

March 1, 2019

Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549
U.S.A.

Attn: Ted Yu, Esq., Chief, Office of Mergers and Acquisitions
Christina E. Chalk, Esq., Senior Special Counsel, Office of Mergers and Acquisitions
David Plattner, Special Counsel, Office of Mergers and Acquisitions

Dear Mr. Yu, Ms. Chalk, Mr. Plattner:

Re: Issuer Tender Offer for Shares of Indian Energy Exchange Limited

We are writing on behalf of Indian Energy Exchange Limited, a public limited company incorporated under the laws of India (the “**Company**”), to request that the staff of the Division of Corporation Finance (the “**Staff**”) of the Securities and Exchange Commission (the “**Commission**”) grant exemptive relief with respect to Rule 14e-1(a) (“**Rule 14e-1(a)**”) under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”). The exemptive relief requested will permit the Company’s proposed issuer partial tender offer for cash (the “**Issuer Tender Offer**”) to remain open for a fixed period of 10 working days¹ in compliance with the applicable laws of India, including the Companies Act, 2013, as amended and Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the “**Buy-Back Regulations**”), that unfortunately conflict with Rule 14e-1(a).

The Issuer Tender Offer concerns the proposed repurchase by the Company of a small portion (1.23%) of the total number of equity shares in the paid-up share capital of the Company (the “**Shares**”). The Issuer Tender Offer will not result in a change of control or lead to other corporate transformation of the Company. The Company has appointed IIFL Holdings Limited as the manager for the Issuer Tender Offer (the “**Manager**”) in accordance with the Buy-Back Regulations. The Company is being advised by Cyril Amarchand Mangaldas concerning Indian legal matters for the Issuer Tender Offer and Squire Patton Boggs (U.S.) LLP concerning U.S. legal matters for the Issuer Tender Offer.

In accordance with the Buy-Back Regulations and applicable Indian laws, the Company respectfully submits that all holders of the Shares, including those in the U.S., have been, and will be, provided with information of the Issuer Tender Offer in advance of the 10 working day period during which the offer

¹ Any reference herein to “working days” means a working day of SEBI and reference to “business days” has the meaning set forth in Exchange Act Rule 14d-1(g)(3).

will be open pursuant to the Buy-Back Regulations. On December 20, 2018, the Company's board of directors' approved the Issuer Tender Offer by its resolution dated December 20, 2018 and sought approval of the shareholders (by way of "postal ballot") to approve the Issuer Tender Offer. On December 26, 2018, the Company disseminated the "postal ballot notice" dated December 20, 2018 concerning the Issuer Tender Offer (the "**Postal Ballot Notice**") to all holders of the Shares, including holders of the Shares in the U.S., to seek the requisite shareholder approval of the Issuer Tender Offer. The Postal Ballot Notice contained the proposed resolution to be passed by the shareholders of the Company to approve the Issuer Tender Offer, and an explanatory statement noting, among other things, the objective of the Issuer Tender Offer, the maximum number of Shares that the Company proposes to buyback, and the maximum price at which such Shares are proposed to be bought back by the Company. The following matters have been made publicly available on the websites of the Company and the National Stock Exchange of India Limited and the BSE Limited (collectively the "**Indian Stock Exchanges**"): (i) the outcome of the board meeting dated December 20, 2018; (ii) the Postal Ballot Notice issued to the shareholders of the Company (including the holders of the Shares in the U.S.) on December 26, 2018, containing *inter alia* the shareholders' resolution; and (iii) the Company's public announcement of the Issuer Tender Offer issued on February 4, 2019 (the "**Public Announcement**"). The outcome of board meeting and the Postal Ballot Notice (along with the shareholders' resolution) each stated that the Issuer Tender Offer will be for up to 3,729,729 Shares at a maximum price of Rs. 185 per Share, as approved by the board of directors of the Company. Further, the Public Announcement has also been made publicly available on the website of the Securities and Exchange Board of India ("**SEBI**") and the draft letter of offer submitted to SEBI on February 11, 2019 (the "**Draft Letter of Offer**") is also available on the website of SEBI.

