



Dated: May 27, 2022

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: Transcript of Analysts / Investors conference call

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith transcript of the Analysts / Investors conference call held on May 23, 2022.

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

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India Mid-Cap Virtual Conference | UBS | May 23, 2022

Shaleen Kumar: Thank you everyone for joining us. Today we have Mr. Rohit Bajaj with us Senior Vice President, Business Development, IEX. A veteran in the industry. It's going to be largely Q&A driven, but obviously I will request Rohit to give some background of what exactly is happening.

We understand that quite a lot of exciting things are happening in your space. So, I have a lot of questions, but nonetheless if you can talk about, you know, what exactly is happening on the demand supply front to begin with. A lot of ups and downs from April to now. How are we doing right now. Let's start from there.

Rohit Bajaj: Yes, thank you Shaleen. So I will also touch upon what happened in the recent past, which was last financial year and the year before. One thing was common in all these years that we have seen, a huge growth in demand, particularly in FY22 demand increased 7.8% precisely. And it is set to grow in a similar fashion in the next year, which is FY23. So last two years have been very good for us. Both the years, our growth was around a little more than 35%. First year it was more because REC trading was not done. So, electricity growth itself was 35%.

And last year overall growth because REC trading also started so small contribution came from REC trading as well. So put together it was 37%. One thing we always maintained whenever the demand is high, whenever demand growth is there, we get major share of it.

The reason is simple because up to certain extent, demand is met by long term PPAs and whatever overflow is there that churn normally comes to us. So this was one reason why this was high. And second thing that that has happened in the last two years is prices were also in check. So majority of the time in last two years out of 24, I would say 18-19 months prices were less than Rs 3.5 and this is the price point at which distribution companies and other industries are very comfortable in optimizing or replacing their costly power there by taking advantage of the exchange procurement. I think these are some of the highlights which helped us raise to a good growth.

Talking about this particular year, we started this year on a little different note because in the beginning of March, we have seen huge increase in demand, and then there were constraints on the sell side. There was not enough supply available. We know there are reasons for it because of the geopolitical tension and because of our own increase in coal generation, our coal inventory was not good.

Our dependence is largely on domestic coal, more than 90% of our power generation is dependent on domestic coal. But because we have registered huge growth in demand, the coal production could not keep pace with the power demand, and slowly, our inventory was depleting. That was one reason. And then the commodity prices were very high, including all sorts of energy. Coal was no different. Coal HBA

index, which is a measure of imported coal prices has been trading at all time high of \$288 per ton. This is the price for the month of April. And in case of gas, also, we have seen prices in excess of \$40 per MMBtu which is unthinkable.

It's very difficult to imagine that gas will be traded at that price. So these are some of the things which cause disruption in the supply side, particularly. And because of that, there was pressure on the supply side and supply got reduced. We had enough demand. There is so much buy, which was available at our platform, but in absence of supply, the cleared quantum has taken a hit. In April'22 we were about 1.5% down YoY as compared to April'21. In May'22, we are, I think, 15-18% up. We have covered up a bit and all in all we are, I think, 4-5% up YoY till now, or let's say 50-55 days of the current fiscal. So this has been the story so far, government has taken so many measures. There is focus on increasing coal production.

In the month of April itself, we have seen 28% increase in dispatches, which is again, unthinkable, unprecedented, and all the railway infrastructure is being used for the purpose of dispatching coal on priority. This is some of the initiative taken by government. And then similarly on the imported coal side, there is a directive by ministry of power, where all these imported coal-based plants have been asked to operate these plants. They cannot stop this plant on the pretext of a distribution company, not paying. At the same time, the distribution companies are advised to pay special tariff to these plants so that they can generate and country can take advantage of these capacity that we have created. And as a result we have seen, there has been correction in the prices we started this month on a very high note, the prices were Rs. 20, average price was Rs. 18-19.

