## Compliance Report on Corporate Governance

**(As per Regulation 27(2) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("Listing Regulations")**

1. Name of Entity: **Multi Commodity Exchange Clearing Corporation Limited**
2. Quarter Ending: **December 31, 2019**

### I. Composition of Board of Directors

| Title (Mr. / Ms.) | Name of Director | DIN | Category (Chairperson/ executive/ Non-Executive/ Independent / Nominee) | Initial Date of Appointment | Date of Re-appointment | Date of Cessation | Tenure# (in years) | Date of Birth | No of Directorship in listed entities including this entity [in reference to Regulation 17A(1)] | No of Independent Directorship in listed entities including this entity [in reference to proviso to Regulation 17A(1)] | No. of Memberships in Audit/ Stakeholder Committee(s) including this entity (Refer Regulation 26(1) of Listing Regulations) | No. of Post of Chairperson in Audit/ Stakeholder Committee held in Listed entities including this Entity (Refer Regulation 26(1) of Listing Regulations) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Mr. | Ved Kumar Jain | 00485623 | Chairman – Non- Executive Director – Public Interest Director (PID) | 05-12-2017 | - | - | 3 | 15.12.1953 | 2 | 2 | 2 | 2 |
| Dr. | Brinda Jagirdar | 06979864 | Non- Executive Director – PID | 05-12-2017 | - | - | 3 | 01.03.1953 | 3 | 3 | 2 | 1 |
| Mr. | Nagesh Pinge | 00062900 | Non-Executive Director – PID | 05-12-2017 | - | - | 3 | 01.10.1958 | 3 | 3 | 2 | 2 |
| Mr. | Rajesh Doshi | 00059903 | Non- Executive Director – PID | 22-02-2018 | - | - | 3 | 02.02.1956 | 1 | 1 | 0 | 0 |
| Mr. | Chengalath Jayaram | 00012214 | Non-Executive Director | 15-06-2017 | 06-09-2019 | - | - | 18.04.1956 | 3 | 0 | 3 | 0 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | (Shareholder Director(SHD)) | | | | | | | | | |
| Mr. | Subbi Reddy Venkatrama Padala | 01064530 | Non-Executive Director (Shareholder Director(SHD)) | 31-07-2019 | - | - | - | 20.02.1963 | 2 | - | 1 | - |
| Mr. | Narendra Kumar Ahlawat | 07629724 | MD & CEO | 01-04-2018 | - | - | - | 17.11.1961 | 1 | - | - | - |
| Whether Regular Chairperson appointed: Yes | | | | | | | | | | | | |
| Whether Chairperson is related to MD & CEO: No | | | | | | | | | | | | |

*#PIDs are nominated for the term of 3 Years, extendable by another term of 3 years, subject to Performance review in the manner specified by SEBI.*

***Notes:***

*1. It may be noted that details of all the Directors of the Board as on December 31, 2019 are provided above.*

*2. The Public Interest Directors (PID) are essentially Independent Directors within the meaning of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018.*

*3. MCXCCL is not a listed Company. However it has been considered as a Listed Company for the purpose of preparing this report under Regulation 33 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018.*

*4. In accordance with Regulation 26 of Listing Regulations, both listed as well as unlisted Public Limited Companies have been considered for the purpose of calculating no. of memberships and chairmanships in Audit Committee and Stakeholders Relationship Committee.*

*5. While calculating memberships of a particular Director in the Committees, the Chairmanship of such Director is not included in the said Committee and shown separately in the column viz. 'No. of Post of Chairperson in Audit/ Stakeholder Committee held in Listed entities including this Entity (Refer Regulation 26(1) of Listing Regulations)'.*

## II. Composition of Committees

| Name of Committee | Whether Regular Chairperson appointed | Name of Committee Members | Category(Chairperson/ Executive/ Non-Executive/ Independent/ Nominee | Date of Appointment | Date of Cessation |
|---|---|---|---|---|---|
| Audit Committee | Yes | Mr. Nagesh Pinge | Chairman- PID- Non Executive | 15.01.2018 | - |
| | | Dr. Brinda Jagirdar | PID - Non - Executive | 15.01.2018 | - |
| | | Mr. Ved Kumar Jain | PID - Non - Executive | 15.01.2018 | - |
| | | Mr. P.S. Reddy | SHD - Non - Executive | 26.08.2019 | - |
| Nomination and Remuneration Committee | Yes | Dr. Brinda Jagirdar | Chairperson –PID-Non Executive | 15.01.2018 | - |
| | | Mr. Rajesh Doshi | PID- Non Executive | 06.02.2019 | - |
| | | Mr. Nagesh Pinge | PID- Non Executive | 15.01.2018 | - |
| Risk Management Committee | Yes | Mr. Ved Kumar Jain | Chairman –PID- Non Executive | 15.01.2018 | - |
| | | Mr. Nagesh Pinge | PID-Non Executive | 15.01.2018 | - |
| | | Mr. Udayan A. Maroo | Independent External Person | 15.01.2018 | - |
| | | Mr. P.S. Reddy | Special Invitee- SHD -Non Executive | 26.08.2019 | - |

