



Dated: May 25, 2023

The Manager
BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001
Scrip Code: 540750

The Manager
National Stock Exchange of India Ltd
Listing Department
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra Kurla Complex
Bandra (E), Mumbai-400 051
Symbol: IEX

Sub: Investor Presentation & Press Release on Audited Financial Results for the quarter and year ended March 31, 2023.

Dear Sir / Madam,

With reference to above mentioned subject, please find attached Investor Presentation & Press Release on audited Financial Results for the quarter and year ended March 31, 2023.

The above information will also be made available on the website of the Company www.iexindia.com

You are requested to take the above information on record.

Thanking You.

Yours faithfully,

For Indian Energy Exchange Limited

Vineet Harlalka
CFO, Company Secretary & Compliance Officer
Membership No. ACS-16264

Encl: as above

Indian Energy Exchange Ltd

Registered Office: C/o Avanta Business Centre, First Floor, Unit No. 1.14(a), D2, Southern Park, District Centre, Saket, New Delhi-110017, India

Corporate Office: 9th Floor, Max Towers, Sector 16B, Noida, Uttar Pradesh-201301, India

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CIN: L74999DL2007PLC277039 | Website: www.iexindia.com



**Investor Presentation
– Q4 and FY'23**

**Accelerating India's Sustainable
Energy Transition**

In this presentation:

Sector in Transition

Electricity Value Chain

IEX: Who We Are

Indian Gas Exchange (IGX)

International Carbon Exchange (ICX)

Way Forward

Sector in Transition



Decarbonisation

Deployment of Low-Carbon Technologies - Wind and Solar



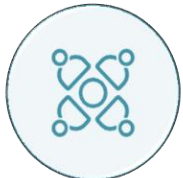
Decentralisation

Small-scale Generation Across T&D Network



Democratisation

Empowered Consumers - Economic Power Shift

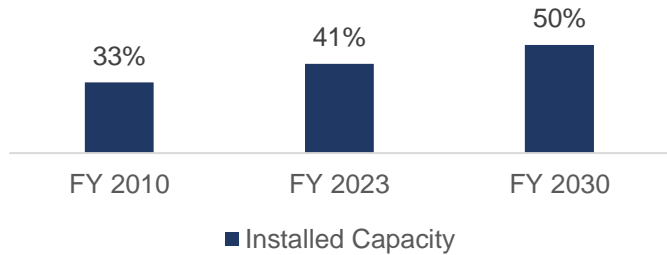


Digitisation

Intelligent Apps to Optimize Plants and Grid

Shifting Energy Mix

% Renewable



- 172 GW installed renewable capacity (including large hydro) in FY23
- India aspires to achieve 500 GW of renewable capacity by 2030

In this presentation:

Sector in Transition

Electricity Value Chain

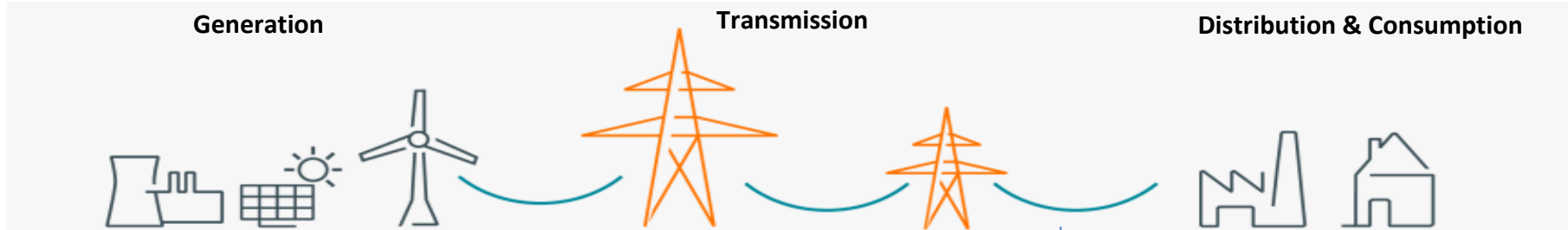
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Way Forward

Electricity Value Chain



Energy Transition

Installed Capacity	As on 31 st Dec'22	FY 2030 CEA Proj.
Total GW	416	817
Coal Cap GW	237	267
Coal (%)	57	32.7
RE & Hydro GW	172	506
RE & Hydro %	41.3	61.9
Upcoming Coal Cap GW (in next 3 Yrs)	27 GW	-

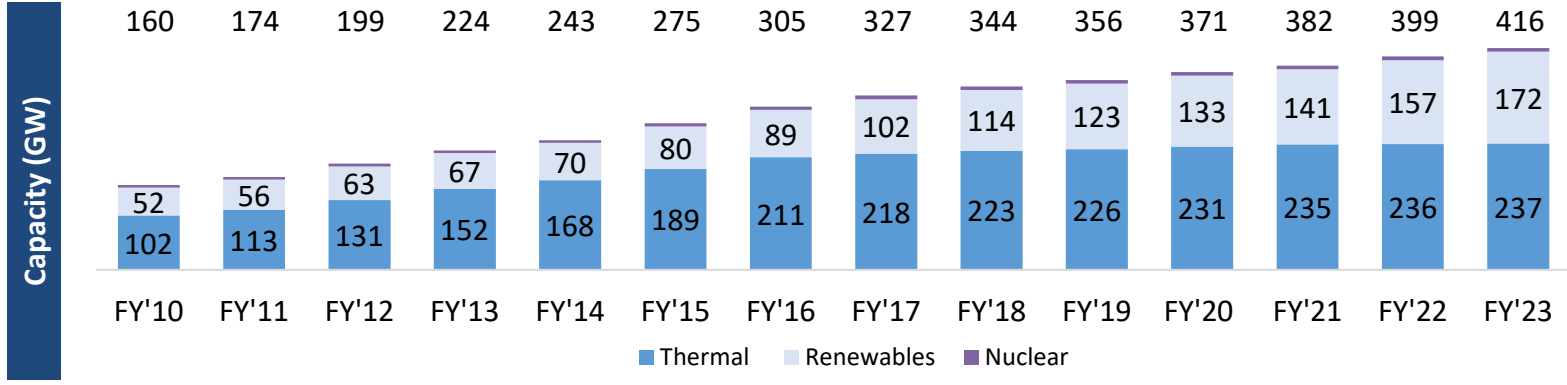
World's largest network

- Inter-reg. trans. Cap.: 112.3 GW
- 4.63 Lakh CKM of trans. lines
- Green Corridor: RE rich states; projects for evacuation of RE into National grid
- 99.9% times no congestion

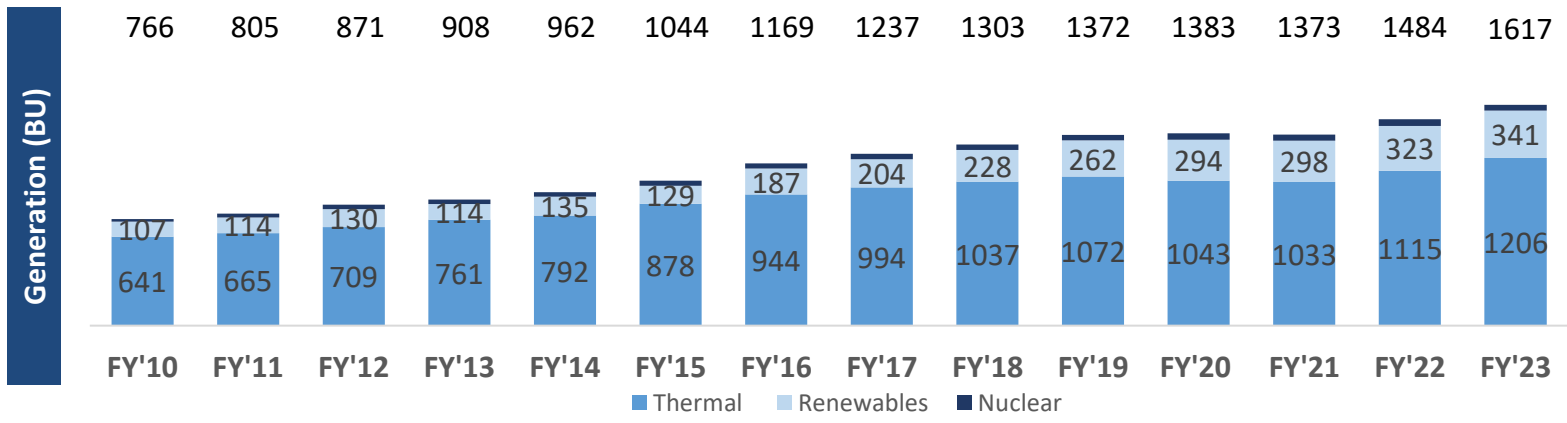
Reforms Underway

- **Avg. AT & C Losses:** 22% presently to 15%
- **Reduction in Outstanding dues & ensuring future payments**
- Liquidity Infusion Schemes
- Choice to Consumers
- Electrification as Decarbonization Lever: EV, Cooking, Traction

