



**Dated: April 26, 2018**

**The Manager  
BSE Limited  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001**

**The Manager  
National Stock Exchange of India Ltd  
Listing Department  
Exchange Plaza, 5<sup>th</sup> Floor, Plot no C/1  
G Block, Bandra Kurla Complex  
Bandra (E), Mumbai-400 051**

**Scrip Code: BSE- 540750; NSE- IEX**

**Subject: Investors Presentation & Press Release for Financial Results of Quarter/Year Ended March 31, 2018**

Dear Sir / Madam,

With reference to above captioned subject, please find attached Investors Presentation & Press Release for the quarter/year ended March 31, 2018.

You are requested to take the above information on record.

Thanking You

Yours faithfully,

For Indian Energy Exchange Limited

  
**Vineet Harlalka  
Company Secretary & Compliance Officer**





**Earnings Release \_Quarter IV  
Ended March 31<sup>st</sup> , 2018**

Certain statements in this presentation describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations.

Although our expectations are based on reasonable assumptions, these forward-looking statements may be influenced by numerous risks and uncertainties that could cause actual outcomes and results to be materially different from those expressed or implied. The Company takes no responsibility for any consequence of decisions made based on such statements and holds no obligation to update these in the future.

The past financial figures have been regrouped or reclassified as per the current grouping, where ever necessary.



**India's First & Largest Power Exchange.**



**Dominant market share of 97% of traded volumes in electricity segment**



**Efficient price discovery through transparent and automated online platform.**



**Diverse participants base of more than 6000 registered participants.**



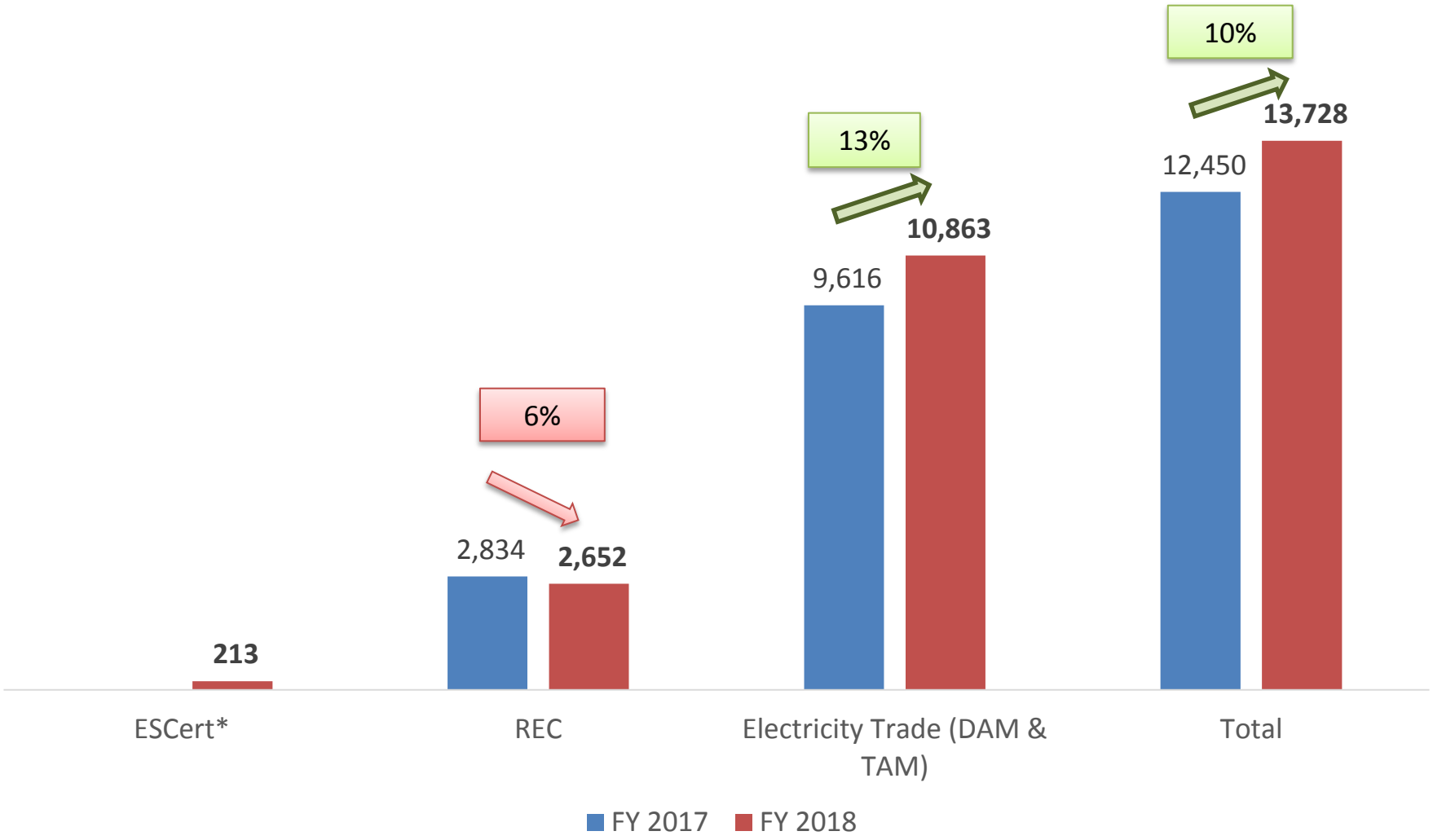
**Business model based on highly scalable and proven technology.**