*Notes:*

1. *While the Listing Regulations mandate constitution of Stakeholders Relationship Committee (SRC), as per the provisions of Companies Act, 2013 the minimum no. of shareholders required for constitution of SRC is 1000 (One Thousand). Hence, the SRC is not constituted by the Company.*
2. *It may be noted that there are committees other than the Committees mentioned above which are constituted by the Board of Directors of the Company including the Committees prescribed under the provisions of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018.*

## III. Meeting of Board of Directors

| Date(s) of Meeting (if any) in the previous Quarter | Date(s) of the Meeting in the Relevant Quarter | Whether the requirement of the Quorum met | No. of Directors Present (including Independent Director) | No. of Independent Directors Present | Maximum gap between any two Consecutive meetings in number of days |
|---|---|---|---|---|---|
| July 11, 2019 | - | - | - | - | - |
| July 16, 2019 | - | - | - | - | 4 |
| August 26, 2019 | - | - | - | - | 40 |
| September 06, 2019 | - | - | - | - | 10 |
| | October 15, 2019 | Yes | 6 | 4 | 38 |
| | October 25, 2019 | Yes | 6 | 4 | 9 |

## IV. Meetings of Committees

| Name of Committee | Date(s) of the Meeting of the Committee in the Relevant Quarter | Whether the requirement of the Quorum met (details) | Number of Directors Present | Number of Independent Directors Present | Date(s) of meeting of Committee in the Previous Quarter | Maximum gap between any two Consecutive meetings in number of days |
|---|---|---|---|---|---|---|
| Audit Committee | -<br>-<br>October 15, 2019 | -<br>-<br>Yes | -<br>-<br>4 | -<br>-<br>3 | July 11, 2019<br>July 16, 2019<br>- | -<br>4 days<br>90 days |
| Nomination & Remuneration Committee | -<br>-<br>-<br>-<br>- | -<br>-<br>-<br>-<br>- | -<br>-<br>-<br>-<br>- | -<br>-<br>-<br>-<br>- | July 16, 2019<br>August 14, 2019<br>August 16, 2019<br>September 06, 2019<br>September 16, 2019 | -<br>28 days<br>1 day<br>20 days<br>9 days |

| | | | | | | |
|---|---|---|---|---|---|---|
| | October 25, 2019 | Yes | 3 | 3 | | 38 days |
| Risk Management Committee | -<br>-<br>October 15, 2019 | -<br>-<br>Yes | -<br>-<br>2 | -<br>-<br>2 | July 11, 2019<br>August 26, 2019 | -<br>45 days<br>49 days |

*Notes:*

1. *This information has to be mandatorily provided for Audit Committee and for rest of the Committees giving this information is optional.*
2. *It may be noted that there are committees other than the above mentioned committees which are constituted by the Board of Directors of the Company including the Committees prescribed under the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018.*

## V. Related Party Transaction

| Subject | Compliance Status(Yes/No/NA) |
|---|---|
| Whether the Prior Approval of the Audit Committee obtained | Refer note |
| Whether Shareholder Approval Obtained for Material RPT | |
| Whether the details of RPT entered into pursuant to Omnibus Approval have been Reviewed by Audit Committee | |

***Note:***

*The Audit Committee in accordance with the Related Party Policy of the Company, has granted omnibus approval to certain transactions for the FY 2019-20. As per the Listing Regulations, 2015, transactions entered into between holding Company and its wholly owned subsidiary are exempt. Shareholders' approval is not required for the payment of Sitting fees as it is within the limit specified under the Companies Act, 2013. Further, Shareholders approval is obtained for remuneration and related payment to the KMPs. As per the practice, the Related Party Transactions are being reviewed by the Audit Committee on a quarterly basis.*



## VI. Affirmation

| | | |
|---|---|---|
| **1.** | The Composition of Board of Directors is in terms of SEBI (Listing Obligation and Disclosure requirements) Regulation, 2015 | Yes |
| **2.** | The Composition of following Committees is in terms of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015<br>a. Audit Committee<br>b. Nomination & Remuneration Committee<br>c. Stakeholder Relation Committee<br>d. Risk Management Committee | <br>Yes<br>Yes<br>Refer Note 1<br>Yes |
| **3.** | The Committee Members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing Obligation and Disclosure requirements) Regulation, 2015 | Yes |
| **4.** | The meeting of the Board of Directors and other Committees have been conducted in the manner as specified in SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 | Yes |
| **5.** | This report &/or the report submitted in the previous Quarter has been placed before Board of Directors. | Refer Note 2 |

***Notes:***

1. *While the Listing Regulations mandate constitution of Stakeholders Relationship Committee (SRC), as per the provisions of Companies Act, 2013 the minimum no. of shareholders required for constitution of SRC is 1000 (One Thousand). Hence, the SRC is not constituted by the Company.*

2. *The Compliance report on Corporate Governance for the Quarter ended September 30, 2019 was placed at the meeting of the Board of Directors held on October 15, 2019 and the Compliance report on Corporate Governance for the Quarter ended December 31, 2019 will be placed before the Board of Directors at its Board Meeting scheduled on January 30, 2020.*

**For Multi Commodity Exchange Clearing Corporation Limited**

| | | |
|---|---|---|
| **Mandar Kulkarni** | **Rajesh Agrawal** | **Narendra Kumar Ahlawat** |
| **Company Secretary** | **Chief Financial Officer** | **MD & CEO** |