Installed capacity has grown at faster pace compared to demand



CAGR – 7%

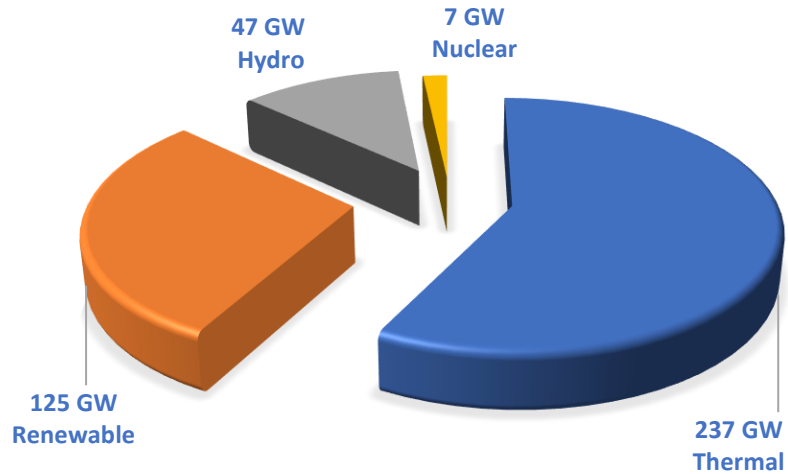


CAGR – 5.5%

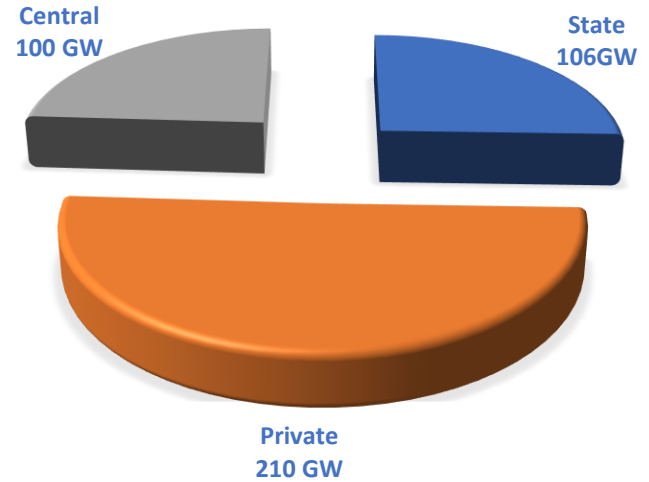
Capacity growth of 7% and generation increase of 5.5% since FY10

Installed Capacity = 416 GW

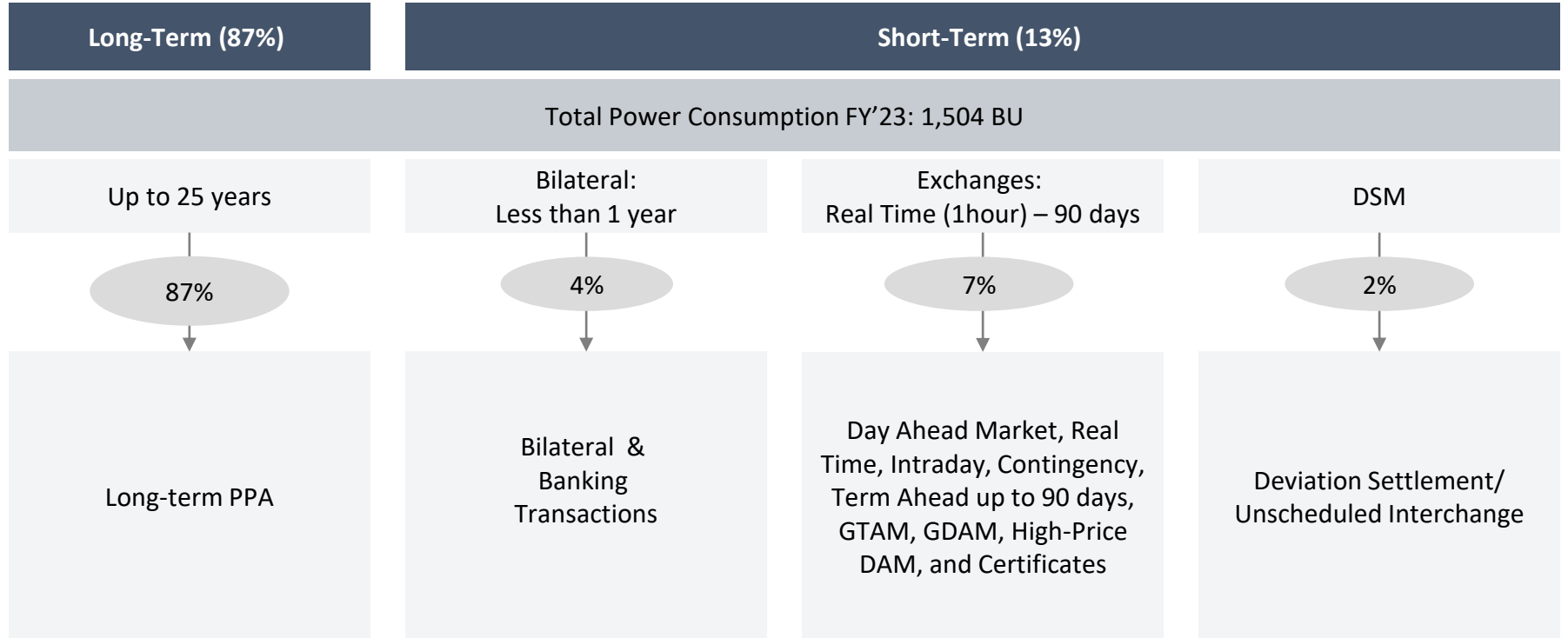
Capacity by Source



Capacity by Ownership



Sector Construct

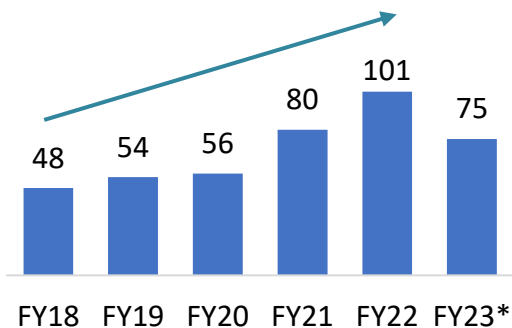


Source: CERC MMR Report till Dec'22

Fast Growing Exchange Markets

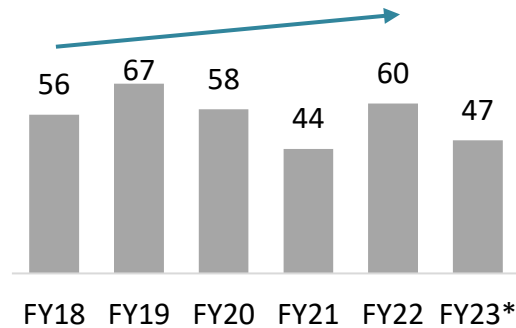
Exchanges (BU)

CAGR: 20%



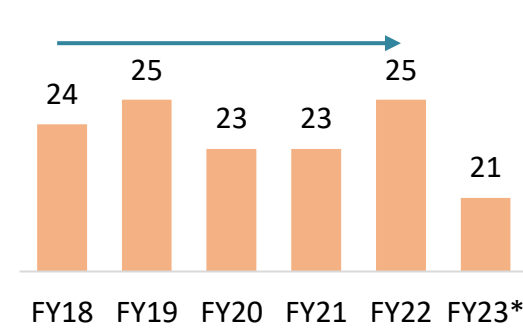
Bilateral (BU)

CAGR: 2%



DSM (BU)

CAGR: 1%

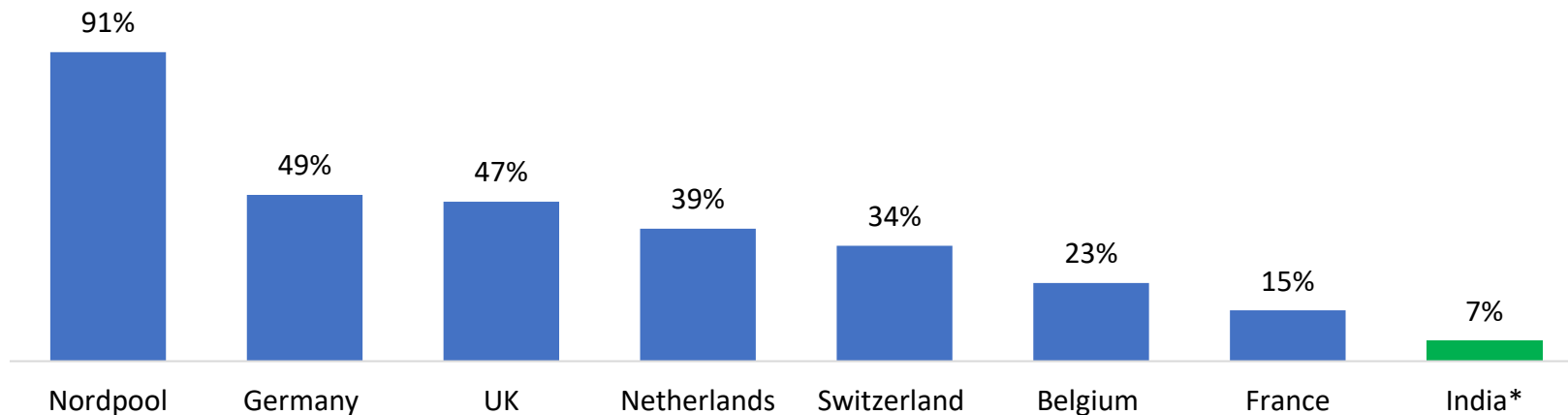


Source: CERC, MMR

*FY23 data till Dec'22; CAGR Till FY'22

Driven by competition and flexible procurement, the Exchange markets constitute >50% of ST power market.