In terms of the Buy-Back Regulations, the letter of offer (along with the tender form) for the Issuer Tender Offer (the "**Letter of Offer**") shall be dispatched to all holders of the Shares by expedited commercial courier service (with delivery expected within 48 – 72 hours) / registered post and email within five working days from the date of receipt of final comments from SEBI on Draft Letter of Offer. As per the estimated timeline, the dispatch of the Letter of Offer is expected to occur on or about March 13, 2019, subject to receipt of approval from SEBI. The Company confirms that the Issuer Tender Offer will open on the fifth working day from the date of such dispatch of the Letter of Offer to the holders of the Shares. The opening of the Issuer Tender Offer is expected to occur on or about March 20, 2019. The closure of the Issuer Tender Offer is expected to occur on or about April 3, 2019. Accordingly, between the date of approval by the shareholders and closure of the Issuer Tender Offer, approximately 40 working days, 42 business days and 61 calendar days will lapse.

I. Background

- a) Headquartered in New Delhi, the Company is an exchange for trading of a range of electricity products in India. Electricity products traded over the electronic trading platform of the Company comprise (i) electricity contracts in blocks of 15 minutes in the day-ahead-market, (ii) electricity contracts for fixed terms, such as intra-day contracts, daily contracts, day ahead contingency contracts and contracts up to 11 days ahead, known as the term-ahead-market, (iii) renewable energy certificates, and (iv) Energy saving certificates. The Company is one of two exchanges in India that offers an electronic platform for the trading of electricity products and have a substantial majority market share among the power exchanges in India.
- b) The Shares are listed and traded in India on the Indian Stock Exchanges. The Company is a "foreign private issuer" as defined in Rule 3b-4(c) under the Exchange Act and is not subject to the reporting requirements of the Exchange Act.
- c) Prior to making investments in India, every foreign portfolio institutional investor is required to register itself with SEBI and obtain a SEBI registration number. The application form prescribed

by SEBI for registration of foreign portfolio institutional investors requires it to specify its country of residence or incorporation, establishment or registration. The Company submits that the SEBI registration number includes a code indicating the foreign portfolio institutional investor's country of residence or incorporation, establishment or registration, which is publicly available and is recorded with the name of the foreign portfolio institutional investor in the shareholder records maintained by Indian depositories. Under Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is required to submit a breakdown of its holders of Shares by category, including the percentage of Shares held by foreign portfolio institutional investors, to the Indian Stock Exchanges on a quarterly basis. This information is publicly disclosed on the website of the Company and on the websites of the Indian Stock Exchanges and is compiled by the Company's registrar and transfer agent, Karvy Fintech Private Limited (formerly, Karvy Computershare Private Limited) ("**Karvy**") on the basis of beneficial shareholding positions provided by the Indian depositories.