- ❖ Total Sales Volume increased by : 26% YoY
  - Electricity Trade (DAM & TAM) : 14% YoY
  - REC & Energy Saving Certificate : 130% YoY
- ❖ Average Market clearing price was Rs 3.26/ unit, about 35% YoY increase
- ❖ IEX is the only exchange in India for ESCert trading. Trading commenced on 26th September, 2017 and 13 lacs certificates traded in FY 17-18.
- ❖ Highest ever non solar REC trade in a session of 32.39 lacs was achieved in Dec 2017.
- ❖ 14 no. of renewable generators having installed capacity of 525 MW are registered with IEX for renewable electricity trading through DAM.
- ❖ Total registered participants are 6000+ with an increase of about 8% on YoY basis.
- ❖ During the year, congestion free market for more than 90% of the time. IEX lost only **0.43% of the volume because of congestion.**

- ❖ IEX and Japan Electric Power Exchange (JEPX) signed MoU to jointly explore opportunities of cooperation in electricity market.
- ❖ Total Revenue increased by 10% YoY , from Rs. 23,288 lacs to Rs 25,607 lacs and total operating expenses decreased by 17%, from Rs. 5,519 lacs to Rs 4,558 lacs
- ❖ EBITDA margin increased from 76% to 82%
- ❖ Profit after Tax (PAT) increased by 16% from Rs. 11,358 lacs to Rs. 13,168 lacs
- ❖ Profit from core business i.e. trading activities increased by 25% (excluding the treasury income)

- ❖ Total generation in the country has increased by 5.32% (1,302 BU from 1,236 BU) from Fiscal 17 to Fiscal 18.
- ❖ Conventional generation witnessed a growth rate of 4.03% (1,201 BU from 1,155 BU) while RE generation witnessed a growth rate of over 23% (~100 BU from 82 BU).
- ❖ **Short term Market** grew **by 5.5% (116 BU from 110 BU)** from April to February corresponding to the same period of last year.
- ❖ Within the short term market, the Banking transactions have gone **down by 26%**, Bilateral transactions through **traders have increased by 14.5%** and exchange transactions have **increased by 13.6%** from April to February corresponding to the same period of last year.