Immense Potential to Deepen India's Power Market

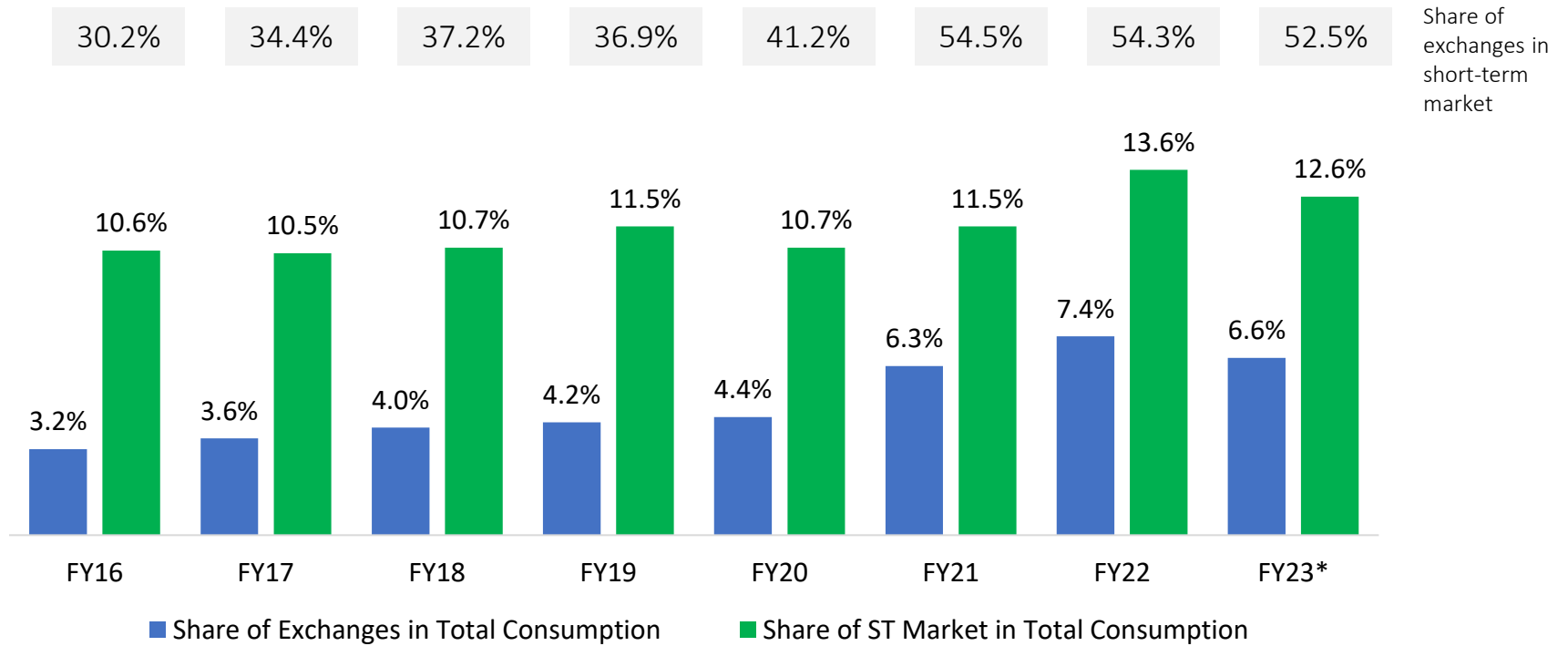


*Note: Data for India till Dec'22
Source: CRISIL Study*

**Markets are in the range of 30-80% in developed economies.
At 7%, India has an opportunity to deepen the power market.**

Exchanges Share in Short Term Market

Exchange Market and ST Market - % of Total Consumption – India



Source: CERC MMR Report, Data till Dec'22

Electricity Growth Drivers

India is placed as the most promising economy on the global map:

➤ Industrialization

- ✓ High GDP growth of about 7% expected to drive electricity
- ✓ Core sector, traction, EV, cooking will drive electricity consumption

➤ Rapid urbanization/ Rural Electrification

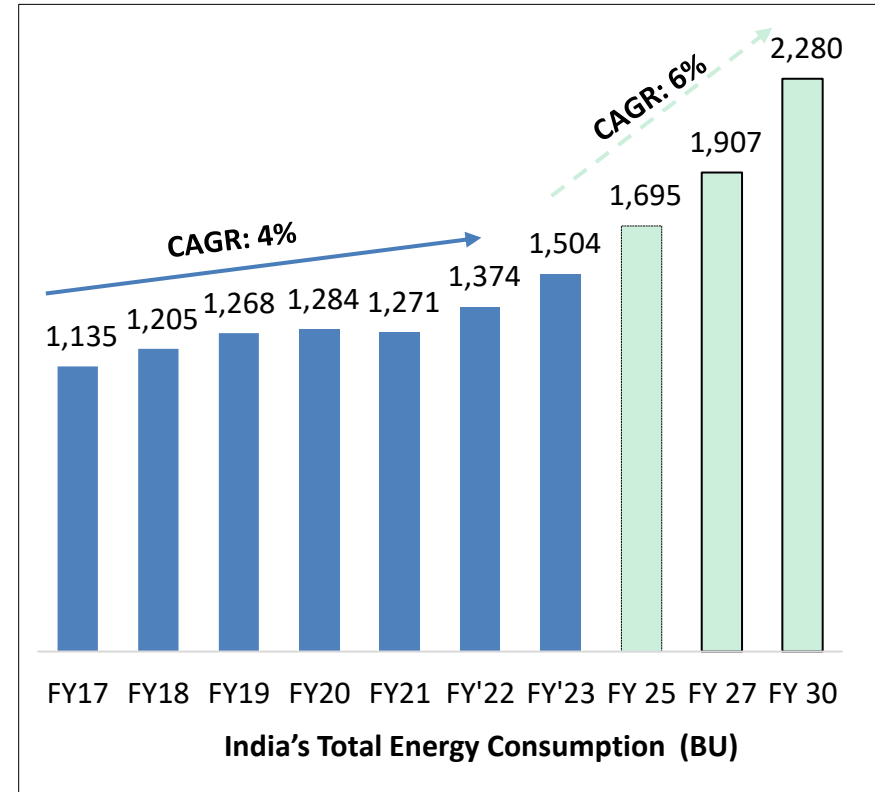
- ✓ 17 out of 20 of world's fastest growing cities in India

➤ Consumer demand growth

- ✓ Last mile connectivity – Power on 24x7 basis
- ✓ FY23 energy consumption growth 9.4% YoY

➤ Power Demand Projection for FY 23-30

- ✓ FY 23 onwards – CEA demand growth projections
- ✓ Expected to grow at CAGR of 6%



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Way Forward

India's Premier Technology-led Energy Marketplace



- Nation wide, automated and transparent trading platform for physical delivery of electricity, renewables & certificates
- Commenced operations in 2008; CERC regulated
- Publicly listed company – 2017 (NSE and BSE)
- ISO 9001:2015, ISO 27001:2013, ISO 14001:2015
- **DAM & RTM Market Share : >99%**
- **Overall Electricity Market Share incl DAM, TAM, RTM, Green Market FY23: 88.4%**
- Electricity volume CAGR ~ 30% since 2008
- FY23 Electricity Volume: 96.8 BU

Robust Ecosystem

7,500+

Registered participants

4,500+

Commercial & Industries

1,500+

RE Generators & Obligated Entities

600+

Generators

55+

Discoms (all)

100+

ESCert Entities

30%

Volume Growth CAGR since 2008

99%

Market Share in DAM

100%

Market Share in RTM

Benefitting Power Sector...and the Nation

- Provides **benchmark prices** for All Electricity Transactions
- **Transparent Mechanism** for Price Discovery
- **High liquidity** on Exchange has Ensured Lowest Cost and Assured Supply

Truly Benefited Indian Power Sector



Generation

Signals for Generating
Capacity Addition



Transmission

Investments in Transmission-
Congestion Free –
One Grid One Price



Distribution

- Lower Power Prices for Discoms, End Consumers
- Avoids Buying Undertake-or-Pay Contracts
- Flexibility on 15-min Basis
- Delivery in 1 Hour Notice

Our Values



24X7 Power



Transparency



Flexibility in Power
Procurement



Competitive Price



Payment Security



Cost Saving

Market Segments

Integrated Day Ahead Market

DAM since Jun'08

- Delivery for next day
- Price discovery: Closed, Double-sided Auction
- 15 min. contracts, Daily trade

G-DAM since Oct'21

- Same as DAM, but priority for GDAM in price & volume discovery
- Option to carry forward uncleared bids in GDAM to conventional DAM
- Single price for different RE -solar, non-solar