- d) As of December 31, 2018, U.S. holders did not hold more than 40% of the Shares that are the subject of the Issuer Tender Offer, as determined pursuant to Instruction 2 to Exchange Act Rule 14d-1(d). According to the Company's shareholders list dated as of December 31, 2018 (the "**Shareholders List**"), the Company had 303,286,240 Shares outstanding ("**Share Capital**"). The Company has no controlling shareholders.
- e) The Company has calculated the level of U.S. ownership of the Company in accordance with Instruction 2 to Exchange Act Rule 14d-1(d). To ascertain the holders of Shares resident in the U.S. as provided under Exchange Act Rule 12g3-2(a) and Exchange Act Rule 12g5-1, the Company has made inquiries (as explained below) of Karvy and the Indian depositories to "look through" the shareholding of custodians, brokers and other nominees located in the U.S., India and other jurisdictions to ascertain the amount of Shares held by beneficial holders of Shares resident in the U.S. The Shareholders List disclosed a number of individual shareholders who were residents outside India; however, the exact country of residence of these shareholders was not ascertainable. Hence, the Company has assumed such holders to be U.S. holders. Such individual shareholders held 802,399 Shares amounting to approximately 0.26% of the Share Capital. Karvy has also provided the Company and the Manager with details of the beneficial shareholders, including the number of Shares held by beneficial shareholders resident in India and the identities and number of Shares held by each of the beneficial shareholders designated as foreign institutional investors. The Company and the Manager have reviewed the country of residence indicated in the relevant foreign institutional investor's registration number / other details to the extent ascertainable to determine that, as of December 31, 2018, U.S. institutional investors held 32,850,483 Shares amounting to 10.83% of the Share Capital while non-U.S. institutional investors (including shares held through indirect foreign shareholders) held 118,016,591 Shares amounting to 38.91% of the Share Capital. Aggregating the shareholding percentages of U.S. individual and institutional shareholders (based on the ownership analysis and on the assumption regarding ownership as described above), the Company estimates that the ownership of Shares by U.S. residents as of December 31, 2018 was an aggregate of 33,652,882 Shares amounting to 11.10% of the Share Capital. The 33,652,882 Shares held by U.S. residents include the 32,850,483 Shares held by U.S. institutional investors.
- f) The Company is also a foreign private issuer, as defined in the Exchange Act Rule 3b-4, and meets all other conditions of Exchange Act Rule 14d-1(d)(1). In addition, the Company will comply with all applicable U.S. tender laws other than those for which an exemption has been provided. Accordingly, the Company is proceeding on the basis that the Issuer Tender Offer is eligible for the "Tier II" exemption under Exchange Act Rule 14d-1(d).

II. Discussion

- a) As the Staff knows, Rule 14e-1(a) provides that a tender offer must remain open for a minimum of 20 business days. By contrast, Regulation 9(vi) of the Buy-Back Regulations requires that an issuer tender offer shall remain open for a fixed period of 10 working days. Moreover, Regulation 9(vi) of the Buy-Back Regulations does not allow any reduction or increase of the fixed 10 working days period.
- b) If exemptive relief is granted under Rule 14e-1(a), the Issuer Tender Offer will comply with all Exchange Act requirements applicable to a tender offer eligible (other than those for which an exemption has been provided) under the Tier II exemption. In 2012, SEBI reduced the period for which an issuer tender offer must be held open from 15 – 30 days to a fixed period of 10 working days.² Now, under Regulation 9(vi) of the Buy-Back Regulations, the Issuer Tender Offer must remain open for public shareholders to accept and tender for a fixed period of 10 working days (“**Tendering Period**”) which cannot be reduced or increased.
- c) SEBI has, in the past, declined applications from issuers seeking to extend the period of a tender offer beyond the 10 working days period prescribed under the Buy-Back Regulations.
- d) The Staff has previously issued exemptive relief relating to Rule 14e-1(a) in the case of Indian tender offers. Other instances include: *Just Dial Limited* (available November 30, 2018), *Redington (India) Limited* (available October 16, 2018), *HCL Technologies Limited* (available September 4, 2018), *Mphasis Limited* (available April 7, 2017), *Sun Pharmaceutical Industries Limited* (available July 19, 2016), *Marble II Pte. Ltd* (available June 28, 2016), *Patni Computer Systems Limited* (available February 9, 2011) and *Satyam Computer Services Limited* (available April 28, 2009).
- e) Further, in accordance with Section 68(5) of the Companies Act, 2013 read with Regulation 9(viii) of the Buy-Back Regulations and Regulation 4(2)(c)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended, the Issuer Tender Offer has to be made to all shareholders of the Company (as of the record date notified by the Company) and has to be made on equal terms.
- f) In view of paragraph (e) above, U.S. holders of the Shares cannot be excluded from the Issuer Tender Offer or be offered different terms from those offered to non-U.S. holders, including with respect to the fixed period of 10 working days for which the Issuer Tender Offer must be open under the Buy-Back Regulations.
- g) As the Company is required to provide all holders of Shares with the opportunity to participate in the Issuer Tender Offer on equal terms, the Company intends to structure the Issuer Tender Offer as a single worldwide tender offer, including the United States. On December 20, 2018, the Company’s board of directors approved the Issuer Tender Offer for cash of up to Rs. 690 million with a maximum price of Rs. 185 per Share, a 18.10% and 17.91% premium to the closing price of the Shares on the BSE Limited and the National Stock Exchange of India Limited, respectively on the date of the intimation to BSE Limited and the National Stock Exchange of India Limited for the board meeting to consider the proposal of the Issuer Tender Offer. The Company has fixed the Issuer Tender Offer for 1.23% of the total equity Shares at a maximum price of Rs. 185 per

