



Dated: August 05, 2021

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: 540750**

**Symbol: IEX**

**Sub: Submission of Annual Report for the financial year 2020-21 and Notice convening 15<sup>th</sup> Annual General Meeting ("AGM") of the Company and Record Date for the purpose of Final Dividend, if declared in the AGM.**

Dear Sir/Madam,

**Annual General Meeting ('AGM'):**

Pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the financial year 2020-21 along with the Notice of 15<sup>th</sup> AGM ("AGM") of the Company to be convened through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

The schedule of the AGM is set out below:

Particulars	Details
Date & time of the AGM	Thursday, September 02, 2021 at 12:00 noon IST through VC/OAVM
Book Closure period for the purpose of AGM	Friday, August 27, 2021 to Thursday, September 02, 2021
Cut-off date for the purpose of e-voting /e-voting at AGM	Thursday, August 26, 2021
Commencement of e-voting	Monday, August 30, 2021 (09:00 a.m. IST)
End of e-voting	Wednesday, September 01, 2021 (05:00 p.m. IST)

**Record date for Final Dividend:**

Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, refer the following details of Record date for the

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**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

**Tel: +91-011-3044 6511 | Tel: +91-120-4648 100 | Fax No.: +91-120-4648 115**

**CIN: L74999DL2007PLC277039 | Website: www.iexindia.com**



purpose of final dividend of Rs.1.50/- per equity share of Re.1/- for the financial year ended March 31, 2021, as recommended by the Board of Directors of the Company in its meeting held on July 22, 2021, which if approved at the ensuing AGM, shall be paid within 30 days from the date of AGM:

Particulars	Details
Record Date for Final Dividend	Friday, August 20, 2021

The Annual Report and AGM Notice will also be made available on the Company's website [www.iexindia.com](http://www.iexindia.com)

You are requested to take the above information on record.

Thanking You

Yours faithfully,

**For Indian Energy Exchange Limited**

**VINEET**

**HARLALKA**

Digitally signed by VINEET  
HARLALKA  
Date: 2021.08.05 18:09:14  
+05'30'  
Adobe Acrobat Reader version:  
2021.005.20060

**Vineet Harlalka**

**CFO, Company Secretary & Compliance Officer**

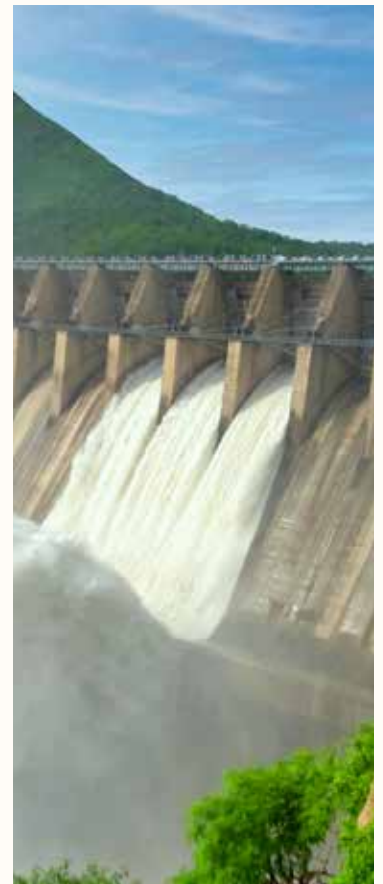
**Membership No. ACS-16264**

Encl: a/a

CC:

National Securities Depository Limited Trade World, 4 <sup>th</sup> Floor, 'A' Wing Kamala Mills Compound Lower Parel, Mumbai - 400013	Central Depository Services (India) Limited Marathon Futurex, 25 <sup>th</sup> floor, NM Joshi Marg, Lower Parel(East), Mumbai-400013 , Maharashtra
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# Leading India's Energy Transformation





# I N D E X

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# Fiscal year 2021 Exemplary.

In our journey of 13 years, FY 21 was characterized by



**Digital  
Transformation**



**Robust Business  
Continuity Plan**



**New Products  
and Markets**



**Customer Centric  
Activities**



**Seamless  
Operations**

...leading to exemplary business performance.

IEX is transforming the energy sector, underpinned by the value proposition of efficiency, competitiveness, flexibility, and customer choice. The efforts have resulted in exchanges now accounting for 6% of India's total electricity basket.

**Record-breaking  
Yearly Trading Volume**

**74 BU**

**Revenue Uptick**

**20.3% YoY**

with revenue at Rs. 357.4 Cr

**Electricity Segment  
Growth**

**37.3% YoY**

**Profit After Tax growth**

**20.0% YoY**

with PAT at Rs 213.5 cr





**IEX, with its transformative model, is creating tremendous value for its shareholders, year on year.**

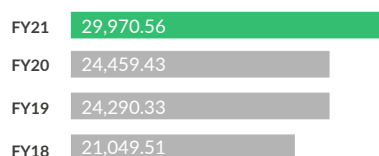
Revenue (in lacs)

**+ 6,023.33**



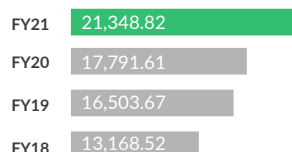
EBITDA (in lacs)

**+ 5,511.13**



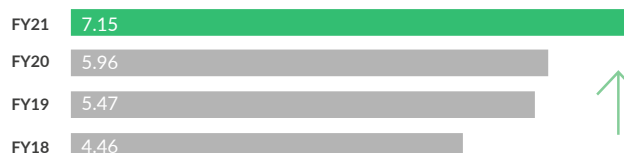
Net Profit (in lacs)

**+ 3,557.21**



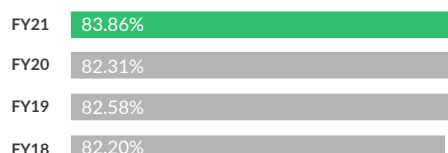
EPS

**+ 1.19**



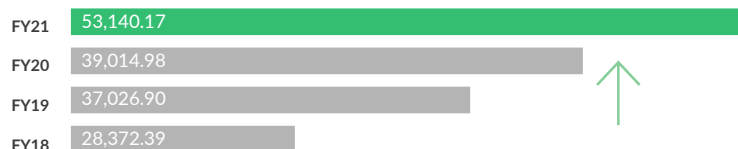
EBIDTA Margin

**+ 1.55%**



Net Worth (in lacs)

**+ 14,125.19**



# Corporate Overview



## IEX is Leading India's Energy Transformation

The Indian Energy Exchange is leading India's energy transformation by architecting a markets-based energy order, leveraging technology and innovation towards building a sustainable energy sector which is anchored in efficiency, competitiveness, flexibility and customer choice.

Towards this endeavor, IEX works proactively in partnership with the energy ecosystem stakeholders to develop and deepen energy markets while contributing towards accomplishing the national aspiration of building India as a sustainable energy economy.

# The Energy Shift

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The fast paced addition of renewable capacity across the world reinforces optimism about our ability to accelerate clean energy transition and achieve goals under the Paris Climate Agreement, 2015. According to the International Renewable Energy Agency, despite the COVID-19 pandemic, more than 260 GW of renewable energy capacity was added globally in 2020, beating the previous record by almost 50%.

India has also seen an accelerated momentum in solar and wind energy based projects at the grid as well as decentralised level. Governments and industry have been rallying behind the increased adoption of renewable energy. They are also pro-actively exploring the feasibility of adoption of other new emerging renewable technologies like storage, hydrogen, geothermal etc., driving the energy innovation.

Renewable energy has seen fast-paced growth in India. From a mere 4% share in electricity generation in the year 2008-09, it has reached a mighty 11% in 2020-21. The installed renewable capacity at 94 GW represents 24.7% of the total installed capacity of 382 GW. The fast and steady growth of renewable is a testament to India's persistent efforts to decarbonize its energy economy.

Further, the mobility space, which has been fulcrumed on the conventional fuels over last many decades, is now seeing a shift towards electric. Several innovative decentralized hybrid models for vehicle charging stations are now emerging. With policies such as FAME II, India is poised to witness the transformation of its automobile sector with electric mobility leading the way. To spur this shift, decentralization supported by new models such as virtual power plants as well as integration of mobility with grids will emerge.

## Building India as a Sustainable Energy Economy

India's energy policy is guided, to a great extent, by Nationally Determined Contributions committed under the Paris Climate

Agreement, 2015. Some of the specific targets include reducing emission intensity by 33-35% by the year 2030 as compared to 2005 levels, achieving a 40% share of non-fossil fuel based electricity generation capacity, and 450 GW of installed renewable capacity by 2030.

Honorable Prime Minister, Shri Narendra Modi's stated focus areas for India's energy economy include use of cleaner fossil fuels, greater use of bio-fuels, rapid scaling up of renewables, electric mobility, and a shift towards emerging fuels including hydrogen. While solar power accounts for about 4% of India's electricity consumption today, it is set to see an exponential growth in the coming years.

As per the International Energy Agency India Energy Outlook 2021, if stated energy policies are implemented in India, the market for solar PV, wind turbine and lithium-ion battery equipment will expand to over \$40 billion per year by 2040. In such a scenario, by 2040, 1 in every 7 dollars spent worldwide on sustainable equipment will be in India, compared to 1 in 20, today.

## From Consumers to Prosumers

Given the accelerated pace of the energy shift that has been underway, India is likely to see a heightened emphasis on building smart and robust grids at various levels and on other resources that offer flexibility to successfully balance the grid. India's large transmission grid, coal-fired power fleet supported by renewables, hydro power and gas-fired capacity can meet the bulk of balancing and flexibility requirements in the near term. It is notable that the Government of India envisages 40 GW of decentralized solar energy solutions by the year 2022.

The adoption of decentralised off-grid solutions, and micro-grids supported by the enabling policy framework, is driving decentralized generation and leading to the creation of a new breed of consumers called 'prosumers' who produce as well as consume energy. The increasing number of prosumers also underline a greater need to accelerate battery storage and hydrogen based fuel cells in the mid to long run, for a round the clock and reliable energy solution. The prevalence of prosumers and increased adoption of decentralised energy systems will likely lead to the creation of local energy markets







based on the decentralised blockchain technology, as already prevalent in the developing economies such as Australia.

The Indian Government is also set to boost decentralised renewables and the peer-to-peer (P2P) energy trading initiative. The India Smart Grid Forum (ISGF) has launched a blockchain peer-to-peer trading pilot with Australian technology pioneer Power Ledger in the states of Uttar Pradesh and Delhi.

## Consumer Choice

With the Government of India's commitment to give consumers the power of choice as announced in the recent Union Budget 2021, the future holds more empowerment of consumers with responsible consumerism and choices. This could be an effective way to adopt technology, and automation, smart meters, and grids to infuse greater competition and make the distribution utilities more customer centric.

The Draft Electricity (Amendment) Bill 2021 also seeks to de-license the power distribution sector to reduce entry barriers for private players. This will help create much-needed competition in the segment, and ultimately provide choice to consumers by enabling them to choose their service provider.

## The Digital Dividend

Interestingly, technology and energy have a deep relationship. The increasing focus on decarbonization and decentralization requires India to increase its focus on automation and technology in the value chain across generation, transmission, distribution and consumption.

An outlay of about Rs 3 lakh crores over a period of five years was announced during the Union Budget 2021 with an objective to provide financial assistance to the distribution utilities for infrastructure creation. This includes pre-paid smart metering and feeder separation, and upgradation of systems which relate to improving the overall financial health and viability. This will also be effective in curbing the mounting aggregate technical and commercial losses and make the system more accountable and efficient.

# Message to Shareholders

“We are working towards transforming India’s energy sector and building an efficient and sustainable energy economy leveraging innovation and technology, with a focus on customer centricity.”

**The strength and robustness of your Company’s business model along with regulatory and policy initiatives towards deepening the power markets, enabled Power Exchange Markets to continue their growth despite a challenging year for the economy and humanity.**

Fiscal year 2021 was an exemplary year in the 13-year journey of your Company. The year was marked by digital transformation and the launch of new market segments to meet the dynamic power procurement needs of the market participants. When the entire economy was under lockdown for an extended period due to the pandemic, your Company ensured 24x7 operations of the Exchange through a robust business continuity plan and helped distribution utilities provide uninterrupted power supply to their customers in the most cost-efficient way.

The competitive price discovery on the platform has further provided an opportunity for cost optimization to market participants, leading to a reduction in the cost of doing business. Many state distribution companies are buying power from the Exchange platform to get flexibility and transparency and to optimize their power procurement cost. In fact, the Andhra Pradesh Central Power Distribution Corporation saved more than INR 2300 cr in the last two years by procuring power through the Exchange Markets.

During the year, we launched new market segments and received a very encouraging response from our customers. The Real Time Market (RTM), for which we operate 48 half-hourly auctions every day, allows customers to purchase power at an hour’s notice. The market launched on June 1, 2020 has been supporting Discoms to manage their demand-supply

**Satyanaran Goel**  
Chairman &  
Managing Director



variations and renewable energy integration in an efficient and effective manner besides supporting safe and reliable grid operation. We also forayed into renewables trading with the launch of Green Term Ahead Market (GTAM) on August 21, 2020. As India moves towards large scale renewable capacity additions, both these markets will play a key role in meeting our national sustainability aspirations. Recently, we also commenced the much-awaited Cross Border Electricity Trade, towards our endeavor to create a South Asian Regional Power Market.

*Andhra Pradesh saved more than Rs 2,300 crores in the last two years by purchasing electricity in Exchange markets at cost effective prices.*

## Government is working towards building an efficient power sector

The Power sector has witnessed several significant developments in the last few years. With peak demand at 190GW vis-à-vis installed capacity at 380GW, India is now a power surplus country. On the transmission side, our country has successfully developed an integrated single grid, which is the largest in the world. Power can now flow seamlessly across the country resulting in ‘one nation one price’ round the year. Further, the Government has approved a revamped reforms-based result-linked power distribution sector scheme with an outlay of INR 3 lakh crores over the next 5 years to improve operational efficiency and financial viability of Discoms. This will help build a commercially viable power sector, which is necessary to ensure a vibrant power market.



*The Union Cabinet approved a reforms-based results-linked revamped distribution sector scheme with an outlay of INR 3 lakhs crores over 5 years. The scheme seeks to improve the operational efficiencies and financial sustainability of all Discoms by providing them with conditional financial assistance for strengthening of supply infrastructure.*

## Policy and Regulatory Initiatives

A conducive market framework is essential for building an efficient power sector. With the increasing thrust on renewable energy, deepening of power markets has become even more necessary. Realizing the role that power markets can play in transforming the electricity sector, the Government has undertaken several future-focused initiatives to bring reforms in the power sector and create a vibrant power market:

- Proposed Amendments to the Electricity Act 2003 to de-license the distribution business will bring competition in power distribution and provide greater choice to end consumers. This will greatly aid the financial recovery and power purchase capabilities of Discoms, thereby increasing their participation in the market for efficient power procurement.
- The Ministry of Power issued the Draft National Electricity Policy 2021 (NEP) indicating the commitment of the Government to deepen power markets by increasing the share of spot markets to 25% by the year 2023-24. The NEP, 2021 underlines the most pertinent issues of the power sector with a focus on areas such as promotion of clean and sustainable generation of electricity, development of an adequate and efficient transmission system, revitalization of the distribution utilities, as well as the development of efficient power markets.

***Draft National Electricity Policy 2021 envisages increase of Spot market share to 25% by the year 2023-24.***

- CERC has issued the Draft Ancillary Markets paper, which provides for procurement of ancillary services through Exchanges.

Under the National Open Registry, the National Load Despatch Centre (NLDC), Regional Load Despatch Centres (RLDCs), and State Load Despatch Centres (SLDCs) will be connected through a technology platform. This will facilitate an online Open Access system, thereby promoting the market purchase of power by industries and commercial establishments. Your Company is also working towards launching the capacity markets in India. Both ancillary and capacity markets are imperative elements to build a holistic, integrated, efficient and sustainable power market in India. Additionally, your

Company has approached the Regulator for approval of Longer Duration Contracts, which are expected to start soon. As and when forwards and futures derivative contracts in electricity are introduced, it will lead to further deepening of spot power markets.

## The Green imperative

Power markets are an inevitable part of the energy shift, which is driven by renewables and technology. As we move towards higher renewables, power markets will be key in managing the intermittencies by efficient integration with conventional power.

In line with evolving energy demand and India's pursuit to lower carbon emissions as per the Paris Climate Agreement 2015, India has planned to add 175 GW of renewable capacity by 2022 and 450 GW by 2030. At IEX, we are aligned with the national aspirations of building a green energy economy. We introduced the Green Term Ahead Market last year and will be introducing the Green Day Ahead Market this year, post regulatory approvals. With the Nation's fast-paced foray into renewables, this market will become a key growth area for us. Additionally, learning from global experience, we are also undertaking policy advocacy for the introduction of various market-based contracts such as Contracts for Differences (CFD) to facilitate future market-based renewable capacity addition in the country. These contracts have helped countries like UK and Germany to expand their renewable energy capacity base and ensure a greater role of renewable energy in the electricity mix.

## Business Diversification

On June 15, 2020, we pioneered Gas Markets in India with the launch of India's first Gas Exchange. In December 2020, IGX received authorization from PNGRB to operate as a Gas Exchange. Your Company has put in place robust processes, technology, and a market framework allowing participants to trade physical delivery-based contracts for delivery ranging from a few days ahead to 3 months ahead. With an ambition to build IGX as an institution that will benefit the gas sector as a whole, we have onboarded key market leaders such as NSE, ONGC, GAIL, Torrent Gas and Adani Total as strategic investors in IGX.

Gas being a clean fuel, the Government has a vision to increase its share in the energy basket from the present 6% to 15% by the year 2030. It has planned to invest INR 7.5 lakh Crores over five years to create LNG terminals and a Gas Pipeline network, which will create infrastructure for development of the gas market and facilitate an increase in consumption of gas in the country. Further, for development of the gas market, the Government has proposed to set up a gas Transport System Operator (TSO) for allocation of gas pipeline capacity to market participants in a transparent and non-discriminatory

manner. Plans are underway to bring natural gas under GST to make its price cheaper and uniform across the country. Your Company has undertaken several policy advocacy initiatives with the Government and regulators to create a conducive market framework for a vibrant gas market. With these initiatives, the Indian gas sector is poised for breakout growth, which will lead to creation of vibrant gas markets in the country, providing IGX more opportunities for larger value addition to its stakeholders.

## Fiscal 2021: A year of Digital Transformation at IEX

As a technology-driven energy marketplace, your Company is continuously innovating to build a vibrant and future ready exchange platform and provide the best-in-class customer centric solutions to market participants. Fiscal year 2021 was a year of digital transformation at IEX as we undertook several technological advancements to create true customer delight for our participants. For instance, we launched Real Time Market which requires very high technological expertise as it follows a very stringent timeline of 15 minutes for bid collection, price discovery, and interaction with NLDC for corridor availability. During the year, we significantly upgraded our systems allowing this market to operate with nearly 100% availability. With our efforts towards creating a reliable real time market, RTM has now become a key differentiator for the business, contributing 13% to the total electricity traded volumes in its first year of launch.

We introduced a Mixed-Integer Linear Programming (MILP) based matching algorithm, which makes it easy to introduce complex bids on the Exchange platform to meet the requirements of a changing market scenario. In the current year, we are working to further upgrade the web-based platform to provide online trading, and deep data insights to the market participants. We are also working on launching a new mobile app and undertaking technology re-architecture initiatives to create a best-in-class technology platform for our customers.

Your Company is also exploring and investing in emerging technologies. This includes Artificial Intelligence and Robotic Process Automation (RPA) to automate our operations, Machine Learning and Data Analytics to provide efficient solutions to the Market participants, and Blockchain solutions to support the new trading concepts such as Peer to Peer (P2P) trading.

## Performance: Fiscal Year 2021

Last year, despite a slowdown of economy and reduction in power consumption in the country, your Company grew at 20.3% YoY with revenues at Rs 357.4 Cr. We also saw the highest ever yearly volume of 74 BU, resulting in growth of

37.3% in the electricity segment on a YoY basis. The growth was driven by competitive power prices creating traction with distribution utilities as well as industrial consumers, availability of adequate domestic coal at competitive prices, coupled with the commencement of new market segments.

## Social Responsibility

As a socially responsible corporate citizen, during the year, your Company supported the Government of India's relief measures in the fight against COVID-19, by contributing to the PM CARES Fund. Also, as part of promoting sustainable and inclusive growth of the nation, our CSR programs in collaboration with IIT-Kanpur, Sabhyata Foundation, and HelpAge India, helped create a positive social impact in a meaningful way.

## Way Forward

With GDP forecasted to grow at 9.5% in fiscal year 2022, electricity consumption is also expected to grow at a commensurate level. Ample generation capacity, favorable policy and regulatory initiatives, declining green power cost, the launch of new market segments and products will unleash exponential growth for your Company even as we explore several new business opportunities including inorganic expansions within the energy space.

A massive opportunity lies in front of us as India moves towards greater adoption of renewables, and the energy sector undergoes rapid transformation. From a system based on centralized generation, transmission, and distribution we're moving towards one that integrates distributed generation, supply chain automation, low carbon products and technologies, providing greater choice to consumers. Exchanges will have a key role to play in this new energy order. With robust technology driven solutions underpinned by Artificial Intelligence, Machine Learning and Blockchain, innovative products and services such as Peer to Peer Trading, decentralized RE hybrid models for battery storage, and other emerging trends, Exchanges will truly lead the future of energy.

The future of energy markets is very promising. Your Company's strong governance structure, ethics and business fundamentals will continue to drive the vision forward. We look forward to continued collaboration with all stakeholders including the government, regulators, system operators, market participants, members, clients, and partners to develop the energy markets and leverage new growth opportunities towards maximizing shareholder value.





# The Sustainability Imperative

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## BUILDING INDIA AS A SUSTAINABLE ENERGY ECONOMY

Sustainability is at the core of every thing we do!

At IEX, our endeavor has been and will continue to be to provide new market segments and products leveraging state-of-the-art technology to facilitate the nation achieve its sustainability aspirations.

**T**he energy markets have a key role to play in building a sustainable energy ecosystem. To achieve the national renewable aspirations, the technology-led energy markets that enable greater competition, transparency, and flexibility can act as a catalyst and facilitate the transition to a sustainable energy order.

Global trends suggest that countries with a higher share of renewable in their energy mix have developed their energy markets to advanced levels. In India, the power markets represent ~12% of the larger market of 1300 billion units while the Exchange markets have ~50% share in the power market. In contrast, the markets have 30-80% share in the case of European countries. Given India's diverse geography, power markets can help to create a competitive, transparent, and efficient power sector and also facilitate effective integration of renewable and conventional power, as already evident in the case of Germany, as well as several other European and the Western countries.

As renewables define the energy shift and play a dominant role, the power exchanges and market based models and solutions that fit into modern day dynamics of consumer being a producer, i.e. prosumer, are required. The technology led marketplace can play an enabling role in not only meeting the national sustainability aspirations, but also facilitating the integration of conventional power with renewables besides providing choices to consumers.

The current structure of long-term power contracts between generators and distribution utilities pose a challenge in meeting the renewable aspirations. A structural shift from fixed long-term contracts to market-based contracts is needed to address the challenges faced presently. Market-based mechanisms such as Contracts for Differences could make the existing long-term contracts more flexible and competitive. With this arrangement, long term agreements can act as forward contracts, while physical transactions can take place in short-term markets.

## New Market Segments

Over the last fiscal year, your Company commenced two new market segments as well as launched its first diversification initiative in the gas markets through its subsidiary Indian Gas Exchange, aligned to India's aspiration of building a diversified and sustainable energy economy. In April 2021, we pioneered commencement of the Cross-Border Electricity Trade (CBET) on the platform with an endeavor to build a vibrant and integrated South Asian Regional Power Market.

## Real-time Market

Commenced in June 2020, the Real-time Market was launched with an intent to help market participants dynamically balance their power demand-supply portfolio real time in a structured way through the market platform. The real-time market helps make the power market more dynamic by enabling trade in electricity through 48 auctions in a day, where a new auction session is held every half an hour. It offers the distribution utilities immense flexibility in addressing their varying schedule with delivery of power at just an hour's notice from the closure of the bid session. Through this market, the utilities have an opportunity to potentially reduce dependency on the grid based deviation mechanism and also make financial savings on the huge penalties incurred on them under the mechanism. The real-time market, has been facilitating grid safety and stability while also supporting renewable energy integration in an efficient and effective manner.

## Green Market

Commenced in August 2021, the green market enables trade in renewable energy in an efficient and competitive manner through a nationwide renewable energy market which allows the distribution utilities and renewable generators to sell their surplus green power while the obligated entities can procure from the market to meet their electricity needs and Renewable Purchase Obligation in an integrated way. Besides, this market facilitates efficient and seamless integration of the renewable energy. With four contracts in both solar and non-solar segments, Green market offers greater choice to market participants to trade renewable energy on the same day up to 11 days ahead.

## Cross Border Electricity Trade

Commenced in April 2021, IEX pioneered the commencement of cross border electricity trade with Nepal in its Day Ahead Market. Through this market, our endeavor is to build a regional power market beginning with grid connected countries like Nepal, Bangladesh, and Bhutan. An integrated power market at the regional level will lead to availability of competitively priced power, transparent and efficient power procurement, resource optimization at the regional level, and enhanced energy security and access.

## Indian Gas Exchange (IGX)

Commenced in June 2020, IGX is India's first automated, nationwide, delivery-based gas exchange. IGX secured authorization from the Petroleum and Natural Gas Regulatory Board in December 2020. The Exchange's vision is aligned with the Government's stated ambition to increase the share of gas in India's energy mix from the present 6% to 15% by the year 2030. In fact, the Exchange has already laid the foundation of gas markets in India and has been ensuring the discovery of indigenous price benchmarks, providing competitive gas price benchmark, transparency, flexibility in procurement and greater market access. The Exchange has robust ecosystem of 17 members, 500+ registered clients and has already traded more than 2,75,000 MMBTu (>7 million SCM approximately till March 2021). Currently, IGX operates from five gas hubs - Dahej and Hazira in Gujarat; Dabhol and Jaigarh in Maharashtra and KG Basin in Andhra Pradesh.

## Supporting Growth & Economy

Availability of adequate and affordable electricity is key to economic growth. While India is the world's third-largest energy consuming country, owing to rising incomes and improving standards of living, our energy demand is still at a relatively nascent stage when compared to the leading economies.

Indian Energy Exchange has been facilitating India's energy future by creating significant impact across the electricity value chain:

- Creating a pan-India wide power market with robust ecosystem comprising 6700+ participants.

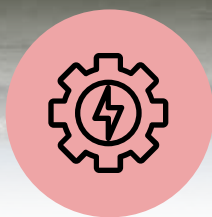
- Facilitating market participants to address the demand and supply equilibrium, in the most competitive, flexible and transparent way, aligned to the government's vision of uninterrupted 'Power For All 24X7' basis in the most affordable manner.
- IEX has most competitive electricity market, green market, certificates market as well as is a pioneer in cross-border electricity trade. The Exchange has been providing most competitive power prices which serves as the benchmark and reference for prices across the long-term, medium and short-term markets.
- Facilitated around 20 GW of merchant power capacity which is not committed under 25-year contracts and is available for sale through the power market.
- One Nation, One Grid, One Price has become a reality due to price signals from the market leading to considerable investments towards augmentation and reinforcement of the transmission system.
- Market signals have also helped to undertake several policy and regulatory developments in power, coal, gas, and renewable energy. Today, the government and the regulators are actively discussing to deepen the Exchange Power Markets on the lines of what we see in several developed economies such as: Nordic countries (90% through markets), Germany and UK (50%), Netherlands and Switzerland (35%)
- From a meager 13 BU electricity volume traded in the year 2011, trade in the electricity market has grown to 74 BU in fiscal year 2021. In the last five years, electricity volumes have grown at a CAGR of 17%.

Your Company is actively working towards every aspect of the 2030 Sustainable Development Goals - Ensure Access to Affordable, Reliable, Sustainable and Modern energy for all. It is supporting the Government of India's 'Power for all' vision with a 24x7 power on demand.

## Technology-Led Transformation

Powered by state of the art technology which is intuitive and customer centric, IEX is creating a customer centric energy marketplace through efficient and state of the art technology solutions.





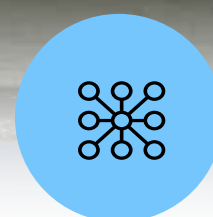
### Generation

Providing Signals for Generating Capacity addition (currently - ~20 GW Merchant plants)



### Transmission

- Investments in transmission,
- Enabling zero congestion



### Distribution

- Lower power prices for discoms,
- Allowing flexibility of trading and just in time purchase

Our integrated suite of technologies has been developed in-house, in partnership with leading global and domestic technology players, providing a distinct and sustainable competitive advantage. Fiscal 2021 in particular was a year of digital transformation for your Company. During the year we strengthened and advanced technology to make IEX a best-in-class technology platform. Some of the initiatives we undertook were adoption of Mixed-integer linear programming

(MILP) matching algorithm at par with European Markets, and Application Programming Interface (API) based automated bidding for Real Time Markets which led to further enhancement of customer experience. Also, the recently launched web-based interface provides several benefits to our customers such as data insights, online client registration/update, and anytime anywhere secure access for all reports.

# Technology-Led Transformation

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ADVANCING TECHNOLOGY  
ARCHITECTURE FOR A  
FUTURE-READY ORGANISATION

At IEX, we are constantly innovating, reimagining and strengthening technology at both exchange and enterprise level, working in partnership with global and domestic leaders, to build a future-ready exchange platform.



India's energy sector is at the cusp of transformation. An evident shift towards decarbonization and decentralization has been underway with increased role of renewable energy at grid connected as well as off-grid level. Besides, several new and non-conventional technologies such as hydrogen, fuel cells and batteries have been in the fray and will likely play a key role in enabling the technology led sustainable transformation that has been unfolding.

The COVID-19 pandemic has altered life and its ways as we had known them so far. Digitalisation is serving as a fulcrum to the emerging new order, and is expected to define the ongoing energy shift. There has been an increased push towards adoption of technology and automation across industries with the power sector being no exception. Adoption of intelligent control systems and internet-enabled software will enable optimization of the supply chain across generation, transmission, and distribution of electricity to new levels. Further, artificial intelligence, machine learning, cloud-based solutions will also play a key role in making power utilities more tech savvy and competitive. The technology tide that has been unfolding can potentially transform India's energy and power sectors enhancing their efficiency by multiple folds.

The technology-powered energy markets will also have a key role to play in creating a new energy order. The markets will not only give India a much-needed push towards greater competition, efficiency, sustainability but will also support achieving the green energy aspirations.

IEX is committed to developing India's energy markets. We strongly believe that our robust, and customer centric efforts to build a best in class technology infrastructure both at the exchange and at the enterprise technology level will ensure a leadership and pioneering role in development of India's energy markets.

## Technology as Key Enabler

Technology has been a key differentiating factor for IEX since inception in the year 2008. Our technology vision has been to provide the most intuitive, secure and state of the art technology platform. The objective has been to facilitate market development, ease of access and trade as well as facilitating market participants to benefit from the flexible procurement. We have, over the years, ensured the most competitive price discovery, efficiency, and generated maximum social welfare for the market participants. The Exchange trading platform, developed in-house, by our team of technology experts and ably supported by several local and global partnerships, is based on proven, reliable and tested technology and contributes to a sustainable competitive advantage for the company as well as our stakeholders.

We continually invest in technology to elevate ease, reliability, security, scalability, to provide the best-in-class experience to our participants. All of these are critical performance criteria for an electronic trading platform.

Our integrated suite of technology is designed to support a significant expansion of business and provide with the ability to leverage our technology base to enter into new markets as well as develop new products and services rapidly and reliably.

## Transforming Customer Experience

Customer experience is a key growth driver for the Exchange. Through continuous investments in technology, we have always endeavored to provide the most intuitive, reliable, and cost-effective power procurement platform to our customers. Our members, clients, partners and leaders as well as the key stakeholders in the power sector enjoy anytime, anywhere, secure web and mobile access to the platform.