On 3rd of April, government introduced the Rs 12 cap on the prices in day head market and RTM market initially. Thereafter, we saw almost two weeks, price was continuously close to Rs 12. After the government initiative, whatever they had taken that helped easing of the supply side constraint, we have seen the prices have come down. So these days with the correction in demand, in some part of the country, because of pre-monsoon and now because of some disturbance in the Northern part due to a storm there has been major correction, and now the prices have come down to close to Rs 3. All these things we have seen in the last 50 days, prices going up to Rs 20 then the Rs 12 cap and subsequently coming down drastically.

RTM has been doing exceptionally well because wherever there are uncertainties when participants want to buy closer to real time, RTM market always does well. And recently we have recorded all time, high volume in RTM market. Two days back, we touched 104 MU in a single day which is phenomenal because we never thought that it is going to cross 100 MU mark so soon. So that's one thing, but yes, day ahead market volumes are little on the lesser side.

Green market has started doing exceptionally well. We have seen close to 45-50 MU in green day head market. That is also again, I would say sooner than expected. All these newer products are helping us registering growth in this tough time and I'm sure as the things will further stabilize, the supply side constraint decrease, and the

mix will further change because going forward we are expecting wind and hydro generation to increase improving the supply side situation leading to further increase in volume. I think this is the summary of the recent trade that we have seen.

Shaleen Kumar: Sure Sir. I'll ask the participants if they have any questions. There's a question coming from Patrick Cadell. Patrick Cadell, please go ahead.

Patrick Cadell: Thank you. Just wanted to ask about how the recent price volatility may impact long-term willingness to move to the exchange. So obviously you go through a period where prices become so high. Does that encourage a lot of buyers to actually get into long-term contracts rather than take the price risk that you've seen over the last month or so?

Rohit Bajaj: Yes, I think very relevant question and very important for us because if the volatility is so high, if the prices are so high, there can be a situation where distribution company will start to think about entering into longer duration contract. But what we have seen recently is in the bilateral market also situation was same. I would say it was even worse because in this particular market, what we have seen is when the prices at exchange was Rs 10-12, people were quoting even higher in the bilateral market. So that's one thing and because of that, not many transactions shifted to bilateral market number one. And second is there are no major concerns as far as a long term story is concerned. It all depends on how much installed capacity we have. Even today we have decent capacity in place.

The disruption that has happened, it is because of some temporary issues. So people are confident and in fact, we have been conveying this message to the distribution companies, that these disturbances are temporary in nature and in another few months' time we are expecting it to stabilize and the requirement of thermal power will go down in coming months because of, as I mentioned, energy mix will change. If you refer to last 4-5 years data, there has been only 4-5 months where we have seen rates crossing Rs. 4. People will take call based on all these data points, not purely on the basis of experience in one or two months where some external factors are also responsible.

Patrick Cadell: That makes sense. And so, I suppose the average price has still been sufficiently lower on the exchange versus bilateral markets or PPAs.

Rohit Bajaj: I will add one more point here. See the distribution companies today are not deficit for throughout the year for all the months, or you can say all the time blocks or all the hours of the day. They have deficit for some particular season or some particular time blocks. It doesn't make sense for them to enter because when you enter into a long-term contract, then you have to buy power, which is a same quantum for longer duration, minimum for five years and then it could go up to 25 years also. They also vary based on two things. One is that technology is changing. We know that how it is moving in the direction of renewable, and second, how storage is going to play very important role in times to come. So they are not very keen in entering into longer duration contracts, as far as normal thermal power is concerned. And second is the

flexibility. They don't want power 365 days, 24 hours. Their requirement is only for 2-3 months and only in peak hours. Now paying fixed charges for complete year compared to paying little higher costs from exchange for a certain period. I think this is the call that they have to take.

Patrick Cadell: Got it. And I suppose one thing will help with managing the volatility is the launch of futures and derivatives of electricity. What's the timeline for that being rolled out and what sort of impact do you think that can have on the physically settled volumes for you?