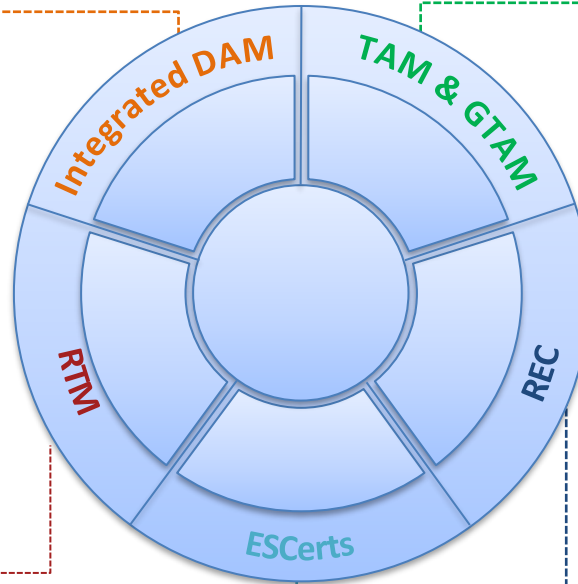
HP-DAM since Mar '23

- Segment within existing IDAM segment on day ahead basis; Double-Sided Closed Auction
- Separate price discovery having price cap of Rs. 20/unit and floor price of zero
- Bidding during DAM, GDAM hours; Market Clearing in sequential manner GDAM, DAM, HP-DAM

Real Time Market

Since Jun'20

- Half Hourly market (48 times per day)
- Delivery for 30 minutes in two-time blocks of 15 minutes each
- Double sided closed auction with uniform price



Energy Saving Certificates

Since Sep'17

- 1 ESCert = 1 Mtoe (Metric Tonne Oil Equivalent)

Intraday Market & Contingency Market Segment

Since Jul'15

- Intraday Market : hourly and or 15-minute contracts on same day on rolling basis
- Day-Ahead Contingency- 24-hourly and or 15-minute contracts on day-ahead basis for 00:00 hours to 24:00 hours of next day
- Continuous Trade

Term-Ahead Contracts

Since June'22 (up to 3 months)

- Any day (s) single side Reverse Auction
- Daily (up to 14 days)
- Weekly (up to 12 weeks)
- Monthly (up to 3 months)

Green Term-Ahead Contracts

Since 21 Aug'20

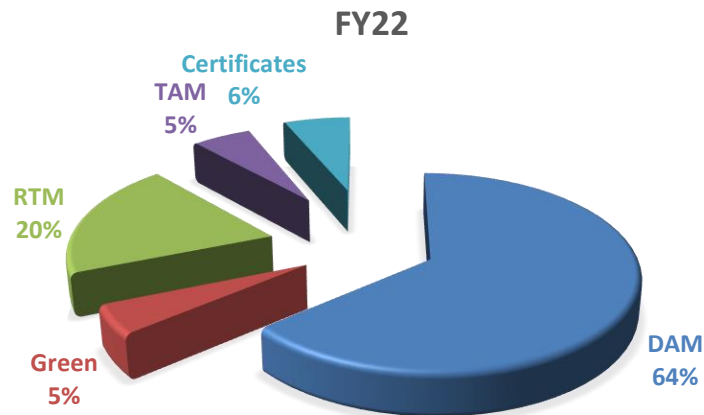
- 15-minute quotation of quantity (MW) and price (Rs/MWh)
- Price discovery and matching on 'Continuous Trade' basis
- Revision in schedule not allowed

Renewable Energy Certificates

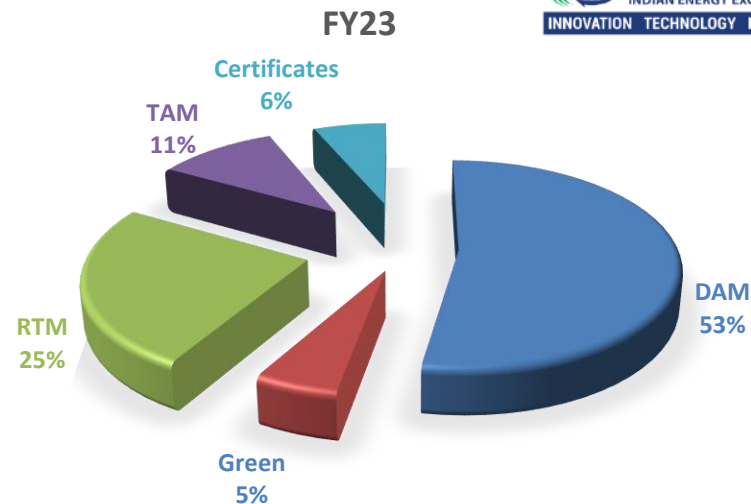
Since Feb'11

- Green Attributes as Certificates
- **Sellers:** RE generators not under feed in tariffs
- **Buyers:** Obligated entities; 1MWh equivalent to 1 REC

IEX Product Mix



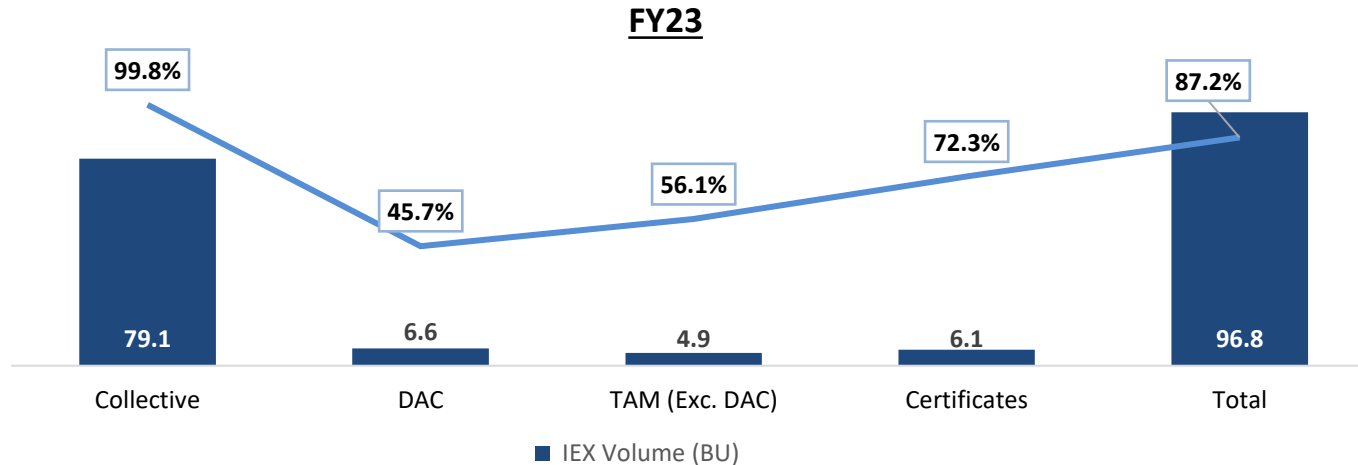
Total Volume: 102 BU



Total Volume: 96.8 BU

Matching	Closed, Double- sided Auction	Open Auction -Uniform Price Step	Continuous Matching	Reverse Auction
Existing Products	DAM, GDAM, RTM	Weekly, Daily	ITD & DAC	
New Products	HP-DAM, GDAM (HYDRO)	Weekly (Up to 12 Weeks); Daily (Up to 90 Days); Monthly (Up to 03 rd Month)	-	Any Day Single Sided

IEX Market Share Product Wise



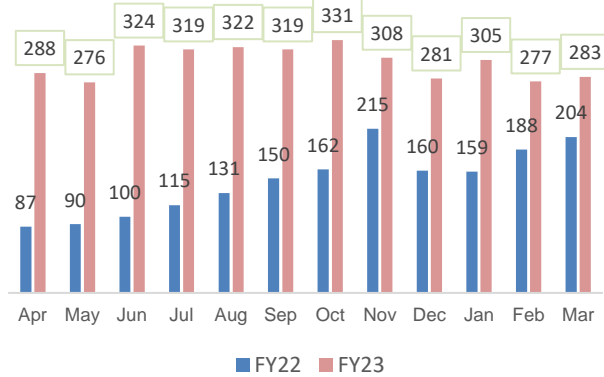
- TAM & DAC Volume increased over 115% and 240% YoY respectively in FY'23
- Temporary Shift in Volume from DAM to DAC segment was *observed due to*
 - ✓ Firm tie up due to uncertainty of availability in peak hours
 - ✓ Double charging of transmission charges in collective transactions
- Volume likely to shift to DAM/RTM with improvement in supply & implementation of sharing regulation

Supply Side Constraints Led to Higher Price Discovery

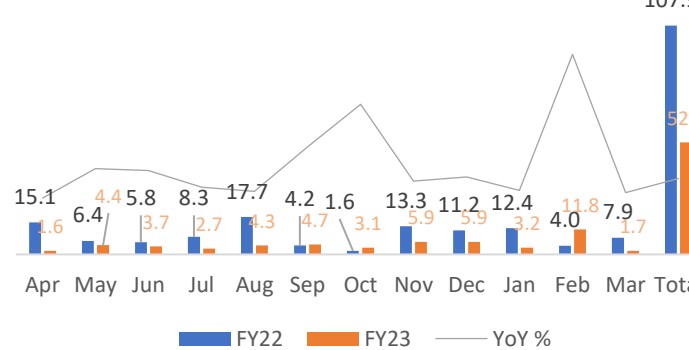


Geo-Political factors impacted international coal and electricity prices

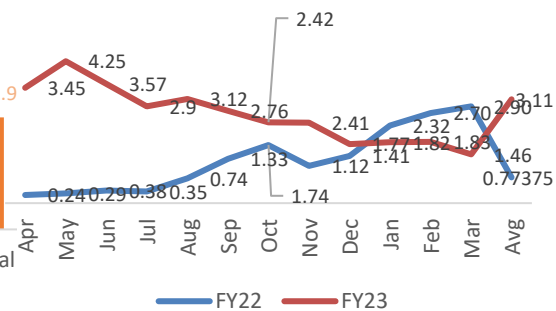
HBA Index (\$/T)