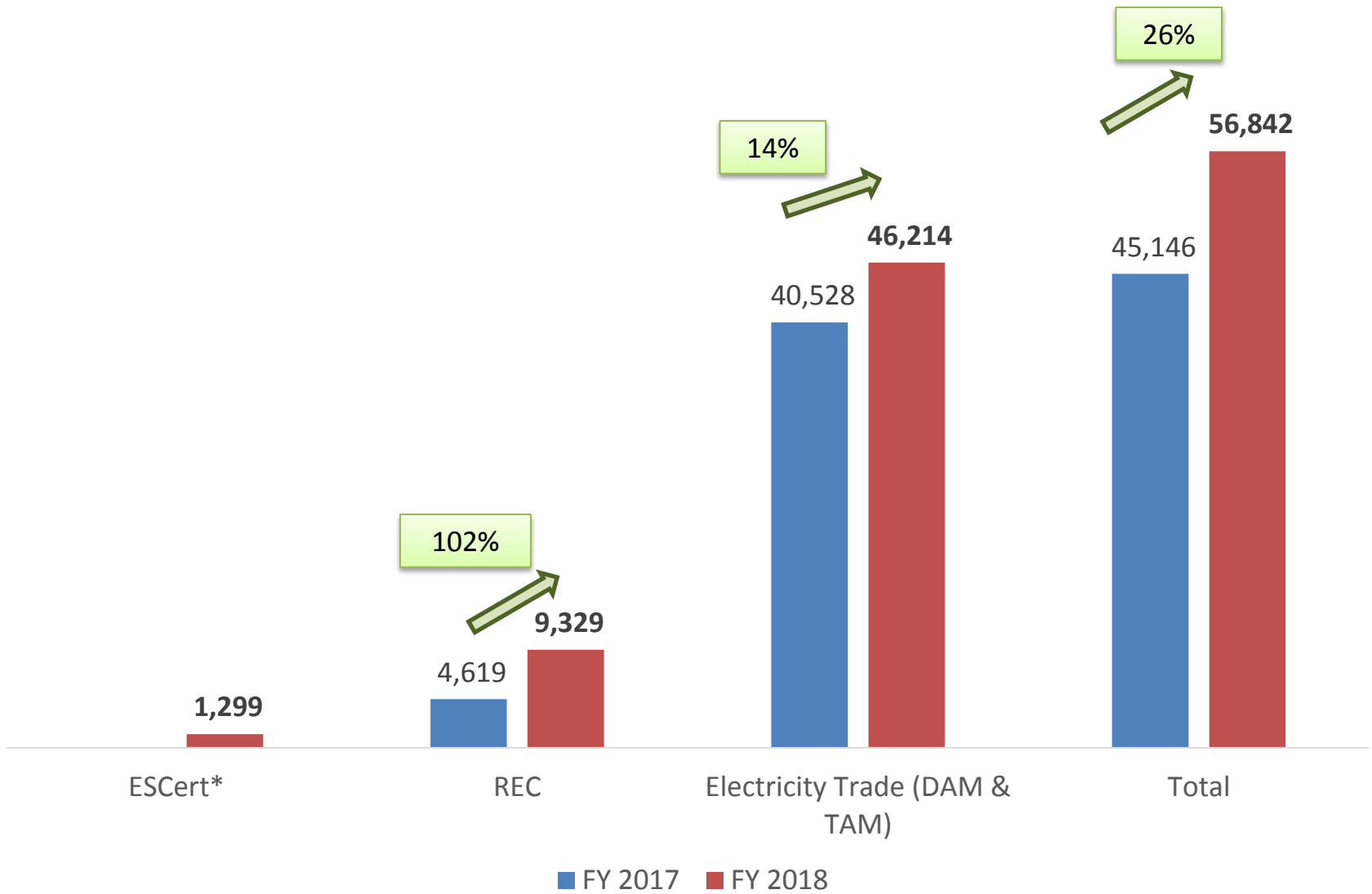
# Robust Volume Growth \_ Quarter IV (All figures are in Million Units)



Note – \* Energy Saving Certificates (Escerts) trading started from September 2017 on IEX