Rohit Bajaj: So you are referring to how it is going to impact our physically settled volume? As I said, these long term decision for entering into long term they will take call. Short term situation is even worse. Short term bilateral contracts are seeing similar sort of disruption wherein the prices are even higher because they are not aware of the future spot prices of imported coal or future spot prices of the gas based plants. So I am expecting as the mix is changing, the situation should be back to normal, back to normal means again, the participation will increase as the demand will increase in coming few weeks' time and in another 2-3 weeks, our volume should start to increase again.

Patrick Cadell: Okay, got it. And then could I ask about gross bidding and the plan to roll that out? What's the kind of approvals are we waiting for and, and when should that product be launched?

Rohit Bajaj: Yes. So there are many things in pipeline. The first thing that we are expecting is a longer duration contract, which is going to address the problem of short-term procurement / bilateral procurement for the distribution company, where procurement can be done for up to a year through exchanges. Till now we were allowed to trade only up to 11 days, but going forward, procurement for monthly, bi-monthly, anything up to one year can also be done. This should happen as early as I would say, one to two months. Our initial target was 30th of June and still we are maintaining the same target. It is in very advanced stage of getting regulatory approval. And once we have that approval in place, we need just a week's time to launch. So we are still hopeful that in the month of June, we would be able to launch that. Another thing that is going to happen is ancillary market where our role is little limited, but that should also happen in if not June, then July or August.

And then launch of derivative is also on cards where we would not be launching it, but we would be the major beneficiary of it because when the buyers or sellers, they have hedging options available, they will increase their exposure in the spot market. So this is the third thing that we are expecting. And fourth one, which is bigger than all these three is gross bidding, which again is the one proposal that we have filed with the regulator for getting approval, and we are expecting it to get approved in one to two months time so that we are in a position to launch it in Q2. So these four things we are working on presently, and if you ask me by end of Q2, we should be able to launch these contracts.

Patrick Cadell: for gross bidding, who needs to approve that.

Rohit Bajaj: We are obtaining approval though not many changes in the regulation is required. The approval is again, it is more from the point of view of selling it effectively to the distribution companies. So once we have approval in place, then it is always easy to convince distribution company to participate at our platform for the purpose of gross bidding. This is again one option, which is to globally, many exchanges have this option, particularly Nordpool and Japan, where this is being used. And we are hopeful that if participants will start to use this option, the optimization or the system savings procurement cost savings will be done automatically.

Patrick Cadell: And have you decided on the pricing for gross bidding?

Rohit Bajaj: We have not yet decided, but the pricing of gross bidding would be different. So there would be two part in gross bidding. One is the net procurement or net selling. Now net procurement or net selling is similar to what they're doing presently. There, the pricing would be same what we are charging now. On the other part, which is for the purpose of bringing total volume to the exchange there, we would be offering certain discounts to them.

Patrick Cadell: Okay. And, do you make that decision on how big a discount just before you launch?

Rohit Bajaj: That we would be doing before the launch, I guess.

Patrick Cadell: Got it. And, I mean, that, what's kind of range of options you're discussing. Is this something which should be greater than 50% decrease in price? How do you think about the potential right level of pricing

Rohit Bajaj: Pricing? too early to comment on that, but yes, there would be a discount for sure. That is one thing which we are convinced since they are getting everything to the platform, they are participating on gross basis, the pricing would be different.

Patrick Cadell: Okay. And then, just one more question for me. Can I ask about I read recently the regulator has requested some opinions on exchange pricing overall. Why is a regulator looking at this now and, and what have you kind of submitted in terms of your view on pricing?

Rohit Bajaj: When the PMR 2021 came about one year back that time, there was a clause in that first, the pricing clause was there, which said that exchanges should not charge more than two paise to either party to the transaction. So this is one thing that that was mentioned. And then there was one more clause wherein they said that exchanges will take approval of transaction fee from CERC within the six months period. So these two things were mentioned in PMR 2021. And subsequent to that, we filed petition also. The petition was for all the changes that we have made in the business rule plus obtaining approval. So they have approved all the changes that we have made in the business rule, but they said that some more detailing is required in case of business in case of petition of the transaction fee.