² The amendment was pursuant to the Securities and Exchange Board of India (Buy-back of Securities) (Amendment) Regulations, 2012 which came into effect in February 7, 2012.

Share, which the Company undertakes not to change (whether as to price or percentage of Shares sought) from what will be set out in Letter of Offer.

- h) On December 26, 2018, the Company disseminated the Postal Ballot Notice to all holders of Shares seeking approval of the shareholders', including holders of Shares in the U.S., to seek the requisite shareholder approval of the Issuer Tender Offer. The Postal Ballot Notice contained, amongst other things, information relating to the purposes of the Issuer Tender Offer, the main terms of the Issuer Tender Offer (including the maximum price per Share, the maximum number of Shares sought and summary procedural information), the source and amount of funds for the Issuer Tender Offer, and Share ownership information, which is similar to the information that would otherwise be provided to U.S. shareholders in connection with a tender offer pursuant to Exchange Act Rule 13e-4. The Postal Ballot Notice was provided by e-mail to holders of Shares who had previously elected to receive such materials electronically and accordingly registered their e-mail ID with the Indian depositories, and a physical copy of the Postal Ballot Notice was sent by expedited commercial courier service, to the remaining holders of Shares. All information materials physically sent to holders of Shares on behalf of the Company request holders of Shares to update their details with the Indian depositories in order to receive future communications from the Company electronically. The declaration of results of postal ballot voting in relation to the shareholders' approval was made on January 31, 2019.
- i) As required under Regulation 9(v) of the Buy-Back Regulations, the Issuer Tender Offer must be opened within five working days from the date of dispatch of the Letter of Offer. As required under the Buy-Back Regulations, the Company has made the Public Announcement after receipt of approval of the shareholders. In the Public Announcement, the Company has disclosed the price per Share of the Issuer Tender Offer of Rs. 185 per Share and the maximum number of Shares sought in the Issuer Tender Offer (being, up to 3,729,729 Shares). As required, the Public Announcement was published in one English national daily newspaper and a regional language (Hindi) daily newspaper, each with wide circulation in New Delhi (where the registered office of the Company is located). The Public Announcement is also available on the websites of the Company, SEBI and the Indian Stock Exchanges. In addition, the Issuer Tender Offer has been the subject of coverage by various news agencies, including Reuters and Bloomberg. On the date of completion of the dispatch of the Letter of Offer to holders of Shares, the Company undertakes to publish a notice on the website of the *Wall Street Journal* disclosing the identity of the Company, the final price per Share of the Issuer Tender Offer, the maximum number of Shares sought in the Issuer Tender Offer, the 10 working days during which the offer will be open, that the Letter of Offer has been sent to holders of Shares by expedited commercial courier service / registered post and email and that the Letter of Offer will be available on the website of SEBI at www.sebi.gov.in. In accordance with the Buy-Back Regulations, once the Draft Letter of Offer has been filed with SEBI as referenced above, the Buy-Back cannot be withdrawn by the Company.
- j) The Company has set February 15, 2019 as the record date for the Issuer Tender Offer and the notice of such record date has been disseminated to the Indian Stock Exchanges and disclosed in the Public Announcement of the Issuer Tender Offer dated February 4, 2019. In addition, the Company submitted the Draft Letter of Offer for SEBI's review on February 11, 2019. In accordance with Regulation 8(ii) of the Buy Back Regulations, SEBI may provide its comments on the Draft Letter of Offer no later than seven working days from the date of submission of the Draft Letter of Offer, which time period may be extended should SEBI seek any clarifications or additional information. After SEBI's review has been completed, the Company will be bound by strict timelines to carry out the Issuer Tender Offer pursuant to the Buy-Back Regulations.