E-Auction Qty (MT)



E-auction Prices Above Notified Price (%)



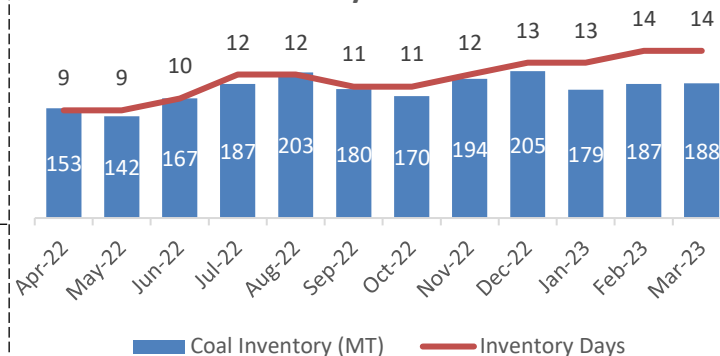
- Increase in Imported coal prices - HBA Index increased from average of \$147 in FY22 to average of \$303 in FY23, YoY increase of 106%
- Increase in Gas prices from 8 \$/MMBTU in Apr'21 to average of 29.7 \$/MMBTU in FY23 (highest at 54 \$/MMBTU)
- A new mechanism of single window mode agnostic-auction by clubbing the existing five windows of e-auction Spot, Special Spot, Special Spot for importers, Special forward for Power & Exclusive-auction for non power as per recommendation of CCEA (Cabinet Committee on Economic Affairs)
- Market price increased by 36% to Rs.5.94 kWh/unit thereby reducing optimization potential for both State Discoms & OA consumers

Coal Supply & Inventory; Policy Measures

- Coal production increased by nearly 15% YoY and dispatch to power sector increased by 9% YoY in this fiscal.
- Government focused on increasing supply for plants under long term PPAs
- 100% FDI allowed for commercial mining
- Mines and Minerals Act, 1957 amended to allow sell up to 50% of their annual production after meeting the requirement of the end use plant



Coal Inventory at Power Plants



Measure - 6

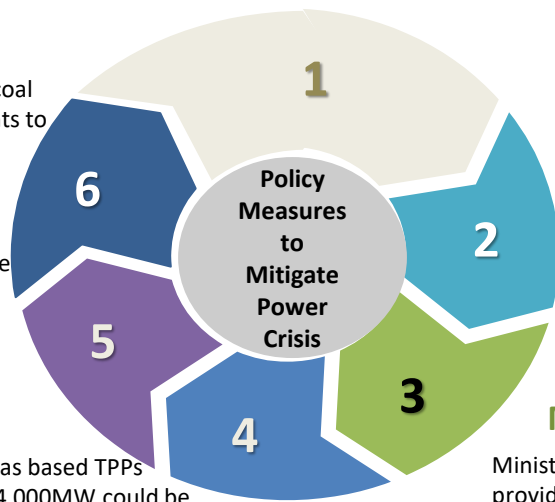
Launch of High-Price DAM market to help imported coal and gas-based power plants to sell expensive power

Measure - 5

Hydro Power plants to improve utilisation in consultation with Dispatch Centres.

Measure - 4

NTPC to run 5,000MW of Gas based TPPs during summer. Additional 4,000MW could be added by other gas-based plants



Measure - 1

Govt directive to coal-based plants: No Planned Outages April to May 23

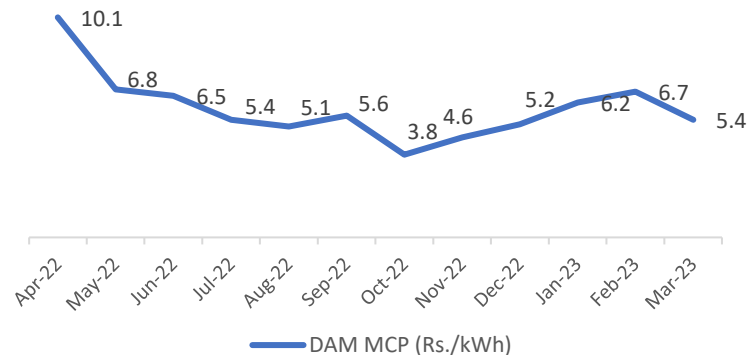
Measure - 2

Section 11 of EA 2003 Invoked. Directed all imported coal based plants to run at full capacity

Measure - 3

Ministry of Railways to provide additional rakes to maintain coal inventory at power plants

IEX Price



Development of Electricity Market in India: Key Issues

Key Issue - 4

Firmness in Ancillary Reserves: For a power system of India's size with increasing levels of RE, it is necessary to ensure firmness of reserves. Current framework of accessing AR is inadequate.

Key Issue - 1

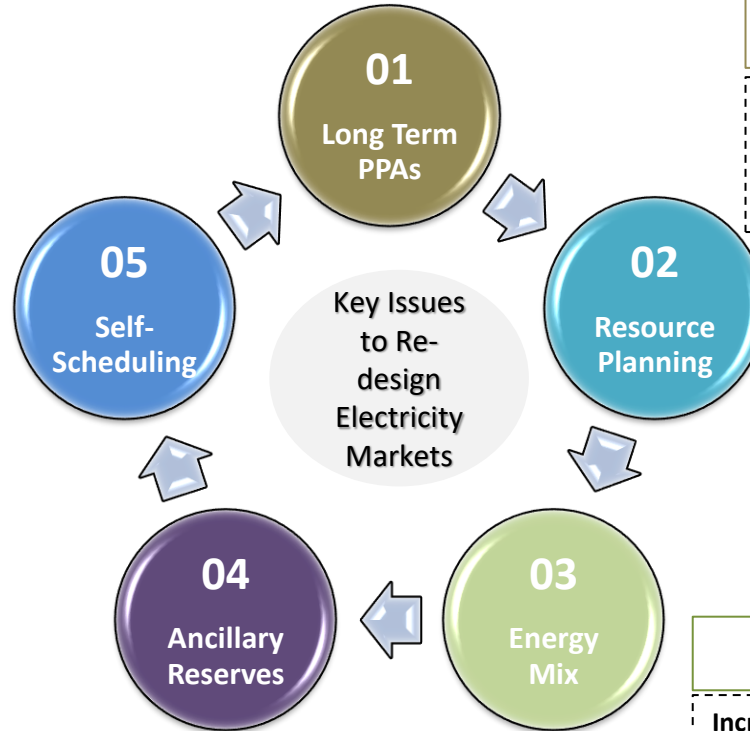
Dominance of Inflexible, Longer Duration Contracts with Discoms: Long Term PPAs recognised as inefficient especially for integrating renewables.

Key Issue - 2

Resource Adequacy Planning in Centre and States Across Seasons: Current planning practices of Discoms inadequate for energy systems with higher levels of variable renewable energy. Scientific RA required to ensure optimal resource mix.

Key Issue - 3

Increase Share of RE in Overall Energy Mix: RE currently contracted through long term PPAs but also treated as must run resource. Need to transit RE to market based dispatches.



Key Issue - 5

High Reliance on Self-Scheduling, Lower Operational Efficiency: Current practice of fragmented control areas with Discoms resorting to self-scheduling creates sub-optimal dispatch. Need to create system cost optimisation through creation of single merit order of generation plants.

Development of Electricity Market in India: Key Recommendations

Short Term

RE Participation in the Market through CfD Mechanism: *Mandate RE resources to participate in market, compete with conventional resources. RE developers could be offered some transitory revenue protection to manage spot price volatility. An initial capacity (~ 1000 MW) to be tendered by nodal agency as a pilot project under the single price option.*

Operationalisation of CERC Ancillary Services Regulations: *To be done within a year. While the Tertiary Reserve Ancillary Service (TRAS) market segment on all the Power Exchanges will be rolled out in June, a market-based mechanism for secondary frequency response would provide faster response than conventional sources.*

Medium Term

Introduction of Standardised Exchange-Based Capacity Contracts: *Standardized exchange-based capacity contracts can be introduced for short-term trading of power.*

Additional RE Capacity through Revenue Protection

Enabling Markets for Secondary Reserves

Long Term

Improve Efficacy of Day Ahead Market: *Gradual transition to market-based dispatch of electricity from existing practice of self-scheduling. Would lead to a system cost optimization through creation of a single merit order of generation plants.*

Implement Long Term Capacity Markets

Introduce Variation of Single Strike Price of CfD for RE Participation in Market: *To increase share of RE in overall energy mix, variation of single strike price can be introduced for RE participation in the market.*

Entire RE on Markets

Price - Volume Outlook

➤ Easing supply constraints

- ✓ Improvement in coal production and higher inventory will result in increase in sell by both Discoms & IPPs
- ✓ IPPs sell will provide Round the Clock supply resulting in better availability & lower prices in peak hours
- ✓ Lower prices will lead to increase in Discoms buy as they will bid to optimize/ replace costlier power
- ✓ Open Access clearance will increase with softening of prices