So we just mentioned that it is within two paisa ceiling that has been given by you. So we have not given any further details, but they're asking us to provide what is the structure and all the justification they're asking us to do, which we are going to file soon. So this petition, we would be filing and since they have already approved two paisa ceiling, we are hopeful that in a timebound manner, we should be able to get favorable order.

Patrick Cadell: Okay. And where are the competing exchanges pricing currently?

Rohit Bajaj: So it is same for the other exchange, which is operational presently. The pricing is exactly same. They're also charging two paisa. They do offer some incentives, but as far as regulatory approval is concerned, it is only two paisa. The third exchange is also what we understand in their petition, they also want to launch with the same pricing. That's the stand so far. And then we are also getting a lot of strength from trading margin regulation wherein commission has allowed seven paisa trading margin to trading companies. So they have given ceiling there. Within that ceiling traders are competing. They are offering different transaction fee to the different parties based on duration of the transaction, and also on the basis of trustworthiness or payment security and considering all those aspects. In our case, our stand is that it should be two paisa only as already approved by the regulator. And then all the exchanges would be competing within this gap.

Patrick Cadell: Got it. Thank you very much.

Rohit Bajaj: Thank you.

Shaleen Kumar: Thanks Patrick. Sir we have our next question from Praful. Please go ahead.

Praful Kumar: Thank you. Congratulations Sir on great execution. Just couple of questions, PTC suggested that they're looking to launch their exchange maybe anytime now they were suggesting April and May, and they're very confident of taking close to 20-25% of market share. How are we prepared to counter this competition? That's the first question. And secondly, given that cost of disintermediation across the globe, if you look at AMC business or a brokerage business or any business that disintermediates has been structurally going down for a long period of time or medium term, can you just give us thoughts that if spreads have to compress, then you know, what kind of volume visibility we have to ensure that, you know, the earnings trajectory remain solid? These are two questions.

Rohit Bajaj: Yeah. So to answer first one, we have been constantly working with our customers, taking feedback, developing technology, taking it to the next level, trying to launch different contract types, understanding their requirement. See within this case also though the major contract is day ahead market or term ahead market, but within day head market, you can innovate, provide various option to your customers, which will help them utilize this platform in a more efficient way. So this is what we have been doing all these years, in fact, more so in last 2-3 years. And I think we have done a lot of development during this time. And now our technology is very sound and way

ahead of what it was two years back. I can say so confidently, because what we have seen is when we started real time market two years back there were many sessions which used to abort because of some communication failure or so many different technical reasons. Some were at our end, some were at NLDC system operator.

But we have invested a lot in further strengthening our technology. And today we have reached a stage where our success ratio is 99.95%. There has been just one or two instances where there was some issue and that too was because of somebody else problem, not because of our technology failure. The markets like RTM is very critical because when the participants are placing their bids in a real time market, this is the last resort available for any participant. If something goes wrong here, then they do not have any fallback option available. So we have to be so strong, so robust that we should be able to run the engine. We should be able to discover the price, do the clearing and settlement in a proper way. And finally schedule that quantum.

And this, we have been doing more efficiently now, and we feel that the kind of value we are providing to the customer and they, when we started our share was not a hundred percent in RTM. But if you see last year, this number has increased to 100%. In day ahead market also, there were many in between new launches done by our competitor and they have taken some 2-5% share away from us for a short while. But if today you look at both day head market and real-time market, our share is hundred percent.

The liquidity, the participants, the confidence of the customer, I think we have all the things in place. We understand this business, constantly innovate, try to provide value to the customer. We are banking on this and we are going to do this continually going forward. With this, we are hopeful that, we will be able to maintain the leadership position. This is what I can say as far as competition is concerned.