In addition, the platform provides personalized and deep data Insights such as bid details, price comparisons across market segments, generation, transmission line outage, demand, weather forecasts etc. to enable the market participants make effective power procurement, management and optimization decisions. It also enables bid upload automation through APIs, and auto-flow of un-cleared bids across market segments.



The platform also enables digital/paperless processes for online registration and updates. This will allow integration with the National Open Access Registry (NOAR) once launched. It also provides robust business continuity through seamless DC to DR switch.

**We have aligned our efforts to drive customer experience improvement through a SIMPLE strategy.**

# S I M P L E

Self-service web and mobile applications to enable customers anytime anywhere easy and secure access to our platform with single application and login for all activities.

Intelligent process automation to reduce customer effort, and insights driven by data analytics to enable effective decision making for our customers.

Matching engine optimization to enable us to offer new, more complex bid types to effectively meet the power procurement requirements of our customers.

Product launches and enhancements to enable customers to fulfil their power procurement needs in a more effective manner, and Platform Architecture and Infrastructure optimization to provide the best-in-class reliability, availability, responsiveness, and security to our customers.

Learning opportunities for our customers by organizing online and offline experiential learning programs.

Energy procurement optimization solutions for our customers.

## CUSTOMER CENTRICITY & SEAMLESS OPERATIONS ARE OUR HALLMARKS

At IEX, we persistently endeavour to build an organisation pivoted on customer centricity, adopting technology, automation, analytics as well as other futuristic solutions towards creating state-of-the-art platform and delivering six sigma operations.

Some key initiatives undertaken to create best-in-class customer centric technology platform include:

### Ease of Bidding

- Application Programming Interface based automated bidding for Real Time Markets
- Automated order carry from Day Ahead Markets to Term Ahead Markets
- Dynamic Market Watch in Term Ahead Market
- Term Ahead Market Daily contract Market duration extension from 5 hour to 22 hours (from 12:00 pm - 5:00 pm; to 1:00 am - 11:00 pm)
- Extension of delivery period from T+10 to T+11 for Daily contract

### Faster credit of payment

System Integration with Banks to ensure credit by 11:00 Hrs to enable Customers to get payment 3 to 4 hours before and get sufficient time to make investments on the same day of the funds that have afternoon cut off time.

### Mixed-integer linear programming (MILP) based Matching Algorithm

Partnership with N-SIDE (the company which has implemented the algorithm that discovers the Day Ahead price for the entire European electricity market) to get MILP matching algorithm developed for the day-ahead and real time market segments. The algorithm has been made live for DAM from the Trade Date 14th April 2021. The implementation of MILP based matching algorithm provides the flexibility to introduce complex bid types looking at the changing market scenario.

### Market Engagement Initiatives

- Capacity building through focused webinars to enable the market participants to derive maximum benefit from the product launches.
- Trade Insights published on monthly basis to enable the key customers get visibility about the benefits from trading on our platform.
- International Power Market workshops and Study-tours from time to time

### Web-based Trading Interface

The key benefits that customers get from Phase-1 launch are online client registration/update, anytime anywhere secure access for all reports, ability for Members to provide access to clients.

### Business Continuity

- Technology and Operations readiness to ensure 100% uninterrupted services and support to Customers during the Nationwide lockdown
- Software and Infrastructure implementation to achieve 24x7 availability

### New Launches

- Real Time Market
- Green Term Ahead Market

#### Key enhancements in the Term Ahead Market

- Flexible Daily contracts
- 15-minute contracts



# Pioneering India's Gas Markets

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**E**stablished in June 2020, the Indian Gas Exchange Limited (IGX) is India's first authorized gas exchange offering a nation-wide automated trading platform for physical delivery of natural gas. The Exchange is poised to play an instrumental role in building India's gas markets. Over time, the Exchange will stimulate demand for gas, drive industrial competitiveness, spur investments in the value chain, deliver efficient utilization of the pipeline infrastructure as well as ensure revival of gas-based power plants. In addition, it is strategically aligned to the Government's vision of increasing the share of natural gas in the energy mix from 6 per cent presently to 15 per cent by the year 2030.

## Market Development

Currently, IGX offers trade in five contracts namely: Daily, Weekly, Weekday, Fortnightly and Monthly at five physical hubs at Hazira and Dahej in Gujarat, KG Basin in Andhra Pradesh, and Dabhol & Jaigarh in Maharashtra. The Exchange has been receiving encouraging response from all stakeholders since its commencement and now has a robust ecosystem of over 500+ registered Clients and 18 Members including prominent ones such as GAIL, PLL, BPCL, H Energy, Adani Total, and Torrent. Cumulatively, it has traded 5,70,950 MMBtu of natural gas as of June 30, 2021.

## Customer Centric Initiatives

With a commitment to enhance ease of trade and develop the gas markets, in March'21 the Exchange introduced open auction trading for monthly, fortnightly, weekly and weekday contracts. The open auction mechanism allows the buyer to compare gas prices across different hubs and bid according to the most competitive pricing for the required duration. The matching algorithm is also suitable for domestic producers to sell their market- freedom gas through Exchange. Continuous trading mechanism, which has been introduced for daily contracts, has been making trading system suitable for immediate need basis.

To enhance ease of trading experience for the market participants, the Exchange now allows uploading of all bids in one go, thereby reducing traders' time and chances of errors, and ensuring easy access to historical order and trade books. Furthermore, the market trading hours on the Exchange have been extended - the trading window is now available from 10:00 - 13:00 Hrs as compared to the previous trading window of 10:00 to 12:00 Hrs, allowing more time for participation.

## Creating Awareness and Building Capacity

Over the course of the year since commencement, the Exchange has been actively engaging with market participants, partners, and the ecosystem through a series of Webinars on a wide array of topics such as: Gas Sourcing Opportunities for City Gas Distribution, Fertilizer, Glass, Furnace Companies; Saving Opportunities for Gas-based Power Plants, and Global Gas Trends and Market Analytics. The sessions are aimed at building capacity as well as creating awareness and have been extremely well-received by the market participants.

## Strategic Divestments

Through a set of strategic divestments involving 26% of equity holding to NSE and 5% each to ONGC, GAIL, Torrent Gas and Adani Total, the Exchange co-opted key market leaders and stakeholders to build IGX as an institution and work towards creating an enabling policy and regulatory framework that supports development of gas markets in the country. These developments are set to benefit the gas sector as a whole.

## Creating Conducive Policy and Regulatory Framework

The Indian gas markets are still at a nascent stage. IGX has an important role to play in driving the evolution of the gas markets including playing a lead role in evolving the policy and regulatory framework which is conducive to market development. The Exchange continues to work pro-actively with policy makers and regulators to create a framework that will help build India as a markets-based gas economy.

In December 2020, IGX secured the necessary authorization to operate as a gas exchange as per the provisions of the Petroleum and Natural Gas Regulatory Board (Gas Exchange) Regulations, 2020 for a period of 25 years.

## IGX Launch by Shri Dharmendra Pradhan

June 15, 2020 marked a milestone in the Indian gas sector when India's Gas Exchange was inaugurated by Shri Dharmendra Pradhan, Hon'ble Former Minister of Petroleum & Natural Gas and Minister of Steel, in the presence of Shri Tarun Kapoor, Secretary, MoPNG, Shri D K Sarraf, Chairman, PNGRB, Mr. Ashish Chatterjee, Joint Secretary, MoPNG and other senior officials from MoPNG. We were overwhelmed by the virtual gathering of 1000+ participants from India and overseas who witnessed the occasion.



“From today, there is a new chapter in the history of the country and its energy roadmap. Today we all are witnessing this historic event in the post COVID-19 scenario where the world has changed. Indian Gas Exchange will create more transparency as a platform and will play the role of a mediator.

Congratulations to IEX and IGX, the new baby, and to the entire team. Thanks to all the stakeholders who have participated in this digital launch of the platform.”



**Shri Dharmendra Pradhan**

Former Minister of Petroleum & Natural Gas and Minister of Steel, at IGX launch event

PNGRB also issued regulations to amend the Petroleum and Natural Gas Regulatory Board (Imbalance Management Services) Regulations, 2016. As per the regulation, subject to availability of pipeline capacity and without affecting the services to any shipper, the transporter shall provide the additional imbalance management services to a shipper to manage transportation imbalances as per a pre-determined plan.

The PNGRB also issued important regulatory notifications that will help the end consumers connected on CGD networks to have access to a wider range of gas suppliers, which shall lead to reduction in their purchase prices. This will also enable competition among the gas suppliers, increased utilization of existing infrastructure, and foster creation of new gas markets as well as the related infrastructure.

These regulations include:

1. Access Code for City or Local Natural Gas Distribution Networks under which, detailed operating procedure is provided under this regulation for the shippers, which sets out the open access capacity in City Gas Distribution network, procedure for the capacity booking, provisions for access to 3rd party Shipper CNG/L-CNG stations, role and obligations of City Gas Distribution entity and Shippers in day-to-day flow management including facilities, Gas nominations, metering, billing, Gas reconciliation, etc., various charges to be paid by shipper to CGD entity for utilizing its network, etc.
2. Determination of Transportation Rate for City Gas Distribution and Transportation Rate for Compressed Natural Gas sets out the detailed procedure for City Gas Distribution entity for the determination of transportation rate for City Gas Distribution and transportation rate for Compressed Natural Gas, which shall be paid by the Shipper to City Gas Distribution operator for utilizing its network.
3. A new tariff structure under the Unified Tariff Regime (UTR) for 14 natural gas pipelines under which, buyers will be charged a fixed tariff for the transport of gas within 300 kms of a source and a fixed tariff for the transport of gas beyond 300 kms on a single pipeline network.

Looking forward, the Government of India envisions the presence of an Independent and Autonomous System Operator on the lines of the national power system operator – POSOCO, who will ensure transparent, and neutral operations. Also, extensive discussions have been underway regarding inclusion of natural gas under the ambit of Goods and Services Tax, seeking to replace the plethora of indirect taxes both at the Central (excise duty, CST, etc.) as well as State Government's level (VAT, entry tax, etc.). This will help reduce the cascading effect of taxes and create a common and one market for natural gas in India.

On the infrastructure front as well, several initiatives have been undertaken and various other initiatives are in the fray. India has already added the Kochi-Mangaluru pipeline and expects the addition of part of Urja Ganga (Jagdishpur-Haldia-Bokaro-Dhamra), Mehsana-Bhatinda, Ennore-Tuticorin and Kochi-Bangalore pipelines in next two years. The new and 11th round of CGD bidding will help to build gas markets with CGD companies being the potential buyers.

All these augur well for gas buyers and market, and the Indian gas sector is poised for a breakout growth in demand. Backed by Government policies and market drivers, IGX is set to lead India's transition towards a gas-based economy by architecting next generation solutions for natural gas trading and access.





# Social Connect

## CREATING STAKEHOLDER VALUE AND INTEGRATING SOCIAL INCLUSIVENESS

The social dimension including inclusiveness and empowerment is integral to our business strategy and growth objectives.





## Corporate Social Responsibility (CSR)

As a socially responsible corporate, your Company is committed to promoting inclusive growth and social empowerment. Your Company's CSR initiatives have been focused on national causes and towards empowering the underprivileged sections of our society. Through our CSR interventions, we have been able to impact the lives of thousands of children, youth, women, and elderly people directly and indirectly in meaningful and positive ways, thus leading the social transformation in the society.

During the fiscal year 2021, the CSR initiatives of your Company covered thematic areas such as: culture & heritage, healthcare, education and research as defined under the Schedule VII of the Companies Act 2013. Our initiatives under these impact areas were spread across three states – Uttar Pradesh, Delhi-NCR and Madhya Pradesh and covered about 16 Districts. We partnered with Sabhyata Foundation for culture and heritage, IIT-Kanpur for education and research and Help-Age India for the healthcare interventions.

As a socially responsible corporate citizen, your Company believes it has a role to play in sustainable and inclusive growth of the nation. The corporate sector partnership with the government and social sector organizations can address challenges that society faces. Since the needs on these multiple fronts are vast, the corporates have an opportunity to make meaningful interventions in a transparent and credible manner. The CSR policy of your Company, allows to undertake

activities under impact areas such as: culture and heritage, environmental sustainability, socio-economic empowerment of underprivileged communities, social development and equity across the society, besides supporting national disaster management, relief and rehabilitation act from time to time.

## Initiatives

### Energy Analytics Lab at IIT-Kanpur, Department of Industrial and Management Engineering (IME)

The Indian Energy Exchange and the Indian Institute of Technology, Kanpur entered into a five-year collaboration agreement on 29 March 2017 to set up Energy Analytics Lab (EAL). Presently in its fourth year, the EAL provides data dashboards, analytics, learning tools, visualization tools, newsletters, periodicals, and also undertakes research related to power sector as well as the power markets.

EAL has been accessible through a dedicated web portal and mobile application, both available in the public domain. EAL portal was commenced in Since September 2018, while the mobile application was commenced recently in the year 2020, and it is available on the android platform for the benefit of all stakeholders.

The EAL provides analytics through System dashboard, Power Market dashboard, and an Energy balance dashboard in addition to the various learning tools and power market





chronicles. The dashboards host analytics such as power demand-supply profiles on real-time basis at national, regional and state levels, inter regional power flow and short-term power market analytics across day-ahead, real-time & term-ahead segments, merit order despatch etc.

Further EAL is also working on data analytics related to merit order of un-requisitioned surplus (URS), SCED modeling, all India load data, coal availability, analysis of trade data on DEEP portal of Government of India and the useful reservoir data related to the hydro-power generation. In future, EAL promises to offer more interesting insights extending to having State-wise short-term energy stack, State-wise Merit Order Despatch Analysis, State-specific Renewable Energy Management Cell (REMC) as well as nationwide energy and power outlook.

### Preserving & Promoting National Heritage, Art, and Culture with Sabhyata Foundation

With a vision to promote and preserve the rich Indian culture and heritage, your Company has been partnering with the Sabhyata Foundation to support restoration, preservation and promotion of national culture and heritage. As a first initiative under this partnership, your Company has been supporting Sabhyata Foundation in its initiative at the Red Fort Monument in Delhi. The Foundation is developing a

grand new Visitor Centre in an old British Barrack that dates to the 19th century at Red Fort. The Barrack is being restored to its original glory through conservation activities.

**Red Fort Visitor Centre:** The Visitor Centre is developed for a new experience with 360° immersive show, augmented reality, interactive photo-op & souvenir shop. Further, the Centre is also retrofitted to house world class facilities such as holograms, dynamic projection, scaled models, interactive exhibits, puzzles and virtual reality, short films as well as sensory delights. Besides this, a newly curated sound and light show at par with the best global experiences elsewhere in the world will also be introduced to bring in the most authentic and rich experience.

**India@75:** Sabhyata Foundation has also been undertaking several activities and initiatives under India@75 intended to present the Red Fort as India's first cultural hub aimed at embellishing India's cultural image and provide the tourists and locals with unforgettable memories. The activities include planned projection mapping, drone show, new museums, live performances, theatre, music, dance performances, children trail, works of art; promotion of traditional art and handicrafts. The visual spectacle will be showcased on one of India's most iconic canvases - the Red Fort's ramparts and will exhibit progress over the last 75 years and highlight India 2.0 – Aatmanirbhar Bharat.



## Improved Access to Healthcare with HelpAge India

Your Company provided healthcare access through a Mobile Healthcare Unit (MHU) in 32 villages of the district of Satna, Madhya Pradesh in partnership with HelpAge India. The research revealed that Satna district had low levels of access to basic healthcare facilities and this initiative provided access to healthcare to the communities, especially the elderly, women, and children. In total, more than 20,000 patients were treated through the year by the MHU and 3,726 new patients were registered. Besides this, the MHU also facilitated:

- Referral of 80 beneficiaries to the hospitals for their further treatments through MHU referral services. Home visits were done by the MHU doctor to examine bedridden patients and provide them treatment and counseling.
- 13 health camps at Pipar-Barband, Ribara, Maudaha Kudava, Shalaiya, Ajamain, and Bhadai especially in rain shadow areas, benefiting approximately 400 patients.
- 28 Health and Sanitation Awareness Sessions related to asthma, diabetes, hypertension, sanitation, water-borne diseases, and dengue were conducted at regular MHU sites.
- 60 MHU beneficiaries were linked with (PM-KISAN) against crop insurance by the MHU team.

## The Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund-PM CARES Fund

As the nation faced an unprecedented COVID-19 crisis, support and solidarity from citizens as well as corporates during these testing times was crucial in supplementing the various efforts undertaken by the Government of India. Your Company contributed Rs. 500 Lakh to The Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) to support relief measures in the fight against COVID 19.



### NGO Partners

#### For Culture & Heritage

Sabhayata Foundation - Red Fort, Delhi

#### For Health Care

HelpAge India – Mobile Health Units at Satna, Madhya Pradesh



### Academia Partner

#### For Research

Indian Institute of Technology, Kanpur - Energy Analytics Lab



# Board of Directors



**Mr. Satyanarayan Goel**



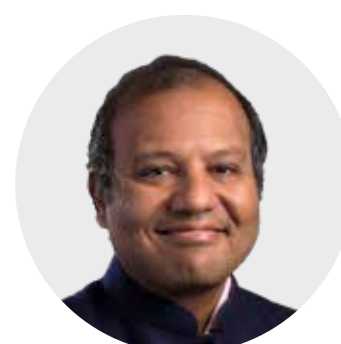
**Prof. K T Chacko**



**Ms. Sudha Pillai**



**Mr. Tejpreet Singh Chopra**



**Mr. Gautam Dalmia**



**Mr. Amit Garg**



Chairman	Member	Committees
▶	●	Audit Committee
▶	●	Nomination and Remuneration Committee
▶	●	Stakeholders Relationship Committee
▶	●	CSR Committee
▶	●	Enterprise Risk Management Committee
▶	●	Strategic Committee
▶	●	Technology Advisory Committee

Chairman	Member	Committees
▶	●	Investment Committee
▶	●	Buyback Committee
▶	●	Divestment Committee
▶	●	Risk management
▶	●	Market surveillance
▶	●	SGF Management
▶	●	Default Committee

# Deep Commitment to Governance



## Transparency

Given your Company's commitment to creating value that is not only profitable to the business but sustainable in the long-term interests of all stakeholders, we consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance as well as the leadership and governance in the Company. We have established procedures to disseminate, in a planned manner, relevant information to our shareholders, analysts, employees and the society at large.



## Equity

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. Your Company actively seeks to adopt best global practices for an effective functioning of the Board and believes in having a truly diverse Board whose wisdom and strength can be leveraged for earning higher returns for its stakeholders, protection of their interests and better corporate governance.



## Accountability

Board Committees play a crucial role in the governance structure of your Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation that needs a closer review and to take informed decisions in the best interest of the Company.



## Integrity

Keeping in view the applicable laws and the principle of integrity and transparency in business operations for good corporate governance, your Company's policy is to have an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance from Management of the Company. Also, the Company has established a Vigil Mechanism with a channel for receiving and redressing employees' complaints. No employee in the Company has been denied access to the Audit Committee or its Chairman.



## Social Duty

Your Company is committed to respond to challenges and emerging opportunities and to play a pivotal role in the economic development of the country. Your Company also has a competent Corporate Social Responsibility Committee which indicates the activities to be undertaken by the Company on Corporate Social Responsibility and recommend the amount of expenditure to be incurred.



# About IEX

## SETTING BENCHMARKS IN THE ENERGY MARKETS

Being India's premier energy exchange, our endeavour is to fulfill the vision of a customer-centric energy marketplace through efficient and tailor-made solutions and create value in the energy ecosystem.

### Fast Facts



**2008**

Commenced operations



**74BU**

units of electricity traded in fiscal 21



**37%**

YoY growth in IEX's electricity traded volume in fiscal 21



**310<sup>MUs</sup>**

Record day volume



**Listed**

Publicly listed at NSE and BSE



**ISO Accreditation**

ISO 9001:2008  
Accreditation for quality management  
ISO 27001:2013  
Accreditation for information security management  
ISO 14001:2004  
Accreditation for environment management.

**I**EX is the first and largest energy exchange in India providing a nationwide, automated trading platform for physical delivery of Electricity Including Renewable Electricity, 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.

In August 2016, the Exchange received ISO Certifications for quality management, information security management, and environment management. The Exchange is now a publicly listed company with NSE and BSE. IEX is approved and regulated by Central Electricity Regulatory Commission (CERC).

## Product offerings

### Day-Ahead-Market

Day-Ahead-Market (DAM) is a physical electricity trading market for deliveries for any/some/all 15-minute time blocks in 24 hours of the next day starting from midnight. The prices and quantum of electricity to be traded are determined through a double-sided closed auction bidding process.

### Term-Ahead-Market

Includes a range of products allowing participants to buy/sell electricity on a term basis for a duration of up to 11 days ahead. Products in the Term Ahead Market include Intra-day, Day-ahead Contingency, Daily and Weekly contracts to help participants manage their electricity portfolio for different durations.

### Real-Time-Market

Real-Time-Market is a new market segment launched on 1st June 2020. It features a new auction session every half an hour with power to be delivered after four-time blocks, or an hour after gate closure of the auction. The price and quantum of electricity trading is determined through a double-sided closed auction bidding process.

## RESPONSIBLE GROWTH & BUILDING STAKEHOLDERS' TRUST

IEX believes in responsible growth, taking ownership and responsibility of all we undertake, while ensuring robust governance to secure the trust of market participants, Investors and all our stakeholders - both External and internal.

### Green Term Ahead Market

Green Term Ahead Market is a new market segment launched in August 2020 to facilitate the accomplishment of national renewable energy capacity addition and effective integration of green energy in the country. It features contracts such as Green-Intraday, Green-Day-Ahead Contingency, Green-Daily and Green-Weekly. The price and quantum of electricity traded is determined by continuous trading in Green-Intraday, Green-Day-ahead Contingency and Green-Daily; whereas by double sided open auction bidding process for Green-Weekly.

### Renewable Energy Certificates

Renewable Energy Certificates are tradable, intangible energy commodities that represent the attributes of electricity generated from renewable resources. One Renewable Energy Certificate represents 1 MWh of energy generated from renewable sources. Under the REC mechanism, a generator can generate electricity through renewable resources in any part of the country.

### Energy Saving Certificates

Energy Saving Certificates is a market-based instrument designed for consumers in energy-intensive industries and sectors (Aluminium, Cement, Thermal Power Plants, Fertilizer, Iron & Steel, etc.) in order to reduce their specific energy consumption for every compliance period in accordance with specified targets. The certificates were created under the Perform Achieve Trade (PAT) scheme of the Ministry of Power, Government of India.

### Cross Border Trade

Cross Border Electricity Trade was launched on the IEX platform as on April 19, 2021. This is a first-of-its kind initiative for the Exchanges to expand power markets beyond India to the South Asia region towards building an integrated South Asian regional power market. CBET started with Nepal as the first participant in the day-ahead market. In addition, Bangladesh and Bhutan will be among the first beneficiaries of connectivity with the Indian electricity grid.

## IEX Ecosystem

6947

Registered  
participants

57

Distribution  
Companies

567

Electricity  
generators

4450

Industries

1747

RE Generators &  
Obligated entities

126

ESCert  
Entities

## Active Industrial Participants in FY21



Textiles

465



Automobiles

142



Metals

231



Cement

87



Chemicals

170



Others

378

## Shareholding %

40.9%

Non-institutional investors

36.9%

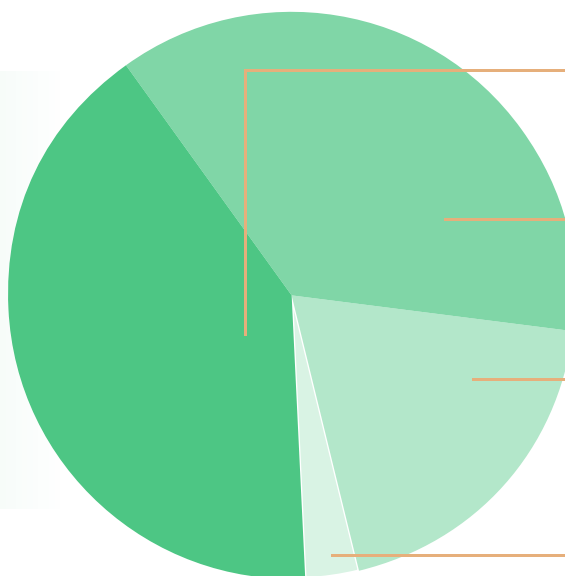
Foreign Portfolio  
Investors

19.3%

Other domestic  
institutional investors

2.9%

Foreign Corporate Bodies

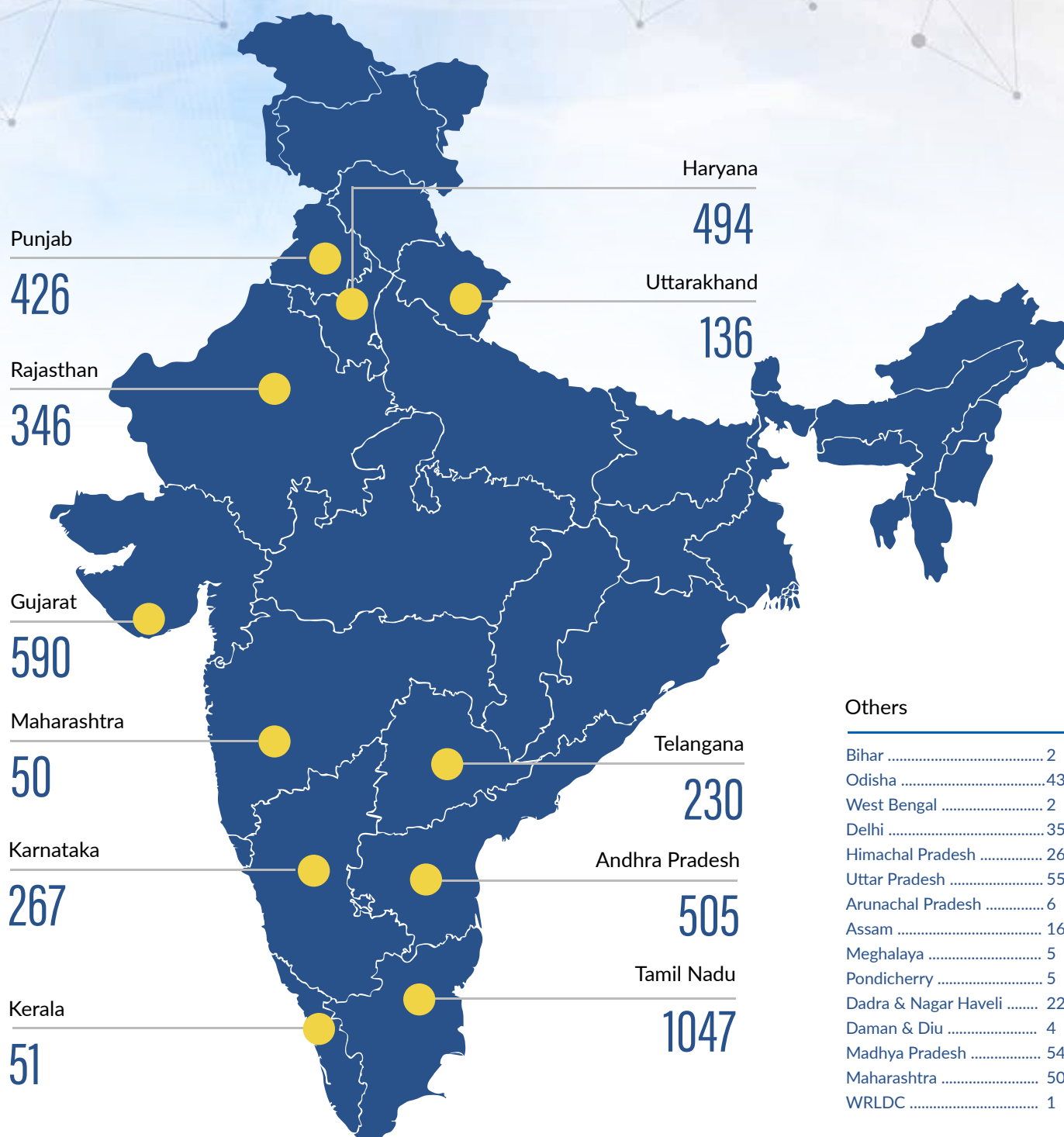
\*As on 31<sup>st</sup> March, 2021

### LEVERAGING IMMENSE OPPORTUNITIES FOR GROWTH AND COLLABORATION

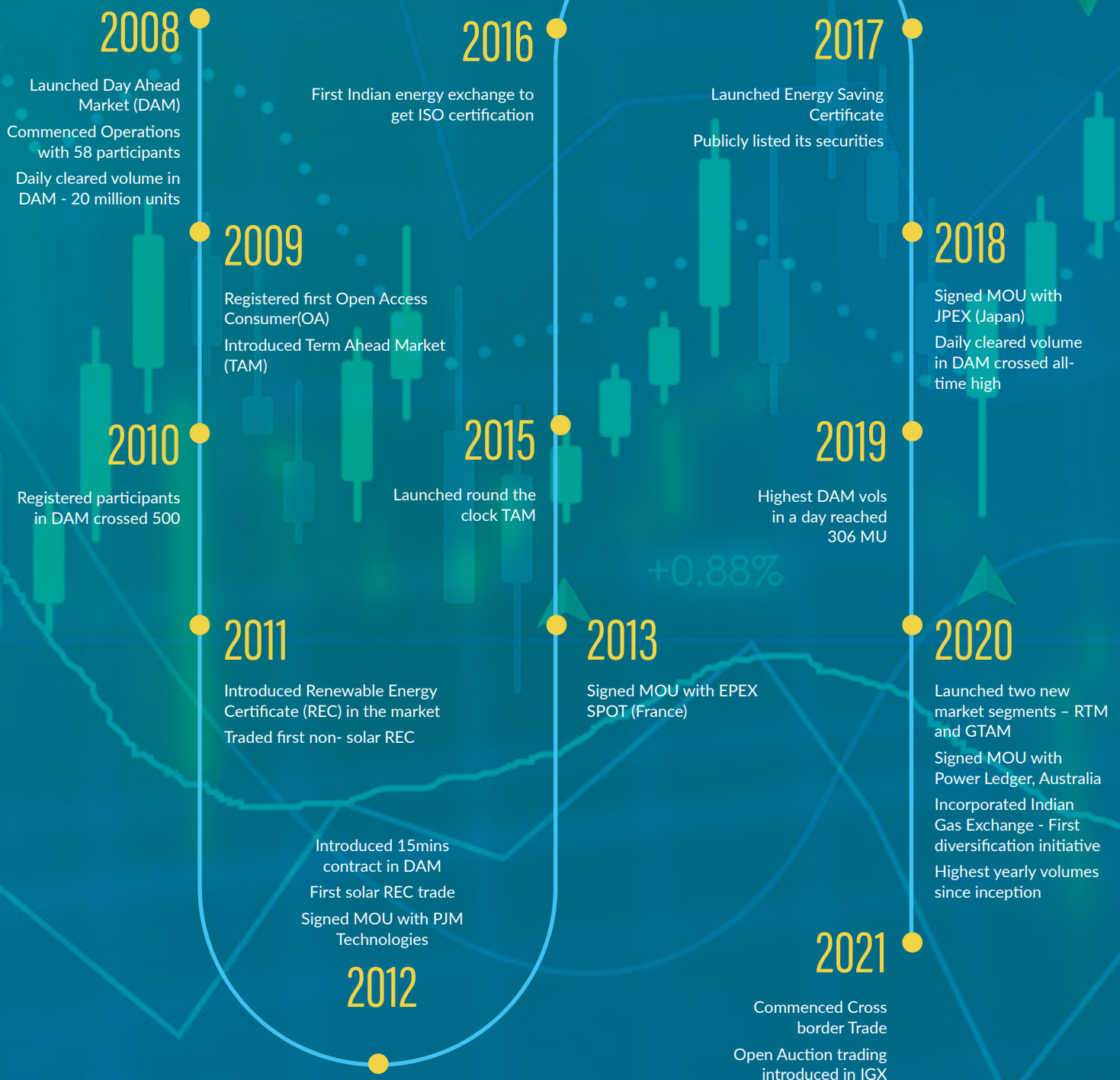
At IEX, we are continually focused on developing and expanding electricity market through new and innovative segments and products, simultaneously exploring opportunities for strategic diversification spanning across the vast energy basket.