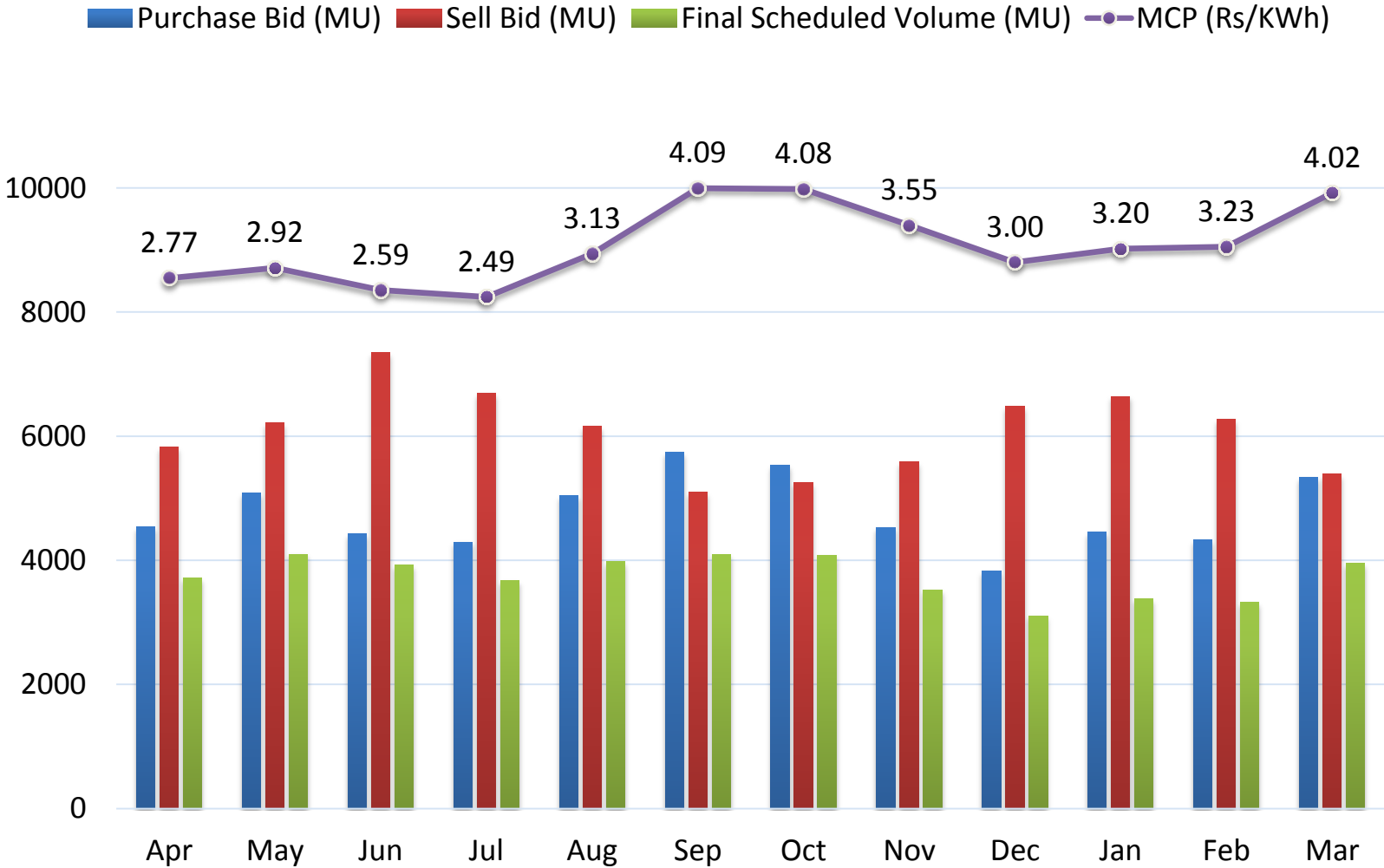


# Robust Volume Growth \_ Financial Year (All figures are in Million Units)



Note – \* Energy Saving Certificates (Escerts) trading started from September 2017 on IEX

# Day Ahead Market Trend



# Financial Highlights \_ Quarter IV

(Rs. In Lacs)

Particulars	Q4FY17	Q4FY18	QoQ
<b>Total Revenue</b>	5,868	6,286	7%
<b>Operating Expenses</b>	1,582	1,165	(26)%
<b>EBITDA</b>	4,286	5,121	19%
<b>EBITDA Margin (%)</b>	73%	81%	843bps
<b>PBT</b>	4,183	4,823	15%
<b>Tax</b>	1,479	1,679	14%
<b>PAT</b>	2,704	3,144	16%
<b>Cash Profit</b>	2,790	3,437	23%
<b>EPS</b>			
<i>- Basic (Rs.)</i>	9.5	10.4	10%
<i>- Diluted (Rs.)</i>	9.0	10.4	16%