And the second thing you asked is about how we are expecting it to be going forward. There, I must say that even today, we are at 7.6% of the total consumption of the country. This number is set to grow for the reasons known to us. In previous calls also, I have always shared the implemented demand which is going to be there in the country for which there is no long-term PPAs available, that demand is going to be met by places like power exchange. Number one. And second thing that is very important here is major new products are going to be launched in times to come. What we are talking about gross bidding, it has potential to take it to the next level altogether, number one, and then things like Contract for Differences (CFDs) are also being considered. The Government has a major issue as far as capacity addition of renewable is concerned and today not much is happening in that particular space.

A lot of price discovery has happened, but there are not enough buyers in the market. SECI is trying to do so many PPAs, but not many buyers are there. Now they're thinking of routing capacity addition through our exchanges. I think what you're saying is true for all the mature market where we have seen a market contributing immensely, but this is one place where we have just started. It is at a very nascent stage. The participants have realized the value, not only in India

globally, also, this has become most preferred option for trading or procurement of electricity. We expect that this will set to grow and the things that I've mentioned, whether it is CFDs or gross bidding, this will take us to the next level.

Shaleen Kumar: Thank you so much. Participants, if you have any questions, please feel free to ask. In the meanwhile, one thing I noticed, like, you know, while there was a time in April when demand have like tripled and supply shrunk by 10 times, you know, significantly things have reversed while supply has come back, but demand has not come back. So in just one month, things are completely reversed. So what exactly is happening? Why, demand is like completely dried down while supply is back and prices have come down to Rs 3.5

Rohit Bajaj: See what happens is as I mentioned there are three types of demand that we get. One is the deficit buy. So one state is facing some deficit, they want to buy. What we saw in October 1st fortnight or you can say April or March, there was so much demand which was coming, it was all deficit buy. These states wanted to meet their demand by buying through exchange at any costs, they were willing to pay Rs12 or Rs 20 whatever. Now, what has happened recently, suddenly wind has increased, hydro has increased, and some imported coal plants have also started. Now with this state's own availability has increased, and this is a normal phenomenon. Every time, every year, you will find this March, April is the peak months for thermal generation and may onwards, this thermal generation will go down. And so is our problems related to coal and other things.

Now as the things have started to cool down, all these distribution companies will watch it for some time. They will not take decision on daily basis when to shut and when to start. So what happened last week? We were in talks with many distribution companies trying to convince them that prices have come down, now they should start stopping their thermal plants and start to buy from exchange, because it makes sense now. At anything below Rs 4, in many of the states, it makes sense for them to buy from the open market. But suddenly what we saw last week on Thursday, the price again, went up to Rs 6.90. So now that stability factor has not yet come. Volatility is still very high in the market. The price variations are so much, and by the time they decide, there is a one off swing in the prices. And then again, it goes for toss. So now this correction has happened and now we are hopeful that this will continue for a few days and then they'll able to take such decisions.

Shaleen Kumar: Is there a market share shift during this time of period? This is not the first time, right? 2017 or 18 festival season, when the demand spiked and we saw moving to the short term contract, and then election time in 2019. So is it that's happening?

Rohit Bajaj: Buyers wanted to do that, but as I mentioned, the price quoted in the bilateral market were very high. In fact, see distribution can buy on daily basis. They have to take decision on daily basis. They can buy one day at a time at Rs 12, but they cannot enter into a contract for one or two months at Rs 12. Because if you are entering into contract, at Rs 12 for complete month, that decision, they are not in a position to take. Nobody will give them approval for that. Not even regulator, but one day at a

time, when it is exchange, they are confident of the price discovery and they may buy at that price. Distribution companies were interested and came out with so many tenders, but since the price quoted were very high that could not get executed. So no major share shift has happened.

Shaleen Kumar: So the demand reversal should be much faster then. If the market share shift has not happened, then we should expect demand reversal should happen.