# Registered Open Access Participants in FY'21



# Milestones





# Leadership Team

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Chairman & Managing Director  
**Satyanarayan Goel**



Director (Non-Board) - Strategy &  
Regulatory Affairs  
**Rajesh Kumar Mediratta**



Chief Financial Officer & Company Secretary  
**Vineet Harlalka**



Head - Business Development  
**Rohit Bajaj**



Head - Market Operations &  
New Product Initiatives  
**Amit Kumar**



Chief Technology Officer  
**Sangh Gautam**



Head - Human Resources  
& Administration  
**Samir Prakash**



Head - Corporate  
Communications & CSR  
**Shruti Bhatia**



Head - Risk, Alliances  
& Strategic Diversification  
**Indranil Chatterjee**



# Statutory Report



# Management Discussion and Analysis

## Indian Economic Review

With initiatives such as Aatmanirbhar Bharat, which is based on the five pillars of economy, infrastructure, technology-driven system, vibrant demography, and demand, combined with the Government's stimulus measures and structural reforms to bolster the country's manufacturing prowess, the Indian economy is expected to soon regain its growth momentum.

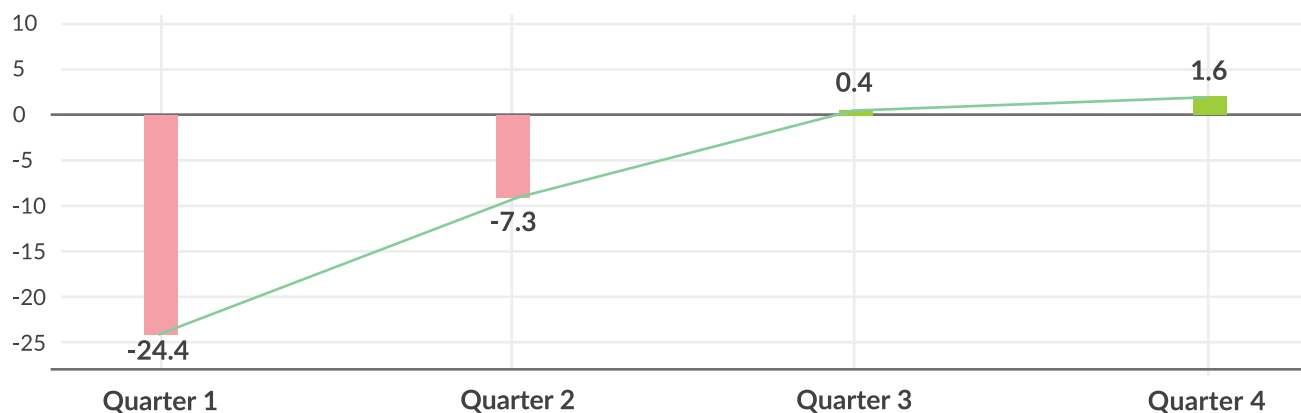
Factors such as robust demand, policy support, increasing investments, and favourable demographics are expected to

drive India's economic growth in the future as well, as it makes strides towards becoming a \$5 trillion economy. As per the Centre for Economics and Business Research (CEBR), India will regain its position as the fifth-largest economy in 2025 and emerge as the third largest by 2030 in dollar terms.

While the onset of the COVID-19 pandemic resulted in a sharp slowdown in economic activity in fiscal year 2021, the Reserve Bank of India has predicted a robust GDP growth at 10.5% in fiscal 2022.

## Quarterly GDP Growth in FY21

(Source: Press Information Bureau)

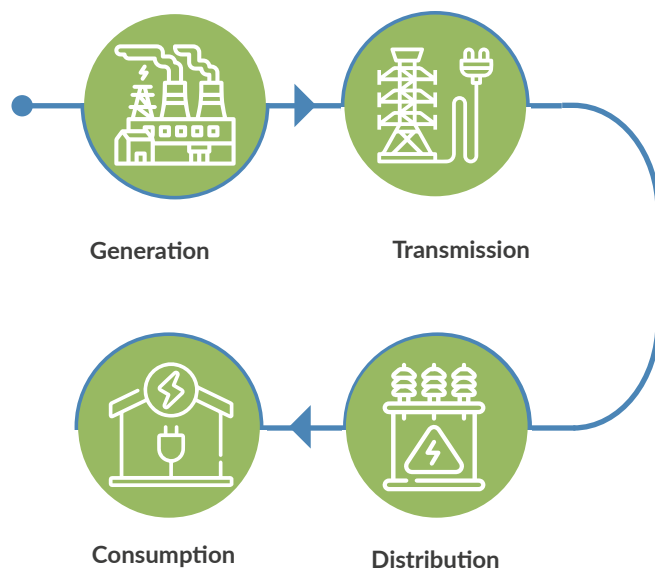


## Indian Power Sector

India is ranked as the third-largest consumer of electricity in the world and has one of the largest transmission systems. The country is at the cusp of a transformation, driven by the fast-paced growth of renewable energy which is in line with efforts to decarbonise its energy economy. From a mere 4% share in electricity generation in the year 2008-09, it reached a mighty 11% in 2020-21 and the installed renewable capacity at 94 GW represents 24.7% of the total installed capacity of 382 GW. The government as well as corporates have been rallying behind the increased adoption of renewable energy and are also pro-actively exploring the feasibility of adoption of other new emerging renewable technologies such as hydrogen, and geothermal, which are driving the energy innovation. Some specific targets set by the Government include reducing emission intensity by 33-35% by the year 2030 as compared with 2005 levels, achieving a 40% share of non-fossil fuel-based electricity generation capacity, and 450 GW of installed renewable capacity by 2030.

The government has also been successful in making strides in expanding the access to electricity to all households in India through Saubhagya and other related schemes. With an increase in industrial and economic growth, thrust on urbanization, and enhanced electrification, the per capita consumption of electricity has increased substantially from 818.8 kWh in fiscal year 2011 to 1208 kWh in fiscal year 2020

## Electricity Value Chain



The Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth momentum continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. India is now a power sufficient country with the peak demand at 190 GW as compared with an installed capacity at 382 GW.

### Factors driving growth in electricity consumption

#### Industrial growth

The Government envisions a robust economy with manufacturing contribution growing steadily over the next few years. The COVID-19 led economic crisis adversely affected the global and domestic economy. With the structural reforms announced by the Government of India to expand supply in the medium-long term and avoid long-term damage to productive capacities, industrial activity and exports are expected to rebound, leading to greater demand for electricity.

#### Urbanization

17 of the 20 fastest-growing cities in the world are in India. As a result, the per capita consumption of electricity in India has doubled since the year 2000 and the momentum is expected to continue till 2025 and beyond.

#### Robust consumer demand

Initiatives such as 24\*7 power for all, Saubhagya, UDAY, Deendayal Upadhyaya Gram Jyoti Yojana, and Integrated Power Development Scheme, 100% FDI in the sector, besides the shift towards sustainability and green energy, have helped expand access to electricity and leading to greater demand.

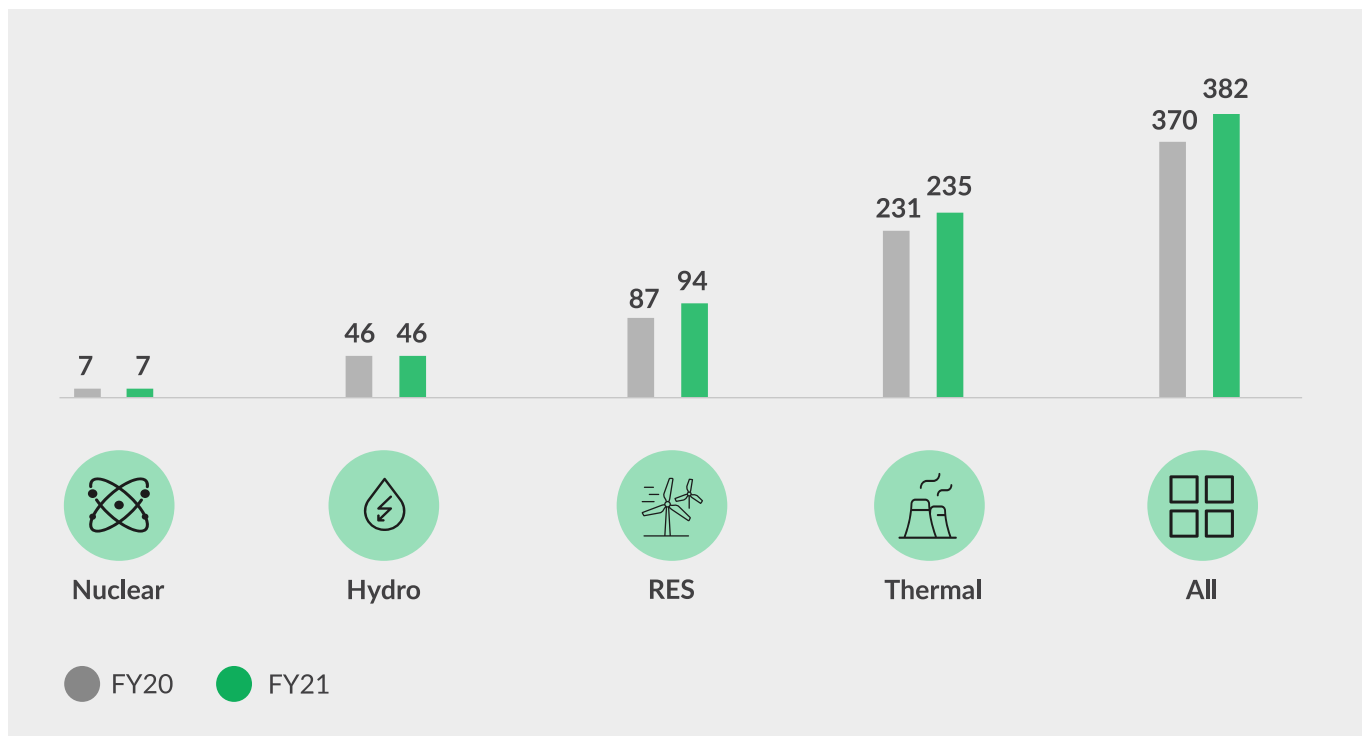
#### Power Generation

India's total installed power capacity stood at 382 GW as on March 31, 2021, with thermal energy share at 61%. In line with India's commitment to the Paris Climate Agreement to increase the share of green energy in the overall energy mix, renewable capacity registered 9% YoY growth in fiscal year 2021 to 94 GW from 87 GW in March 2020.

India's total generation was 1372.9 billion units of electricity in fiscal year 2021, out of which 75% was generated from thermal, 11% from hydro, 11% from renewables, and 3% from nuclear. The overall generation in the country decreased by 1% over last year with conventional power generation recording a degrowth of 1% and renewable power generation clocking 6%

growth. The Plant Load Factor of thermal power plants monitored by the Central Electricity Authority stood at 54.5% in fiscal year 2021, compared to 55.9% in fiscal year 2020.

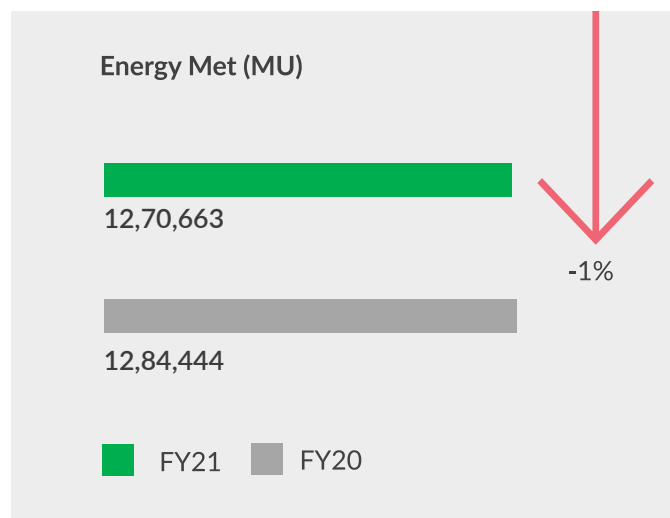
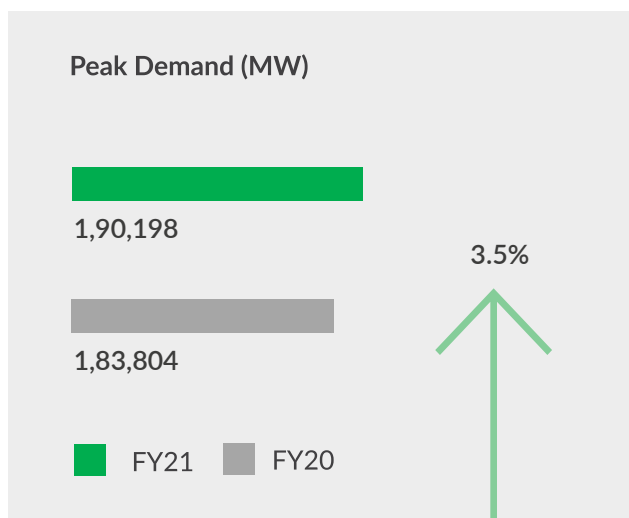
### Total Installed Capacity (GW)



### Demand and Supply

All India peak demand reached 1,90,198 MW during April-March '21 registering 3.5% YoY increase from 1,83,804 MW in April-March '20

All India energy met reached 12,70,663 MU during April-March '21 registering 1.0% YoY decline from 12,84,444 MU in April-March '20





A decline in industrial and commercial activities due to the nationwide lockdown, resulted in 8% decrease in energy demand in first half of fiscal year 2021. However, revival in energy demand due to revival of industrial and commercial activities began since September 2020. In Q3 and Q4, energy demand increased by 6% and 8% YoY respectively. In March 2021, energy requirement grew by 22% YoY and peak demand grew by 9% YoY resulting in closing of fiscal year 2021 almost flat as compared to fiscal year 2020 while, peak demand grew by 3.5% YoY.

A few States / UTs such as Jharkhand, Madhya Pradesh, Bihar and Rajasthan registered a growth of 5% and more in the demand for power in fiscal year 2021.

Comparison of energy met in the key states during fiscal year 2020 versus fiscal year 2021 is as hereunder:

#### Energy Met (MU)

State	FY 2021	FY 2020	% change
Madhya Pradesh	83,437	76,172	10%
Rajasthan	85,205	81,222	5%
Punjab	58,377	56,770	3%
Uttar Pradesh	1,23,383	1,21,004	2%
Gujarat	1,11,622	1,13,939	-2%
Maharashtra	1,50,663	1,55,166	-3%
Andhra Pradesh	62,076	65,414	-5%
Karnataka	68,831	72,796	-5%
Tamil Nadu	1,01,189	1,08,812	-7%
All India	12,70,663	12,84,444	-1%

Comparison of peak demand in the key states during fiscal year 2020 versus fiscal year 2021 is as hereunder:

#### Peak Demand (GW)

State	FY 2021	FY2020	% change
Andhra Pradesh	11.1	10.2	9%
Karnataka	14.3	13.2	8%
Madhya Pradesh	15.7	14.8	6%
Uttar Pradesh	23.7	22.5	5%
Maharashtra	25.5	24.5	4%
Telangana	13.6	13.1	4%
Tamil Nadu	16.2	15.7	3%
Rajasthan	14.4	14.2	1%
Gujarat	18.5	18.4	0%
Punjab	13.1	13.6	-3%
All India	190.2	183.8	3%

#### Short-term electricity market

The size of India's short-term power market increased by 8.8 BU from 137.1 BU in fiscal year 2020 to 146.0 BU in fiscal year 2021, accounting 11.5% of the Energy met.

Of the total short-term market, bilateral transactions, both trader and direct, constituted 29.8% (excluding volumes traded on exchange) followed by the power exchanges at 54.5% and Deviation Settlement Mechanism (DSM) transactions at 15.7%.

During fiscal year 2021, the volume of electricity traded through bilateral transactions (excluding volumes traded on exchange) decreased to 43.5 BU from 58.1 BU registering a decline of 25.1%. The volumes transacted through power exchanges increased to 79.6 BU from 56.5 BU, registering a 41% increase. The DSM volume increased by 1.4%.

### Outlook

The India Ratings and Research (Ind-Ra) Agency projects a strong power demand recovery of 10-12% year on year in fiscal year 2022, with sustained demand growth of 6-6.5% year on year for the fiscal 2023 and 2024, on the back of a strong manufacturing thrust, early signs of capex revivals, pick-up in exports, initiatives such as Aatmanirabhar Bharat, and industrial and economic revival in the wake of the pandemic.

While the COVID-19 crisis brought unprecedented disruption, it has also been an opportunity to expedite the energy transition that has been in progress since the last few years now. Several enabling factors coming into play, including technology innovation, favourable policy and regulatory framework and consumer choice, are driving this shift.

The continued thrust by the Government of India on its flagship schemes in the power sector will also drive sustainable growth for the short-term power market in India. In addition, the draft National Electricity Policy 2021 underlines the most pertinent issues of the power sector marred with inefficiencies and envisages a greater role of power markets and contribute 25% of the total energy consumption by 2024.





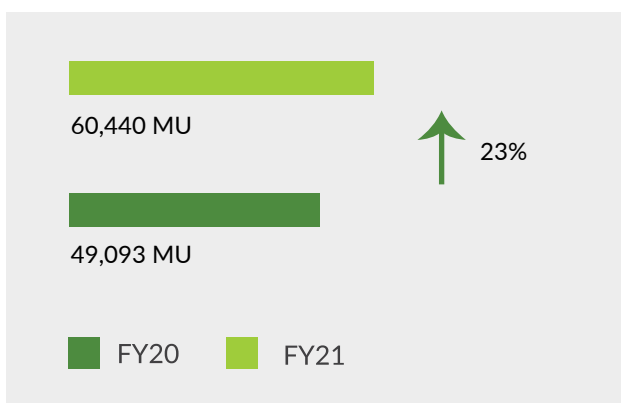
# Business Review Fiscal Year 2021

## Electricity Segment

The fiscal year 2021 saw a 37% increase in electricity volume traded by your Company. A total of 74.0 BU was traded in the electricity segment, compared to 53.9 BU traded last year. The average Market Clearing Price in fiscal year 2021 at Rs 2.8 per unit was 6% lower than the prices discovered in the same period last year. Owing to attractive prices, the procurement of power by distribution utilities increased by 50% and commercial and industrial consumers increased by 5% during the fiscal year 2021. During COVID-19 pandemic, your Company extended support to distribution companies in supplying 24\*7 uninterrupted power and enabled replacement of costly Power Purchase Agreements through buying on exchange. Your Company also launched Real-Time Market and Green Term Ahead Market with high availability during the COVID-19 lockdown. Also, your Company provided extensive customer engagements and communication drives with round-the-clock operations with seamless connectivity and high security with end-to-end automation allowing remote working pivoting on employee safety as a first principle.

### Day-Ahead Market

A total of 60,440 MU was traded in the Day-Ahead Market in fiscal year 2021 in comparison to 49,093 MU in fiscal year 2020, indicating an increase of 23%. The average daily volume traded was 165 MU, about a 23% increase from 134.1 MU in the previous fiscal. The key highlights of the day-ahead market in fiscal year 2021 included:





- Total sell bids at 1,16,955 MU were received in fiscal year 2021, while sell bids of 1,11,839 MU were received in fiscal year 2020, indicating a 5% growth. Sell bids were 1.6X of the buy bids received indicating excess power availability. This kept a check on power prices
- The Market Clearing Price reflected the demand-supply side dynamics with average Market Clearing Price at Rs 2.8 per unit in fiscal year 2021, about 6% less than Rs 3.0 per unit in previous fiscal.
- One price was realized on 340 days in fiscal year 2021 compared to 309 days in fiscal year 2020. In volume terms, a total of 319 MU could not be traded in fiscal year 2021 due to congestion, while in the last fiscal, 182 MU were lost. In fiscal year 2021, congestion was reported for power import in southern region only.

### Term-Ahead Market

Several new initiatives were taken to improve liquidity in the Term-Ahead Market which enabled market participants and clients to address power requirements even more efficiently. A few key initiatives included modifications in Regional Daily Contracts under Term Ahead Market (TAM) segment:

- Extension of trading timeline: The trading session timelines for Daily Contracts revised from existing 09:00 AM to 05:00 PM to 01:00 AM to 23:00 PM, thereby increasing trading window.
- Introduction of Additional Day: The contracts for delivery under "Regional Daily contracts" were available up to T+10 days wherein T was the trading day. Now, after addition of 1 more day to the existing contracts i.e. Daily Contracts shall be available for delivery up to T+11 days.
- Additional feature: An additional feature was introduced, which enabled participants to place a single bid for a combination of days in the Regional Daily contracts as specified by the Exchange.

In fiscal year 2021, a total of 3,272 MU of power was scheduled under the Term-Ahead Market compared to 4,768 MU reported in fiscal year 2020.

### Renewable Energy Certificate Market

In fiscal year 2021, a total of 6.9 lakh Renewable Energy certificates were traded in comparison to 60.3 lakh certificates

in fiscal year 2020 indicating a decline of 88%. Starting July 2020, Renewable Energy certificates trading session could not take place due to the stay order from the Appellate Tribunal for Electricity in response to the petitions filed by a few Renewable Energy Associations against the Central Electricity Regulatory Commission order dated June 2020 regarding revision in the floor and forbearance prices of Renewable Energy certificates.

### Energy Saving Certificates

Perform Achieve and Trade (PAT) Cycle-I was completed in 2017. PAT Cycle- II trade session is expected to take place in fiscal year 2022. During the fiscal year 2021, trade sessions of Energy Saving Certificates were not held, and thus no certificates were traded.

### Real Time Market

Real-Time-Market was commenced on June 1, 2020. The market has been received well by the participants. It has emerged as the preferred option for the distribution utilities and industrial consumers to address real-time electricity demand supply balance in the most competitive and efficient manner with the delivery of power at just 1-hour notice. In fiscal year 2021, 9,468 MUs were traded under this segment. The market saw the highest ever monthly volume of 1,414 MUs in March 2021. Top participants including both buy and sell side on the market were utilities of Jammu & Kashmir, Telangana, Rajasthan, Andhra Pradesh, West Bengal, Odisha, & Madhya Pradesh and Neyveli Lignite Corporation Limited.

### Green Term Ahead Market

Green Term Ahead Market was launched on August 21, 2020. The market has been enabling distribution utilities, industrial consumers, and green generators to buy and sell green power while also supporting them in fulfilling their Renewable Purchase Obligation targets in the most competitive way.

In fiscal year 2021, 785 MU were traded under this segment.

The green term-ahead market has seen distribution utilities from West Bengal, Bihar, Haryana, Telangana, Karnataka, Uttar Pradesh, Goa, and Gujarat among others, as the key participants.

*\*\* DAM numbers are basis Trade, all remaining numbers are basis Delivery.*

# Key Focus Areas



## Core Business Growth

Your Company is working towards developing the short-term power market as well as the share of the Exchange within this market. As of fiscal year 2021, the Company was confined to delivery of electricity between 1 hour and 11 days. While the last year saw the launch of key new market segments and investments in technology, the momentum will continue going forward too. In terms of new products, your Company has been working to introduce Longer Duration Delivery Contracts in electricity and green market. Commencement of the Cross-border trade in electricity with Nepal, soon to be followed by Bangladesh and Bhutan, marks a significant milestone towards building an integrated South Asian regional power market. It will also play a key role in enhancing the energy access and security amongst the neighbouring nations in the region.

By increasing our share within the short-term market as well as enabling an expansion of the short-term market, IEX will witness significant core business growth.

The three pillars for our core business growth are:

### *Power Procurement Optimization by Distribution Utilities*

Your Company currently has more than 55 distribution companies registered on the platform. With the launch of optimization tools such as Smart Power Procurement Tool, which helps the utilities to draw the most cost competitive merit order schedule for despatch of power from short-term bilateral as well as long term Power Purchase Agreements, the Company advises utilities on replacement of power wherever prices are higher compared to the competitive prices discovered on the Exchange and thereby enabling distribution utilities make significant savings in turn.

Your Company also engages in various capacity building and information dissemination efforts to bring forth the value proposition of IEX to enable maximization of power procurement by distribution utilities.

### *Enhancing Open Access Procurement*

More than 4200 commercial and industrial consumers across India representing varied industry sectors such as textiles, metals, chemicals, automobiles, home products, food, cement, leverage the day-ahead market on the Exchange platform to buy low priced power in an endeavour to improve up their overall cost competitiveness. Industrial competitiveness is critical to support and accelerate national initiatives such as 'Make in India'.

Your Company undertakes capacity building and information dissemination efforts to reach out to potential consumers, create awareness as well as proactively engage in policy and regulatory advocacy at central and state levels to address systemic issues and other tariff and non-tariff barriers affecting open access.

### *New Market Products and Segments*

Your Company aims to soon commence trading in several new market segments such as Longer Duration Contracts and Integrated Day Ahead market to strengthen its positioning within the short-term market.

### *Diversification*

Your Company exploring related diversification opportunities for new growth opportunities in the energy sector.

# Policy & Regulatory Initiatives

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The fiscal year 2021 for the power sector was beset with unprecedented challenges in the face of COVID-19. Power consumption in the country fell 8.5% y-o-y in the first half of fiscal year 2021. However, during the second half of the year, the sector showed an admirable resilience owing to the slew of measures taken by the Central as well as State Governments and the efforts put forth by the frontline staff in the sector.

The Government of India has taken several initiatives to reform and strengthen the power sector, including measures taken towards liquidity infusion for the distribution utilities. These include addressing their needs of liquidity and working capital by relaxing the late payment terms, moratorium on payments etc. Simultaneously, there has been relentless focus on installation of smart pre-paid meters, feeder separation, capacity addition, grid integration of renewable energy, increasing energy efficiency, e-mobility solutions, and power market reforms. Further, the Union Budget 2021-22 allocated Rs. 3.0 lakh crore for the power distribution sector to be released over five years based on financial performance and viability of the distribution utilities.

As a result, the sector has emerged relatively unscathed from the current COVID situation. The demand is poised to revive following the overall recovery in economy. India's electricity demand recorded a new high of 189.6 GW on January 30, 2021. The Electricity sector has retained its momentum with power consumption registering positive YoY growth since September 2020. The Reserve Bank of India has predicted a robust GDP growth at 10.5% in fiscal 2022.

To enable greater consumer choice, the Ministry of Power in February 2021, issued the Draft Electricity Bill, 2021. The bill has proposed multiple distribution companies in a supply

area which would bring in retail competition, providing choice to the consumers. The increased competition would drive distribution companies to improve their efficiencies including optimization of power purchase costs. The Ministry also issued the Draft National Electricity Policy (NEP) in May 2021 which primarily proposes revitalization of distribution companies, development of efficient markets for electricity and transition towards 'light touch' regulation in the sector. Subsequently in June 2021, a discussion paper on 'Market Based Economic Despatch (MBED)' was issued which lays down a roadmap for deployment of a revised market framework to enforce merit order despatches at a centralised level. With all the measures proposed in the recently issued drafts, the role of Power Exchanges is poised to increase in the sector. It will lead to better price formation and affordability of power for the consumers.

## Augmentation of Demand

The Ministry of Power, in fiscal year 2021, continued its thrust on flagship schemes such as Integrated Power Development Scheme (IPDS), Ujjwal DISCOM Assurance Yojana (UDAY), Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Saubhagya, UJALA, Urban Jyoti Abhiyan (URJA) and achieved substantial progress in providing reliable, affordable, and quality electricity supply to the citizens of the country. Under the Saubhagya scheme launched in September 2017, 99.9% household electrification has been achieved. A consumer-centric distribution plan aimed at achieving the goal of 24x7 uninterrupted power for all with increasing demand for electricity from the consumers has been devised by the Government. The plan emphasizes 100% metering of



all consumers and an electricity connection on demand in the next 3 years. The Power Ministry also issued Electricity (Rights of Consumers) Rules, 2021 to enforce the rights and duties of the consumers and distribution utilities respectively. It is likely to help in revival of the muted demand in the sector.

## Liquidity Infusion Scheme for Power Sector

To alleviate the distress caused due to COVID-19, the Government of India infused liquidity of Rs.90,000 crores in the power sector through Power Finance Corporation and Rural Electrification Corporation to enable the sector to maintain power supplies, as cash flows had plummeted during the lockdown. Under this intervention, Power Finance Corporation and Rural Electrification Corporation extended special long term transition loans up to 10 years to Power Distribution Companies for liquidating outstanding dues of Central Public Sector Undertakings, Generation and Transmission Companies, Independent Power Producers, and Renewable Energy generators as existing on June 30, 2020. Further, it has also been approved to allow Utilities in States which do not have adequate headroom against State receivables or working capital limits under UDAY to avail the benefits of the Liquidity Infusion Scheme.

## Performance linked Scheme for Distribution Reforms

The Union Budget 2021-22 has allocated Rs. 3.0 lakh crore for the power distribution to be released over five years. Funds will be released based on financial performance and viability demonstration by the distribution companies. The objective has been to assist distribution, infrastructure development, feeder separation, smart meter installation, etc. This is expected to improve the sustainability of financially ailing distribution utilities.

## Smart Prepaid Metering to improve Distribution Efficiency

The Ministry of Power issued guidelines to all States in the last fiscal year to convert all existing consumer meters into Smart meters in prepaid mode. Operation of Smart meters in prepaid mode would allow consumers to pay as per their own financial convenience and electricity consumption requirements. Smart meters are being installed in NDMC, Haryana, Uttar Pradesh, Bihar and Rajasthan. Out of these States, the maximum installation is in the State of Uttar Pradesh, where more than 7.7 Lakh smart meters have already been deployed across 11

cities. Overall, more than 19 lakh smart meters have been installed in the country under different models. These smart meters aim to bring efficiency in the distribution system, leading to better service delivery.

## Deepening the Electricity Market

The Government has been working to bring in alternative mechanisms to make existing long-term contracts more flexible. The objective is to enhance the quantum of electricity traded through markets and to improve the liquidity in the short-term market by enabling increased participation from distribution utilities and generation companies. The Draft NEP 2021 issued by the Ministry has envisaged taking suitable market mechanisms for deepening of spot market by enhancing its percentage share to 25% during 2023-24.

Considering the lack of flexibility on account of the long-term power purchase agreements, the Ministry of Power issued guidelines to enable the distribution utilities to either continue or exit from such power purchase agreements after completion of the term of the power purchase agreement i.e. beyond 25 years or a period specified in the power purchase agreement. This would also allow flexibility to the Generators to sell power in any mode after State/ distribution utilities exit from power purchase agreement. This will increase the participation in the short-term market.

Additionally, efforts are also underway to introduce the long-term contracts and electricity derivatives which will help to further deepen the market. Introduction of financial products will enable the market participants to manage their risks and hence rely more on the market. Some other initiatives and discussion areas are: introduction of integrated market for promoting participation in renewable energy, introduction of market based ancillary services, deepening of products to promote clean energy, introduction of new technologies such as battery storage to quickly provide the primary response to grid fluctuations, and introduction of innovative models such as Demand Response which will help signal new investments including storage, flexible thermal.

## Renewable Energy Promotion, Green Energy Corridor and Grid Integration through REMCs

Promotion of renewable energy has seen enhanced efforts. Hydro Power Purchase Obligation and tariff rationalisation measures have been notified to address the saleability issues facing hydropower projects. The Government has notified the



Hydro Power Purchase Obligation trajectory vide notification dated January 29, 2021. Earlier on March 8, 2019, the Government issued an order declaring large hydropower projects including pumped storage projects with capacity more than 25 MW (large hydropower projects) with commercial operation date on/after March 8, 2019, as renewable source. With the objective to add 30,000 MW of hydropower capacity by the fiscal year 2029-30, the Power Ministry notified a revised trajectory of renewable purchase obligation including hydro purchase obligation considering the Large Hydro power projects commissioned on/after March 8, 2019.