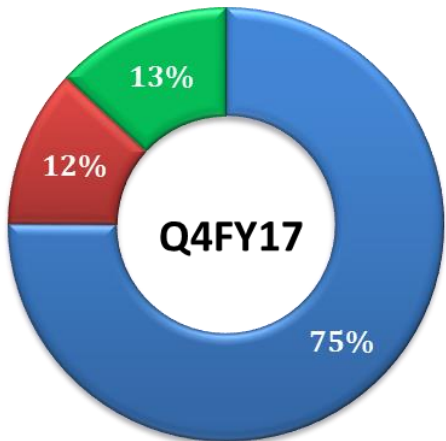
# Financial Highlights \_ Financial Year

(Rs. In Lacs)

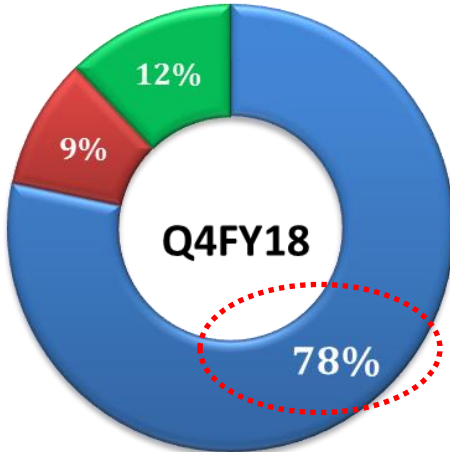
Particulars	FY17	FY18	YoY
Total Revenue	23,288	25,607	10%
Operating Expenses	5,519	4,558	(17)%
EBITDA	17,769	21,049	18%
EBITDA Margin (%)	76%	82%	590 bps
PBT	17,385	19,999	15%
Tax	6,027	6,831	13%
PAT	11,358	13,168	16%
Cash Profit	11,700	14,195	21%
EPS			
- Basic (Rs.)	39.1	44.6	14%
- Diluted (Rs.)	37.7	44.1	17%

