or order of a competent authority.
- 26C.3 On being declared as not fit and proper person to continue to hold the shares of the Company, the Company may call upon the concerned shareholder to divest his shares forthwith. The Company shall simultaneously require the Depository and Depository Participant to note the extinguishment of the voting rights in respect of the shares of the said shareholder and freeze the beneficiary account of the said shareholder.
- 26C.4 In the event the said shareholder fails or neglects to divest the shares within such time as prescribed in the communication from the Company, the said shareholders shall be deemed to have irrevocably constituted, nominated and appointed the Board of Directors of the Company as the agents for such shareholder. The Board of Directors shall cause to transfer such shares immediately to an escrow account which would be opened and operated by the Board of Directors of the Company and the Board of Directors may request respective Depository and Depository Participants to transfer the entire shareholding or the shares held in excess of the permissible limits to the escrow account opened and operated by the Board of Directors to ensure compliance with the order/guidelines/direction/norms, etc. of the Central or State Government, Forward Markets Commission or Securities and Exchange Board of India or any court, tribunal or any other statutory / competent authority for the disposal of such shares from such escrow account.
- 26C.5 The Board of Directors of the Company shall act either by itself and or through a registered intermediary, as an agent to deal with and dispose of such shares in such manner as the Board may consider fit, to ensure prompt compliance of the order, guidelines, directions, norms, instructions, regulations etc. of the Central or State Government, Forward Markets Commission or Securities and Exchange Board of India or any court, tribunal or any other statutory / competent authority.
- 26C.6 All moneys realised from the sale of shares held in escrow, shall be paid over to the said shareholder, subject to the lien (if any) on such shares and after deducting the expenses incurred by the Company for disposing of said shares.

RESOLVED FURTHER THAT

**By Order of the Board of Directors
Multi Commodity Exchange of India Limited**

**Ajay Puri
Company Secretary & Chief Compliance Officer**

ITEM NO. 1:

June 13, 2014

inter alia

May 9, 2014

- inter alia*

6. PROCEDURE/INSTRUCTIONS FOR E-VOTING:

e-voting facility
optional

A. In case a Member receives an e-mail from Karvy Computershare Pvt. Ltd. (Karvy):

However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your vote.

	<u>For Members holding shares in Demat form:</u>
	<u>For Members holding shares in Physical form:</u>

#

Submit

OK”

CANCEL

B. In case a Member receives Postal Ballot Form by Post:

C.

9.00 a.m. on Thursday, May 15, 2014 till 6.30 p.m. on Friday, June 13, 2014

6.30 p.m. on June 13, 2014.

June 18, 2014 at 11.00 a.m.

Karvy Computershare Private Limited
(Unit: Multi Commodity Exchange of India Limited)

Enclosure:

By Order of the Board of Directors
Multi Commodity Exchange of India Limited

Ajay Puri
Company Secretary & Chief Compliance Officer



MULTI COMMODITY EXCHANGE OF INDIA LIMITED

CIN: L51909MH2002PLC135594

Regd. Office: Exchange Square, CTS No. 255, Suren Road, Chakala, Andheri (East), Mumbai – 400093.

Tel.: 022 6731 8888 Fax: 022 6649 4151 website: www.mcxindia.com; Email id: info@mcxindia.com

POSTAL BALLOT FORM

Serial No.

1.

Name of sole/ first named member

:

(in block letters)
2.

Address of sole / first named member

:
3.

Registered Folio No./DP ID No /Client ID No.*

:

* Applicable to members holding shares in dematerialised form.
4.

No. of Shares held

:
5.

I/We hereby exercise my/our vote in respect of the Special resolutions to be passed through postal ballot for the business stated in the Postal Ballot Notice issued by the Company dated May 9, 2014 by conveying my/our assent or dissent to the said resolution by placing a tick (✓) mark at the appropriate box below:

Serial No.	Description	No. of Shares	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
1.	Special Resolution pursuant to Section 13 of the Companies Act, 2013 for deleting the words 'securities' and 'ready', and incorporating the words 'including related eco-systems' after the words 'all support services relating thereto', in the Main Objects i.e. Clause III (A) (1) of the Memorandum of Association of the Company, as per the directions given by the Forward Markets Commission			
2.	Special Resolution for alteration of the Articles of Association of the Company by insertion of a new Article 26A, Article 26B and Article 26C immediately after the existing Article 26, pursuant to Section 14 of the Companies Act, 2013 and subject to the approval of the Forward Markets Commission.			

Place :

Date :

(Signature of the Member)

CUT HERE

The Company is pleased to offer e-voting facility as an alternate for all the shareholders of the Company to enable them to cast their votes electronically instead of sending the postal ballot forms to the Scrutinizer. However, E-voting is optional.