➤ GNA implementation

- ✓ Implementation of GNA will lead to avoidance of double charging of transmission charges in DAM/RTM
- ✓ DAC volume will shift back to DAM/RTM where IEX command close to 100% market share

Customer Centric Technology and Product Strategy

CUSTOMER CENTRIC



➤ Digital Experience

- ✓ Secure Web Access
- ✓ Integrated bids across segments
- ✓ Easy User Management for creating new Users and managing access for Users
- ✓ Web-based Financial Reconciliation for bids through our platform
- ✓ Web-based Data Insights for Bidding decision making

➤ Ease of Bidding

- ✓ Automated Bidding through API
- ✓ Bid Creation Tool
- ✓ Smart Power Procurement

➤ Security

- ✓ 24*7 Security Operating Centre (SOC)
- ✓ Cyber Security Framework

EFFICIENT



➤ Comprehensive Product Portfolio

- ✓ High Price Day Ahead Market (HP-DAM)
- ✓ Longer Duration Contract + Additional Weekly Contracts
- ✓ Green Day Ahead Market (GDAM) + GDAM Hydro contracts
- ✓ Any-day(s) Single-sided Reverse Auction contracts (Conventional and Green)
- ✓ Cross Border Transactions

➤ Automation

- ✓ Auto Carry Forward of Uncleared Bids
- ✓ Seamless DC-DR Transition to ensure business continuity
- ✓ Real Time reporting
- ✓ Alerts/Notifications
- ✓ SAP integration

STATE OF THE ART



➤ National Open Access Registry

- ✓ Integration of NOAR

➤ Economic Surplus/Social Welfare optimization

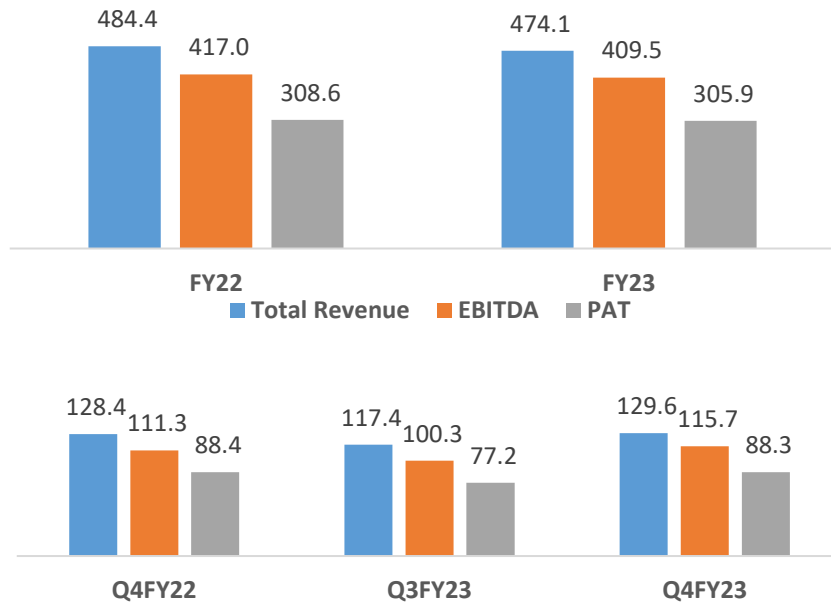
- ✓ MILP

➤ Data Insights

- ✓ Bid Data Analytics for Senior Management
- ✓ Power Market Data Analytics
- ✓ Financial Reconciliation

Robust Financial Performance

Consolidated Financials Rs Cr



Breakup of standalone revenues (%)	Q4FY22	FY22	Q4FY23	FY23
Transaction Fees	83%	84%	79%	80%
Admission and Annual Fees	5%	5%	4%	4%
Other Income	12%	11%	17%	16%
Total	100%	100%	100%	100%

Robust business model and financial strength

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Indian Gas Exchange (IGX)



VISION

To lead India's transition towards a gas-based economy by architecting next generation solutions for natural gas trading and access

01

1st Natural Gas trading exchange

02

Automated platform with cutting edge technology

03

Efficient & transparent market driven price discovery mechanism

04

Indigenous price benchmark

IGX – Key Highlights

FY23 Business Updates

Total Volume	50.9 Million MMBtu
YoY growth (%)	319%
Total number of trades	2,355
No. of members	40
Active clients	190+

Strategic Partners



Domestic Gas Ceiling Price

- Commenced trading on 23rd May'22
- Traded Volume: 29.1 Million MMBtu
- India's First Gas Index - GIXI

GIXI - IGX Gas Index



Launched on 19th December 2022

GIXI represents volume weighted average price for all gas traded on any day (*excluding domestic ceiling price gas*)

GIXI represents prices for all hubs; for regional hubs will be named as GIXI West etc.

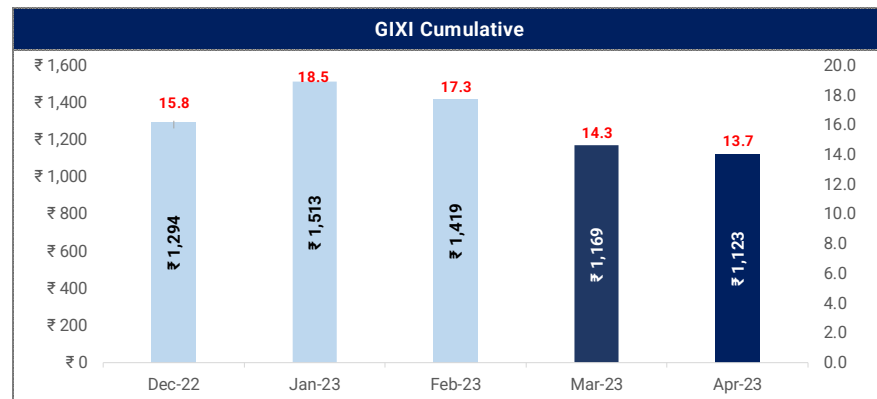
For months, will be named as GIXI-Jan23 etc.

Helps the market participants to know inland gas prices and to take suitable decisions

GIXI is the precursor for the Gas Futures which will help stakeholder in hedging

31-03-2023

	Month	₹/ MMBTU	\$/MMBTU	% Change
		Apr-23	₹ 825	\$10.1
	Mar-23	₹ 975	\$11.9	-



Note

- 1) Monthly GIXI Cumulative Prices are delivery month-wise volume weighted average price
- 2) Prices are excluding ceiling price gas
- 3) For details of gas hubs and delivery points, please refer Circular No. 59
- 4) \$/INR conversion rate considered at 82
- 5) Last Domestic Gas Ceiling Price Auction held on 20 Mar 23 at INR 1029/MMBtu

Growth in Gas Demand will lead to opportunities for Gas Exchange & Other Stakeholders

- Government's vision of increasing share of Natural Gas in total energy basket from ~6.3% to 15% by 2030 will increase gas consumption in the economy from nearly 160 MMSCMD to 500+ MMSCMD
- With completion of 11th CGD bidding round >90% population will be covered in next 6 years
- LNG terminal capacity is expected to grow from current 42.5 MMTPA to around 72 MMTPA in 3 years
- Transmission pipeline network is expected to grow from ~21,000 km to around 35,000 km in coming years
- Presently out of ~158 MMSCMD of gas consumption ~71 MMSCMD is imported through short term
- Unified transmission tariff (three zone) implemented
- Implementation of new Access Code Regulations and Incorporation of TSO
- Declaration of CGD GAs as common carrier
- Govt's push towards net zero carbon emissions by 2070 will lead to increase Natural Gas share in India's energy basket

Development of robust infrastructure along with ramp up in gas demand shall enable short term trading of gas in India.

Key Gas Market Enablers

Inclusion of Natural Gas under GST



Incorporation of TSO



Implementation of New Access Code Regulations



Declaration of CGD Exclusivity (Open Access within CGD Areas)



Policy Steps to Accelerate Role of Natural Gas in India's Economy
(Natural Gas usage over polluting fuels)



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International Carbon Exchange (ICX)



- IEX formed a wholly owned subsidiary – ICX, in December 2022 to promote voluntary carbon market; second diversification initiative after successful launch of IGX in 2020.
- Will help India achieve its target of reducing the emission intensity of its GDP by 45% by 2030 to limit global warming to 1.5 degrees Celsius.
- Will enable participants to buy and sell voluntary carbon credits at competitive prices through its transparent & reliable Exchange platform, thereby helping large corporates meet their ESG requirements.
- Today, large part of carbon credits are traded on a bilateral basis, exchange transactions are only 20-25 per cent.
- Almost 500 million units of carbon credits are traded globally presently. By 2030, this is expected to be almost 1,500-2,000 million carbon credit units – an increase of 3X/4X in trading volume (*based on a study with McKinsey*).
- By 2030, India will sell almost 200 million carbon credits, with demand from Indian corporations alone expected to be about 120-130 million
- IEX is exploring opportunities in the international carbon market

ICX will accelerate transition towards a Net Zero world through next-generation sustainability solutions