- k) After SEBI's review of the Draft Letter of Offer has been completed, the Company will provide the Letter of Offer to all holders of Shares (either in electronic or physical form, as elected by the holders of Shares) at the address registered with the Indian depositories, including holders of Shares in the U.S. by dispatching it within five working days from the date of receipt of communication of final comments from SEBI. As with the Postal Ballot Notice provided to the holders of Shares of the Company seeking approval of the Issuer Tender Offer, the Letter of Offer will be provided by e-mail to all holders of Shares, including through custodians in India, where applicable, who have elected to electronically receive shareholder materials from the Company, otherwise a physical copy of the Letter of Offer will be sent to holders of Shares by expedited commercial courier service / registered post and email. We understand that U.S. shareholders have elected to receive shareholder materials electronically at the e-mail addresses of their respective custodians located in India or at their respective email IDs registered with Indian depositories. A physical copy of the Letter of Offer will be sent to the remaining U.S. shareholders whose email IDs not registered with Indian depositories by expedited commercial courier service, to addresses which are registered with the Company for purposes of all communications relating to such shareholders' share ownership. The custodians operating in India would typically use electronic means of communication, such as e-mail, to promptly forward such shareholder material to beneficial holders of Shares in the U.S. Based on data from depositories, as of December 31, 2018, 59,303 holders of Shares, of which 217 U.S. holders of Shares, are entitled receive shareholder materials electronically from the Company by email. For the remaining 17,007 holders of Shares which includes 14 U.S. holders of Shares, physical copies of shareholder materials have been sent by expedited commercial courier service.
- l) As required under Regulation 9(v) of the Buy-Back Regulations, the Issuer Tender Offer must be opened within five working days from the date of dispatch of the Letter of Offer. The Company confirms that the Issuer Tender Offer will open on the fifth working day from the date of dispatch of the Letter of Offer to the holders of the Shares. Accordingly, between the dispatch of the Letter of Offer to the shareholders and closure of the Issuer Tender Offer, it is expected that approximately 15 working days (both dates inclusive) and approximately 14 business days (or approximately 20 calendar days) will lapse. Further, between the date of shareholders' approval and closure of the Issuer Tender Offer, approximately 40 working days, 42 business days and 61 calendar days will lapse.
- m) The board of directors of the Company approved the Issuer Tender Offer on December 20, 2018. The shareholders of the Company have approved the Issuer Tender Offer through the Postal Ballot Notice, the results of which were declared on January 31, 2019. The Letter of Offer will include a statement that the Company expresses no opinion as to whether shareholders should participate in the Issuer Tender Offer and, accordingly, that shareholders are advised to consult their own advisors to consider participation in the Issuer Tender Offer.
- n) All purchases pursuant to the Issuer Tender Offer will be paid for in Indian Rupees, including holders of Shares who are resident outside India. Payment of consideration will be made by the Company as soon as possible, but in any event must be made within seven working days of the closure of the Issuer Tender Offer as required by the Buy-Back Regulations. The Company will make payments for accepted bids within the time frame prescribed under the Buy-Back Regulations. The Company is proceeding on the understanding that, pursuant to the exemption granted by Exchange Act Rule 14d-1(d)(2)(iv), payment within this time period will satisfy the "prompt payment" requirements of Exchange Act Rule 14e-1(c). As the Company undertakes not to change the offer price per Share or to increase or decrease the percentage of the Shares being sought from what will be set out in the Letter of Offer, the Company is not seeking exemptive relief from Exchange Act Rule 14e-1(b).