In order to facilitate renewable energy power evacuation and reshaping the grid for future requirements, the Green Energy Corridor projects have been initiated. The first component of the scheme, Inter-state Green Energy Corridor with target capacity of 3200 circuit kilometre transmission lines and 17,000 MVA capacity sub-stations, was completed in March 2020. The second component - Intra-state Green Energy Corridor with a target capacity of 9700 ckm transmission lines and 22,600 MVA capacity sub-stations is expected to be completed by May 2021.

The Government has established 11 Renewable Energy Management Centres (REMCs) equipped with artificial intelligence-based renewable forecasting and scheduling tools. These provide greater visualization and enhanced situational awareness to the grid operators. In order to further promote the capacity addition of solar and wind projects, the waiver available for use of Inter-State Transmission System charges and losses has been extended for use of Inter-State Transmission System for solar or wind power projects commissioned until June 2023. The waiver shall be applicable for the twenty-five years from the commissioning of such projects.

### **Cost Optimization through National level Merit Order Dispatch**

POSOCO implemented Security Constrained Economic Dispatch to optimize the dispatch of the generation resources at the inter-state level and reduce the overall variable charges for the production of electricity. The implementation of SCED is a step towards the introduction of optimization techniques in the dispatch processes at the inter-state level in the Indian Power System. Since the merit order dispatch will be followed at the national level, the cheapest generation will be available at the maximum level. This is a step where the State-level merit order has been shifted to the national-level merit order for ISGS. This mechanism has resulted in savings of approximately Rs. 3 crores every day and has the potential of saving Rs.

1,200 crores in a year towards power procurement cost of distribution utilities.

Central Electricity Regulatory Commission vide order dated April 18, 2020 extended the time for pilot for a further period up to March 31, 2021. The Commission also expanded the ambit of SCED by including the generators other than the thermal ISGS whose tariff is determined by the Commission.

## Other key interventions

The Government issued the methodology for allocation of coal for sale of power through short term or day-ahead in the Exchanges. Ministry of Power issued the amendment on May 12, 2020, to the methodology to carry out such auction at every quarter to cater to the dynamic requirements of short-term and day-ahead markets.

On account of sufficient availability of coal from various domestic sources during 2020-21, the Government vide letter dated April 28, 2020, advised generating companies to make efforts to replace their import for blending purposes with domestic coal.

India has signed Memorandum of Understanding with Bhutan, Bangladesh, Nepal, and Myanmar to inter-alia improve power connectivity with these neighbouring countries for cross border trade of electricity.

In order to address the problems faced by electricity Distribution Companies due to the COVID-19 pandemic, Ministry of Power issued directions to Central Electricity Regulatory Commission, for specifying reduced rate of Late Payment Surcharge for payments which become delayed beyond a period of 45 days (from the date of presentation of the bill) during the period from March 24, 2020 to June 30, 2020 to generating companies and licensees treating the restrictions placed by the central government vide its order dated March 24, 2020 to contain COVID-19 as an event of force majeure.

Guidelines for procurement of Round the Clock power from RE through Tariff Based Competitive Bidding were issued by the Ministry of Power, with the aim of promoting RE power and to provide round the clock power to the distribution utilities from renewable energy sources.

To adequately address the issues w.r.t Change in Law instances and compensation to Renewable Energy generators for loss of generation due to non-scheduling issues, a draft Electricity (Change in Law, Must-run status, and other Matters) Rules, 2020 was issued by the Power Ministry.

## Regulatory Initiatives: Centre

The Central Electricity Regulatory Commission notified various regulations such as amendment to DSM regulations linking deviation settlement with power exchange price, regulations for sharing of inter-State Transmission charges and losses and the Power Market Regulations, 2021. The Sharing Regulations came into effect from November 2020 and have exempted the distribution utilities from paying their Short-Term Open Access charges if their overall drawl/injection is within long-term access /medium-term open access. Power Market Regulations 2021 will facilitate the Power Exchanges to introduce contracts for trade beyond 11 days, giving flexibility to the Power Exchanges to introduce new bid types or bring certain changes in the operations without going through the time-taking approval process. Central Electricity Regulatory Commission has also accorded its approval to new contracts for real time trade and green energy trade through Real Time Market and Green Term Ahead Market during the fiscal.

## Regulatory Initiatives: States

Out of a total of 34 States and Union Territories, the State Electricity Regulatory Commissions except Jammu and Kashmir, Telangana, West Bengal, Tamil Nadu, Arunachal Pradesh, and Tripura have issued their Tariff Orders for fiscal year 2020. Tamil Nadu Electricity Regulatory Commission and Bihar Electricity Regulatory Commission took the initiative of linking Deviation Settlement Mechanism price with Exchange Prices, Maharashtra issued the Revised Grid Code Regulations and Uttar Pradesh Electricity Regulatory Commission issued the Merit Order Despatch regulations. The increasingly high competitiveness of Renewable Energy is prompting several states like Rajasthan, Tamil Nadu, and Karnataka to issue the draft notifications for rolling back the exemptions earlier provided to RE sector to help them integrate with the market and make them self-sustainable. Orissa Electricity Regulatory Commission issued the new Open Access regulations and Gujarat issued the Solar Policy 2021.

## Power markets: Key drivers for growth

The short-term power market in India is set to transform. The sector is poised to recover following the overall economic growth expected by the Reserve Bank of India, which has predicted a robust GDP growth at 10.5% in fiscal 2022. The highest ever peak demand at 189.6 GW seen during January 2021 is an indicator of the strong growth due in the next fiscal.

The policy and regulatory initiatives undertaken in the recent



past will greatly assist in broadening and deepening of the power market. Multiple products in the pipeline are expected to increase participation in the exchange platform. Also, a perceptible shift in the behaviour of the distribution utilities has been there over the last few years since many have refrained from signing long-term power purchase agreements and opted for the short- and medium-term contracts instead.

## **A few key developments expected in the power market in the forthcoming year are as follows:**

### ***Market-based Ancillary Services***

Presently, India has an administered mechanism for procurement of Ancillary Services. Only those regional entity generators are included under the Reserves Regulation Ancillary Services mechanism whose tariff for the full station is determined or adopted by the Central Commission. The Draft Ancillary Services Regulation 2021 proposing terms, conditions and mechanism to facilitate ancillary services through market were issued by the CERC in May'21. Implementation of Market-based Ancillary Services as proposed by CERC will bring greater economy and efficiency in the system. This will provide support for unforeseen variables in renewable generation.

### ***Forwards and Futures Contracts in Electricity***

SEBI and Central Electricity Regulatory Commission have reached an agreement over the regulatory jurisdiction of electricity derivatives. It has been agreed that the Central Electricity Regulatory Commission will regulate the ready delivery and non-transferrable specific delivery contracts as defined under Securities Contracts (Regulation) Act, 1956 whereas commodity derivatives other than non-transferrable specific delivery contracts shall fall under the regulatory purview of SEBI. Both SEBI and Central Electricity Regulatory Commission have approached the Hon'ble Supreme Court to withdraw their appeals in terms of their agreement. Once the matter gets resolved, it will allow the introduction of long duration physical deliverable contracts on the power exchanges. This may result in bilateral trades shifting into the power exchange platform. The electricity derivatives shall also get introduced in the commodity exchanges and will provide hedging opportunities for the market participants, which would lead to further deepening of the electricity market.

### ***Power Procurement Cost Optimization Increasingly Being Undertaken by distribution Utilities***

The short-term market provides the distribution utilities an

option to hold a mix of long-term and short-term contracts and optimize their power purchase-related costs. The average market-clearing price discovered at the exchange was Rs.3.3 per unit in fiscal year 2018, Rs 3.9 in fiscal year 2019 and Rs 3.0 in fiscal year 2020 and Rs. 2.8 in 2021. The competitively priced power available through the exchange platform provides an opportunity to distribution utilities to optimize their power portfolio. Moreover, the surplus scenario with sell bids in much higher proportion over buy bids almost two times in fiscal year 2021, demonstrates the availability of ample liquidity for utilities to procure power competitively and reliably. Consequently, there has been a greater recognition that the short-term market represents a better financial proposition over the excess contracting in the long- term power purchase agreements beyond base demand, requiring the payment of fixed charges even when there is no procurement of power during the non-peak season. The liquidity during the COVID-19 induced lockdown provided enormous opportunities to the distribution utilities to optimize their cost with the states like AP, Maharashtra reaping the benefits of the market. Uttar Pradesh Electricity Regulatory Commission's Merit Order Despatch and Maharashtra Electricity Regulatory Commission's State Electricity Grid Code regulations issued this fiscal recognised the market as a viable alternative to optimize power purchase cost. Other state Electricity Regulatory Commissions are also considering the same in view of competitiveness of market rates.

### ***Increase in Cost Optimization by Open Access Consumers***

The competitive price discovered at the exchanges brings significant saving to large industrial and commercial open access consumers with a connected load of 1 MW and above. The exchange plays a significant role in facilitating open access transactions in the country. Consumers opting for open access are required to pay network usage charges, losses, and other open access charges such as cross-subsidy surcharge and additional surcharge. The exchange platform gives an opportunity to the open access consumers to optimize their power procurement cost by purchasing at competitive prices and save their overall cost spent on electricity. True implementation of open access and removal of procedural as well as tariff barriers could make open access hugely attractive for the consumers, as well as prove to be a driving force for national initiatives such as 'Aatmanirbhar Bharat'.

### ***Green Day Ahead Market (G-DAM)***

As per the MoP directions, an integrated Day Ahead Market with separate price formation of RE segment and



conventional power is under consideration. In this market, the RE seller participating in the renewable segment will have the option to transfer their unselected bids to the conventional segment of Day Ahead Market. Further, Buyers will get RPO for buying from the renewable segment, whereas the RE sellers will get RECs for the quantum cleared in the conventional DAM. Besides, there will also be waiver of ISTS charges for the RE sellers selling through the renewable segment. All of these are expected to enhance RE trading through the spot market and promote overall RE merchant capacity addition.

### ***Significant Improvement in Transmission Infrastructure & Reduction in Congestion***

With the addition of 3000 MW Inter-regional transmission capacity up to October 2020, the loss of trade volume at Exchanges due to inter-state transmission congestion has further reduced to less than 1%. This enhanced transmission capacity is expected to increase the reliability of the market and allow unrestricted short-term transactions through power exchanges. The framework of the regulations for sharing of transmission charges and losses issued by Central Electricity Regulatory Commission this fiscal has eased the market participation of distribution utilities. The regulations ensure complete cost recovery of transmission investments, which will go a long way in enthusing confidence and further strengthening the inter-state transmission system.

### ***Digitization***

With a thrust on accelerating adoption of technology and the use of IT, the National Load Dispatch Centre is in the process of implementing the National Open Access Registry – a centralized electronic platform through which short-term open access to the inter-state transmission system shall be administered. National Open Access Registry is expected to infuse much greater transparency and efficiency in the processing of short-term open access applications and transmission corridor allocation. Besides, the adoption of technology in metering and billing will enhance the financial health of the distribution utilities. The Direct Benefit Transfer scheme also envisages that the financial prudence and health of the distribution sector will strengthen the position of utilities to increase Exchange based procurement.

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# Risks and Compliances

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Several risks can impact the achievement of your Company's business objectives. Your Company is exposed to various risks such as regulatory, IT, legal, operational, and market risk, among others. Our Risk Management approach seeks to minimize the adverse impact of these risks on our business and enables us to leverage the market opportunities. It provides long-term competitive advantage through a well-defined Enterprise Risk Management Framework. The framework is designed to ensure a robust risk management mechanism comprising risk identification, assessment, and mitigation techniques leading to a transparent and competitive price discovery to ensure smooth and seamless functioning.

The focus of the Risk Management framework is primarily to identify the perceived risks in the current structure of market dynamics including strategic, operational, and external risks that may affect the entity.

## Your Company has classified two types of major risks:

a. **Strategic Risks:** These are the risks arising out of policy and

regulatory changes related to the functioning of the power market, which can affect the long-term functioning of the exchange and has an impact on the transaction volumes at the exchange.

b. **Operational Risks:** These are risks arising due to external and internal factors that can affect policies, business process, systems, and our people in support functions, and thereby have the potential to impact our core business and values. The Operational risks are mainly related to the regulatory compliances as per Central Electricity Regulatory Commission guidelines and risks related to financial settlements of all transactions at IEX, which may include the following:

- Market risk arising out of trading activities.
- Investment related risks such as fall in the value of investments, concentration of investment portfolio
- Credit risk covering margin account maintenance leading to payment, security management, and collateral management
- IT and technology risks



The enterprise risk management framework consists of the following steps:






Your Company periodically reviews the major risks identified by the businesses and other functions and mitigating actions are defined systematically. The mitigation status of the risks identified is placed before the Enterprise Risk Management committee on a half yearly basis. A few key risks as identified by the Company along with the mitigation measures are as listed below:

Scheduling of Collective Transactions issued by POSOCO, etc. Any deviation from any of the provisions under the regulations would be of significant risk to your Company.

Mitigation: The Enterprise Risk Management Committee meetings are held on half yearly basis, where strategic and operational risks are presented along with mitigation measures. Also, from the regulatory perspective, Market Surveillance

## Risk Categories

	<b>Operational Risks</b>		<b>Credit Risks</b>
	<b>Contractual Risks</b>		<b>Legal Risks</b>
	<b>IT and Technology Risks</b>		<b>Regulatory Risks</b>
	<b>Liquidity Risks</b>		<b>Business Concentration Risks</b>
	<b>System Risks</b>		<b>Compliance Risks</b>
	<b>Reputation Risks</b>		<b>Market Risks</b>

## Strategic Risk

The power markets are continuously evolving with several new policies and regulations notified from time to time to make the market deeper, participative, and transparent. A new power market regulation, 2021 has been recently published by honourable Central Electricity Regulatory Commission.

The Government, in its various vision documents, has emphasized the need for a vibrant and transparent power market in India. Being a self-regulatory organization with its Rules, Bye Laws, Business Rules, and circulars approved by the Central Electricity Regulatory Commission, your Company functions within the ambit of provisions and remains on top of the compliances. The Company is also regulated by various regulations under Electricity Act 2003 such as Power Market Regulations, Inter-State OA Regulations and Procedure for

Committee and Risk Management Committees are formed as mandated by Central Electricity Regulatory Commission. The committee meetings are held as per timelines fixed by Central Electricity Regulatory Commission with reports submitted to the regulator at regular intervals. The state level regulations are governed by State Electricity Regulatory Commissions. The Company also proactively engages in regular policy advocacy with Central Electricity Regulatory Commission, State Electricity Regulatory Commissions, Ministry of Power and other industry bodies for any change in regulation that may adversely affect its business.

## Technology Risk

The use of obsolete technology as well as threat to data security could affect the Company's business.

**Mitigation:** Your Company's cutting-edge technology serves many participants in a competitive market scenario. The Company is ISO 27001-certified for information security and its related benchmarks.

The Company has a disaster recovery site in Mumbai to quickly provide backup in case of any break down issues to resolve functioning on priority basis.

## Cyber Security Risk

As per amended Regulation-21 of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, w.e.f. fiscal year 2020, the Company is required to have a Risk Management Committee for monitoring and reviewing the risk management plan, and the plan shall cover cybersecurity.

**Mitigation:** In compliance to Listing Obligations and Disclosure Requirements regulations, the Company has a cybersecurity policy in place. The internal audits related to cybersecurity are conducted at periodic intervals and the findings are presented before the Enterprise Risk Management Committee, which reviews and monitors the same.

## Legal Risk

Legal risk consists of non-compliance of various factors like membership criteria fulfilment, incorrect member enrolment, non-compliance to tax or accounting compliances, an entity with a criminal background, change in the net worth profile of members, etc.

**Mitigation:** The mitigation measures include regular surveillance of the trading mechanism and reporting any error to the Central Electricity Regulatory Commission at periodic intervals. Moreover, the Company is ISO 9001:2008 certified with definitive Standard Operating Procedures in place.

## Operational Risk

Operational risks have the potential to affect the regular business operation of the Company. This may include factors like margin maintenance, access to trading data, sufficient bank balance in settlement account for meeting the requirement of executing the trades etc.

**Mitigation:** Mitigation measures include regular surveillance of the trading mechanism and reporting any error to the Central Electricity Regulatory Commission at periodic intervals. Moreover, the Company is ISO 9001:2008 certified with definitive Standard Operating Procedures in place.

## Market Risk

The Company's revenues could be adversely affected if its market share does not grow year on year and not putting efforts in bringing products commensurate with the changing market requirements.

**Mitigation:** Revenues of your Company are majorly derived from transaction fees and annual subscription fees. The Company systematically engages with all stakeholders growing the participant base and driving revenue growth. Recently, your Company has launched new products to mitigate the market risk.



# Financial Performance

In accordance with the SEBI (LODR) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore. The key financial ratios are given below:

## Key performance metrics

Particulars	Standalone			Consolidated		
	2020-21	2019-20	Growth %	2020-21	2019-20	Growth %
Total Revenue (₹ lakh)	35,738.55	29,715.22	20.27%	35,623.10	29,740.06	19.78%
Operating Cost	5,347.99	4,866.75	9.89%	6,301.68	5,466.32	15.28%
CSR Expenses	420.00	389.04	7.96%	420.00	389.04	7.96%
Finance Cost, Depreciation and Amortization	1,791.03	1,680.80	6.56%	1,856.49	1,680.85	10.45%
<b>Total Expenses (₹ lakh)</b>	<b>7,559.02</b>	<b>6,936.59</b>	<b>8.97%</b>	<b>8,578.17</b>	<b>7,178.13</b>	<b>19.50%</b>
PBT (₹ lakh)	28,179.53	22,778.63	23.71%	27,044.93	22,561.93	19.87%
<b>PAT (₹ lakh)</b>	<b>21,348.82</b>	<b>17,791.61</b>	<b>19.99%</b>	<b>20,543.12</b>	<b>17,571.79</b>	<b>16.91%</b>
Profit for the year attributable to:						
Shareholders of the Company	21,348.82	17,791.61	19.99%	20,609.33	17,571.79	17.29%
Non-controlling interests	-	-	-	(66.21)	-	-
PAT (Attributable to Shareholders) Margin	59.74%	59.87%	(13)bps	57.85%	59.08%	(123)bps
Earnings per share (₹) - Basic	7.15	5.96	19.97%	6.91	5.89	17.32%
Earnings per share (₹) - Diluted	7.15	5.96	19.97%	6.90	5.89	17.15%

## Profit & Loss statement analysis (standalone)

### Revenue

The Company derives its revenues from transaction fees, annual subscription fees, admission fees, interest income, gains on sale of investments and other miscellaneous income.

During FY21, the total revenue of the Company stood at ₹ 35738.55 lakh as compared to ₹ 29,715.22 lakh in the previous year. The operating revenue increased from ₹ 25,703.11 lakh in FY20 to ₹ 31,711.38 lakh in FY21, with growth rate of 23.38%. New products (RTM and GTAM) contributed to 13% of the operational revenue in FY21. Treasury and other income was almost flat at ₹ 4,027.17 lakh as compared to ₹ 4,012.11 lakh during previous year. The Company continued to perform well and maintain its leadership position during the fiscal with profit after tax (PAT) of ₹ 21348.82 lakh as compared to ₹ 17,791.61 lakh in FY20 with a YoY growth of 19.99%.

### Expenses

The expenses of the Company primarily comprise of employee cost, operating and other expenses, interest and depreciation/ amortization charges as detailed below:

IEX's expenditure (₹ in lakh)

Particulars	2020-21	2019-20	Growth %
Employee benefit	3897.76	3,252.57	19.84%
Other operating expenses	1450.23	1,614.18	(10.16%)
CSR	420.00	389.04	7.96%
Finance cost	205.48	156.56	31.25%
Depreciation and amortization	1585.55	1,524.24	4.02%
<b>Total expenditure</b>	<b>7,559.02</b>	<b>6,936.59</b>	<b>8.97%</b>

### Detail analysis of operating expenses is as below:

- Employee benefit cost increased mainly due to annual increments, hiring of additional manpower to meet the business requirements for strengthening of IT team, creating talent pool, product development, market expansion and performance linked variable pay to employees.
- Other operating expenses reduced by 10.16% from ₹ 1614.18 lakh to ₹ 1450.23 lakh, mainly due to limited activities undertaken by the Company because of Covid restrictions, which resulted in lower travelling and administration costs. Other expenses were almost at same level as previous year.

### Finance cost

- The finance cost increased from ₹ 156.56 lakh to ₹ 205.48 lakh during the year mainly due to increase in finance cost recognised on lease liability in accordance with IND AS 116 "Leases" by ₹ 67.64 lakh due to shifting of Corporate Office to Noida and decrease in provision made towards refund of 70% of the return earned on investment of initial security deposit received from members of the exchange, from ₹ 80.18 lakh in FY20 to ₹ 55.60 lakh during FY21, the decline was mainly due to lower interest rate during FY21 as compared to FY20.

### CSR Expenses

- The Company incurred ₹ 420.00 lakh towards the corporate social responsibility required pursuant to Section 135 of the Companies Act, 2013 against the obligation of ₹ 415.73 lakh. During the previous year, the Company had spent ₹ 389.04 lakh on the CSR activities.

For details please refer **Annexure 10** of the Directors Report.

### Provision for taxation

- The total income tax (provision) increased from ₹ 4,987.02 lakh to ₹ 6,830.71 lakh majorly due to increase in profits in FY 21. Also, in FY 20, there was one-time tax savings of ₹ 562 lakh on opening deferred tax liability, due to reduction in corporate tax rate.

### Earnings Per Share

Basic and Diluted EPS of the Company increased by 19.97% to ₹ 7.15 for the FY21 against ₹ 5.96 in FY20.

### Shareholders' Funds

#### Share capital

As on March 31, 2021, the Company's share capital stood at ₹ 2,985.04 lakh, i.e., 29,85,05,341\* equity shares of ₹ 1 each. (Previous year: ₹ 2,983.24 lakh, i.e., 29,83,24,941\* equity shares of ₹ 1 each).

*Refer note 18 of Financials on page 156.*

*\*Company's share capital is net of 10,51,170 equity shares of ₹ 1 each (yet to be granted) held by IEX ESOP Trust (previous year: 12,31,570 equity share of ₹ 1 each)*

#### Other equity

The Company's other equity as on March 31, 2021 was of ₹ 50,155.13 lakh in comparison to ₹ 36,031.74 lakh as on March 31, 2020.

During FY21 ₹ 7,488.91 lakh (previous year (including dividend distribution tax): ₹ 9,028.63) was also utilised from free reserves of the Company towards payment of Interim dividend on Equity. The net worth stood at ₹ 53,140.17 lakh as on March 31, 2021 as against ₹ 39,014.98 lakh as on March 31, 2020.

#### Settlement Guarantee Fund:

The SGF balance (non-current and current) as on March 31, 2021 was of ₹ 13,617.10 lakh increased by ₹ 1,927.67 lakh as compared to ₹ 11,689.43 lakh as on March 31, 2020.

#### Secured & Unsecured loans:

There were no secured & unsecured loans in the books of the Company during the year under review.

### Trade Payable

The Company's trade payable was of ₹ 16,454.40 lakh as on March 31, 2021, as against ₹ 7,555.24 lakh as on March 31, 2020. Increase was majorly due to higher trade volumes across segments leading to higher outstanding amount on March 31, 2021.

### Lease liabilities

Lease liabilities balance (Non-current and Current) was ₹ 1,173.15 lakh as on March 31, 2021, as against ₹ 1,390.96 lakh as on March 31, 2020, decrease due to payment of lease liability during the year, and termination of lease of Jasola Office.

### Other financial liabilities

The Company's other financial liabilities balance (Non-current and Current) was ₹ 16,315.85 lakh as on March 31, 2021, as against ₹ 13,911.95 lakh as on March 31, 2020, the increase was primarily due to increase in SGF by ₹ 1,927.67 lakh and increase in employee related payable by ₹ 440.48 Lakhs.

### Other liabilities

The Company's other liabilities balance (Non-current and Current) was ₹ 1,835.76 lakh as on March 31, 2021, as against ₹ 1,651.85 lakh as on March 31, 2020, the increase was primarily due to increase in statutory dues payable.

### Fixed assets

The Company's net fixed assets stood at ₹ 12,140.05 lakh as at March 31, 2021, as against ₹ 11,994.72 lakh as at March 31, 2020. The increase in fixed assets was mainly due to addition in Leasehold improvements, Right-to-use (ROU), Electrical equipment and IT assets created at company's new corporate office at Noida.

Intangible assets under development have increased from ₹ 96.01 lakhs as on March 31, 2020 to ₹ 647.66 lakhs as on March 31, 2021 due to various ongoing IT innovation projects.

### Investments and Cash and Bank balances

As on March 31, 2021, the Company's investments (Non-current and Current) and Cash and Bank balances stood at ₹ 78,943.97 lakh (including ₹ 3,915.38 (previous year: 1,000 lakh) invested in Indian Gas Exchange Limited, subsidiary of the Company), as against ₹ 54,281.44 lakh as on March 31, 2020. Increase is mainly due to accumulated profits and higher trade payable.

### Trade Receivable

The Company's trade receivable was of ₹ 319.55 lakh as on March 31, 2021, as against ₹ 18.54 lakh as at March 31, 2020. Increase is due to debtor balances related to Real Time Market Segment.

### Loans

Loans (Non-Current and Current) majorly include Security deposits given for various offices stand at ₹ 302.53 lakh as on March 31, 2021, as against ₹ 253.39 lakh as at March 31, 2020. Increase mainly due to deposit given for new corporate office at Noida.



### Other current assets

Other current assets (Non-current and Current) stand at ₹ 827.78 lakh as on March 31, 2021, as against ₹ 208.34 lakh as at March 31, 2020. Increase is mainly due to amount paid during the year for CSR activities, carried forward for future set off ₹ 546.84 lakhs and higher input tax credit balance.

### Key ratios

Key Ratios	2020-21	2019-20
Net Profit Margin (%):	59.74%	59.87%

### Profit & Loss statement analysis (subsidiary)

The consolidated financials of the Company include financials of Indian Gas Exchange (IGX), a subsidiary of Indian Energy Exchange. As on March 31, 2021, Indian Energy Exchange holds 53% stake in Indian Gas Exchange. Since IGX was incorporated on November 06, 2019, the corresponding financial results for year ended March 31 2020 comprise IGX figures for the period from November 6 2019 to March 31 2020 only.

During FY21, the total revenue for IGX stood at ₹ 220.11 lakh as compared to ₹ 24.84 lakh in the previous year. This majorly

includes income from treasury which stood as ₹ 146.43 lakh as compared to ₹ 14.84 lakh in previous year.

Total expenses stood at ₹ 1,354.71 lakh as compared to ₹ 241.54 lakh in FY 21, increased due to manpower cost and other expenses (mainly include rent, maintenance, technology and advertisement expenses), which were higher than previous year as IGX started operations as regulated gas exchange from December 10, 2020.

### Internal Control

The Board has put in place various internal controls to ensure that they are adequate and are effective. The Board has also put in place state-of-the-art technology and has automated most of the key areas of operations and processes, to minimize manual intervention.

The design, implementation and maintenance of adequate internal financial controls is to enable it to operate effectively and ensure the accuracy and completeness of the accounting records, and are free from material misstatement, whether due to error or omission.



# Directors' Report



Dear Shareholders,

Your Directors have the pleasure in presenting the 15th (Fifteenth) Annual Report of the Company, together with the Audited Financial Statements (Standalone and Consolidated) and the Auditors' Report for the financial year ended March 31, 2021.

## 1. FINANCIAL RESULTS

The Standalone and the Consolidated Financial Statements for the financial year ended March 31, 2021, forming part of this Annual Report, have been prepared in accordance with the Companies Act, 2013 (the "Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

The Company's financial performance for the year ended March 31, 2021, is summarised below:

(Amount in ₹ lakh)

Particulars	Standalone		Consolidated	
	2020-2021	2019-2020	2020-2021	2019-2020
Revenue from operations	31,711.38	25,703.11	31,785.06	25,713.11
Other Income	4,027.17	4,012.11	3,838.04	4,026.95
<b>Total Revenue</b>	<b>35,738.55</b>	<b>29,715.22</b>	<b>35,623.10</b>	<b>29,740.06</b>
Less: Total Expenditure	7,559.02	6,936.59	8,578.17	7,178.13
<b>Profit before tax</b>	<b>28,179.53</b>	<b>22,778.63</b>	<b>27,044.93</b>	<b>22,561.93</b>
Less: Provision for Tax	6,830.71	4,987.02	6,501.81	4,990.14
<b>Profit after tax (A)</b>	<b>21,348.82</b>	<b>17,791.61</b>	<b>20,543.12</b>	<b>17,571.79</b>
Other comprehensive income for the year, net of income tax (B)	25.46	(40.12)	18.72	(40.12)
<b>Total comprehensive income for the year (A+B)</b>	<b>21,374.28</b>	<b>17,751.49</b>	<b>20,561.84</b>	<b>17,531.67</b>
<b>Profit for the year attributable to:</b>				
Shareholders of the Company	-	-	20,609.33	17,571.79
Non-controlling interests	-	-	(66.21)	-
Earnings per equity share [face value ₹.1/- per share]				
<b>Basic (₹)</b>	<b>7.15</b>	<b>5.96</b>	<b>6.91</b>	<b>5.89</b>
<b>Diluted (₹)</b>	<b>7.15</b>	<b>5.96</b>	<b>6.90</b>	<b>5.89</b>

Your Company has sustained and maintained its leadership position in the power Exchange industry in India during the FY 20-21.

## The company's performance during Financial Year 2020-21 on a standalone and consolidated basis were as follows –

### A. On standalone basis

Your Company's standalone revenue was Rs. 35,738.55 lakhs against Rs. 29,715.22 lakhs in the previous year. Profit before tax stood at Rs. 28,179.53 lakhs in FY 21 against Rs. 22,778.63 lakhs in FY 20; profit after tax for FY 21 was Rs. 21,348.82 lakhs compared to Rs. 17,791.61 lakhs in the previous year.

### B. Consolidated revenues

The consolidated financials of the Company include financials of Indian Gas Exchange (IGX), a subsidiary of Indian Energy Exchange. As on March 31, 2021, Indian Energy Exchange holds 53% stake in Indian Gas Exchange.

Since IGX was incorporated on November 06, 2019 the corresponding financial results for year ended March 31, 2020 as contained in these consolidated annual financial results comprise IGX figures for the period from November 6, 2019 to March 31, 2020 only.

Your Company's consolidated revenue was Rs. 35,623.10 lakhs in FY 21 in comparison with Rs. 29,740.06 lakhs in FY 20. The Company's profit after tax increased from Rs. 17,571.79 lakhs in FY 20 to Rs. 20,543.12 lakhs in FY 21.

Highlights of Company's performance are discussed in detail in the Management Discussion and Analysis Report (MDA), included in Annual Report as required under Schedule V of the Listing Regulations.



## 2. COVID 19

During the last month of FY 2020, the COVID-19 pandemic developed rapidly globally thereby forcing the government to enforce complete lock-down since March 24, 2020, of almost all economic activities except essential services which were allowed to operate with limited staff strength.

For most part of the FY21, keeping in mind employees safety and wellbeing, the Company continued its operations remotely; all employees were working from Work from Home mode. There were Employee Well-Being sessions held to keep up the morale of the employees which included sessions on Anxiety & Stress Management, Music Therapy, Meditation etc. All employees were regularly connected and all support and guidance was extended to employees as needed by a Covid Support team created only for this purpose. We are also constantly pushing for vaccination of the employees and the company has agreed to bear the cost of vaccination for employees, spouse, children and parents. Further, in line with the Company's philosophy to extend all possible support to its employees in challenging times like the current pandemic, your Company announced a Covid Bereavement Policy to provide much needed support to the employees' family in the event of any untimely loss of employees' life due to Covid. Your Directors are happy to share that there has been no impact of Covid on the business operations and Exchange continued its operations 24X7 seamlessly.

## 3. Management's Discussion and Analysis Report

The Management Discussion and Analysis Report ("MDAR") for the year under review, as prescribed under Part B of Schedule V read with Regulation 34 of the Listing Regulations, is presented in a separate section, forming part of this report.