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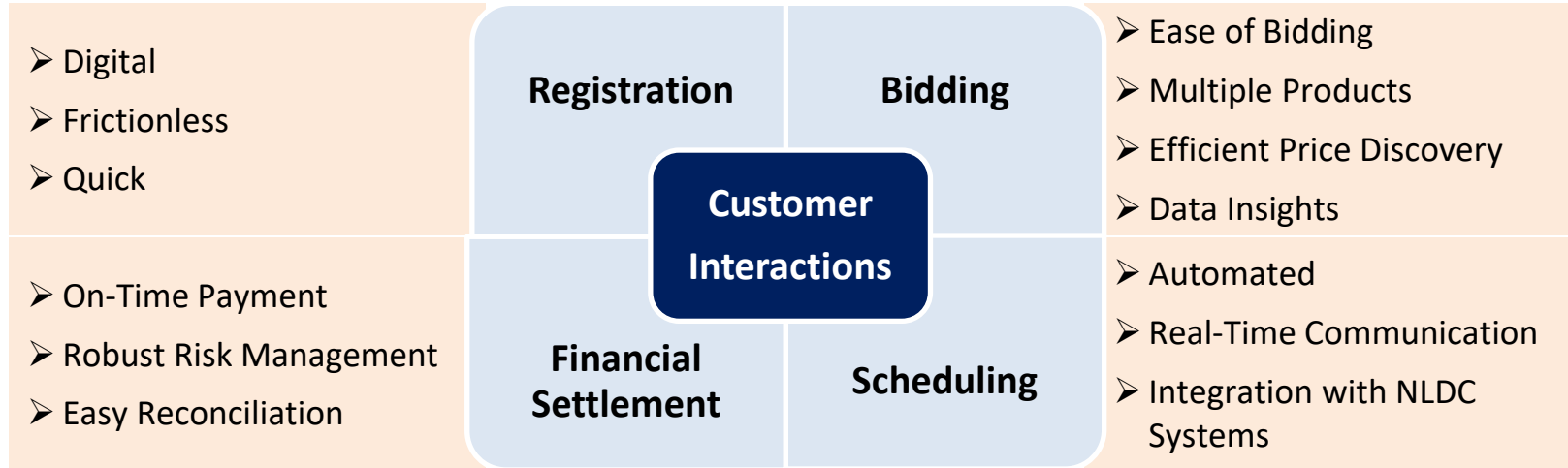
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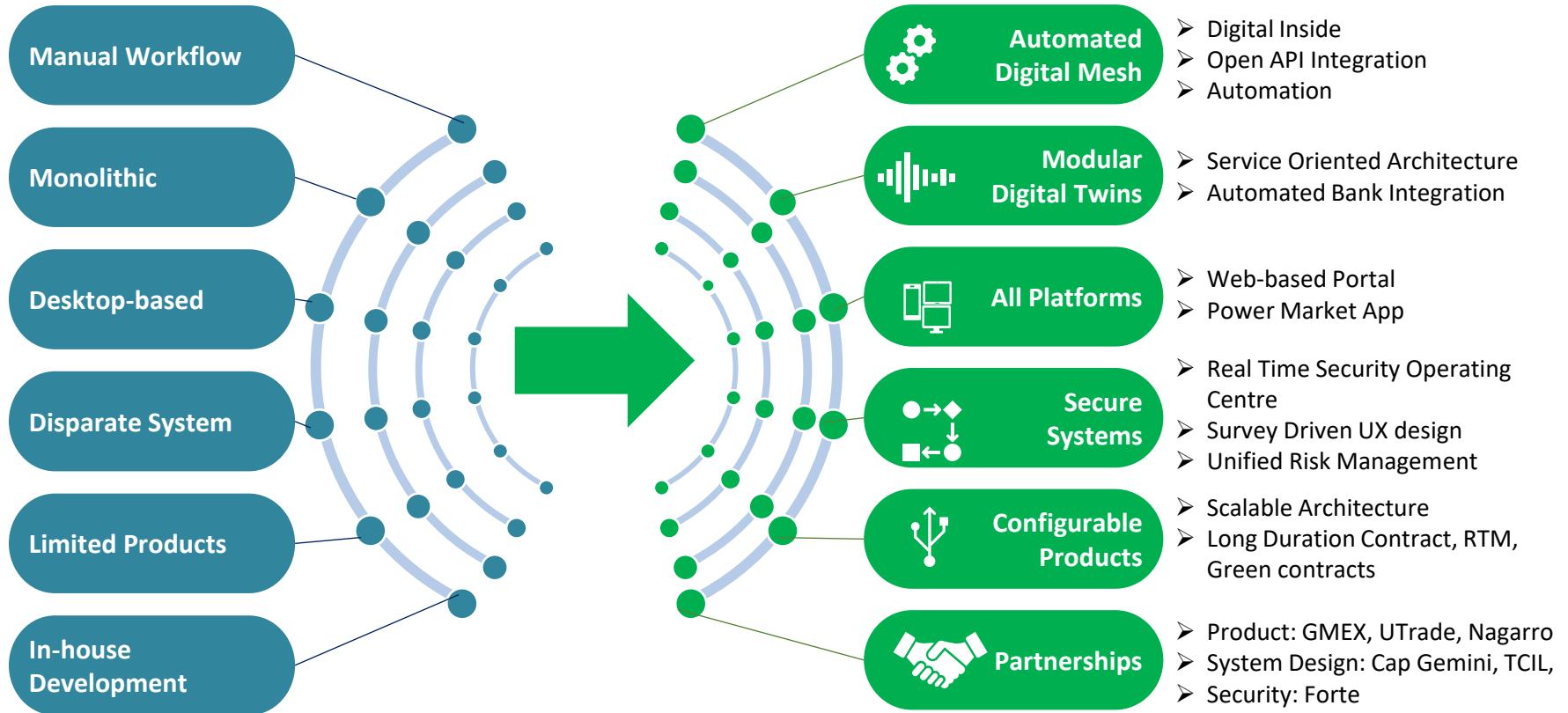
International Carbon Exchange (ICX)

Way Forward

Create Customer Delight for Each Interaction



Transitioning Towards a Futuristic Tech Architecture



Enhancing Liquidity in the Spot Market

- Pool based CfD mechanism for RE capacity addition through the market
- Merchant RE capacity addition – 25% merchant capacity in all PPAs
- Unallocated power of the Central Generating Stations should be sold through exchange
- No renewal of existing PPAs after completion of 25 years & sell through market
- Allow aggregators to participate in the spot markets & offer fixed price contract to industrial consumers
- Generators (including renewable) can buy from the market for promoting efficiency
- Implement Gross Bidding on a voluntary basis
- Exclusive coal auction/allocation for Merchant Capacity
- Capacity Market to comply with resource adequacy obligation
- PPA should be of shorter duration of 10-15 years

IEX: Growth Drivers (1/2)

Growth from recently launched products

- RTM: June'20
- **Green Markets: GTAM** launched in Aug'20, **GDAM** launched in Oct'21
- **Cross Border:** April'21
- **Term Ahead Market Up to 3-Months** in June'22
- **HP-DAM (High Price-DAM):** March'23

New Products

- Ancillary Market
- RE capacity through exchanges; Contract for Differences
- Launch of Derivatives will provide price hedging opportunity and lead to lower volatility in prices thereby increasing liquidity in the spot market
- Capacity Market

New Business

- IGX launched in 2020 and achieved breakeven within first year of operations. Robust volume growth over next 5 years expected
- ICX – International Carbon Exchange – wholly owned subsidiary incorporated in Dec'22. Exploring business opportunities in voluntary carbon credit market
- Coal Exchange
- Other opportunity in the energy marketplace

IEX: Growth Drivers (2/2)

Favorable Policy and Regulatory Initiatives	<ul style="list-style-type: none">➤ Spot markets share to increase significantly as per Draft NEP 2021➤ GNA Regulation, Sharing Regulations, Grid Code, Late Payment Surcharge Rules, and sale of un-requisitioned power on exchanges will help deepen the power markets➤ Report of the Group on Development of Electricity Market in India, Ministry of Power charts out a roadmap for Indian Power Market over Short, Medium and Long Term
Coal Supply	<ul style="list-style-type: none">➤ Government of India increased coal production to nearly 900 MT in FY23, on way to its 1.2 Bn tonne target by 2025-26 to further drive availability of coal; will lead to lower electricity prices on the Exchange
Demand for Electricity	<ul style="list-style-type: none">➤ The electricity consumption grew by 4% in last 5 years and is expected to further increase by 6% in next 8 years

New Business Initiatives

Renewable Through Markets – Merchant RE

- IEX has worked with SECI & Deloitte to conduct feasibility study of Market based models for RE capacity addition
- The study results shows that market based RE models can command an IRR of 18%-20% V/s SECI bid projects having IRR ~ 12%-14%
- This result will give a major push to Merchant Renewable. Launched the report on 24th Aug 22 through IGNITE event

Carbon Markets

- ICX – International Carbon Exchange – wholly owned subsidiary incorporated in Dec'22 to explore business opportunities in voluntary carbon credit market
- Ministry of Power has released draft Carbon Credit Trading Scheme for implementation of Compliance & Voluntary carbon market in India

Coal Exchange

- Ministry of Coal has appointed consultant for finalizing framework for coal exchange in India
- IEX is working with MoC to explore options for setting up Coal Exchange

Future Opportunities

Virtual PPA's

- Financial instrument used by buyers and sellers to hedge cost of electricity
- Buyer not obligated to undertake direct physical delivery of electricity from seller
- Seller sells generated power at Exchange, undertakes realization from Exchange
- Bilateral settlement takes place w.r.t. contract price and buyer gets green attribute
- IEX working with corporate houses and players like Amazon, Google etc. to implement such models

Green Hydrogen & Battery Energy Storage System

- Green markets of Exchanges (GDAM/GTAM) can be leveraged to procure RE power for green hydrogen production
- Grid scale BESS expected to play crucial role in large scale RE integration (CEA: 27 GW by 2030)
- IEX working with SECI & MNRE to promote use of Market options for storage tenders – Recently SECI's storage tender of 500 MW provides for 40% open capacity which can leverage Power Exchange's market
- Storage system will provide liquidity in the peak hours

Contracts for Difference (CfDs)


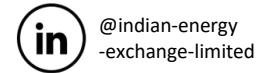
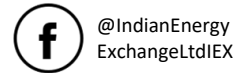
- CfD model beneficial for RE generators, as it provides long-term stable price to mitigate risks associated with project development and financing
- Under market-based CfD mechanism for RE, power traded and scheduled at PXs at market prices
- Revenue to generator is guaranteed, termed as 'strike price', which is determined through auctions
- If discovered market price > strike price, generator pays difference to a pool maintained by Government entity. If market price < strike price, pool pays difference to generator.