III. Conclusion

Issuer tender offers in India, including the Company's proposed Issuer Tender Offer, are subject to the Indian regulatory regime as prescribed under the Companies Act, 2013, and the rules made thereunder, and the Buy-Back Regulations as well as shareholders' approval. Due to the conflict between Rule 14e-1(a) and mandatory Indian law requirements, in the absence of exemptive relief the Issuer Tender Offer cannot be implemented without violating either the U.S. or Indian regulatory regimes. The Company, accordingly respectfully request exemptive relief from Rule 14e-1(a) to permit the Company to hold the Issuer Tender Offer open for a period of 10 working days in accordance with applicable Indian laws and regulations. The exemptive relief requested will enable the Company to avoid issues arising out of inconsistencies between Rule 14e-1(a) and Indian legal requirements with respect to the Issuer Tender Offer.

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If you have any questions or require any additional information, please contact the undersigned or Biswajit Chatterjee at +65 6922 8664 of Squire Patton Boggs (US) LLP.

Sincerely,



Aaron A. Seamon

Partner, Squire Patton Boggs (US) LLP

cc: Vineet Harlalka
CFO and Company Secretary
Indian Energy Exchange Limited

Biswajit Chatterjee
Partner, Squire Patton Boggs Singapore LLP

Gokul Rajan
Partner, Cyril Amarchand Mangaldas



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Ref No.: DL/497

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Christina E. Chalk, Esq., Senior Special Counsel, Office of Mergers and Acquisitions
David Plattner, Special Counsel, Office of Mergers and Acquisitions

Re: Issuer Tender Offer for Shares of Indian Energy Exchange Limited

Ladies and Gentlemen:

We refer to the letter, dated March 1, 2019 (the "**Letter**"), sent to the U.S. Securities and Exchange Commission (the "**SEC**") by Indian Energy Exchange Limited, a public limited company incorporated under the laws of India (the "**Company**") with respect to the proposed issuer partial tender offer for cash (the "**Issuer Tender Offer**"). In the Letter, the Company has requested that the staff of the Division of Corporation Finance of the SEC (the "**Staff**") grant exemptive relief to the Company from certain rules under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), that may be applicable to the Company at the time of undertaking the Issuer Tender Offer.

We are acting as advisers to the Company concerning Indian legal matters in connection with the Issuer Tender Offer. We understand that in connection with the Letter, the SEC has requested a letter confirming certain statements relating to Indian law, regulation and practice as set out in the Letter. A copy of the Letter is attached hereto.

We have reviewed the statements relating to Indian laws, regulations and practice as set out in the Letter (the "**Indian Statements**") and confirm that, in our opinion, the Indian Statements are fair and accurate summaries of such laws, regulation and practice, and in our opinion, complete for the purposes of this Letter.

We note the following:

- (a) The Indian Statements consist of summaries of relevant matters of Indian law and regulation, or as the case maybe, Indian practice and should not be construed as a comprehensive description of all law, rules, regulations and practice.
- (b) Except as set out below, this letter may not be reproduced, referred to, or quoted in any offering materials, disclosure materials or printed matter related to the Issuer Tender Offer.
- (c) We consent to this letter being attached to the Letter.

cyril amarchand mangaldas

advocates & solicitors

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cyril amarchand mangaldas

- (d) In rendering this letter, we have reviewed such laws of the Republic of India as we considered relevant and necessary, and we have not made any investigation of, and do not express any opinion on, the laws of any jurisdiction other than the laws of the Republic of India as applicable on the date of this letter.

Yours faithfully,

For Cyril Amarchand Mangaldas


Partner