Certain Statements in the said report may be forward looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

## 4. Dividend

During the year, the Company paid an interim dividend of ₹2.50/- (250%) per equity share of face value of ₹ 1 each for the financial year 20-21. The total pay-out was of ₹7,488.91 Lakhs towards interim dividend. Further, the Company has not paid any amount towards the Dividend Distribution Tax ("DDT") for the said interim dividend, as the provisions of the Income-tax Act, 1961, ("the Act") regarding DDT were amended by the Finance Act, 2020, and as per the amended provisions

the dividend income on or after 1st April 2020 has been made taxable in the hands of the shareholders. Accordingly, the Company deducted tax at source (TDS) at the time of payment of dividend in accordance with the provisions of the Act.

Your Directors are pleased to recommend a final Dividend of ₹ 1.50/- per equity share of face value of ₹ 1/- each for the year ended March 31, 2021 amounting to a total payout of ₹ 4493.34 Lakhs. The Dividend, subject to the approval of Members at the Annual General Meeting on Thursday, 2nd September 2021, will be paid within the time period stipulated under The Companies Act, 2013 (subject to deduction of Tax at source). The aggregate dividend for the year will amount to ₹ 4.00/- per share of ₹ 1/- each fully paid up (being 400%).

## 5. Dividend Distribution Policy

In compliance with the requirements of Regulation 43A of Listing Regulations, your Company has a well-defined Dividend Distribution Policy ("DD Policy") that balances the dual objectives of rewarding shareholders through dividends whilst also ensuring availability of sufficient funds for growth of the Company. The policy is available on the website of the Company and can be accessed through the following web link:

<https://www.iexindia.com/pdf/Dividend%20Distribution%20Policy.pdf>

## 6. Transfer to Reserves

The Board of Directors of your company has decided not to transfer any amount to the General Reserves account for the year under review.

## 7. Changes in Share Capital

During the year under review, there was no change in the Authorized and Paid-up Share Capital of the Company. As on March 31, 2021, the Company's subscribed and paid-up equity capital stood at ₹2,995.57 Lakh divided into 299,556,511 equity shares of ₹1 each.

During the year under review, the Company has, neither issued any equity shares with differential voting rights nor any shares (including sweat equity shares) to any of its employees under any scheme except as disclosed under the ESOP & RSU Annexures as part of this Report.

## 8. Subsidiaries, Joint Ventures or Associate Companies

As on March 31, 2021, Indian Gas Exchange Limited ("IGX") was the only subsidiary of your Company. IGX is India's first

automated national level Gas Exchange which works towards promoting and sustaining an efficient and robust Gas market and to foster gas trading in the country. The exchange features multiple buyers and sellers to trade in spot and forward contracts at designated physical hubs. IGX is a neutral and transparent marketplace where both buyers and sellers trade Gas as the underlying commodity.

Your Directors are pleased to share that the Petroleum & Natural Gas Regulatory Board (the "PNGRB"), being the regulator for Gas Exchanges in India, vide its letter dated December 02, 2020, has granted an authorization to IGX to set up and operate Gas Exchange as per the provisions of the Gas Exchange Regulations 2020 for a period of 25 years.

IGX was incorporated as a wholly owned subsidiary on November 6, 2019, with an initial Authorised, Subscribed & Paid up Share Capital of ₹2000 Lakh & ₹1000 Lakh comprising of 2,00,00,000 & 1,00,00,000 equity shares of ₹10 (Rupees Ten) each, respectively.

After the Petroleum and Natural Gas Regulatory Board notified the PNGRB (Gas Exchange) Regulations 2020, the Authorized, Subscribed & Paid-up Share Capital of the IGX was increased to ₹7,500 Lakh and ₹7,387.50 Lakh, comprising of 7,50,00,000 & 7,38,75,000 equity shares of ₹10 (Rupees Ten) each, respectively. Subsequently, with the aim of developing, strengthening and expanding the Gas market in the Country your Company divested the shareholding of IGX to various strategic partners like NSE Investments Limited, GAIL, ONGC, Adani, Torrent, etc.

The Consolidated Financial Statements of the Company and its Subsidiary are prepared in accordance with the applicable accounting standards, issued by the Institute of Chartered Accountants of India, and forms part of this Annual Report. Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of IGX in **Form AOC-1** is attached to this Report as **Annexure 1**.

The separate standalone financial statement of IGX is available on the website of the Company and can be accessed at the below web-link:

<https://www.ixindia.com/Financials.aspx?id=loJ4nYlwLcs%3d&mid=Gy9kTd80D98%3d>

The Company will provide a copy of separate audited financial statements in respect of its subsidiary to any shareholder of

the Company who asks for it and the said annual accounts will also be kept open for inspection at the Registered Office of the Company and that of the subsidiary company.

## 9. Related Party Transactions

All related party transactions during FY21 were at arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act, the SEBI Listing Regulations and the Company's Policy on Related Party Transactions. All these Transactions were reviewed and approved by the Audit Committee and the Board of Directors of the Company.

The Company had not entered into any contract / arrangement / transaction with related parties which could be considered material, or which may have potential conflict with the interest of the Company, hence there is no information to be provided as required under section 134(3) (h) of the Companies Act 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Accordingly, a nil disclosure of Related Party Transactions is annexed with this Report in Form AOC-2 as **Annexure 2**.

All the Related Party Transactions are placed before the Audit Committee for its review on a quarterly basis. All Related Party Transactions are subjected to an independent review by the Statutory and Secretarial Auditors of the Company to establish compliance with the requirements of Related Party Transactions under the Act and Listing Regulations.

Members may refer to **Note No. 46** of the Standalone financial statement which sets out related party disclosures pursuant to Ind AS.

Your Company has formulated the policy on materiality of related party transactions and dealing with related party transactions which has been amended from time to time to comply with the necessary amendments of various enactments of law. The latest Policy is uploaded on the website of the Company and can be accessed through the following web link:

[https://www.ixindia.com/pdf/IEX\\_POLICY\\_ON\\_MATERIALITY\\_AND\\_DEALING\\_WITH\\_RELATED\\_PARTY\\_TRANSACTIONS.pdf](https://www.ixindia.com/pdf/IEX_POLICY_ON_MATERIALITY_AND_DEALING_WITH_RELATED_PARTY_TRANSACTIONS.pdf)

The Policy intends to ensure that proper approval, reporting and disclosure processes are in place for all transactions between the Company and related parties. This Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

## 10. Material changes and commitments, if any

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this Report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

## 11. Directors and Key Managerial Personnel

Your Company has a well-diversified Board comprising of Directors having skills, competencies and expertise in the areas of Finance, Strategy Planning & Policy Development, Information Technology, Governance, Risk and Compliance etc. to ensure effective corporate governance and sustained commercial success of the Company.

The NRC is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, operations, financial condition and compliance requirements.

The Board has also reviewed the list of core skills, expertise and competencies of the Board of Directors as are required in the context of the businesses and sectors applicable to the Company which are mapped with each of the Directors on the Board. The same is disclosed in the Corporate Governance Report forming part of the Annual Report.

As on March 31, 2021, the Board comprised of Six Directors, out of which Three were Non-Executive Independent Directors including One-woman Independent Director, Two Non-Executive Non-Independent Directors and One Executive Director.

### A. Changes in Directors

During the FY 20-21, there have been following changes in the position of Directors of the Company:

#### Appointments:

##### i. Mr. Satyanarayan Goel (DIN: 02294069), Chairman & Managing Director

The Company, on abrupt resignation of Mr. Rajiv Srivastava as MD & CEO of the Company on August 24, 2020, commenced the search process for new MD & CEO of the Company; however due to COVID and other factors the process could not get completed within the stipulated time frame of six months as provided under Section 203(4) of the Companies Act, 2013

to fill up the vacant position of the whole-time key managerial personnel. Considering the factor that the search for new Managing Director may take some more time till lockdown eases and things get normalize and the need of the Company to have a leader for managing the business and affairs of the Company on full time basis and to ensure compliance with Statutory requirements, the Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee (NRC) appointed Mr. Satyanarayan Goel, the non Executive Chairman of the Board, as the Chairman cum Managing Director of the Company w.e.f. February 19, 2021, till the appointment of new Managing Director.

The above appointment is subject to shareholders approval and the necessary resolutions for appointment has been included in the Notice convening the ensuing AGM.

##### ii. Mr. Amit Garg (DIN 06385718), Non-Executive Non-Independent Director

Mr. Amit Garg was appointed as an Additional Director (Non-Executive Non-Independent Director) with effect from May 14, 2020, and his appointment was regularised in the 14<sup>th</sup> Annual General Meeting of the Company held on August 28, 2020.

#### Cessations:

1. Mr. Ajeet Kumar Agarwal (DIN: 02231613), Non- Executive Non-Independent Director on the Board as the nominee of REC Limited ceased to be Director of the Company with effect from June 1, 2020, as a result of withdrawal of his nomination by the REC Limited.
2. Mr. Rajiv Srivastava (DIN: 03568897), Managing Director & CEO of the Company, resigned from the Board of the Company on August 24, 2020, due to personal reasons.

The Company places on record its appreciation and gratitude towards valuable contributions made by Mr. Ajeet Kumar Agarwal and Mr. Rajiv Srivastava during their tenure as members of the Board.

#### Directors liable to retire by rotation:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Amit Garg Director of the Company will be retiring by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offers himself for re-appointment.

Necessary resolutions for re-appointment of aforesaid Director have been included in the Notice convening the ensuing AGM and details of the proposed re-appointment are mentioned in the explanatory statement of the Notice.



## B. Change in KMP:

Following changes took place during the year:

- i. Mr. Satyanarayan Goel, was appointed as the Chairman Cum Managing Director of the Company with effect from February 19, 2021.
- ii. Mr. Rajiv Srivastava, ceased to be MD & CEO of the Company wef August 24, 2020 and accordingly ceased to be the KMP of the Company from that date.

Accordingly, the Key Managerial Personnel of the Company as on March 31, 2021, are Mr. Satyanarayan Goel, Chairman & Managing Director and Mr. Vineet Harlalka, Chief Financial Officer, Company Secretary and Compliance Officer.

During the year under review, the Non-Executive Directors (NEDs) of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them, if applicable, for the purpose of attending Board/Committee meetings of the Company.

## C. Declaration by Independent Directors

In terms of Section 149 of the Act and Regulation 17 of the Listing Regulations, Ms. Sudha Pillai, Prof. Kayyalathu Thomas Chacko and Mr. Tejpreet Singh Chopra are the Independent Directors on the Board of your Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with the Rules made thereunder, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the CERC (Power Market) Regulations, 2010.

In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based upon the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

All Independent Directors have affirmed compliance to the code of conduct for independent directors as prescribed in Schedule IV of the Companies Act, 2013 and the Code of Conduct for Directors and Senior management personnel formulated by the Company.

A declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, along with a declaration as provided in the Notification dated October 22, 2019, issued by the Ministry of Corporate Affairs (MCA), regarding the requirement relating to enrolment in the Data Bank for Independent Directors, has been received from all the Independent Directors, along with declaration made under Section 149(6) of the Act.

The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made thereunder and are independent of the management.

## D. Meetings of Board / Committees

During the year thirteen Board Meetings were held, the composition and the details of the meetings of the Board and its Committees held during the year and the attendance of the Directors thereat is set out in the Corporate Governance Report, forming part of this Report.

## E. Shifting of Registered Office

During the year, the Company shifted its Registered Office from Unit No. 3, 4, 5 & 6, Fourth Floor, TDI Centre Plot. No. 7, District Centre, Jasola, New Delhi-110025 to First Floor, Unit No. 1.14(a), Avanta Business Centre, Southern Park, D-2, District Centre, Saket, New Delhi - 110017 and its corporate office from Unit No. 3, 4, 5 & 6, Fourth Floor, TDI Centre Plot. No. 7, District Centre, Jasola, South Delhi-110025 to Plot No. C-001/A/1, 9th Floor, Max Towers, Sector 16 B, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301 w.e.f. December 10, 2020.

## F. Policy on Board Diversity and Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and Other Employees

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations, the NRC is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director.

The NRC is also responsible for recommending to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted the Policy to Promote Diversity on the Board of Directors, which is provided in **Annexure 3** to this Report and Nomination and

Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which is reproduced in **Annexure 4** to this Report.

The details of the Policy are made available on the Company's website at [www.ixindia.com](http://www.ixindia.com).

## G. Statement on Annual Evaluation made by the Board of Directors

Your Company believes that the process of performance evaluation at the Board level is essential to its Board engagement and effectiveness. The Performance Evaluation Policy of the Company is duly approved by the Board and Nomination and Remuneration Committee of the Company. In line with the Performance Evaluation Policy of the Company, Annual Performance Evaluation was carried out for all the Board Members, for the Board and its Committees with specific focus on performance and effective functioning of the Board and its Committee.

Pursuant to the provisions of the Companies Act, 2013, the SEBI (LODR) Regulations, 2015 and the Guidance Note on Board Evaluation issued by SEBI in January 2017, a structured questionnaire was prepared and reviewed by the Nomination and Remuneration Committee (NRC) after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as the composition of committees, terms of reference of committee, effectiveness of committee meetings, etc. The above criteria were broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Nomination and Remuneration Committee (NRC) reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a subsequent Board meeting, the performance of the Board, its Committees, and individual Directors was also discussed.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

A statement indicating the manner in which formal annual evaluation of the Directors, the Board and Board Committees has been made and the criteria for the same are set out in **Annexure 5** to this Report.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of the Executive Director and NEDs.

## H. Particulars of Key Managerial Personnel and Employee Remuneration

Disclosure pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure 6**.

A statement showing the names and particulars of the employees falling within the purview of Rule 5(2) and 5(3) of the aforesaid Rules are provided as part of this Report as **Annexure 7**. None of the employees listed in the said Annexure are related to any Director of the Company.

## 12. Employee Stock Option Plan (ESOP) and Restricted Stock Unit (RSU)

### a. 'IEX Employees Stock Option Plan 2010' ("ESOP 2010")

Your Company has ESOP 2010, to motivate and instil a sense of ownership among its employees. The Company's ESOP scheme is administered through a Trust route, which acts as per instructions of the Nomination and Remuneration Committee of the Company.

The disclosures pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014, Section 62 of the Companies Act, 2013 read with Companies (Share Capital and Debenture) Rules, 2014, in connection with the ESOP Scheme 2010 details are set out in **Annexure 8** to this Report.

### b. 'Indian Energy Exchange Limited Restricted Stock Unit Scheme 2019' ("IEX RSU SCHEME 2019")

Your Company has 'Indian Energy Exchange Limited Restricted Stock Unit Scheme 2019' with a view to attract and retain

key talents working in the capacity of senior management with the Company, by way of rewarding their performance and motivating them to contribute to the overall corporate growth and profitability. The Scheme is administered directly by the Nomination and Remuneration Committee ("NRC") of the Company. The Board is authorized to introduce, offer, issue and allot share-based incentives to eligible employees of the Company under this scheme. The maximum number of shares under scheme shall not exceed 6,00,000 (Six Lakh Only) equity shares. These RSUs and stock options shall be exercisable within the period as approved by the Nomination and Remuneration Committee. The exercise price of the RSUs will be equal to the par value of the shares.

There is no change in the schemes and the aforementioned schemes are in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014.

The disclosure for IEX RSU SCHEME 2019 is set out in **Annexure 9** to this Report.

Further, the Company has obtained a certificate from the statutory auditors of the Company certifying that the ESOP 2010 and IEX RSU SCHEME 2019 have been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulation, 2014 and in accordance with the resolution passed by the members. The certificate will be placed at the ensuing Annual General Meeting for inspection by the members.

### 13. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by management and the relevant board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY21.

Pursuant to Section 134 (5) of the Companies Act, 2013, the Directors to the best of their knowledge and ability, state that:

- i. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departure, if any;
- ii. They have selected appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a

true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year 20-21;

- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the Annual Accounts on a going concern basis;
- v. They have laid down proper Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and are operating effectively; and
- vi. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 14. Reporting of Fraud by Auditors

During the year, under section 143(12) of the Companies Act 2013, neither the Internal Auditors, Statutory Auditors nor Secretarial Auditors have reported to the Audit Committee or the Board of the Company any material fraud by its officers or employees therefore no details are required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

### 15. Internal Financial Control & its Adequacy

As per Section 134(5) (e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust system and framework of Internal Financial Controls. Accordingly, the Company has a well-established internal control framework including proper delegation of authority, policies and procedures, defined various internal controls, risk based internal audits, risk management framework and whistle blower mechanism, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. The management is committed to ensure an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets.

The entity level policies include anti-fraud policies (like code of conduct, conflict of interest, confidentiality and whistle blower policy) and other policies (like organization structure, HR policy, IT security policy and business continuity and disaster recovery plan). The Company has also defined Standard Operating Procedures (SOP) for each of its processes.



The Audit Committee of the Company periodically reviews and recommends the unaudited quarterly financial statements and also the annual audited financial statements of your Company to the Board for approval.

The Company maintains appropriate policies, procedures and systems to ensure orderly and efficient conduct of its business, including adherence to Company's policies, monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition, prevention and detection of frauds and errors accuracy and completeness of accounting records, and the timely preparation of reliable financial information. The Internal control system is improved and modified on an on-going basis to meet the changes in business conditions, accounting and statutory requirements.

The external and internal auditors review the effectiveness and efficiency of these systems and procedures on regular basis to ensure that all the assets of the Company are protected against any loss and that the financial and operational information is accurate and complete in all respects. The Audits are conducted on an ongoing basis and significant deviations, if any are brought to the notice of the Audit Committee following which corrective action is recommended for implementation. All these measures facilitate timely detection of any deviations /irregularities and early remedial steps.

During the year, the defined controls were tested and no observation on reportable material weakness in design and effectiveness was found.

During the year no fraud has been reported by the Auditors to the Audit Committee or the Board of the Company.

## 16. Fixed Deposits

Your Company has not invited or accepted any fixed deposits under Section 73 of the Companies Act, 2013 during the year and as such, no amount on account of principal or interest related thereto was outstanding as on the date of the Balance Sheet i.e., March 31, 2021.

## 17. Particulars of Loans, Guarantee or Investment

During the FY 2020-21, your Company has not given any loans, guarantees or provided any security to any Body Corporate as specified under Section 186 of the Companies Act, 2013.

All the other Investments of your Company are in Bank FDs, Tax Free Bonds, Debt based liquid and liquid plus terms products, Fixed Maturity Products (FMPs), Market Linked Debentures (MLDs) and Arbitrage Mutual Fund schemes only, the details

of which are provided in **Note 6,8,11 and 14** to Standalone Financial Statement for the year ended March 31, 2021.

Further, your Company's investment in Indian Gas Exchange Limited (IGX), subsidiary company, as on March 31, 2021, is ₹3,915.38 Lakh (₹ Thirty-Nine Crore Fifteen Lakh Thirty-Seven Thousand and Five Hundred only).

## 18. Corporate Social Responsibility

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee. The details of membership of the Committee and the meetings held are detailed in the Corporate Governance Report, forming part of this Report.

The Board of Directors of the Company has also formulated a 'Corporate Social Responsibility Policy' (CSR Policy) based upon the recommendation of the CSR Committee. During the year under review the CSR policy was amended by the Board of the Company to align it with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021. Your Company has undertaken various CSR activities during the year, with an aim to address issues in the ambit of environmental sustainability, economic empowerment and social development by adopting an integrated, holistic and need-based approach.

The Company has identified following focus areas for CSR engagement:

- **Renewable Energy:** Promoting renewable energy by creating opportunities for access and awareness.
- **Health and Development:** Supporting socio-economic development of underprivileged communities through improved access to livelihoods, sanitation, water, healthcare and education.
- **Women Empowerment:** Endeavouring to integrate the cause of women empowerment while designing the projects.
- **Arts, Culture and Heritage:** Contributing to protection of national heritage, art and culture.
- **Disaster Response:** Contributing to relief and rehabilitation measures in disaster-affected parts of country.

The CSR policy of the Company is placed on the Company's website at [www.iexindia.com](http://www.iexindia.com) and the Annual Report on CSR as required pursuant to Section 135 of the Companies Act, 2013 is appended as **Annexure 10** to this report.

## 19. Conservation of Energy

Though the operations of your Company are not energy intensive, your Company has taken, inter alia, following measures to reduce energy consumption:

- Switched from conventional lighting systems to using energy-efficient lighting in office.
- Selecting and designing offices to facilitate maximum natural light utilisation.
- Use of energy efficient computer systems and procuring energy-efficient equipment's.
- Use of cloud based virtual servers to increase energy efficiency and data security.

As an on-going process, your Company continuously evaluates new technologies and techniques to make infrastructure more energy efficient.

## 20. Technology Absorption

India's energy sector is at the cusp of transformation. An evident shift towards decarbonization and decentralization has been underway with increased role of renewable energy at grid connected as well as decentralised/off-grid level. There has been increased push towards adoption of technology and automation across the industries with power sector being no exception. Technology has been a key differentiating factor for IEX since inception in the year 2008. Our technology vision has been to provide the most intuitive, secure, and state of the art technology platform. We continually advance our technology infrastructure to elevate ease, reliability, security, scalability, to provide the best-in-class experience to our participants. Our integrated suite of technologies is designed to support a significant expansion of business and provide with the ability to leverage the technology base to enter new markets as well as develop new products and services rapidly and reliably.

In FY 20-21, IEX executed several initiatives for market development, ease of access, flexible products as well as facilitating market participants to benefit from the flexible procurement on strength of the tech platform. We started the year with introduction of Real Time Market (RTM) wherein buyers and sellers have the option of placing buy or sell bids for 15-minute time block in 48 auction sessions during the day with delivery of power within one hour of closure of the bid session. We worked jointly with our members to create the specifications for RTM Application programming Interface (API), which provides our members with an automated bidding experience. The Green Term Ahead Market (G-TAM) was launched in August'20 for trade in delivery based renewable energy and to facilitate obligated entities fulfil their RPO compliance. All G-TAM contracts are nationalised contracts and available with Solar and Non-solar segments. In addition to launching new products, we have also enhanced our existing products to enable our members to do more efficient bidding

through our exchange platform. We have launched two new bid types in Day Ahead Market, introduced Flexible contracts in Term Ahead Market, 15 minutes contract in Term Ahead Market, extension of market duration for Term Ahead - Daily contracts to 22 hours, and the extension of delivery period for Term Ahead - Daily contracts for T+9 to T+10 days.

At IEX, we continue to transform customer experience. In April'21, we have launched a new Web based platform that allows ease of Member Onboarding and also facilitates access to the trade reports. Features like online client registration/update, anytime anywhere secure access for all reports, and ability for Members to provide access to clients have been provided in the Web based platform. We are working on further strengthening this platform by providing deep Data Insights to all 6000+ Clients, CXO level leaders across our Customers, and Senior Stakeholders in the Power Sector. With the development of Web based platform, we also strengthened Cyber Security by improving comprehensive monitoring. We are also working on introducing another level of Web Application Firewall (WAF) security for the web-based platform. We partnered with a Belgium based company N-SIDE (which has developed the EUPHEMIA algorithm used for day ahead price discovery in the European market) to implement a Mixed Integer Linear Programming (MILP) matching algorithm to discover the uniform clearing price in our Day Ahead Market. The implementation of the MILP matching algorithm provides us the benefit to easily introduce complex bid types to effectively fulfil the changing market needs.

In addition to making continuous technology advancements in our Exchange Platform, we have also implemented key initiatives to achieve digital transformation at the Enterprise level. We have done SAP implementation at the enterprise level and have integrated our Clearing and Settlement and Membership systems with the SAP system to achieve real-time data flow and centralized reporting. We have implemented Darwinbox, a cloud based Human Resource Management System (HRMS), to digitize the HR processes at the enterprise level. We have also implemented Microsoft Power BI dashboard to provide real time and efficient data visibility to enable faster and effective business decision making. We make continuous investment in providing best-in-class training to our team members to enable them to enhance their technical skills. The investment in training helps us to create a culture of technical innovation and excellence in our organization, and such a culture enables us to efficiently work towards realizing our technology vision of creating a customer centric energy marketplace through efficient and state of the art technology solutions.

## 21. Research and Development

Your Company is not directly involved in any Research and Development activities and hence no expenditure on research and development has been incurred.

## 22. Foreign Exchange Earning and Outgo

The particulars of Foreign Exchange Earnings and outgo during the year under review are furnished hereunder:

Foreign Exchange Earning	Nil
Foreign Exchange Outgo	₹330.04 lakh (including dividend pay-out of ₹74.21 lakh)

## 23. Risk Management Policy

Your Company being an exchange has adequate risk management systems and procedures operating within the organization. The Company has a 'Risk Management Committee' which reviews the risk management framework and process of the organization on half yearly basis as per Regulation 25(ii) of the CERC (Power Market) Regulations, 2010 and submits its report to the CERC.

In addition, your Company has also devised and implemented a comprehensive 'Risk Management Policy' which provides for identification, assessment and control of risks that the Company would face in the normal course of business and mitigation measures associated with them. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy. Under the said policy and in compliance with the Listing Regulations the Board has an 'Enterprise Risk Management Committee' ('ERMC') to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems and to ensure establishment of appropriate methodology, processes and systems to monitor and evaluate various internal and external risks associated with the business of the Company, including activities related to cyber security and monitor risk mitigation steps to counter these risks.

In addition to above, the Audit Committee of the Board has additional oversight in the area of financial risks and controls. Major risk identified by the business and functions are systematically addressed through mitigating actions on a continuous basis.

For more details, please refer Management Discussion and Analysis of this Report.

## 24. Whistle Blower & Anti-Fraud Policy

Your Company believes in the conduct of its business affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity, ethical behaviour and prudent commercial practices and is committed to comply with all applicable laws, rules and regulations.

Your Company has established a robust Vigil Mechanism for reporting of concerns through the Whistle Blower & Anti-Fraud Policy of the Company, which is in compliance with the provisions of Section 177 of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Listing Regulations.

### The Policy provides for:

- a mechanism wherein the Directors and the Employees can report their genuine concerns about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of conduct.
- adequate safeguards against victimization of persons who use this Mechanism; and
- direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company.

The latest Whistle Blower & Anti-fraud Policy is uploaded on the website of the Company and can be accessed through the following web link:

<https://www.iexindia.com/pdf/Whistle%20Blower%20Anti%20Fraud%20Policy.pdf>

Your Company hereby affirms that no person has been denied access to the Chairman of the Audit Committee and no complaints were received during the year.

## 25. Material and Significant Orders Passed by The Regulators or Courts or Tribunal

During the FY 2020-21, there were no material and significant orders passed by the Regulators or Courts or Tribunal.

## 26. Statutory Auditors

M/s B S R & Associates LLP, Chartered Accountants, (Firm Registration No. 116231W/W-100024), the Statutory Auditors of the Company were appointed at the 13<sup>th</sup> Annual General Meeting of the Company to hold office for a term of 5 (five) consecutive years until the conclusion of the 18<sup>th</sup> Annual General Meeting of the Company.



Pursuant to Section 141 of the Act, the Auditors have represented that they are not disqualified and continue to be eligible to act as the Auditor of the Company.

## 27. Auditors' Report

The standalone and the consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act.

The Auditors' Report for fiscal 2021 does not contain any qualification, reservation or adverse remark or disclaimers. The Auditors' Report is enclosed with the financial statements in this Report. The Statutory Auditors were present in the last AGM.

## 28. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mohd. Nazim Khan, Designated Partner, of M/s MNK and Associates LLP, Company Secretaries, New Delhi, as Secretarial Auditor of the Company to conduct the Secretarial Audit for Financial Year 2020-21.

The Secretarial Audit report for the financial year March 31, 2021 in Form No. MR-3 is annexed as **Annexure 11** to this Report.

The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or non-compliances. The Secretarial Audit report does not contain any qualification, reservation, or adverse remark.

Further, pursuant to the provisions of Regulation 24A of the SEBI (LODR) Regulations, 2015, the Secretarial Audit Report of Indian Gas Exchange Limited ("IGX"), Company's unlisted subsidiary is annexed herewith and marked as **Annexure 12** to this Report. The Secretarial Audit Report of IGX does not contain any qualification, reservation or adverse remark or disclaimer.

## 29. Secretarial Standard Disclosure

During the FY 2020-21, the Company has complied with the provisions of applicable secretarial standard issued by The Institute of Company Secretaries of India (ICSI).

## 30. Extract of The Annual Return

The extract of Annual Return as required under Section 134(3) (a) and as provided under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, in the prescribed form MGT-9 is annexed to this Report as **Annexure 13** and as per Section 134 (3) (a) of the Companies Act, 2013, annual return will be placed on the website of the Company at

[https://www.iexindia.com/AGM\\_EGM\\_notice.aspx?id=%2fVFcZM3gBsg%3d&mid=IT8b%2bZM5cBA%3d](https://www.iexindia.com/AGM_EGM_notice.aspx?id=%2fVFcZM3gBsg%3d&mid=IT8b%2bZM5cBA%3d)

## 31. Human Resource Development

Your Company has set ambitious growth targets and it also endeavours to become a best-in-class company. To achieve this, the Company continues its transformation that encompasses both culture and talent which is also aligned to its technology transformation.

Your Company believes in an open and transparent workplace that places adequate emphasis on employee development and strong employee connects through planned engagements. To ensure that the Company is well equipped to take on its growth objectives, we are employing a two-pronged talent strategy. Our strategy is a combination of developing internal talent and hiring best of talent externally. IEX hires professionals with experience working in top organisations. The objective is to create complimentary skills in both domain and external experience/sector experiences. Through this, we are moving towards our goal of ensuring "best-in-class" talent.

We enhance learning through regular sessions by experienced external trainers on key topics of development.

To upgrade our employees with new skills coupled with professional and personal growth, we had organised several training sessions both on behavioural and functional competencies throughout the year. The training is imparted by some of the best trainers and training organisations of the industry.

In addition, forums such as weekly and monthly meetings, All Hands meetings every quarter, skip-level quarterly meetings, off-site meetings, and departmental meetings provide opportunities for interaction. We were unable to do many physical engagements due to the pandemic.

However, during lockdown, we made sure to keep in touch with all employees through virtual team meetings and regular month end interactions. This has helped us to create an

environment of harmony where each one was able to meet colleagues virtually and share success stories and keep up the morale of employees in tough times of COVID.

In line with the Company's philosophy to extend all possible support to its employees in challenging times like the current pandemic, your Company announced a Covid Bereavement Policy to provide much needed support to the employees' family in the event of any untimely loss of employees' life due to Covid.

We also organized Self Learning Initiatives wherein employees had learned new skills through online training programs, which were sponsored by the company.

### 32. Business Responsibility Report (BRR)

As per Regulation 34 of the Listing Regulations the Business Responsibility Report (BRR) describing the initiatives taken by Company from an environmental, social and governance perspective is attached and is part of this Report.

### 33. Corporate Governance

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI").

Pursuant to Corporate Governance guidelines, as laid out in the SEBI (LODR) Regulations, 2015, a separate section titled 'Corporate Governance' has been included in this Report, as **Annexure 14**.

All Board members and Senior Management personnel have affirmed in writing their compliance with and adherence to the code of conduct adopted by the Company for FY 2020-21. A declaration to this effect signed by the Chairman & Managing Director of the Company is included in this Annual Report.

In terms of SEBI (LODR) Regulations, 2015 the CMD & CFO certificate of the FY 2020-21 and Declaration by CMD confirming the compliance declarations received from the Directors and the Senior Management personnel are appended as **Annexure 15**.

M/s MNK and Associates LLP, Company Secretaries in Practice, Delhi (Firm Registration No. L2018DE004900) have examined the requirements of Corporate Governance with reference to SEBI (LODR) Regulations, 2015 and have certified the compliance, as required under SEBI (LODR) Regulations, 2015. The Certificate in this regard is set out in this Report as **Annexure 16**.

### 34. Disclosure Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has put in place an Anti-Sexual Harassment mechanism in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the FY 2020-21, the Company has not received any complaint pertaining to sexual harassment and hence no complaint is outstanding as on March 31, 2021.

### 35. Maintenance of Cost Records

The provision of Section 148 of the Companies Act, 2013 and Companies (Cost records and Audit) Rules, 2014 (as amended from time to time) is not applicable on the Company.