# Revenue Breakup analysis

## Quarterly

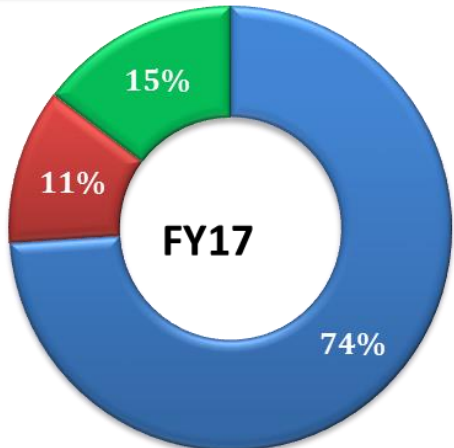


■ Transaction Fees ■ Admission & Annual Fees ■ Other Income

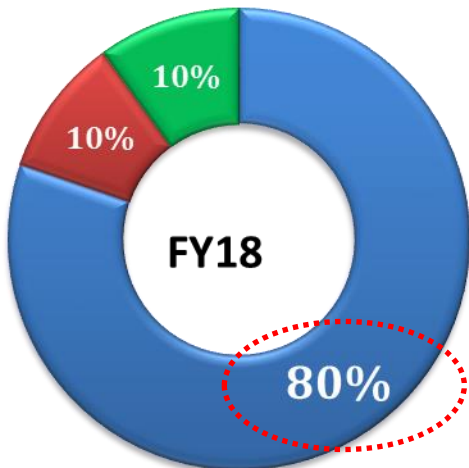


■ Transaction Fees ■ Admission & Annual Fees ■ Other Income

## Financial Year



■ Transaction Fees ■ Admission & Annual Fees ■ Other Income



■ Transaction Fees ■ Admission & Annual Fees ■ Other Income

Improved Transaction income

# Detailed Financial – Quarterly IV

*Rs. in lacs*

Particulars (Rs. In Lacs)	Quarter Ended		
	March'18	March'17	% Change
<b><u>Revenue</u></b>			
Transaction Fees	4,921	4,406	12
Admission Fees & Annual Fees	597	693	(14)
Other Income	768	769	0
<b>Total revenue</b>	<b>6,286</b>	<b>5,868</b>	<b>7</b>
<b><u>Expenses</u></b>			
Employee benefits	615	373	65
Technology expenses	59	604	(90)
Other expenses	281	479	(41)
CSR Expenses	210	126	67
Finance costs	5	17	(71)
Depreciation & amortization	293	86	241
<b>Total expenses</b>	<b>1,463</b>	<b>1,685</b>	<b>(13)</b>
<b>Profit before tax (PBT)</b>	<b>4,823</b>	<b>4,183</b>	<b>15</b>
<b>Total Income Tax Expense</b>	<b>1,679</b>	<b>1,479</b>	<b>14</b>
<b>Profit After Tax (PAT)</b>	<b>3,144</b>	<b>2,704</b>	<b>16</b>

# Detailed Financials - Financial Year

*Rs. in lacs*

Particulars (Rs. In Lacs)	Financial Year		
	FY- 17-18	FY- 16-17	% Chng.
<b><u>Revenue</u></b>			
Transaction Fees	20,559	17,222	19
Admission Fees & Annual Fees	2,486	2,643	(6)
Other Income	2,562	3,423	(25)
<b>Total revenue</b>	<b>25,607</b>	<b>23,288</b>	<b>10</b>
<b><u>Expenses</u></b>			
Employee benefits	2,408	1,548	56
Technology expenses	511	2,342	(78)
Other expenses	1,334	1,422	(6)
CSR Expenses	305	207	47
Finance costs	23	42	(45)
Depreciation & amortization	1,027	342	200
<b>Total expenses</b>	<b>5,608</b>	<b>5,903</b>	<b>(5)</b>
<b>Profit before tax (PBT)</b>	<b>19,999</b>	<b>17,385</b>	<b>15</b>
Total Income Tax Expense	6,831	6,027	13
<b>Profit After Tax (PAT)</b>	<b>13,168</b>	<b>11,358</b>	<b>16</b>



## IEX FINANCIAL RESULTS FOR QUARTER & FINANCIAL YEAR ENDED MARCH 31, 2018

New Delhi, 26 April 2018 :

The Indian Energy Exchange Limited is pleased to announce the audited financial results of the company for the quarter & financial year ended March 31, 2018.

(Amount in lacs)

Particulars	Q4FY17	Q4FY18	YoY	FY17	FY18	YoY
<b>Sales Volume (MU)</b>	12,450	13,729	10%	45,146	56,842	26%
<b>Total Revenue</b>	5,868	6,286	7%	23,288	25,607	10%
<b>Operating Expenses</b>	1,582	1,165	(26)%	5,519	4,558	(17)%
<b>EBITDA</b>	4,286	5,121	19%	17,769	21,049	18%
<b>EBITDA Margin (%)</b>	73%	81%	843bps	76%	82%	590 bps
<b>PAT</b>	2,704	3,144	16%	11,358	13,168	16%

The quarterly and yearly highlights of the performance of the Company and the Power Sector are as summarized below:

### PERFORMANCE HIGHLIGHTS: Q4'18 vs. Q4 '17

- Total volume increased by 10%.
- PAT increased by 16% from Rs. 2704 lacs to Rs. 3144 lacs.
- Total revenue increased by 7% from Rs. 5,868 lacs to Rs.6,286 lacs.
- Operating expenditures decrease by 26%, mainly due to fall in technology cost, which resulted in increase in EBITDA margin from 73% to 81%.
- Depreciation & amortization cost increased from Rs.86 lacs to Rs.293 lacs, due to amortization of trading software license over its useful life.

### PERFORMANCE HIGHLIGHTS: FY'18 vs. FY'17

- Total volume increased by 26%.
- PAT increased by 16% from Rs. 11,358 lacs to Rs. 13,168 lacs.
- Total revenue increased by 10% from Rs. 23,288 lacs to Rs.25,607 lacs, (the operating revenue increased by 16%, whereas treasury income declined by 25% due to cash outflow on acquisition of Trading Software license, Dividend pay-out and lower interest rates.
- Operating expenditures decrease by 17%, mainly due to fall in technology cost because of acquisition of the exchange technology, resulted in increase in EBITDA margin from 76% to 82%.