Rohit Bajaj: Absolutely. It should happen very fast.

Shaleen Kumar: I will just check with the participants if they have any questions. We have a question coming from Madhusudan Bagree, please go ahead.

Madhusudan: Hi. Can you hear me now?

Rohit Bajaj: Yeah.

Madhusudan: All right. We've been following the company for long off late, just seems like, you know, some regulatory issues have cropped up. And typically, when governments start tinkering with pricing as we have seen in the case of let's say the oil marketing companies and all the uncertainty around that kind of almost has a significant impact on the stock valuations, per se. Can you help us sort of understand, like, when we are looking at your company, where are you seeing those uncertainties that have come up and will they go away or are they here to stay?

Rohit Bajaj: See, what has changed in last couple of months is only one thing wherein they have introduced cap. That's the only thing which has changed, right? Rest of everything is same.

Madhusudan: Yes.

Rohit Bajaj: And see, this is again the thing, earlier also cap was there. It was a technical limitation you must say. Exchanges that time when we created this platform, we kept provision of Rs 20. Now they have reduced it from Rs 20 to Rs 12 and they had reasons to believe why they wanted to do it because they could see very clearly in none of the case, variable cost or cost of generator of any of these generating companies is more than Rs 12. So they decided and reduced it. And this is again, temporary in nature because order clearly says that this cap is applicable till 30th of June after 30th, it would be same as it used to be earlier. But I do not see this as a significant thing for our business. This is a temporary issue.

Government was seeing some problems there. The cost of procurement was increasing. There was limited power available, and everybody was bidding aggressively to get more of it. And since everybody was getting aggressively, they were getting on pro-rata basis, all of them. Now that this has been reduced from Rs 20 to Rs 12, here also it is being distributed on pro-rata basis. So nothing has changed. I'm not seeing it as any major event. The fundamentals of the business

remain intact and with cap or no cap. See today, or in fact for last 15 days, cap has no meaning at all, because prices are not going in the upper digit. So there is no meaning of cap. So you put it at Rs 12, 15, 18, 20, whatever doesn't matter. But yes, we got impacted off because of cap for some time when the price discovered was Rs 12. That time we got impacted, because

Madhusudan: Which is a question Rohit, we are trying to understand over here, is this a good understanding now that, you know, if prices go beyond 12 in the future, they'll basically put that cap at Rs 12 and then say that, okay, we will not allow pricing to go beyond. Is there a set thing in stone now? Or is that again, like after 30th, June that goes away.

Rohit Bajaj: Yeah. So first of all, it'll go away because there is no ambiguity in the order. It clearly says that it is till 30th June. Number one, number two, I told you that we got impacted because initially when cap was introduced, it was applicable only for DAM and RTM. It was not applicable on TAM transactions. Right. And what people did, they started doing TAM transition to get more quantum, and to assure certainty of getting that quantum. Now in TAM, our share is not 100%. Last year, our TAM share for the complete year was 70% This time, initially it was even less. So what happened in DAM and RTM, we were getting a 100% volume, but in TAM, the quantum which was shifted from DAM to TAM, we were getting, let's say 60% volume. So we were losing 40% volume there. But after a while, when government realized this, that cap should be same across the segment, they immediately came out with the second order. And now this cap is applicable on DAM, TAM, RTM and everywhere. So there is no possibility of this split again, or this share going away from us.

Madhusudan: See, I, you know, sorry to deliver this point, but I still don't have any clarity on this issue. First, they brought from prices down from Rs 20 to 12. Now at 30th of June, the 12 goes away. What's stopping this government like, you know, they've done some things on like containing inflation again today on whatever diesel, petrol, and other stuff what's sort of, you know, stopping the government from at a later date coming in saying, okay, now Rs 10 is the cap, right. Are we just trying to understand this issue? Like, you know, when you're speaking with them, is there a sort of dialogue that you okay, can we have definitive rules so people can understand that, you know, okay, this is how this business is gonna operate or, or their uncertainty is gonna stay.