### 36. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year.

During the year under review the Company has neither made any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

### 37. Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:

Not Applicable

### 38. Acknowledgment

On behalf of the Directors of the Company, I would like to place on record our sincere gratitude to the Ministry of Power, Central Electricity Regulatory Commission (CERC) Members, State Electricity Regulatory Commissions (SERCs) Members and Staff, Central Electricity Authority (CEA), National Load Dispatch Centre (NLDC), Regional Load Dispatch Centers (RLDCs), State Load Dispatch Centers (SLDCs), State Electricity

Regulatory Commissions (SERCs), Power Grid Corporation Ltd. (PGCL), Stock Exchanges (NSE & BSE), Financial Institutions, Shareholders, Bankers, depositories, Registrar and Transfer Agents (RTA), Members of the Exchange and, Business Associates and for their continued support.

Finally, we also wish to place on record our deep appreciation for the contribution made by all our employees and their families. Our consistent growth was made possible by their hard work, cooperation and support.

For and on behalf of the **Board of Directors**  
**Indian Energy Exchange Limited**

Place: Noida  
Date: 22 July, 2021

Sd/-  
**Satyanarayan Goel**  
*Chairman & Managing Director*  
DIN: 02294069



## ANNEXURE 1

### Form AOC-1

(Pursuant to first proviso to Sub-Section (3) Of Section 129 Read with rule 5 Of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

##### Part "A": Subsidiaries

(Information in respect of each Subsidiary to be presented with amounts in ₹ lakhs)

Sl. No.	Particulars	Details
1.	Name of the Subsidiary	Indian Gas Exchange Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No
3.	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
4.	Date since when subsidiary was acquired	November 06, 2019
5.	Share Capital	7,387.5
6.	Reserves & Surplus	(1,032.27)
7.	Total Assets	9,802.93
8.	Total Liabilities	9,802.93
9.	Investments	4,191.89
10.	Turnover	73.68
11.	Profit before Taxation	(1,134.60)
12.	Provision for Taxation (net)	(328.89)
13.	Profit after Taxation	(805.71)
14.	Proposed Dividend	-
15.	% of shareholding	53.00

Part "B": Associates and Joint Venture – **NOT APPLICABLE**

For and on behalf of the Board of Directors  
Indian Energy Exchange Limited

Sd/-  
**Satyanarayan Goel**  
Chairman & Managing Director  
DIN: 02294069

Sd/-  
**Vineet Harlalka**  
Chief Financial Officer, Company Secretary  
& Compliance Officer

Place: Noida  
Date: 22 July, 2021

**ANNEXURE 2****FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and  
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

(a)	Name(s) of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/ arrangements/ transactions	Not Applicable
(c)	Duration of the contracts/ arrangements/ transactions	Not Applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
(e)	Justification for entering into such contracts or arrangements or transactions	Not Applicable
(f)	Date(s) of approval by the Board	Not Applicable
(g)	Amount paid as advances, if any:	Not Applicable
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Applicable

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

(a)	Name(s) of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/ arrangements/ transactions	Not Applicable
(c)	Duration of the contracts/ arrangements/ transactions	Not Applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
(e)	Date(s) of approval by the Board, if any	Not Applicable
(f)	Amount paid as advances, if any	Not Applicable

For and on behalf of the Board of Directors  
Indian Energy Exchange Limited

Sd/-  
**Satyanarayan Goel**  
Chairman & Managing Director  
DIN: 02294069

Place: Noida  
Date: 22 July, 2021

## ANNEXURE 3

# POLICY TO PROMOTE DIVERSITY ON THE BOARD OF DIRECTORS

## 1. Preface

Indian Energy Exchange Limited (the “**Company**”) is committed to deal with all stakeholders with full transparency and fairness, ensuring adherence to all laws and regulations and achieving highest standards of corporate governance.

Pursuant to Regulation 19(4) read with Part D of the Schedule II of the SEBI Listing Regulations, the nomination and remuneration committee of the board of directors of a listed entity is required to devise a policy on diversity of board of directors. In compliance with the SEBI Listing Regulations, the Company has formulated the policy on diversity of board of directors.

## 2. Definitions

For the purpose of this Board Diversity Policy the following terms shall have the meanings assigned to them hereunder:

- i. “**Board**” means the board of directors of the Company;
- ii. “**Board Diversity Policy**” means this policy, as amended from time to time;
- iii. “**CERC Power Market Regulations**” means the Central Electricity Regulatory Commission (Power Market) Regulations, 2010;
- iv. “**Committee**” means the Nomination and Remuneration Committee of the Board;
- v. “**Director**” means a member of the Board;
- vi. “**IEX**” or the “**Company**” means Indian Energy Exchange Limited; and
- vii. “**SEBI Listing Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Words and expressions used and not defined in this Board Diversity Policy shall have the meaning ascribed to them in the SEBI Listing Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder.

## 3. Board Diversity

The Committee shall ensure that the Board shall have an optimum combination of executive, non-executive and independent directors in accordance with requirements of the Companies Act, 2013, SEBI Listing Regulations, CERC

Power Market Regulations and other statutory, regulatory and contractual obligations of the Company.

The Company recognises the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. The Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, race and gender, which will ensure that the Company retains its competitive advantage. The Company further believes that a diverse Board will contribute towards driving business results, make corporate governance more effective, enhance quality and responsible decision making capability, ensure sustainable development and enhance the reputation of the Company.

The Committee shall review the profile of the prospective candidates for appointment as director on the Board taking in consideration knowledge, experience, financial literacy / expertise, global market awareness and other relevant factors as may be considered appropriate and the Board shall be so formulated with mix of members to maintain high level of ethical standards. The Committee shall also take into consideration the provisions of the Companies Act, 2013, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Company.

## 4. Amendments to the Policy

The Committee may modify and/or amend the Board Diversity Policy at any time subject to the provisions of the SEBI Listing Regulations and the Companies Act, 2013 and rules framed thereunder.



## ANNEXURE 4

# NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES OF INDIAN ENERGY EXCHANGE LIMITED

## Principle and Rationale

As per the requirements of Section 178 of the Companies Act, 2013 and the Rules framed thereunder read with Regulation 19 of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has constituted a Nomination and Remuneration Committee. The Committee's role is to be supported by a policy for nomination of Directors and Senior Management Personnel including Key Managerial Personnel as also for remuneration of Directors, Key Managerial Personnel (KMP) and other Employees.

In line with the Company philosophy towards nurturing its human resources, the Nomination and Remuneration Committee of the Board of Directors of the Company recommends to the Board of Directors for its adoption the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company as set out below:

### 1. Definitions:

- 1.1 'Board' shall mean Board of Directors of Indian Energy Exchange Limited.
- 1.2 'Independent Director' shall mean a director referred to in Section 149 (6) of the Companies Act, 2013.
- 1.3 'Key Managerial Personnel', in relation to a company, means key managerial personnel as defined under the Companies Act, 2013 & includes:
  - (i) The Chief Executive Officer or the managing director or the manager;
  - (ii) The company secretary;
  - (iii) The whole-time director;
  - (iv) The Chief Financial Officer;
  - (v) Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
  - (vi) Such other officer as may be prescribed.
- 1.4 'Nomination and Remuneration Committee' or the Committee under this policy shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Rules framed thereunder

read with Regulation 19 of SEBI (LODR) Regulations, 2015.

- 1.5 'Other employees' means all employees other than the Directors and KMPs.
- 1.6 'Policy or This Policy' means, "Nomination and Remuneration Policy."
- 1.7 'Remuneration' means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- 1.8 "Senior Management" shall mean officers/personnel of the listed entity who are in the its core management team excluding BOD and normally this shall include all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

### 2. Functions:

- To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Director (Executive & Non-Executive/ Independent) and persons who may be appointed in Senior Management Personnel.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- To attract, retain and motivate the Directors and evaluation of their performance.
- To ensure that the relationship of remuneration with performance is clear and meets appropriate performance benchmarks.
- To recommend to the Board a Policy relating to the Remuneration for the Directors, Key Managerial Personnel and other Employees.

- To determine the remuneration based on the Company's size and financial position and practices in the industry.
- To recommend to the Board, all remuneration, in whatever form, payable to senior management."

### 3. Applicability:

This Policy shall apply to all Directors, KMPs, and other employees of the Company.

## 4. Appointment, Removal and Retirement of Director, KMP and Senior Management:

### 4.1. Appointment criteria and qualifications:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A potential candidate being considered for appointment to a position should possess adequate qualification, expertise and experience for the position. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- The Committee shall determine the suitability of appointment of a person to the Board of Directors of the Company by ascertaining whether he satisfies the criteria as prescribed by the Central Electricity Regulatory Commission (CERC) for appointment and disqualification as Director in the Power Exchange.
- The Committee may recommend appropriate induction & training programme for any or all the appointees.
- The Committee shall make recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of service of a director subject to the provisions of law and the respective service contract.

### 4.2. Term / Tenure:

#### 4.2.1. Managing Director/Whole-time Director/Manager (Managerial Person):

- The Company shall appoint or re-appoint any person as its Managerial Person as per section 196, 197 or any other applicable provisions of the Companies Act 2013 read with Schedule- V.

#### 4.2.2. Independent Director:

- An Independent Director shall hold office in Company for such term as prescribed under the Companies Act, 2013 and the Rules framed thereunder and other applicable statutory provisions.

- The appointment including the terms and conditions of appointment of Independent Director shall be recommended by the Committee and approved by the Board of Directors of the Company subject to the approval of the Shareholders in the General Meeting.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director of the Company.
- Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

4.2.3. The Terms/ Tenure of the KMP and other employees shall be as per the Company's prevailing policy.

### 4.3. Evaluation:

The Committee shall carry out evaluation of performance of Directors yearly or at such intervals as may be considered necessary.

### 4.4. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### 4.5. Retirement:

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 along with the Rules framed thereunder and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP or the Senior Management Personnel, in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## 5. Provisions Relating to Remuneration of Managerial Person, KMP and Other Employees:

### 5.1. General Criteria:

- The Committee will recommend to the Board the policy on remuneration payable to Directors, KMP and Other employees for approval. While recommending the policy the Committee shall ensure that, the level and composition

of remuneration/Compensation/Commission etc. to be paid is reasonable and sufficient to attract, retain and motivate them in the company.

- The Policy shall also ensure that the relationship of remuneration to the performance should be clear and should encourage meeting of appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive / performance related pay reflecting achievement of short and long-term performance objectives appropriate to the working of the company and meeting its goals.
- Revision to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managerial Persons.
- The remuneration shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- Where any insurance is taken by the Company on behalf of its Managerial Person, KMPs, and/or any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel, unless such person(s) is/are proved to be guilty.

## 5.2. Remuneration to Managerial Person and KMPs:

- The Remuneration to be paid to Managerial Persons and/or KMPs shall be governed as per the provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force as also by Company policy.

## 5.3. Remuneration to Non-Executive Directors/ Independent Directors:

- The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof and General Meeting of the Company. Provided that the amount of such fees shall be such as determined by the Board of Directors of the Company from time to time and shall be within the maximum permissible limit as defined under the Companies Act, 2013 and the Rules framed thereunder.
- The remuneration / commission payable, if any, shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- An Independent Director shall not be entitled to any stock option of the Company.

## 5.4. Remuneration to other Employees:

- The Remuneration to be paid to other employees shall be based upon the role and position of the individual employee, including professional experience, responsibility, job complexity and market conditions, qualification and seniority.
- The structure of remuneration for other employees has been designed in the prevailing policy of the Company and implementation of the same is to be ensured by Managing Director & CEO of the Company or any other personnel that the Managing Director & CEO may deem fit to delegate.
- The annual increments to the remuneration paid to the other employees shall be based on the appraisal carried out by the respective HODs of various departments.
- The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.

## 5.5. Stock Options:

In addition to the normal/ regular remuneration package, Employee Stock Option Schemes are also in place for the Managerial Person, KMPs and other employees of the Company. To attract & retain talent, reward for performance and for creating long term shareholder value, the Committee may from time to time determine the stock options and other share based payments to be made to Managerial Person, KMPs, and other employees of the Company.

## 6. Disclosure of this Policy:

This Nomination & Remuneration policy shall be disclosed in the Board's report as required under the Companies Act, 2013.

## 7. Deviations from this Policy:

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

## 8. Review and Amendment:

The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary. This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required and also where there are any statutory changes necessitating the change in the policy.



## ANNEXURE 5

### PERFORMANCE EVALUATION OF THE BOARD

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by the SEBI (LODR) Regulations, 2015.

The annual evaluation process involved assessment of Individual Directors, Chairman of the Board and the Chairman of the respective Board Committees. Further, the Independent Directors Committee evaluated the performance of all the Non-Independent Directors, Chairman of the Board, Board Committees and the Board as a whole. Thereafter, the Board evaluated the performance of each Independent Director, excluding the Director being evaluated.

The criteria for performance evaluation, inter alia, include the following:

#### i. Individual Director's Performance Evaluation

Compliance with Articles of Association, Companies Act & other Laws, Attendance at meetings, being informed and the extent of preparedness for meetings, participation and contribution, independence of judgment, Leadership initiative and advisory role, Interpersonal relationships with other directors and management, knowledge updation, displaying initiative, , expressing views, understanding of the Company and the external environment, Safeguarding stakeholders' interest and balancing the conflict of interest of Stakeholders, confidentiality, Financial and Risk awareness.

#### ii. Evaluation of the Board as a Whole

Proper mix of competencies, experience and qualification, adoption of proper, clear and transparent procedure to appoint directors, conducting meeting(s) on a regular basis, confirming agenda with all relevant information, providing entrepreneurial leadership to the Company, understanding of business, strategy and growth, responsibility towards stakeholders, risk management and financial controls and Audits, Compliances, discussions through healthy debate, quality of decision making, monitoring performance of management, Reviewing the CSR initiatives, grievance redressal mechanism, analyse and examines governance and compliances related issues, maintaining high standards of integrity and probity, etc.

#### iii. Chairman's Performance Evaluation

Providing effective leadership, setting effective strategic agenda of the Board, encouraging active engagement by the Board members, open-minded, decisive, courteous, displays professionalism, impartial, providing guidance and motivation to the MD & CEO, impartiality in conducting discussions, establishing effective communication with all stakeholders, etc.

#### iv. Performance Evaluation of Board Committees

Sufficiency in the scope for addressing the objectives, effectiveness in performing the key responsibilities, adequacy in composition and frequency of meetings, quality of relationship of the committee with the board and the management, clarity of agenda discussed, discussion on critical issues, clarity of role and responsibilities, etc.

For and on behalf of the Board of Directors  
Indian Energy Exchange Limited

Sd/-

**Satyanarayan Goel**

*Chairman & Managing Director*

DIN: 02294069

Place: Noida

Date: 22 July, 2021

## ANNEXURE 6

## DISCLOSURE PURSUANT TO RULE 5 (1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl. No.	Requirements	Disclosure
I	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21	Chairman & MD- 17.68 <sup>[1]</sup>
II	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Chairman & MD- NA <sup>[1]</sup> MD & CEO - 5% <sup>[2]</sup> CFO & CS - 5.0%
III	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 11.53%. The calculation of % increase in Median Remuneration is done based on comparable employees.
IV	The number of permanent employees on the rolls of Company	There were 152 employees as on March 31, 2021
V	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year is 7.16% as compared to 5% <sup>[2]</sup> increase in salary of managerial personnel.  The calculation of % increase in Average percentile increase is done based on comparable employees.
VI	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes. It is confirmed.

The details in the above table are on CTC basis and excludes sitting fee.

## Notes

<sup>[1]</sup> Chairman & MD joined during the year w.e.f. February 19, 2021. His remuneration is not comparable for the purpose of calculating aforesaid average increase in remuneration.

<sup>[2]</sup> Erstwhile MD & CEO Mr. Rajiv Srivastava resigned during the year w.e.f. August 24, 2020. The given percentage increase was prorated with respect to the date of joining.

For and on behalf of the Board of Directors  
Indian Energy Exchange Limited

Sd/-  
**Satyanarayan Goel**  
Chairman & Managing Director  
DIN: 02294069

Place: Noida  
Date: 22 July, 2021

## ANNEXURE 7

### STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl. No.	Name of the employee	Age	Qualification	Designation	Total Remuneration* (₹ in lakh)	Approx. experience (in years)	Date of commencement of employment	Last Employment
<b>A. Employed throughout the Financial Year</b>								
1	Rajesh Kumar Mediratta	57	MBA, B.E	Director (Non-Board) (Strategy & Regulatory Affairs)	182.36	33	12-Mar-07	Chief Manager, Power Grid Corporation of India Limited
2	Vineet Harlalka	47	CA, CS	Chief Financial Officer, Company Secretary & Compliance Officer	121.38	21	16-Jan-10	Senior Manager Finance & Co. Secretary, New Holland Fiat (India) Private Limited
3	Rohit Bajaj	49	PGDBM, B.E	Senior Vice President (Business Development)	109.78	27	12-May-14	Head of Business, National Energy Trading and Services Limited
4	Sangh Suman Gautam	44	Masters of Science, Bachelor in Engineering	Chief Technology Officer	112.50	21	02-Aug-19	CTO News, HT Media
5	Amit Kumar	43	MBA, B. Tech	Senior Vice President (Market Operations & New Product Initiatives)	88.56	19	15-Nov-18	Senior Director – Operations and Product Management, Limeroad
6	Samir Prakash	51	Law Graduate, PG in Industrial Relations & Personnel Management	Senior Vice President (Human Resources & Administration)	83.99	30	17-Dec-18	Director-HR, SRK Tele Energy
7	Amit Kumar Garg	40	Engineering	Vice President (Strategy)	88.44	16	29-Nov-19	Senior Engagement Manager, McKinsey
8	Shruti Bhatia	47	M.Sc, B.SC	Vice President (Corporate Communications)	79.96	24	09-Jan-13	General Manager, Vestas Wind Technology India Private Limited
9	Indranil Chatterjee	44	MBA, B.E	Vice President – Risk, Alliances & Strategic Diversification	59.28	20	20-Dec-16	Deputy General Manager, Indus Towers Limited
10	Vaibhav Pramod Aggarwal <sup>[1]</sup>	48	B.Com	Vice President (Exchange Technology)	71.27	16	23-May-17	Vice-President, 63 Moons
<b>B. Employed for part of the Financial Year</b>								
1	Satyanarayan Goel <sup>[2]</sup>	66	MBA, B.TECH	Chairman and Managing Director	32.80	42	19-Feb-21	MD & CEO, Indian Energy Exchange Limited till July 20, 2019
2	Naresh Dusi <sup>[3]</sup>	41	B.E.(Electrical) & Certification in Strategic Management from IIM	Vice President (Information Technology)	56.86	16	07-Sep-20	Product & Technology Leader, UPL - Adarsh Farm Service
3	Ravi Kiran Kuchi <sup>[4]</sup>	38	B Tech (Electrical & Electronics) and PG in Management (Finance & Development Strategy) IIM	Vice President (Business Development)	57.86	15	11-May-20	GM - BD& Commercial, Sembcorp Green Infra Ltd
4	Rajiv Srivastava <sup>[5]</sup>	56	Bachelor's degree in Mechanical Engineering, Specialization in international business	Managing Director and Chief Executive Officer	389.46	36	03-June-19	COO, HP Inc. Singapore

\* Includes variable pay paid for FY21.

<sup>[1]</sup> Resigned from the Company with effect from April 30, 2021.

<sup>[2]</sup> Appointed as Chairman & Managing Director with effect from February 19, 2021

<sup>[3]</sup> Joined the Company as Vice President (Information Technology) with effect from September 07, 2020

<sup>[4]</sup> Joined the Company as Vice President (Business Development) with effect from May 11, 2020

<sup>[5]</sup> Ceased to be Managing Director & CEO of the Company with effect from August 24, 2020.



**Notes:**

- Remuneration includes salary, reimbursement, variable pay, taxable value of perquisites etc. and further the gratuity paid to the employees who resigned during the year.
- Remuneration excludes perquisite value of shares received under IEX ESOP Scheme 2010.
- All other employees mentioned above are in permanent employment of the Company, governed by employment terms & service rules.
- None of the above employee is a relative of any Director of the Company within the meaning of relative under Companies Act, 2013.
- None of the employee was drawing salary in excess of that drawn by Managing Director/ Whole Time Director.
- As at March 31, 2021, none of the above employee by himself or along with his spouse and dependent children, held 2% or more of the equity shares in the Company as referred to in sub-clause(iii) of Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- As at 31st March, 2021 none of the employees of the Company are posted and working in a country outside India.

For and on behalf of the Board of Directors  
Indian Energy Exchange Limited

Sd/-

**Satyanarayan Goel**

*Chairman & Managing Director*

DIN: 02294069

Place: Noida

Date: 22 July, 2021

## ANNEXURE 8

### DISCLOSURE UNDER SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

#### The Employee Stock Option Scheme-ESOP 2010

Sl. No.	Particulars	Details																																																								
1.	Source of shares	Primary																																																								
2.	Shares allotted to IEX ESOP Trust	The shareholders of the Company at the EGM, held on March 26, 2010 approved the issuance of ESOP. The Company is following a Trust route for managing its ESOP Scheme. Accordingly, 6,065,720 shares of ₹1/- (representing figures post-subdivision adjustment of equity shares) each were allotted to IEX ESOP Trust in 2010 under the “IEX ESOP Scheme 2010”																																																								
3.	Options granted by IEX ESOP Trust to Employees	<table><tr><th colspan="2">Details of Options Granted</th><th colspan="2">No. of options granted#</th></tr><tr><td colspan="2">Options granted upto March 31, 2020</td><td colspan="2">6,749,000</td></tr><tr><td colspan="2">Options granted during financial year</td><td colspan="2"></td></tr><tr><td colspan="2">2020-2021</td><td colspan="2">Nil</td></tr><tr><td colspan="2">Total options granted by the company upto March 31, 2021</td><td colspan="2">6,749,000</td></tr><tr><td colspan="4">#This include the lapsed options which are regranted (representing figures post-subdivision adjustment of equity shares)</td></tr></table>	Details of Options Granted		No. of options granted#		Options granted upto March 31, 2020		6,749,000		Options granted during financial year				2020-2021		Nil		Total options granted by the company upto March 31, 2021		6,749,000		#This include the lapsed options which are regranted (representing figures post-subdivision adjustment of equity shares)																																			
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#This include the lapsed options which are regranted (representing figures post-subdivision adjustment of equity shares)																																																										
4.	Pricing Formula	For option granted on July 08, 2010, September 07, 2010, December 16, 2011, January 21, 2014 and June 24, 2014, April 15, 2017, June 19, 2017, August 16, 2017 the pricing was on the basis of Valuation Reports obtained from an Independent Valuer/SEBI Registered Category I Merchant Banker as applicable, and post listing on BSE & NSE on October 23, 2017, the pricing for options granted thereafter average of Opening and Closing of the Share on the recognized stock exchange, which records the highest volume of trading, preceding the date of respective grant																																																								
5.	Exercise price per option	<table><tr><th>Sr. No.</th><th>No. of Options</th><th>Granted on</th><th>Exercise Price Per Option (in ₹)*</th></tr><tr><td colspan="4">A. Grants of Equity Shares with face value of ₹10 each share</td></tr><tr><td>1.</td><td>307,100</td><td>July 08, 2010</td><td>10/-</td></tr><tr><td>2.</td><td>17,600</td><td>September 07, 2010</td><td>10/-</td></tr><tr><td>3.</td><td>206,100</td><td>December 16, 2011</td><td>53/-</td></tr><tr><td>4.</td><td>45,000</td><td>January 21, 2014</td><td>150/-</td></tr><tr><td>5.</td><td>10,000</td><td>June 24, 2014</td><td>535/-</td></tr><tr><td>6.</td><td>10,000</td><td>April 17, 2017</td><td>750/-</td></tr><tr><td>7.</td><td>19,000</td><td>June 19, 2017</td><td>750/-</td></tr><tr><td>8.</td><td>35,100</td><td>August 16, 2017</td><td>750/-</td></tr><tr><td colspan="4">B. Grants Post Sub-division of the face value of the equity share of ₹10/- each to face value of ₹1/- each with effect from the record date i.e. October 22, 2018</td></tr><tr><td>9.</td><td>100,000</td><td>November 15, 2018</td><td>160/-</td></tr><tr><td>10.</td><td>50,000</td><td>December 18, 2018</td><td>166/-</td></tr><tr><td>11.</td><td>100,000</td><td>August 8, 2019</td><td>142/-</td></tr></table>	Sr. No.	No. of Options	Granted on	Exercise Price Per Option (in ₹)*	A. Grants of Equity Shares with face value of ₹10 each share				1.	307,100	July 08, 2010	10/-	2.	17,600	September 07, 2010	10/-	3.	206,100	December 16, 2011	53/-	4.	45,000	January 21, 2014	150/-	5.	10,000	June 24, 2014	535/-	6.	10,000	April 17, 2017	750/-	7.	19,000	June 19, 2017	750/-	8.	35,100	August 16, 2017	750/-	B. Grants Post Sub-division of the face value of the equity share of ₹10/- each to face value of ₹1/- each with effect from the record date i.e. October 22, 2018				9.	100,000	November 15, 2018	160/-	10.	50,000	December 18, 2018	166/-	11.	100,000	August 8, 2019	142/-
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Sl. No.	Particulars	Details																																																																														
6.	Maximum terms of options granted and the vesting requirement	<p>The options granted can be exercised by eligible employees subject to vesting conditions. The following grants were subsisting as at March 31, 2021 with the following vesting schedule:</p> <table><thead><tr><th>Date of Grant</th><th>Vest Months</th><th>Vest %</th><th>Maximum period of Exercise</th></tr></thead><tbody><tr><td rowspan="3">19-Jun-17</td><td>12<sup>#</sup></td><td>33</td><td>12 months from the date of vesting</td></tr><tr><td>24<sup>**</sup></td><td>33</td><td>12 months from the date of vesting</td></tr><tr><td>36<sup>***</sup></td><td>34</td><td>12 months from the date of vesting</td></tr><tr><td colspan="4"><sup>#</sup>vested on August 21, 2018</td></tr><tr><td colspan="4"><sup>**</sup> vested on July 22, 2019</td></tr><tr><td colspan="4"><sup>***</sup> vested on June 26, 2020</td></tr><tr><td rowspan="3">16-Aug-17</td><td>17<sup>#</sup></td><td>33</td><td>12 months from the date of vesting</td></tr><tr><td>29<sup>**</sup></td><td>33</td><td>12 months from the date of vesting</td></tr><tr><td>41<sup>***</sup></td><td>34</td><td>12 months from the date of vesting</td></tr><tr><td colspan="4"><sup>#</sup>vested on February 11, 2019</td></tr><tr><td colspan="4"><sup>**</sup> vested on January 30, 2020 &amp; February 26, 2020, March 19, 2020</td></tr><tr><td colspan="4"><sup>***</sup> vested on January 28, 2021 &amp; March 19, 2021</td></tr><tr><td rowspan="3">15-Nov-18</td><td>12</td><td>30</td><td>12 months from the date of vesting</td></tr><tr><td>24</td><td>30</td><td>12 months from the date of vesting</td></tr><tr><td>36</td><td>40</td><td>12 months from the date of vesting</td></tr><tr><td rowspan="3">18-Dec-18</td><td>12</td><td>30</td><td>12 months from the date of vesting</td></tr><tr><td>24</td><td>30</td><td>12 months from the date of vesting</td></tr><tr><td>36</td><td>40</td><td>12 months from the date of vesting</td></tr><tr><td rowspan="3">05-Aug-19</td><td>12</td><td>30</td><td>12 months from the date of vesting</td></tr><tr><td>24</td><td>30</td><td>12 months from the date of vesting</td></tr><tr><td>36</td><td>40</td><td>12 months from the date of vesting</td></tr></tbody></table>	Date of Grant	Vest Months	Vest %	Maximum period of Exercise	19-Jun-17	12 <sup>#</sup>	33	12 months from the date of vesting	24 <sup>**</sup>	33	12 months from the date of vesting	36 <sup>***</sup>	34	12 months from the date of vesting	<sup>#</sup> vested on August 21, 2018				<sup>**</sup> vested on July 22, 2019				<sup>***</sup> vested on June 26, 2020				16-Aug-17	17 <sup>#</sup>	33	12 months from the date of vesting	29 <sup>**</sup>	33	12 months from the date of vesting	41 <sup>***</sup>	34	12 months from the date of vesting	<sup>#</sup> vested on February 11, 2019				<sup>**</sup> vested on January 30, 2020 & February 26, 2020, March 19, 2020				<sup>***</sup> vested on January 28, 2021 & March 19, 2021				15-Nov-18	12	30	12 months from the date of vesting	24	30	12 months from the date of vesting	36	40	12 months from the date of vesting	18-Dec-18	12	30	12 months from the date of vesting	24	30	12 months from the date of vesting	36	40	12 months from the date of vesting	05-Aug-19	12	30	12 months from the date of vesting	24	30	12 months from the date of vesting	36	40	12 months from the date of vesting
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	36	40	12 months from the date of vesting																																																																													
7.	Total number of options in force/outstanding at the beginning of FY 2020-2021	409,800																																																																														
8.	Options vested during the year	180,400																																																																														
9.	Options exercised during the year	180,400																																																																														
10.	Total number of shares arising as a result of exercise of option during the year	180,400																																																																														
11.	Total number of options lapsed during the year	Nil																																																																														
12.	Variations in the terms of options during the year	No Variation in terms of options																																																																														
13.	Money realized on exercise of options during the year	₹194.55 lakh																																																																														
14.	Total number of options in force/outstanding at the end of FY 2020-2021	229,400																																																																														



Sl. No.	Particulars	Details
15.	Number of option exercisable at the end of FY 2020-2021	99,400
16.	Employee-wise details of options granted to Directors/Key Managerial Personnel/Senior Managerial Personnel.	Refer table Person-wise details of options granted to Directors/Key Managerial Personnel/ Senior Managerial Personnel under ESOP 2010 as at March 31, 2021
	Employees who have received a grant in any one year of option amounting to 5% or more of options granted during that year.	Nil
	Employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital of the company at the time of grant.	Nil
17.	Diluted EPS	₹ 7.15
18.	Method used to account for Options	Fair Value Method
19.	Description of the method and significant assumptions used during the year to estimate the fair values of the options, including the following weighted average information:	The intrinsic value of each option granted on July 08, 2010, September 07, 2010, December 16, 2011, January 21, 2014, June 24, 2014, April 15, 2017, June 19, 2017 and August 16, 2017 is ₹ Nil.
	Date of Grant	08-Jul-10 07-Sep-10 16-Dec-11 21-Jan-14 24-Jun-14 15-Apr-17 19-Jun-17 16-Aug-17 15-Nov-18 18-Dec-18 05-Aug-19
	a) Exercise Price(₹)	1 1 5.30 15 53.50 75 75 75 160 166 142
	b) Expected volatility	0.00% 0.00% 0.00% 0.00% 0.00% 0.00% 25.54% 25.54% 24.25% 24.55% 24.55%
	c) Determination of expected volatility and the extent to which it was based on historical volatility	The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The Guidance note on Accounting for Employee Share-based Payments issued by the Institute of Chartered Accountants of India permitted a non-public entity to omit expected volatility in determining fair value of its options. It also states that if a newly listed enterprise does not have sufficient information on historical volatility, it should nevertheless compute historical volatility for the longest period for which trading activity is available and recommends including the historical volatility of the stock over the most recent period that is generally commensurate with the expected life of the option being valued. The volatility in each of the case has been considered based on these recommendations.
	d) Option life (in years)	3.50 3.50 2.51 1.50-4.50 1.50 1.50 -3.50 1.50 -3.50 1.50-3.88 2.50-4.51 2.50-4.51 1.50-3.50
	e) Expected dividends	Based on dividend declared prior to the date of Grant
	f) Risk free interest rate (%)	6.94 7.46 8.25 8.52 8.83 7.35 6.34 6.32 7.45 7.16 6.13
	g) Dividend yield (%)	30 30 7.84 2.70 0.75 5.41 3.67 - 1.38 1.34 1.55

Sl. No.	Particulars	Details																																					
	h) To allow for the effects of an early exercise, it is assumed that the employee would exercise the options after vesting date.	-	-	-	-	-	-	-	-	-	-																												
	i) Market price (₹) of the underlying share at the time of option grant.	10	10	51	148	148	555	647	647	159	165	142																											
20.	Weighted average exercise prices and weighted-average fair values of options for options whose exercise price either equals or exceeds or is less than market price of the stock	<table><tr><th>Grant Date</th><th>Weighted average exercise prices of Options (₹)</th><th>Weighted average fair value of options (₹)</th></tr><tr><td>21-Jan-14</td><td>15</td><td>21.24</td></tr><tr><td>24-Jun-14</td><td>53.50</td><td>58.86</td></tr><tr><td>17-Apr-17</td><td>75</td><td>Nil</td></tr><tr><td>19-Jun-17</td><td>75</td><td>75.25</td></tr><tr><td>16-Aug-17</td><td>75</td><td>83.73</td></tr><tr><td>15-Nov-18</td><td>160</td><td>41.90</td></tr><tr><td>18-Dec-18</td><td>166</td><td>42.57</td></tr><tr><td>05-Aug-19</td><td>142</td><td>28.24</td></tr></table>											Grant Date	Weighted average exercise prices of Options (₹)	Weighted average fair value of options (₹)	21-Jan-14	15	21.24	24-Jun-14	53.50	58.86	17-Apr-17	75	Nil	19-Jun-17	75	75.25	16-Aug-17	75	83.73	15-Nov-18	160	41.90	18-Dec-18	166	42.57	05-Aug-19	142	28.24
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**Note:** The face value of the equity share of ₹10/- each have been sub-divided into ten equity shares of ₹1/- each with effect from the record date i.e. October 22, 2018. Accordingly, the number of shares has been adjusted.