- Depreciation & amortization amount increased from Rs. 342 lacs during FY17 to Rs. 1027 lacs during FY18, due to amortization of trading software license over its useful life.
- The Company has declared a dividend of Rs. 22/- per equity share in the Board Meeting held on 26 April 2018

## KEY BUSINESS HIGHLIGHTS: FY 2017-18

- Total volume traded across all market segments was 56,822 MU– an increase of ~26%. over 45,174 MU traded in fiscal year 2016-17
- The Exchange operated in virtually zero congestion market with inter-state transmission congestion having reduced significantly - the Southern corridors were congested for only about 8.1% of the time vis-à-vis 44.6% in the previous fiscal and the Northern corridors were congested for about 1.7% compared to 32.6% in the previous fiscal.
- One Nation, One Grid, One price was realized on 264 days i.e. 72% of the days this fiscal
- Key Market highlights during fiscal 2017-18:
  - 182.99 MU - highest volume traded in Day-Ahead Market (DAM) on 14th September 2017
  - 44,842 MU- total electricity traded in DAM, 13% more than the previous fiscal at average Market Clearing Price (MCP) at 3.26 Rs per KWh, ~35% increase over 2.41 Rs per KWh in previous fiscal
  - The purchase bids in the DAM increased by 20% indicating larger participation by the buyers while the sell bids increased over just about 5% primarily due to lack of availability of coal with thermal generators
  - 1372 MU traded in Term-Ahead Market (TAM), ~85% increase over 744 MU in previous fiscal
  - 97% Market Share in Electricity Market with total trade of 46,214 MU
  - 32.39 lac RECs - highest ever traded in REC in December 2017 trading session
  - 93.29 lacs – total REC trade in this fiscal ~102% increase over 46.2 lacs RECs in previous fiscal
  - 4.50 Lacs ESCerts – highest trade in Energy Saving Certificates (ESCerts) on Dec 19, 2017.
  - 13 lacs ESCerts – total trade in 17 trading sessions commencing from September 26th, 2017
- 14 Solar projects comprising a capacity of 525 MW were registered and sold solar energy through the day-ahead market on the Exchange.
- As per the CERC MMC Report (Apr'17-Feb'18), the direct banking transactions reduced by 25.6%; bilateral transactions through traders increased by 14.5% and exchange transactions increased by 13.6%. The IEX day-ahead market accounted for ~36 % of total volume transacted in the short term market.



## POWER SECTOR HIGHLIGHTS

- The total generation in the country including renewable generation increased by ~5.32% from 1,302 BU in last fiscal to 1,236 BU in FY2018.
- According to CEA Statistics, the key States such as Uttar Pradesh, Chhattisgarh, Telangana, Arunachala Pradesh, Manipur, Tripura and utilities such as DVC saw over 10% increase in energy demand in FY'18 over the previous fiscal.
- All India total installed capacity stood at 344 GW as on March 2018 of which Thermal Constituted 64% (222907 MW), Hydro 13% (45,293 MW) , Nuclear 2% ( 6,780 MW) and Renewable 20% ( 69,022 MW)
- With the commissioning of Champa-Kurukshetra (800 KV HVDC) transmission line for Northern region; Wardha-Nizamabad, Angul - Srikakulum – Vemagiri (both 765 KV D/c) and associated downstream lines in Southern region, the available transfer capability of northern and southern region increased substantially. During this year, there was virtually no transmission congestion in the country with one price discovered across the country on majority of days.
- The thermal generators faced lack of availability of coal in last few months thereby leading to increase in e-auction rate. Even the imported coal prices went up significantly. Consequently this led to increase in market clearing price on the Exchange by 57% from Rs 2.56 per kWh in March'17 to Rs 4.02 per kWh in March'18.

## ABOUT IEX

*IEX is India's first and largest power exchange offering participants an automated platform to trade in Electricity, Renewable Energy Certificates (RECs) and Energy Saving Certificates (ESCerts). The exchange enables competitive and efficient price discovery, increases the accessibility and transparency of the power market and enhances the speed and efficiency of trade execution. The Exchange is certified for quality management (ISO 9001:2008, Information security management (ISO 27001:2013) and environment management (ISO 14001:2004) and is a listed Company on both NSE and BSE. [www.iexindia.com](http://www.iexindia.com)*

**For further details, may please contact:**

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