Rohit Bajaj: See, this doesn't matter for many of the participants. Today it is Rs 12. Suppose they extend it also, see why they have decided till 30th of June, because they're expecting the volatility, which is there in the market, this maximum can continue up to 30th of June. After that, as I mentioned, there would be different mix available. And with that different mix, the possibility of prices going up to that level would be very less. But yes, the same problem can come again in October, you have seen historically also there has been many instances when in the month of October prices went very high, but the point is, if you differentiate, then there is a problem. So Rs 20 is also a cap, right, Rs 12 is also a cap. Tomorrow Rs 30 can also be a cap. So point here is you have to take decision on the basis of the cost of generation. First, first check. If you are

doing that, then it is fine. If you are imposing that gap for some point in time, in a way it is giving signal to the market, that prices will be in this way only. So today the price, the cap is there at Rs 12, the distribution companies, they get some sort of comfort. They're our major buyer. So they're getting some sort of comfort that it won't go beyond Rs 12. So it is helping us also in a way. So point is cap, was there earlier. They have changed the cap limit. They can change it tomorrow again, as you said, yes, they can do that. But unless you create different cap for different segments, then otherwise it is fine with me. You do one capping across the segment, it's okay. I'm not impacted.

Madhusudan: Thanks for that clarification. That's a good point. Thank you so much.

Shaleen Kumar: Okay. Thank you. We still have five minutes in this call. So if you have any question, please feel free to jump in.

Anything you're hearing on market coupling?

Rohit Bajaj: No, not really see they wanted to do MBED and this was a related point because they thought for MBED to be there and they wanted market coupling also. But on MBED also, there is absolutely no clarity on MBED. There are so many regulatory changes which are required and that has not yet started. If you start today, then probably you will take two years, but when they're going to start, there's no insight. So long way to go.

Shaleen Kumar: For MBED, any progress you're hearing or any efforts from the government in that direction

Rohit Bajaj: No. So we do get some signals, but last positive signal that we got from their side was when they said they wanted to implement it from 1st of April.

Shaleen Kumar: That's long back.

Rohit Bajaj: Yeah. That's long back after that, I think there is no major positive development. They do discuss about it, but the focus, which was there earlier right from top minister level, then down below everybody was involved into it. But now nobody in the public forum also, they're not talking about it. It is very difficult to do. And then states have opposed it in a very big way and you cannot ignore their opposition. Ultimately, it's their power they're owner of these PPAs. In fact with, even with the policy change, you cannot force them to come to this same platform.

Shaleen Kumar: Just last one question from my side. If you can touch base on gas exchange. If you can tell us what's happening on there. Is there volume changes? We saw some strong pickup there. So is it driven by scarcity etc or is it sustaining?

Rohit Bajaj: So Q4 we saw major increase in the volume, but again, Q4, when we started January, February prices were not so high, but March, I would say second fortnight, April, the prices touched all time high level of \$40 per MMBtu for some time. And then at that

price point, no transactions were happening. So April was not that great for us in fact, very few transactions happened. But yes, the acceptance of the market has come. Now, the participant base have built up and only issue is the right price.

Recently we have seen, again, some transactions starting as the prices have come down. So the appetite is at the price point up to 20 or little below 20, there is a strong appetite, what we have seen in the market and we expect volume to pick up again as the prices go down up to that level, and it's coming down drastically, I must say.

Shaleen Kumar: And we won't be in any rush to sell any more stake in gas exchange, right?

Rohit Bajaj: No, that's all done because last one was IOC and again, it was a strategic divestment decided long back. It was in fact, board of IOCL has taken some time. It got executed little late, but with that, everything is done. No more stake sale is being under consideration.

Shaleen Kumar: Okay. All right. I believe we don't have any more questions from the participants. Just wait for quick five seconds to see any raise of hands. No, thank you, sir. Thank you so much.