## Details related to Trust

### i. General Information

Sl. No.	Particulars	Details
1	Name of the Trust	IEX ESOP Trust
2	Details of the Trustee(s)	1. Mr. Rohit Bajaj 2. Mr. Amit Kumar 3. Mr. Samir Prakash
3	Amount (₹) of loan disbursed by Company / any company in the group, during the year	Nil
4	Amount (₹) of loan outstanding (repayable to Company / any company in the group) as at the end of the year	Nil
5	Amount (₹) of loan, if any, taken from any other source for which Company / any company in the group has provided any security or guarantee	Nil
6	Any other contribution made to the Trust during the year	Nil

### ii. Brief details of transactions in shares by the Trust

S. No.	Particulars	Details
1	Number of shares held at the beginning of the year (as on 01-04-2020)	1,231,570
2	Number of shares acquired during the year through (i) primary issuance	Nil

	(ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share	
3	Number of shares transferred to the employees / sold along with the purpose Thereof	180,400
4	Number of shares held at the end of the year (as at 31-03-2021)	1,051,170

### iii. Secondary acquisition of shares by the Trust -

Not Applicable.

For and on behalf of the Board of Directors  
Indian Energy Exchange Limited

Sd/-  
**Satyanarayan Goel**  
Chairman & Managing Director  
DIN: 02294069

Place: Noida  
Date: 22 July, 2021

## Person-wise details of options granted to Directors/Key Managerial Personnel/Senior Managerial Personnel under ESOP 2010 as at March 31, 2021

Name	Designation	Options Granted On 05-Aug-19	Exercise Price (in ₹)	Options Granted On 18-December-18	Exercise Price (in ₹)	Options Granted On 15-November-18	Exercise Price (in ₹)	Options Granted On 16-August-17	Exercise Price (in ₹)	Options Granted On 15-Apr-17	Exercise Price (in ₹)	Options Granted On 24-June-14	Exercise Price (in ₹)	Options Granted On 21-Jan-14	Exercise Price (in ₹)	Options Granted On 8-Jul-10	Exercise Price (in ₹)
Mr. S.N Goel	Chairman & Managing Director	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	450,000	15	-	N.A.	-	N.A.
Mr. Rajesh Kumar Mediratta	Director - Business Development	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	200,000	5.30	300,000	1	-	-
Mr. Vineet Harlalka	Chief Financial Officer, Company Secretary & Compliance Officer	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	100,000	5.30	100,000	1	-	-
Mr. Akhilesh Awasthy##	Director - Market Operation	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	200,000	5.30	300,000	1	-	-
Mr. Prasanna Rao	Vice President - Market Operations	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	100,000	5.30	100,000	1	-	-
Mr. Sanjay Mehrotra*	Vice President - Investor Relations	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	100,000	53.50	-	N.A.	-	N.A.
Dr. Pareshnath Paul#	Chief Technology Officer	-	N.A.	-	N.A.	-	N.A.	-	N.A.	100,000	75	-	N.A.	-	N.A.	-	N.A.
Mr. Vaibhav Aggarwal###	Vice President - Product Engg.	-	N.A.	-	N.A.	-	N.A.	50,000	75	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Jainam Vora#	Vice President --- Technology	-	N.A.	-	N.A.	-	N.A.	50,000	75	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Indranil Chatterjee	Vice President- Chief Risk Officer	-	N.A.	-	N.A.	30,000	75	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Rohit Bajaj	Vice President- 'Business Development	-	N.A.	-	N.A.	-	N.A.	100,000	75	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Ms. Shruti Bhatia	Vice President- 'Regulatory Affairs, Communications & CSR	-	N.A.	-	N.A.	-	N.A.	60,000	75	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Amit Kumar	Sr. Vice President- Product Head	-	N.A.	-	N.A.	100,000	160	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Samir Prakash	Sr. Vice President- Hear HR & Admin	-	N.A.	50,000	166	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Sangh Suman Gautam	Chief Technology Officer	100,000	142	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.
TOTAL		50,000	100,000	190,000	100,000	100,000	100,000	100,000	450,000	500,000	500,000	700,000					

\*Resigned during the FY 2017-18, #Resigned during the FY 2018-19, ##Resigned during the FY 2019-20, ###Resigned with effect from April 30, 2021

For and on behalf of the Board of Directors, Indian Energy Exchange Limited

Sd/-

**Satyanarayan Goel**

Chairman & Managing Director

DIN: 02294069

Place: Noida

Date: 22 July, 2021



## ANNEXURE 9

### DISCLOSURE UNDER SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

#### IEX Restricted Stock Units (RSUs) Scheme, 2019 (IEX RSU SCHEME 2019)

##### A. Diluted earnings per share (EPS) pursuant to issue of shares on exercise of RSUs calculated in accordance with “Ind AS 33 – Earnings Per Share” issued by ICAI.

No RSUs were exercised during the year. Considering that the conditions precedent for vesting of RSUs were not met during the year and as on date of closing of financials there was no visibility that those conditions would be met going forward, therefore, there was no dilution impact on the EPS.

##### B. Details related to IEX RSU SCHEME 2019

During the year the Company launched the IEX Restricted Stock Units (RSUs) Scheme 2019, which was approved by the Shareholders of the Company by special resolution at the Annual General Meeting held on September 18, 2019

Sl. No.	Particulars	Details
1	Date of Shareholders' Approval	September 18, 2019
2	Total Number of Stock Options/Restricted Stock Units approved under the Plan	6,00,000
		The RSUs granted under IEX RSU Scheme 2019 shall vest not earlier than one year from the Grant Date in accordance with the SEBI Guidelines and not later than such Vesting Period as may be determined by the Nomination and Remuneration Committee from time to time on the Grant Date.
		Vesting of RSUs shall be subject to the condition that the Grantee is in continuous employment with the Company and is not serving any notice of resignation on the date of such Vesting (except in the case of (i) death; (ii) permanent disability suffered by the grantee; (iii) retirement; or (iv) transfer to an entity within the Group and shall not be subject to any pending disciplinary proceeding and thus, the RSUs would vest on passage of time.
3	Vesting Conditions	<p>The Nomination and Remuneration Committee will decide the Grant conditions in its absolute discretion, taking into consideration such factors but not limited to the Eligible Employee's performance appraisal, seniority, period of service, role of the Eligible Employee, the present and potential contribution to the growth of the Company.</p> <p>In addition to the above, the Nomination and Remuneration Committee may also specify certain performance parameters subject to which the RSUs would vest.</p> <p>The specific vesting schedule and conditions, if any, subject to which vesting would take place would be outlined in the Letter of Grant given to the Grantee at the time of the grant of RSUs.</p>
4	Exercise Price or Pricing Formula	The face value of the equity share of the Company.

Sl. No.	Particulars	Details				
		<th>Sr. No</th> <th>Date of Grant</th> <th>No. of Options</th> <th>Exercise Price</th>	Sr. No	Date of Grant	No. of Options	Exercise Price
5	Exercise Price per RSU	1 Oct 01, 2019 2,00,000* ₹1/- 2 Oct 01, 2019 3,60,000* ₹1/- <b>* The above RSU lapsed on August 24, 2020</b>				
6	Maximum term of Restricted Stock Units granted (refers to Exercise Period)	The RSUs granted can be exercised by eligible employee subject to vesting conditions. <b>Nil grant were subsisting as at March 31, 2021, due to resignation of the employee.</b>				
7	Source of shares (Primary, Secondary or Combination)	Primary				
8	Total number of Stock Options/Restricted Stock Units outstanding at the beginning of the year (2019-2020)	5,60,000				
9	Number of Stock Options/Restricted Stock Units granted during the year	Nil				
10	Number of Stock Options/Restricted Stock Units lapsed and forfeited during the year	5,60,000				
11	No. of Stock Options/RSUs vested during the year	Nil				
12	No. of Stock Options/RSUs exercised during the year	Nil				
13	Total number of shares arising as a result of exercise of Options	Nil				
14	Money realized by exercise of options during the year (In Rupees)	Nil				
15	Number of Stock Options/Restricted Stock Units outstanding as at the end of the year (2020-2021)	Nil				
16	Total number of options exercisable at the end of the year	Nil				
17	Variation of terms of options	Nil				
18	Loan repaid by the Trust during the year from the exercise price received	Not Applicable				
19	Method used to account for Restricted Stock Units - Intrinsic or fair value.	Fair Value				
	Employee wise details of Options granted to Directors/Key Managerial Personnel/Senior Managerial Personnel under this plan	Nil				
20	a. Employees, who were granted, during any one year, options amounting to 5% or more of options granted during the year:	Mr. Rajiv Srivastava (Number of options granted 5,60,000) RSUs lapsed on August 24, 2020, due to resignation.				
	b. Employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital of the company at the time of grant.	Nil				
21	Diluted EPS pursuant to issue of shares on exercise of option.	No options were exercised during the year. And considering that the conditions precedent for vesting of RSUs were not met during the year and as on date of closing of financials there was no visibility that those conditions would be met going forward, therefore there was no dilution impact on the EPS.				

Sl. No.	Particulars	Details																																	
22	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	<p>The Company computes Employee Compensation Cost using the fair value method.</p> <p>However, considering that the conditions precedent for vesting of RSUs were not met during the year and as on date of closing of financials there was no visibility that those conditions would be met going forward, no cost impact due to vesting of RSUs was considered in the Profits and Earnings Per Share (EPS) of the Company.</p>																																	
23	Contractual Life for Options outstanding as on 31st March 21 (Years)	Not Applicable																																	
24	Weighted Average exercise price and weighted average fair value of options granted during the year whose Exercise price is less than market price	Not Applicable																																	
25	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following information:	<p>The fair value of options/RSUs granted under various plans is estimated using the Black-Scholes option pricing model after applying the following key assumptions:</p> <table> <tr> <th></th><th>SI No.</th><th>Values</th></tr> <tr> <td>a). Weighted-average values of:</td><td></td><td></td></tr> <tr> <td>i. Risk-free interest rate</td><td>i.</td><td>Not Applicable</td></tr> <tr> <td>ii. Expected RSU Life</td><td>ii.</td><td>Not Applicable</td></tr> <tr> <td>iii. Expected Volatility</td><td>iii.</td><td>Not Applicable</td></tr> <tr> <td>iv. Expected Dividends</td><td>iv.</td><td>Not Applicable</td></tr> <tr> <td>v. The price of the underlying share in market at the time of RSUs grant</td><td>v.</td><td>Not Applicable</td></tr> <tr> <td>vi. Exercise price</td><td>Vi.</td><td>Not Applicable</td></tr> <tr> <td>(b). the method used and the assumptions made to incorporate the effects of expected early exercise;</td><td></td><td>Not Applicable</td></tr> <tr> <td>(c). how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and</td><td></td><td>Not Applicable</td></tr> <tr> <td>(d). whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.</td><td></td><td>Not Applicable</td></tr> </table>		SI No.	Values	a). Weighted-average values of:			i. Risk-free interest rate	i.	Not Applicable	ii. Expected RSU Life	ii.	Not Applicable	iii. Expected Volatility	iii.	Not Applicable	iv. Expected Dividends	iv.	Not Applicable	v. The price of the underlying share in market at the time of RSUs grant	v.	Not Applicable	vi. Exercise price	Vi.	Not Applicable	(b). the method used and the assumptions made to incorporate the effects of expected early exercise;		Not Applicable	(c). how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and		Not Applicable	(d). whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.		Not Applicable
	SI No.	Values																																	
a). Weighted-average values of:																																			
i. Risk-free interest rate	i.	Not Applicable																																	
ii. Expected RSU Life	ii.	Not Applicable																																	
iii. Expected Volatility	iii.	Not Applicable																																	
iv. Expected Dividends	iv.	Not Applicable																																	
v. The price of the underlying share in market at the time of RSUs grant	v.	Not Applicable																																	
vi. Exercise price	Vi.	Not Applicable																																	
(b). the method used and the assumptions made to incorporate the effects of expected early exercise;		Not Applicable																																	
(c). how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and		Not Applicable																																	
(d). whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.		Not Applicable																																	

For and on behalf of the Board of Directors  
Indian Energy Exchange Limited

Sd/-  
**Satyanarayan Goel**  
Chairman & Managing Director  
DIN: 02294069

Place: Noida  
Date: 22 July, 2021

## ANNEXURE 10

## ANNUAL CSR COMPLIANCE REPORT FINANCIAL YEAR 2020-21

(Pursuant to Section 135 of the Companies Act, 2013 &amp; Rules made thereunder)

## 1. Brief outline on CSR Policy of the Company.

IEX's CSR Policy aims to address environmental sustainability, economic empowerment and social development through an integrated, holistic and need-based approach by way of:

- Promoting renewable energy by creating opportunities for access and awareness;
- Supporting socio-economic development of underprivileged communities through improved access to livelihoods, sanitation, water, healthcare and education;
- Endeavoring to integrate the cause of women empowerment while designing the projects;
- Contributing to protection of national heritage, art and culture;
- Contributing to relief and rehabilitation measures in disaster-affected parts of country.

The projects will be selected and developed with the objective of providing long-term sustainable impact on communities in rural, semi-urban or urban areas, across India. Only those projects that are over and above IEX normal course of business will be defined as CSR.

## 2. Composition of CSR Committee:

Sl. No	Name of Director	Designation/Nature of Directorship.	Number of meetings of CSR Committee held during the year.	Number of meetings of CSR Committee attended during the year.
	Prof K T Chacko	Non-Executive Independent Director	2	2
	Ms. Sudha Pillai	Non-Executive Independent Director	2	2
	Mr. S N Goel	Chairman & Managing Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<https://www.iexindia.com/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	2020-21	Nil	Nil



(Amount in ₹ Lakh)

6.	Average net profit of the company as per section 135(5).	20786.60
7.	a. Two percent of average net profit of the company as per section 135(5)	415.73
	b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	c. Amount required to be set off for the financial year, if any	Nil
	d. Total CSR obligation for the financial year (7a+7b-7c).	415.73
8.	(a) CSR amount spent or unspent for the financial year:	

**Total Amount**

Amount Unspent (in ₹ Lakh)

Total Amount Spent for the Financial Year. (in ₹ Lakh)	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).			
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer	
962.57	Nil	-	-	-	-	

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

(Amount in ₹ Lakh)

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local Area Yes / No	Location of the project.		Project Duration	Amount Allocated	Amount spent in the current financial year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Reg. Number
1.	Establishing Energy Analytics Lab	Promoting Research, and Education	No	Uttar Pradesh	Kanpur	5 years	379.00	12.00	-	No	Indian Institute of Technology, Kanpur	CSR00004774
2.	Mobile Healthcare Project	Promoting Healthcare including preventive Health	No	Madhya Pradesh	Satna	3 years	98.67	19.84	-	No	Helpage India	CSR00000901
3.	Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art	Promoting Heritage and Culture	Yes	Delhi	Delhi	5 years	415.00	415.00	-	No	Sabhyata Foundation	NA*
Total							892.67	446.84	-	-		

\*CSR registration will be obtained within the prescribed timeline as per the CSR Amendment Rules. The requirement does not apply to CSR projects or programs approved prior to April 01, 2021.

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(Amount in ₹ Lakh)

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local Area (Yes/No)	Location of the project		Amount spent for the project	Mode of Implementation Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name.	CSR Registration Number
1.	PM CARES Fund	Contribution to PM CARES Fund	Yes	PAN India		500.00	No	Prime Minister's Office	-
Total						500.00	-		

(Amount in ₹ Lakh)

8.	(d) Amount spent in Administrative Overheads	15.73*
	(e) Amount spent on Impact Assessment, if applicable	NA
	(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	962.57
	(g) Excess amount for set off, if any	

Sl. No.	Particulars	(Amount in ₹ Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	415.73
(ii)	Total amount spent for the Financial Year	962.57
(iii)	Excess amount spent for the financial year [(ii)-(i)]	546.84
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	546.84

\* Out of Rs. 20 lakh spent towards administrative overheads, Rs. 15.73 lakh were adjusted against outstanding CSR obligation for the year.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(Amount in ₹ Lakh)

Sl. No.	Preceding Financial year	Amount transferred to Unspent CSR Account under Section 135 (6)	Amount spent in the reporting Financial Year.	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.
				Name of the Fund	Amount	Date of Transfer	
1.	2019-20	Nil	-	-	-	-	-
2.	2018-19	Nil	-	-	-	-	-
3.	2017-18	Nil	-	-	-	-	-

9. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project	Financial Year in which project was commenced	Project Duration	Total amount allocated for the project (Amt. in Rs. Lakh)	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed / Ongoing
1.	IIT	Establishing Energy Analytics Lab	FY17	5	379	12	12	Ongoing
2.	HelpAge	Mobile Healthcare Unit	FY18	3	98.67	19.84	19.84	Completed
3.	Sabhyata	Visitor Center	FY20	5	415	415	415	Ongoing

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a)	Date of creation or acquisition of the capital asset(s).	-
(b)	Amount of CSR spent for creation or acquisition of capital asset.	-

(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	NA
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). **Not Applicable**
- The Company has met and exceeded the prescribed CSR expenditure.

For and on behalf of the Board of Directors  
 Indian Energy Exchange Limited

Sd/-  
**Satyanarayan Goel**  
*Chairman & Managing Director*  
 DIN: 02294069

Place: Noida  
 Date: 22, July, 2021

For and on behalf of the Board of Directors  
 Indian Energy Exchange Limited

Sd/-  
**Prof. K T Chacko**  
*Chairman, CSR Committee*  
 DIN: 02446168

Place: Noida  
 Date: 22 July, 2021

## ANNEXURE 11

## FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

From April 01, 2020 to March 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To  
The Members  
Indian Energy Exchange Limited  
**Registered Office:**  
1st Floor, Unit No.1.14(a)  
Avanta Business Centre Southern Park  
D-2, District Centre, Saket  
New Delhi 110017.

**Corporate office:**  
Plot No. C-001/A/A, 9th Floor,  
Max Towers Sector 16B  
Gautam Buddha Nagar Noida  
Uttar Pradesh-201301.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indian Energy Exchange Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes, books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year started from April 01, 2020 to March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR");
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable)**
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not Applicable)**
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable)**



## vi. Specifically Applicable Laws:

Central Electricity Regulatory Commission (Power Market) Regulations, 2010 (PMR)

## vii. Other Applicable Laws:

1. Shops and Commercial Establishments Act, 1954 read with Shops and Commercial Establishments Rules with respect to offices situated at:
  - a. 1st Floor, Unit No.1.14(a), Avanta Business Centre Southern Park, D-2, District Centre, Saket New Delhi South Delhi 110017, India.
  - b. Plot No. C-001/A/1, 09th Floor, Max Towers, Sec.-16B, Noida, Gautam Budh Nagar, 201301; and
  - c. 904, Meadows, Sahar Plaza, Andheri-Kurla Road, JB Nagar, Mumbai-400059, India.
2. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder; and
3. The Rights of Persons with Disabilities Act, 2016 and Rules made thereunder.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India as amended from time to time.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines mentioned above.

## We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executives Directors Independent Directors, and the Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice along with detailed agenda is given to all directors to Schedule the Board Meetings and a system exists for seeking and obtaining further information and clarification on agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes maintained by the Company for the Board/Committee and Shareholders, we noticed that none of the decisions were approved by the respective Board/Committee and Shareholders without any dissent note.

**We further report** that there are adequate systems and processes in the Company commensurate with the size and

operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However, the compliances of other applicable laws, as listed in Para (vii) above, are based on the documents presented and management certifications reported to the Board through agenda papers with respect to the office located at New Delhi, Noida and Mumbai.

## We further report that

The Company vide Management Representation letter dated 12.05.2021 and in terms of Section 135 of the Act and Rules made thereunder, was required to spend INR 416 Lakh on Corporate Social Responsibility ("CSR") expenses, against which the total amount spent by the Company on CSR was INR 420 Lakh for the financial year 2020-21.

In addition thereto during the year, pursuant to the provisions of Section 135(5) of the Companies Act, 2013, read with Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, (including any statutory modification or re-enactment thereof), the Company further spend INR 547 lakh on CSR activities, which will be carried forward, being the excess amount of CSR expenditure spent by the Company in the FY20-21, up to immediate succeeding three financial years against the CSR obligation of the Company for the respective years.

During the year two cases of violations were observed by the Compliance Officer, pertaining to the Company's Code of conduct for prevention of insider trading and prohibition of unfair trade practices ("Code") relating to the securities market and SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company took appropriate action in the matter as per the Company's Code.

## For MNK and Associates LLP

*Company Secretaries*

FRN: L2018DE004900

## Mohd. Nazim Khan

(Designated Partner)

*Company Secretary*

FCS: 6529; CP-8245

UDIN: F006529C000272014

Place: New Delhi

Date: May 13, 2021

Note: This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

## **Annexure-A**

The Members  
Indian Energy Exchange Limited

### **Registered Office:**

1st Floor, Unit No.1.14(a)  
Avanta Business Centre Southern Park  
D-2, District Centre, Saket  
New Delhi 110017.

### **Corporate office:**

Plot No. C-001/A/A, 9th Floor,  
Max Towers Sector 16B  
Gautam Buddha Nagar Noida  
Uttar Pradesh-201301.

**(For the period from April 01, 2020 to March 31, 2021)**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.\
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification goes done on the random test basis to ensure the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, standards is the responsibility of the management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MNK and Associates LLP**

*Company Secretaries*

FRN: L2018DE004900

**Mohd. Nazim Khan**

(Designated Partner)

*Company Secretary*

FCS: 6529; CP-8245

Place: New Delhi

Date: May 13, 2021

UDIN: F006529C000272014

## ANNEXURE 12

### FORM NO. MR-3 SECRETARIAL AUDIT REPORT

From April 01, 2020 to March 31, 2021

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To  
The Members  
Indian Gas Exchange Limited

**Registered Office:**

1st Floor, Unit No.1.14(b)  
Avanta Business Centre, Southern Park  
D-2, District Centre, Saket  
New Delhi 110017.

**Corporate office:**

Plot No. C-001/A/1, 9th Floor,  
Max Towers Sector 16B  
Gautam Buddha Nagar Noida  
Uttar Pradesh-201301.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indian Gas Exchange Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes, books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year started from April 01, 2020 to March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (N.A)
- V. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") to the extent applicable;

**VI. Specifically, Applicable Laws:**

1. The Petroleum and Natural Gas Regulatory Board Act, 2006.
2. The following Rules, Regulations and Guidelines prescribed under the Petroleum and Natural Gas Regulatory Board Act, 2006.
  - a. The Petroleum and Natural Gas Regulatory Board (Gas Exchange) Regulation, 2020

**VII. Other Applicable Laws:**

1. Shops and Commercial Establishments Act, 1958 read with Shops and Commercial Establishments Rules with respect to offices situated at:

- b. 1st Floor, Unit No.1.14(b), Avanta Business Centre Southern Park, D-2, District Centre, Saket New Delhi South Delhi 110017, India.
- c. Plot No. C-001/A/1, 9th Floor, Max Towers, Sector- 16B, Noida, Gautam Buddha Nagar, Uttar Pradesh – 201301, India;
- 2. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder;
- 3. The Rights of Persons with Disabilities Act, 2016 and Rules made thereunder.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India as amended from time to time.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines mentioned above.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executives Directors, Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice along with detailed agenda is given to all directors to Schedule the Board Meetings and a system exists for seeking and obtaining further information and clarification on agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes maintained by the Company for the Board/ Committee and Shareholders, we noticed that all the decisions were approved by the respective Board/Committee and Shareholders without any dissent note.

**We further report** that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However, the compliances of other applicable laws, as listed in Para (vi) above, are based on the documents presented and management certifications reported to the Board through agenda papers with respect to the office located at New Delhi and Noida.

### **We further report that:**

- 1. Vide letter vide no. PNGB/Tech/35-GasEx./(3)/2020(P-2455) dated December 02, 2020, the Petroleum and Natural Gas Regulatory Board granted authorization to the Company to set up and operate Gas Exchange with integral Clearing Corporation as per Regulation 11 of the PNGRB Gas Exchange Regulations with effect from December 02, 2020. Accordingly, the Company has ensured compliance with Petroleum and Natural Gas Regulatory Board Act, 2006 read with PNGRB Gas Exchange Regulations from December 02, 2020.
- 2. As per the records, the Company was a wholly owned subsidiary of Indian Energy Exchange Limited upto January 22, 2021 and thereafter, the Company became the subsidiary.

For **MNK and Associates LLP**

*Company Secretaries*

FRN: L2018DE004900

**Mohd. Nazim Khan**

(Designated Partner)

*Company Secretary*

FCS: 6529; CP-8245

Place: New Delhi

Date: April 19, 2021

UDIN: F006529C000116650

**Note:** This report is to be read with our letter of even date which is annexed as **Annexure-A** and forms an integral part of this report.



## Annexure-A

The Members  
Indian Gas Exchange Limited

### Registered Office:

1st Floor, Unit No.1.14(b)  
Avanta Business Centre, Southern Park  
D-2, District Centre, Saket  
New Delhi 110017.

### Corporate office:

Plot No. C-001/A/1, 9th Floor,  
Max Towers Sector 16B  
Gautam Buddha Nagar Noida  
Uttar Pradesh-201301.

(For the period from April 01, 2020 to March 31, 2021)

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification goes done on the random test basis to ensure the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, standards is the responsibility of the management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

### For MNK and Associates LLP

Company Secretaries  
FRN: L2018DE004900

### Mohd. Nazim Khan

(Designated Partner)  
Company Secretary  
FCS: 6529; CP-8245

Place: New Delhi  
Date: April 19, 2021  
UDIN: F006529C000116650

**ANNEXURE 13****FORM NO. MGT – 9****EXTRACT OF ANNUAL RETURN****As on the financial year ended March 31, 2021****[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]****I. Registration and Other Details:**

Corporate Identity Number (CIN)	L74999DL2007PLC277039
Registration Date	March 26, 2007
Name of the Company	Indian Energy Exchange Limited
Category / Sub-Category of the Company	Listed Company/Company Limited by Shares/Indian Non-Government Company
Address of the Registered Office and contact details	<b>Registered Office:</b> 1st Floor, Unit No.1.14(a), Avanta Business Centre Southern Park, D-2, District Centre, Saket New Delhi 110017, India. Tel. No. +91-011-3044 6511  <b>Corporate Office:</b> Plot No. C-001/A/1, 9th Floor, Max Towers Sector-16B, Gautam Buddha Nagar Noida 201301 Uttar Pradesh India Tel. No. +91-120-4648 100 Fax: +91-120-4648 115 Email id – iexsecretarial@iexindia.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>KFIN TECHNOLOGIES PRIVATE LIMITED</b> Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad– 500 032, India. Toll Free no.: 1800 309 4001 Email: einward.ris@kfintech.com

**II. Principal Business Activities of the Company:**

All business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the Company
1	Power Exchange	66110	100%

### III. Particulars of Holding, Subsidiary and Associate Companies:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
	Indian Gas Exchange Limited 1 <sup>st</sup> Floor, Unit No.1.14(b), Avanta Business Centre Southern Park, D-2, District Centre, Saket New Delhi 110017, India.	U74999DL2019PLC357145	Subsidiary	53%	Section 2 (87)

### IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

#### i. Category-wise Share Holding: Between March 31, 2020 and March 31, 2021

CATE- GORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31/03/2020				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2021				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
<b>(A)</b>	<b>PROMOTER AND PROMOTER GROUP</b>									
(1)	INDIAN									
(a)	Individual /HUF	-	-	-	-	-	-	-	-	-
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A(1):</b>	-	-	-	-	-	-	-	-	-
(2)	FOREIGN									
(a)	Individuals (NRIs/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A(2):</b>	-	-	-	-	-	-	-	-	-
	<b>Total A=A(1)+A(2)</b>	-	-	-	-	-	-	-	-	-
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	3,69,58,115	-	3,69,58,115	12.34	4,53,04,539	-	4,53,04,539	15.12	2.79
(b)	Financial Institutions /Banks	76,395	-	76,395	0.03	8,390	-	8,390	0.00	-0.02
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31/03/2020				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2021				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	9,58,25,999	-	9,58,25,999	31.99	11,02,80,211	-	11,02,80,211	36.81	4.83
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i)	Alternative Investment Fund	2,14,74,830	-	2,14,74,830	7.17	1,24,31,943	-	1,24,31,943	4.15	-3.02
(j)	Qualified Institutional Buyers	79,36,501	-	79,36,501	2.65	1,69,82,454	-	1,69,82,454	5.67	3.02
	<b>Sub-Total B(1):</b>	<b>16,22,71,840</b>	<b>-</b>	<b>16,22,71,840</b>	<b>54.17</b>	<b>18,50,07,537</b>	<b>-</b>	<b>18,50,07,537</b>	<b>61.76</b>	<b>7.59</b>
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	7,36,86,927	-	7,36,86,927	24.60	6,23,27,398	-	6,23,27,398	20.81	-3.79
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹1 lakh	1,67,58,676	49,510	1,68,08,186	5.61	3,42,29,974	51,610	3,42,81,584	11.44	5.83
	(ii) Individuals holding nominal share capital in excess of ₹1 lakh	18,95,785	1,50,000	20,45,785	0.68	12,25,936	1,50,000	13,75,936	0.46	-0.22
(c)	Others									
	CLEARING MEMBERS	1,88,139	-	1,88,139	0.06	12,53,983	-	12,53,983	0.42	0.36
	EMPLOYEE TRUST	12,31,570	-	12,31,570	0.41	10,51,170	-	10,51,170	0.35	-0.06
	FOREIGN BODIES	3,51,62,455	-	3,51,62,455	11.74	88,51,210	-	88,51,210	2.95	-8.78
	BENEFICIAL HOLDINGS									
	UNDER MGT-4	25,36,190	-	25,36,190	0.85	25,36,190	-	25,36,190	0.85	-
	NBFC	2,01,970	-	2,01,970	0.07	17,500	-	17,500	0.01	-0.06
	NON RESIDENT INDIANS	9,19,887	-	9,19,887	0.31	19,54,393	-	19,54,393	0.65	0.35
	NRINON-REPATRIATION	3,89,912	-	3,89,912	0.13	8,83,334	-	8,83,334	0.29	0.16
	TRUSTS	41,13,650	-	41,13,650	1.37	16,276	-	16,276	0.01	-1.37
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
	<b>Sub-Total B(2) :</b>	<b>13,70,85,161</b>	<b>1,99,510</b>	<b>13,72,84,671</b>	<b>45.83</b>	<b>11,43,47,364</b>	<b>2,01,610</b>	<b>11,45,48,974</b>	<b>38.24</b>	<b>-7.59</b>
	<b>Total B=B(1)+B(2):</b>	<b>29,93,57,001</b>	<b>1,99,510</b>	<b>29,95,56,511</b>	<b>100</b>	<b>29,93,54,901</b>	<b>2,01,610</b>	<b>29,95,56,511</b>	<b>100</b>	<b>-</b>
	<b>Total (A+B) :</b>	<b>29,93,57,001</b>	<b>1,99,510</b>	<b>29,95,56,511</b>	<b>100</b>	<b>29,93,54,901</b>	<b>2,01,610</b>	<b>29,95,56,511</b>	<b>100</b>	<b>-</b>
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group									
(2)	Public	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL (A+B+C) :</b>	<b>29,93,57,001</b>	<b>1,99,510</b>	<b>29,95,56,511</b>	<b>100</b>	<b>29,93,54,901</b>	<b>2,01,610</b>	<b>29,95,56,511</b>	<b>100</b>	<b>-</b>