P2P Trading


- P2P trading of electricity is emerging in different parts of the world due to increasing number of Prosumers
- IEX through its MoU Partners ISGF & Power Ledger, Australia has been jointly exploring P2P opportunities




Thank you



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INDIAN ENERGY EXCHANGE (IEX) ANNOUNCES ITS AUDITED FINANCIAL RESULTS FOR THE FOURTH QUARTER & YEAR ENDED MARCH 31, 2023

- IEX CULMINATES FY '23 WITH 96.8 BU OVERALL VOLUME
- PAT DURING FY '23 AT INR 305.9 CRORE, MARGINAL DECLINE OF 0.9% YOY
- IEX CONTINUES TO HOLD ~100% MARKET SHARE IN COLLECTIVE TRANSACTIONS (DAM & RTM); ELECTRICITY MARKET SHARE DURING FY '23 AT 88.5%
- BOARD OF DIRECTORS ANNOUNCE FINAL DIVIDEND OF RE. 1/- EQUIVALENT TO 100% OF FACE VALUE OF THE EQUITY SHARE

New Delhi, Thursday, 25 May 2023:

The key highlights of the audited consolidated financial results* for the fourth quarter and year ended March 31, 2023, as declared by the Company on May 25, 2023, are given below:

(* All amounts represented in the table are in Rs Crores)

Particulars	Q4FY22	Q4FY23	YoY	FY22	FY23	YoY
Electricity Volume (in BU)	24.8	24.3	-2.0%	95.6	90.6	-5.2%
Certificates Volume (in BU)	2.2	1.8	-18.2%	6.3	6.2	-1.6%
Total Volume (in BU)	27.0	26.1	-3.3%	101.9	96.8	-5.0%
Total Revenue	128.4	129.6	0.9%	484.4	474.1	-2.1%
Total Operating Expense	17.1	13.9	-18.7%	67.4	64.6	-4.2%
EBITDA	111.3	115.7	4.0%	417.0	409.5	-1.8%
Finance, Depreciation & Amortization Cost	4.6	5.6	21.7%	19.2	21.0	9.4%
Share in profit of associates, net of tax	1.4	5.5	292.9%	1.4	13.3	850.0%
Exceptional item (Profit on loss of control of subsidiary)	6.0	-	-100.0%	6.0	-	-100.0%
Profit before tax	114.1	115.6	1.3%	405.2	401.8	-0.8%
Income Tax Expense	25.7	27.3	6.2%	96.6	95.9	-0.7%
PAT	88.4	88.3	-0.1%	308.6	305.9	-0.9%

*The Indian Gas Exchange (IGX) was a subsidiary of Indian Energy Exchange (IEX) till 16th Jan 2022. IGX became an Associate Company of IEX w.e.f 17 Jan 2022 and was consolidated basis of Equity method in above numbers.

Indian Energy Exchange Ltd

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CIN: L74999DL2007PLC277039 | Website: www.iexindia.com



BUSINESS AND FINANCIAL PERFORMANCE HIGHLIGHTS

During Q4 FY'23, IEX achieved overall volume of 26 BUs registering a 7.9% QoQ growth. Total certificates traded during Q4 FY'23 amounted to 1.8 BUs, a 50% QoQ increase. However, total volumes declined by 3.3% in Q4 FY'23 as compared to Q4 FY'22 due to supply-side constraints. The average Day Ahead Market price during the quarter was Rs.6.07/unit, higher by 13% on YoY basis.

On a consolidated basis, revenue for Q4 FY23 increased 10.5% on QoQ basis, from Rs 117.4Cr in Q3 FY23 to Rs 129.6Cr in this quarter. However, despite a decline in traded volumes in Q4 FY'23 as compared to Q4 FY'22, total revenue for Q4 FY23 witnessed a growth of 1% on YoY basis. Consolidated PAT at Rs 88.3Cr grew 14% on QoQ basis as compared to Rs 77.2 Cr in Q3 FY23.

For the fiscal year 2023, IEX traded 96.8 BU, a decline of 5% YoY due to sell-side liquidity constraints. During the year, certificates' volume was at 6.2 BUs. For the fiscal year 2023, the Day Ahead price was Rs. 5.96/ unit, higher by 36% YoY, due to demand-supply mismatch. Liquidity was affected due to supply constraints that led to higher prices of e-auction coal, imported coal and gas.

For the full fiscal year 2023, on a consolidated basis, revenue declined by 2.1% on a YoY basis, from Rs 484.4cr in FY 2022 to Rs 474.1cr in FY 2023. Consolidated PAT at Rs 305.9 Cr de-grew 0.9% on YoY basis as compared to Rs 308.6 Cr in FY22. The Indian Gas Exchange (IGX) was a subsidiary of Indian Energy Exchange (IEX) till 16th Jan 2022. IGX became an Associate Company of IEX w.e.f 17 Jan 2022 and was consolidated basis of Equity method in above numbers.

For fiscal year 2023, the Board of Directors of the Company announced a final dividend of Rs.1/- equivalent to 100% of the face value of equity shares. During the year, Company also did a buyback of equity shares from the open market route, amounting to Rs. 98 crores. Consequently, during the buyback period, the Company purchased and extinguished a total of 69.7 lakh equity shares from the stock exchange comprising 0.78% of the pre-buyback paid up equity share capital of the Company.

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With gradual improvement in domestic production of coal, improvement in coal inventory, which is at 14 days compared with 11 days last fiscal, lowering prices of e-auction coal, imported coal, and imported gas, we expect lower clearing prices of power on the Exchange, and the volumes to improve on the back of cost optimization by Discoms and Open Access consumers.

On the Gas market front, IGX traded nearly 50.9 million MMBtu of Gas volumes in FY 2022-23, registering a 319% growth on YoY basis. A total of 2,355 trades were executed during the fiscal, an increase of 432% YoY. The profitability of IGX for FY23 increased to Rs 28Cr from Rs 1.75Cr in FY22.

This fiscal, IEX formed a wholly owned subsidiary - the International Carbon Exchange (ICX). ICX will leverage opportunities in the voluntary carbon market and lead to transparent and optimal price discovery for carbon credits.

IEX commends the initiative of the Ministry of Power for its recent report 'Development of Electricity Market in India'. Power Markets will have an instrumental role to play in accelerating India's energy transition by enabling smooth integration of renewable energy into the grid. Additionally, the inefficiency and inflexibility of long-term PPAs have been recognized. A stronger role of power exchanges will deepen the market and enable efficiency in electricity procurement. The directive to develop new RE capacity based on the Contract for Difference (CfD) methodology will protect the revenue of generators and increase investor confidence, leading to faster capacity addition. We are confident that the implementation of this 'Report of the Group on Development of Electricity Market in India' will fast-track India's energy transition goals through an efficient, optimal, and reliable market framework.

Going forward, IEX will continue to work towards building a sustainable and efficient energy future for India. The company will continue to explore business opportunities in new products and markets.

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POWER SECTOR HIGHLIGHTS UPDATE

During the year, fuel supply constraints due to the Russia - Ukraine war led to several countries facing a severe liquidity crunch. Heat waves in various parts of the world increased power demand, which coupled with rising input fuel costs, led to high electricity prices in almost all major economies. A similar situation prevailed in India. Electricity consumption in FY '23 surged to 1,504 BU, a 9.4% YoY growth, due to increased industrial activity, the hottest summer months in over 120 years, which, coupled with supply side constraints led to high power prices being discovered on the Power Exchanges. Installed capacity in India achieved 416 GW as on 31st March 2023, led by renewable capacity addition of 15 GW to 172GW. This growth of green energy is expected to help India attain its vision of achieving 50% of its entire energy consumption from non-fossil fuel sources by 2030.

ABOUT IEX

IEX is India's premier energy exchange providing a nationwide, automated trading platform for physical delivery of electricity, renewable power, renewable energy certificates and energy saving certificates. The exchange platform enables efficient price discovery and increases the accessibility and transparency of the power market in India while also enhancing the speed and efficiency of trade execution. The Exchange is ISO Certified for quality management, Information security management and environment management since August 2016. The Exchange is a publicly listed company with NSE and BSE since October 2017 and is approved and regulated by Central Electricity Regulatory Commission since 27 June 2008.

For further details, log on to: www.ixindia.com

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