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	User ID	Password / PIN

Last date for receipt of Postal Ballot form by the Scrutinizer is June 13, 2014 (before the close of working hours i.e. 6.30 p.m). Please note that any Postal Ballot form(s) received after that date will be treated as not having been received.
Note: Please read carefully the instructions printed overleaf before exercising the vote.

INSTRUCTIONS FOR VOTING THROUGH POSTAL BALLOT FORM

- i) A member desiring to exercise the vote by postal ballot should complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed envelope (bearing the address of the Scrutinizer appointed by the Board). Inland postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by any other mode like courier, Speed/ Registered post, etc. at the expense of the member, will also be accepted.
- ii) This Postal Ballot Form should be completed and signed by the member. In case of joint holding, this Postal Ballot Form should be completed and signed (as per the specimen signature registered with the Company in respect of shares held in Physical form or furnished by National Securities Depository Limited/Central Depository Services (India) Limited for shares held in dematerialized form) by the first named member and in his/her absence, by the next named member.
- iii) In case of shares held by companies, trusts, societies, etc. duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board resolution/authorization giving requisite authority to the person voting on the Postal Ballot Form. If this Postal Ballot Form is signed by a 'Power of Attorney' holder for and on behalf of the member, it must be accompanied by an attested true copy of such 'Power of Attorney'. Where the Postal Ballot Form has been signed by a representative of the President of India or of the Governor of a State, a certified copy of the nomination should accompany the Postal Ballot Form.
- iv) There will be only one Postal Ballot Form for every folio/Client ID irrespective of the number of joint members.
- v) The right of voting by postal ballot shall not be exercised by a proxy.
- vi) Unsigned/incomplete or incorrect Postal Ballot Form will be rejected.
- vii) A Member need not use all his/her votes nor cast all the votes in the same way.
- viii) **Duly completed and signed Postal Ballot Form should reach the Scrutinizer not later than 6:30 p.m. on June 13, 2014.** Postal Ballot Forms received after this date will be strictly treated as if the reply from the member has not been received. In case of e-voting, last date for exercising Postal Ballot is **June 13, 2014**.
- ix) A member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified at sr. no. viii above.
- x) Subject to any restrictions on the voting rights pursuant to the guidelines, directions, order, etc. of Forward Markets Commission, the voting rights shall be reckoned on the paid-up value of shares registered in the name of the member(s) on the cut-off date i.e. **May 9, 2014**.
- xi) The results of the postal ballot process will be declared at the Registered Office of the Company as specified in the Postal Ballot Notice. The results will thereafter be published in newspaper(s), for the information of members.
- xii) Please convey your assent (FOR) or dissent (AGAINST) in this Postal Ballot Form.
- xiii) The consent must be accorded by placing a tick mark (✓) in the appropriate column of the Postal Ballot Form. The assent or dissent received in any other manner shall not be considered valid.
- xiv) Members are requested to refer the Postal Ballot Notice for detailed instructions.
- xv) Member(s) are requested not to send any other paper along with the Postal Ballot Form, other than as required, in the enclosed Envelope as such Envelopes will be sent to the Scrutinizer and any extraneous paper found in such Envelope would be destroyed by the Scrutinizer. The Envelope bears the name of the Scrutinizer appointed by the Board.
- xvi) The Scrutinizer's decision on the validity of the Postal Ballot will be final.
- xvii) The Company has appointed Mr. Pravir Vohra, Director and Mr. Ajay Puri, Company Secretary, as the persons responsible for the entire postal ballot process.
- xviii) The vote of a member will be considered invalid on any of the following grounds:
 - a. if the member's signature does not tally, or if the Postal Ballot form is not signed as per the process mentioned above;
 - b. if the member has marked his/her/its vote both 'FOR' and also 'AGAINST' in the Postal Ballot Form in such a manner that the aggregate shares voted 'FOR' and 'AGAINST' exceeds total number of Shares held under serial no. 4 of the Postal Ballot Form; and
 - c. if the ballot paper is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the identity of the member or the number of votes or as to whether the votes are in favour or against or inability of the signature to be verified or on one or more of the above grounds.
 - d. Member(s) can opt for one mode of voting. If a member has opted for E-voting then he should not vote by Postal Ballot also and vice versa. However, members cast their vote both in physical and also by E-voting, then the voting through physical ballot shall prevail and voting done through E-voting shall be treated as invalid.
- xix) **Members are requested to register their email ids, with their Depository Participant in case the shares are held in demat mode or with the Registrar & Share Transfer Agents in case the shares are held in physical mode, to enable the Company to send the documents by electronic mode.**