**ii. Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
Not Applicable								

**iii. Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year				
2	Date wise Increase/Decrease in Promoters Shareholding during the year:	Not Applicable			
3	At the end of the year				

**iv. Shareholding Pattern of Top Ten Shareholders (other than Directors, promoters and Holders of GDRs and ADRs):**

Sl. No.	Name of Shareholder	Date	Reason	Shareholding at the beginning of the Year		Increase/ (Decrease) in Number of Shares	Cumulative Shareholding at the end of the Year	
				No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
1	Dalmia Power Limited	Opening Balance		3,00,03,361	10.02			
		11/09/2020	Sale			(55,00,000)	2,45,03,361	8.18
		Closing Balance					2,45,03,361	8.18
2	DPVL VENTURES LLP*	Opening Balance		3,00,03,351	10.02			
		18/09/2020	Sale			(70,00,000)	2,30,03,351	7.68
		Closing Balance					2,30,03,351	7.68

Sl. No.	Name of Shareholder	Date	Reason	Shareholding at the beginning of the Year		Increase/ (Decrease) in Number of Shares	Cumulative Shareholding at the end of the Year	
				No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
3	Mirae Asset Large Cap Fund	Opening Balance		1,97,67,067	6.60			
		08/05/2020	Purchase			5,00,000	2,02,67,067	6.77
		15/05/2020	Purchase			9,35,000	2,12,02,067	7.08
		29/05/2020	Purchase			10,10,352	2,22,12,419	7.42
		19/06/2020	Purchase			67,144	2,22,79,563	7.44
		07/08/2020	Sale			(6,65,508)	2,16,14,055	7.22
		14/08/2020	Sale			(1,50,000)	2,14,64,055	7.17
		29/01/2021	Sale			(1,76,432)	2,12,87,623	7.11
		12/02/2021	Sale			(15,00,000)	1,97,87,623	6.61
		19/03/2021	Sale			(31,16,806)	1,66,70,817	5.57
		26/03/2021	Sale			(11,35,877)	1,55,34,940	5.19
		Closing Balance						1,55,34,940
4	PPFAS Mutual Fund - Parag Parikh Flexi Cap Fund	Opening Balance		-	-			
		24/07/2020	Purchase			44,016	44,016	0.01
		31/07/2020	Purchase			3,95,785	4,39,801	0.15
		07/08/2020	Purchase			18,30,676	22,70,477	0.76
		21/08/2020	Purchase			72,812	23,43,289	0.78
		28/08/2020	Purchase			24,84,686	48,27,975	1.61
		04/09/2020	Purchase			26,64,299	74,92,274	2.50
		11/09/2020	Purchase			67,000	75,59,274	2.52
		25/09/2020	Purchase			10,94,463	86,53,737	2.89
		30/09/2020	Purchase			4,63,097	91,16,834	3.04
		16/10/2020	Purchase			5,58,165	96,74,999	3.23
		23/10/2020	Purchase			56,822	97,31,821	3.25
		30/10/2020	Purchase			20,25,764	1,17,57,585	3.92
		06/11/2020	Purchase			16,06,568	1,33,64,153	4.46
		27/11/2020	Purchase			3,91,368	1,37,55,521	4.59
		11/12/2020	Purchase			9,703	1,37,65,224	4.60
		18/12/2020	Purchase			2,00,000	1,39,65,224	4.66
		25/12/2020	Purchase			2,80,829	1,42,46,053	4.76
		31/12/2020	Purchase			17,062	1,42,63,115	4.76
		08/01/2021	Purchase			12,000	1,42,75,115	4.77
		15/01/2021	Purchase			7,00,000	1,49,75,115	5.00
		22/01/2021	Purchase			13,150	1,49,88,265	5.00
		05/02/2021	Purchase			5,000	1,49,93,265	5.01
		Closing Balance						1,49,93,265

Sl. No.	Name of Shareholder	Date	Reason	Shareholding at the beginning of the Year		Increase/ (Decrease) in Number of Shares	Cumulative Shareholding at the end of the Year	
				No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
5	WF Asian Reconnaissance Fund Limited	Opening Balance		1,48,27,600	4.95	-	-	-
		Closing Balance					1,48,27,600	4.95
6	Westbridge Crossover Fund, LLC	Opening Balance		1,42,44,273	4.76			
		22/05/2020	Sale			(64,04,646)	78,39,627	2.62
		29/05/2020	Sale			(65,73,337)	12,66,290	0.42
		05/06/2020	Sale			(12,66,290)	-	-
		Closing Balance					-	-
7	Smallcap World Fund, Inc	Opening Balance		1,41,90,655	4.74			
		05/02/2021	Purchase			7,27,180	1,49,17,835	4.98
		19/02/2021	Sale			(5,74,500)	1,43,43,335	4.79
		12/03/2021	Sale			(5,69,953)	1,37,73,382	4.60
		26/03/2021	Sale			(7,22,448)	1,30,50,934	4.36
		Closing Balance					1,30,50,934	4.36
8	Rimco (Mauritius) Limited	Opening Balance		1,36,35,750	4.55			
		12/02/2021	Sale			(3,25,000)	1,33,10,750	4.44
		19/02/2021	Sale			(65,217)	1,32,45,533	4.42
		26/02/2021	Sale			(18,24,758)	1,14,20,775	3.81
		05/03/2021	Sale			(22,85,025)	91,35,750	3.05
		26/03/2021	Sale			(2,84,540)	88,51,210	2.95
		Closing Balance					88,51,210	2.95
9	Dalmia Cement (Bharat) Limited	Opening Balance		-	-	-	-	-
		18/09/2020	Purchase			1,21,49,844	1,21,49,844	4.06
		25/09/2020	Purchase			2,50,000	1,23,99,844	4.14
		Closing Balance					1,23,99,844	4.14
10	Rural Electrification Corporation Ltd	Opening Balance		1,22,71,211	4.10			
		21/08/2020	Sale			(5,00,000)	1,17,71,211	3.93
		28/08/2020	Sale			(80,00,000)	37,71,211	1.26
		18/09/2020	Sale			(1,98,218)	35,72,993	1.19
		25/09/2020	Sale			(2,75,906)	32,97,087	1.10

Sl. No.	Name of Shareholder	Date	Reason	Shareholding at the beginning of the Year		Increase/ (Decrease) in Number of Shares	Cumulative Shareholding at the end of the Year	
				No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
		30/09/2020	Sale			(5,51,280)	27,45,807	0.92
		20/11/2020	Sale			(71,072)	26,74,735	0.89
		27/11/2020	Sale			(4,03,524)	22,71,211	0.76
		22/01/2021	Sale			(9,25,014)	13,46,197	0.45
		29/01/2021	Sale			(4,28,864)	9,17,333	0.31
		05/02/2021	Sale			(9,17,333)	-	0.00
<b>Closing Balance</b>								<b>-</b>

10	Nippon Life India Trustee Ltd -A/C Nippon India Small Cap Fund**	Opening Balance		1,13,26,310	3.78			
		22/05/2020	Purchase			35,00,000	1,48,26,310	4.95
		05/06/2020	Purchase			50,000.00	1,48,76,310	4.97
		26/06/2020	Sale			(92,700)	1,47,83,610	4.94
		03/07/2020	Sale			(59,000)	1,47,24,610	4.92
		24/07/2020	Sale			(1,94,500)	1,45,30,110	4.85
		31/07/2020	Purchase			6,40,221	1,51,70,331	5.06
		18/09/2020	Purchase			1,60,000	1,53,30,331	5.12
		09/10/2020	Purchase			60,000	1,53,90,331	5.14
		23/10/2020	Purchase			22,580	1,54,12,911	5.15
		30/10/2020	Purchase			136	1,54,13,047	5.15
		06/11/2020	Purchase			62,860	1,54,75,907	5.17
		06/11/2020	Sale			(35,600)	1,54,40,307	5.15
		13/11/2020	Sale			(1,926)	1,54,38,381	5.15
		20/11/2020	Purchase			533	1,54,38,914	5.15
		27/11/2020	Purchase			1,489	1,54,40,403	5.15
		04/12/2020	Purchase			994	1,54,41,397	5.15
		11/12/2020	Purchase			8,137	1,54,49,534	5.16
		18/12/2020	Purchase			1,480	1,54,51,014	5.16
		18/12/2020	Sale			(3,00,000)	1,51,51,014	5.06
		25/12/2020	Purchase			516	1,51,51,530	5.06
		31/12/2020	Purchase			1,730	1,51,53,260	5.06
		01/01/2021	Sale			(100)	1,51,53,160	5.06
		08/01/2021	Purchase			41,009	1,51,94,169	5.07
		08/01/2021	Sale			(12,73,263)	1,39,20,906	4.65
		15/01/2021	Purchase			7,787	1,39,28,693	4.65
		15/01/2021	Sale			(8,10,000)	1,31,18,693	4.38
		22/01/2021	Purchase			5,385	1,31,24,078	4.38



Sl. No.	Name of Shareholder	Date	Reason	Shareholding at the beginning of the Year		Increase/ (Decrease) in Number of Shares	Cumulative Shareholding at the end of the Year	
				No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
		29/01/2021	Purchase			2,543	1,31,26,621	4.38
		05/02/2021	Purchase			868	1,31,27,489	4.38
		12/02/2021	Sale			(21,25,992)	1,10,01,497	3.67
		19/02/2021	Purchase			114	1,10,01,611	3.67
		19/02/2021	Sale			(6,63,000)	1,03,38,611	3.45
		26/02/2021	Purchase			3,892	1,03,42,503	3.45
		26/02/2021	Sale			(2,00,000)	1,01,42,503	3.39
		05/03/2021	Sale			(2,22,068)	99,20,435	3.31
		12/03/2021	Sale			(2,01,351)	97,19,084	3.24
		19/03/2021	Purchase			2,718	97,21,802	3.25
		19/03/2021	Sale			(5,50,000)	91,71,802	3.06
		26/03/2021	Purchase			4,151	91,75,953	3.06
		26/03/2021	Sale			(19,00,000)	72,75,953	2.43
		31/03/2021	Sale			(1,12,773)	71,63,180	2.39
<b>Closing Balance</b>							<b>71,63,180</b>	<b>2.39</b>

11	ICICI Prudential Life Insurance Company Limited	<b>Opening Balance</b>		<b>10,49,107</b>	<b>0.35</b>			
		29/05/2020	Purchase			32,37,062	42,86,169	1.43
		05/06/2020	Purchase			5,00,691	47,86,860	1.60
		26/06/2020	Purchase			4,89,301	52,76,161	1.76
		30/06/2020	Purchase			1,31,427	54,07,588	1.81
		03/07/2020	Purchase			11,273	54,18,861	1.81
		10/07/2020	Sale			(517)	54,18,344	1.81
		17/07/2020	Sale			(19,948)	53,98,396	1.80
		24/07/2020	Sale			(53,107)	53,45,289	1.78
		31/07/2020	Sale			(83,352)	52,61,937	1.76
		07/08/2020	Sale			(3,75,852)	48,86,085	1.63
		14/08/2020	Sale			(1,61,605)	47,24,480	1.58
		21/08/2020	Sale			(72,563)	46,51,917	1.55
		28/08/2020	Sale			(5,280)	46,46,637	1.55
		04/09/2020	Purchase			11,03,875	57,50,512	1.92
		11/09/2020	Purchase			9,10,905	66,61,417	2.22
		18/09/2020	Purchase			11,70,384	78,31,801	2.61
		25/09/2020	Purchase			2,47,770	80,79,571	2.70
		30/09/2020	Purchase			18,410	80,97,981	2.70
		02/10/2020	Purchase			1,32,401	82,30,382	2.75

Sl. No.	Name of Shareholder	Date	Reason	Shareholding at the beginning of the Year		Increase/ (Decrease) in Number of Shares	Cumulative Shareholding at the end of the Year	
				No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
		09/10/2020	Sale			(37,328)	81,93,054	2.74
		16/10/2020	Purchase			1,27,962	83,21,016	2.78
		23/10/2020	Purchase			1,54,645	84,75,661	2.83
		13/11/2020	Sale			(78,703)	83,96,958	2.80
		20/11/2020	Sale			(7,536)	83,89,422	2.80
		04/12/2020	Purchase			9,53,822	93,43,244	3.12
		11/12/2020	Purchase			1,15,758	94,59,002	3.16
		18/12/2020	Purchase			1,61,694	96,20,696	3.21
		25/12/2020	Purchase			2,07,112	98,27,808	3.28
		31/12/2020	Purchase			3,63,923	1,01,91,731	3.40
		01/01/2021	Purchase			4,18,623	1,06,10,354	3.54
		08/01/2021	Purchase			10,82,770	1,16,93,124	3.90
		15/01/2021	Sale			(1,61,235)	1,15,31,889	3.85
		22/01/2021	Purchase			1,32,035	1,16,63,924	3.89
		29/01/2021	Sale			(5,99,641)	1,10,64,283	3.69
		05/02/2021	Purchase			68,854	1,11,33,137	3.72
		19/02/2021	Sale			(7,94,770)	1,03,38,367	3.45
		26/02/2021	Sale			(5,69,795)	97,68,572	3.26
		05/03/2021	Sale			(1,04,365)	96,64,207	3.23
		12/03/2021	Sale			(1,84,806)	94,79,401	3.16
		19/03/2021	Sale			(871)	94,78,530	3.16
		26/03/2021	Sale			(1,33,579)	93,44,951	3.12
<b>Closing Balance</b>							<b>93,44,951</b>	<b>3.12</b>

14	India Business Excellence Fund IIA	<b>Opening Balance</b>		<b>72,82,432</b>	<b>2.43</b>			
		14/08/2020	Sale			(1,300)	72,81,132	2.43
		18/09/2020	Sale			(14,60,488)	58,20,644	1.94
		02/10/2020	Sale			(6,500)	58,14,144	1.94
		09/10/2020	Sale			(2,01,508)	56,12,636	1.87
		27/11/2020	Sale			(1,77,388)	54,35,248	1.81
		04/12/2020	Sale			(2,64,925)	51,70,323	1.73
		11/12/2020	Sale			(2,14,241)	49,56,082	1.65
		18/12/2020	Sale			(1,55,570)	48,00,512	1.60
		31/12/2020	Sale			(5,61,479)	42,39,033	1.42
		01/01/2021	Sale			(40,403)	41,98,630	1.40
		08/01/2021	Sale			(3,72,990)	38,25,640	1.28

Sl. No.	Name of Shareholder	Date	Reason	Shareholding at the beginning of the Year		Increase/ (Decrease) in Number of Shares	Cumulative Shareholding at the end of the Year	
				No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
		15/01/2021	Sale			(6,06,259)	32,19,381	1.07
		22/01/2021	Sale			(2,51,163)	29,68,218	0.99
		05/02/2021	Sale			(7,95,495)	21,72,723	0.73
		12/02/2021	Sale			(6,52,346)	15,20,377	0.51
		19/02/2021	Sale			(1,36,770)	13,83,607	0.46
		26/02/2021	Sale			(2,45,968)	11,37,639	0.38
		05/03/2021	Sale			(5,24,441)	6,13,198	0.20
		12/03/2021	Sale			(6,13,198)	-	-
<b>Closing Balance</b>								<b>-</b>

\*Earlier known as TVS Shriram Growth Fund 1B LLP

\*\* Earlier known as Reliance Capital Trustee Co Ltd-A/C Nippon India Small Cap Fund

#### v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Mr. Satyanarayan Goel, Chairman & Managing Director #	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	5,000	0.00		-
2	Date wise Increase/Decrease in shareholding during the year:				
	Sale on 22-Jun-2020	(1,000)	(0.00)	4,000	0.00
	Sale on 26-Jun-2020	(500)	(0.00)	3,500	0.00
	Sale on 30-Jun-2020	(3,000)	(0.00)	500	0.00
3	At the end of the year			500	0.00

#Mr. Satyanarayan Goel, was appointed as the Chairman & Managing Director of the Company with effect from February 19, 2021. Prior to above appointment he was Non-Executive Chairman of the Board

Sl. No.	Mr. Gautam Dalmia, Non-Executive Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	3,000	0.00		-
2	Date wise Increase/Decrease in shareholding during the year:	-			
3	At the end of the year		-	3,000	0.00

Sl. No.	Mr. Tejpreet Singh Chopra, Non-Executive Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	4,071	0.00	-	
2	Date wise Increase/Decrease in shareholding during the year:	-			
3	At the end of the year		-	4,071	0.00

Sl. No.	Mr. Vineet Harlalka, CFO & Company Secretary	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	1,96,830	0.07		
2	Date wise Increase/Decrease in shareholding during the year):				
	Sale on 10-Aug-2020	(41,052)	(0.00)	1,55,778	0.05
	Sale on 12-Mar-2021	(5,000)	(0.00)	1,50,778	0.05
3	At the end of the year	-	-	1,50,778	0.05

## V. Indebtedness

### Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(Amount in ₹)

Particulars	Secured Loans excluding deposits*	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ ii+ iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	Nil	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ ii+ iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>



## VI. Remuneration of Directors and Key Managerial Personnel

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	(Amount in ₹ lakh)		
		Mr. Satyanarayan Goel Chairman & Managing Director <sup>[1]</sup>	Mr. Rajiv Srivastava Managing Director & CEO <sup>[2]</sup>	Total Amount*
<b>1</b>	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	18.58	218.04	236.62
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	0.24	0.24
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	others			
	Company contribution towards PF	2.23	11.22	13.45
	Reimbursement of expenses	-	-	-
	Variable Pay (Paid)	11.99	112.20	124.19
	Gratuity	-	2.50	2.50
	Joining Bonus	-	37.74	37.74
	Leave encashment	-	7.52	7.52
<b>6</b>	<b>Total (A)</b>	<b>32.80</b>	<b>389.46</b>	<b>422.26</b>
7	Ceiling as per the Act (@ 10% of profits calculated as per Section 198 of the Act)	-	-	2879.00

\*This excludes gratuity (Except in case of Full & final settlement)

Note

<sup>[1]</sup> Mr. Satyanarayan Goel appointed as the Chairman & Managing Director of the Company with effect from February 19, 2021.

<sup>[2]</sup> Mr. Rajiv Srivastava ceased to be Managing Director and Chief Executive Officer with effect from August 24, 2020.

**B. Remuneration to other directors:****1. Independent Directors**

(Amount in ₹ lakh)

Sl. No.	Particulars of Remuneration	Name of Director's			Total Amount
		Prof. Kayyalathu Thomas Chacko	Mr. Tejpreet Singh Chopra	Ms. Sudha Pillai	
(a)	Fee for attending board /committee meetings (excluding GST)	23.10	8.10	23.70	54.90
(b)	Commission	Nil	Nil	Nil	Nil
(c)	Others, please specify	Nil	Nil	Nil	Nil
<b>Total (1)</b>		<b>23.10</b>	<b>8.10</b>	<b>23.70</b>	<b>54.90</b>

**2. Other Non-Executive Directors**

(Amount in ₹ lakh)

Sl. No.	Particulars of Remuneration	Mr. Satyanarayan Goel <sup>[1]</sup>	Mr. Amit Garg <sup>[2]</sup>	Total Amount
(a)	Fee for attending board /committee meetings (excluding GST)	20.70	15.00	35.70
(b)	Commission	*195.01	Nil	195.01
(c)	Others, please specify	Nil	Nil	Nil
<b>Total (2)</b>		<b>215.71</b>	<b>15.00</b>	<b>230.71</b>

Note

\* Includes ₹ 97.07 lakhs towards provision of variable commission, to be paid post requisite approvals (previous year included ₹ 70 lakhs variable commission, against which ₹ 59.95 lakhs was paid in current year).

<sup>[1]</sup> Mr. Satyanarayan Goel ceased to be Non-executive Non-Independent Chairman of the Board with effect from February 18, 2021.

<sup>[2]</sup> Mr. Amit Garg was appointed as an Additional Director (Non-Executive Non-Independent Director) with effect from May 14, 2020, and his appointment was regularised in the 14th Annual General Meeting held on August 28, 2020.

<b>Total (B)=(1+2)</b>	<b>285.61</b>
<b>Total Managerial Remuneration excluding sitting fee</b>	<b>195.01</b>
<b>Overall Ceiling as per the Act (@ 1% of profits calculated as per Section 198 of the Act)</b>	<b>288.00</b>

**C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD**

(Amount in ₹ lakh)

Sl. No.	Particulars of Remuneration	Mr. Vineet Harlalka	Total Amount*
		CFO ,Company Secretary & Compliance Officer	
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	71.27	71.27
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0.49	0.49
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-

Sl. No.	Particulars of Remuneration	Mr. Vineet Harlalka	Total Amount*
		CFO ,Company Secretary & Compliance Officer	
	- as % of profit	-	-
	- others, specify	-	-
5	Others		
	Company contribution towards PF	3.82	3.82
	Reimbursement of expenses		
	Variable Pay & Bonus <sup>[1]</sup>	42.08	42.08
	Leave encashment	3.72	3.72
6	<b>Total (C)</b>	<b>121.38</b>	<b>121.38</b>
7	Ceiling as per the Act	N.A.	N.A.

\* This excludes gratuity.

<sup>[1]</sup> Includes variable pay paid for FY21.

## VII. Penalties/ Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any
<b>A. Company</b>					
Penalty					
Punishment			No Penalties, Punishments or Compounding of Offences		
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment			No Penalties, Punishments or Compounding of Offences		
Compounding					
<b>C. Other Officers in default</b>					
Penalty					
Punishment			No Penalties, Punishments or Compounding of Offences		
Compounding					

For and on behalf of the **Board of Directors**  
**Indian Energy Exchange Limited**

Place: Noida  
 Date: 22 July, 2021

Sd/-  
**Satyanarayan Goel**  
 Chairman & Managing Director  
 DIN: 02294069

## ANNEXURE 14

### CORPORATE GOVERNANCE REPORT

(Part C of Schedule V)

The Company believes in adopting and adhering to the best recognized corporate governance practices and believes that best corporate governance practices are necessary for creating shareholder value and enhancing the confidence of all stakeholders. The Company follows the best of corporate governance practices in its day-to-day operations aimed at building trust with all stakeholders.

The Company's corporate governance principles consists mainly of transparency, equity, integrity, accountability and social duty that conform and adheres to all the relevant and applicable laws, rules and regulations. The Company believes that sound corporate governance is critical to enhance and retain stakeholders' trust. The Company always strives to ensure that it attains professional goals with integrity.

The Company is in compliance with Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended from time to time including relaxations granted by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI) from time to time on account of the COVID-19 pandemic, with regard to corporate governance.

A detailed report on Company's corporate governance policies and practices demonstrating the Company's accountability to its stakeholders is set out hereunder: -

#### 1. Company's philosophy on corporate governance:

In IEX, Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency, growth, enhancing investor's confidence and return on investments to the shareholders.

Corporate Governance is about promoting corporate fairness, transparency and accountability in the best interest of various stakeholders in a Company. It is a system by which business corporations are directed and controlled. IEX believes that good governance should entail trusteeship, empowerment and accountability of the management while remaining proactive to the Government policies.

The Corporate Governance philosophy has been scripted as under:

"As a good corporate citizen, our Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability besides building confidence in its various stakeholders, thereby paving the way for long term success."

Our Company is committed to creating value that is not only profitable to the business but sustainable in the long-term interests of all stakeholders. In pursuit of same, we consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance as well as the leadership and governance in the Company.

The Corporate Governance of IEX is geared by the following:

- i. To meet the short term, medium term & long term objectives and specific targets every year set by the Government of India and the persons at the helm of its affairs, i.e. the Board, by empowering people at the most appropriate levels keeping the job profile/ functions in view.
- ii. To respond to the challenges and the emerging opportunities and to play a pivotal role in the economic development of the country.

The corporate governance structure specifies the distribution of rights, responsibilities and powers among different participants in the corporation. All strategic decisions regarding investment, diversification, major decisions regarding procurement, commercial and finance are preceded ahead after approval by the Board.

#### 2. Board of directors:

The Board of Directors is the apex body constituted by shareholders of the Company, for overseeing the Company's overall functioning. It has the ultimate responsibility for the management, general affairs, direction, performance and long-term success of business of the Company as a whole.

Keeping in view the applicable laws and the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance from Management of the Company.

##### a. Composition of the Board:

In compliance with the provisions of the Listing Regulations, the Company has an optimum mix of executive and non-executive directors along with 1 (one) woman independent director. In compliance with the requirement of Regulation 17(1) (b) of the

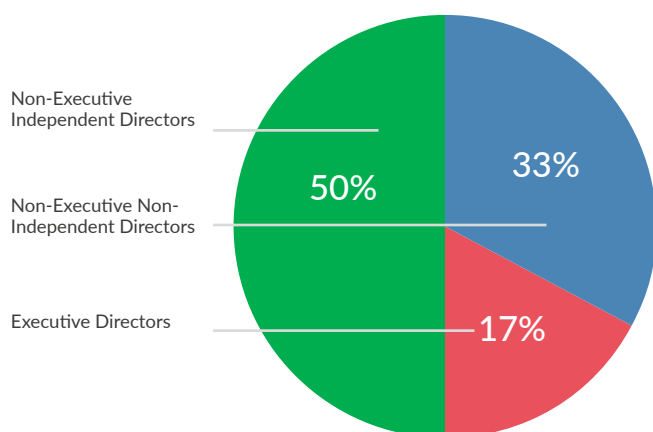


SEBI (LODR) Regulations, 2015, the chairperson of the board being an executive director, half of the Board members are Independent Directors as on March 31, 2021.

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

As on March 31, 2021, the Board comprised of 6 (six) Directors, out of which 3 (three) were Independent Non-Executive Director including 1 (one) Woman Independent Director, 2 (two) were Non-Executive Non-Independent Directors and 1 (one) Managing Director. All Board members are accomplished professionals in their respective fields of expertise.

**Composition of the Board**



The Board as part of its Corporate governance practice, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company and that there is no non-compliance under any applicable law.

Composition and Directorship(s) / Committee Membership(s)/ Chairmanship(s) as on 31st March, 2021

The number of Directorship(s), Committee Membership(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and the Listing Regulations.

Number of Board Meetings held, the dates thereof, and the information provided to the Board:

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business.

Except in case of emergent meetings, inter alia, to take care of exigencies of business, the Company decide about the Board meeting dates in consultation with all the Directors. Once the dates are approved the schedule of the Board meetings and Board Committee meetings is communicated in advance to the Directors to enable them to attend the meetings. In addition, at least once every year, Independent Directors meet amongst themselves exclusively and provide a feedback to the management team.

In line with Schedule B of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, it is the endeavor of the Company that the gap between the clearance of accounts by Audit Committee and Board meeting is as narrow as possible, and IEX is committed to adhere to this requirement.

During the financial year 2020-21, Thirteen (13) meetings of the Board were held and the gap between any two meetings did not exceed one hundred and twenty days (120 days). The said Board Meetings were held on, April 29, 2020, May 14, 2020, May 28, 2020, June 02, 2020, July 20, 2020, July 29, 2020, August 24, 2020, September 14, 2020, October 05, 2020, October 20, 2020, January 06, 2021, January 21, 2021 and February 18, 2021. The necessary quorum was present for all the meetings.

In certain cases, the Board's approval was taken by passing resolutions through circulation, as permitted by law, which were noted in the subsequent meeting of the Board of Directors.

During the year under review, the Minimum information required to be placed before the Board of Directors as specified in Part A of the Schedule II of SEBI (LODR) Regulations, 2015, to the extent applicable and deemed appropriate by the Management, was periodically placed before the Board for their consideration. This information was made available either as a part of the agenda papers or tabled before the Board Meeting at the time of meeting.

The Board's composition, and in respect of each Director, the nature of directorship, the number of meetings attended, directorship(s) in other companies, chairmanship(s) and

membership(s) of committees of the Board of companies including this Company as on March 31, 2021 are given below:

Sr. no.	Name and DIN Number of the Director	Nature of Directorship	Number of Board Meetings (in no.)		Attendance at the last AGM held on August 28, 2020	Directorship(s) in other companies as on March 31, 2021\$	Chairpersonship(s) and Membership(s) of Board Committee in Companies (**) including this company as on March 31, 2021	
			Held	Attended			Chairpersonship	Membership
1	Mr. S N Goel <sup>[1]</sup>	Chairman & Managing Director	13	13	Yes	1	Nil	2
2	Prof K T Chacko	Non-Executive -Independent Director	13	13	Yes	Nil	1	1
3	Ms. Sudha Pillai	Non-Executive -Independent Director	13	13	Yes	10	2	8
4	Mr. Tejpreet Singh Chopra	Non-Executive -Independent Director	13	9	Yes	8	1	1
5	Mr. Gautam Dalmia	Non- Executive -Non-Independent Director	13	10	No	7	Nil	4
6	Mr. Amit Garg <sup>[2]</sup>	Non- Executive -Non-Independent Director	11	11	Yes	2	Nil	1
7	Mr. Ajeet Kumar Agarwal <sup>[3]</sup>	Non- Executive -Non-Independent Director	2	0	No	3	Nil	1
8	Mr. Rajiv Srivastava <sup>[4]</sup>	Managing Director & CEO	7	7	Yes	1	Nil	1

\$ Excludes directorship(s) in Indian Energy Exchange, foreign companies, alternate directorships, section-8 companies and One Person Companies.

\*\* Only audit committee and stakeholders' relationship committee of Indian public limited companies have been considered.

<sup>[1]</sup> Mr. Satyanarayan Goel Non-Executive Chairman, was appointed as Chairman & Managing Director of the Company with effect from February 19, 2021.

<sup>[2]</sup> Mr. Amit Garg was appointed as an Additional Director (Non-Executive Non-Independent) with effect from May 14, 2020 and was regularised in 14th Annual General Meeting of the Company held on August 28, 2020.

<sup>[3]</sup> Mr. Ajeet Kumar Agarwal ceased to be Director with effect from June 1, 2020, details in respect of directorship(s) are as per the last declaration received by the Company in this regard.

<sup>[4]</sup> Mr. Rajiv Srivastava ceased to be MD & CEO with effect from August 24, 2020, details in respect of directorship(s) are as per the last declaration received by the Company in this regard.

**Note:** - None of the Directors of the Company are inter-se related to each other.

-Leave of absence was granted on request to those directors who could not attend the meeting(s).

**Number of Directorship(s) of each Director in Listed Entities and the category of Directorship(s) as on March 31, 2021 are given below:**

S. No.	Name and DIN of the Director	Directorship(s) in listed entities including this Listed entity as on 31st March, 2021	Names of the listed entities where Person is Director as on 31st March, 2021	Category of Directorship(s) as on 31st March, 2021
1	Mr. Satyanarayan Goel <sup>[1]</sup>	1	Indian Energy Exchange Limited	Chairman & Managing Director
2	Prof Kayyalathu Thomas Chacko	1	Indian Energy Exchange Limited	Independent Non-Executive Director
3	Ms. Sudha Pillai	5	Indian Energy Exchange Limited	Independent Non-Executive Director
			Jubilant Pharmova Limited	Independent Non-Executive Director
			Amber Enterprises India Limited	Independent Non-Executive Director
			International Travel House limited	Independent Non-Executive Director
			Dalmia Bharat Limited	Independent Non-Executive Director
4	Mr. Tejpreet Singh Chopra	3	Indian Energy Exchange Limited	Independent Non-Executive Director
			SRF Limited	Independent Non-Executive Director
			Gujarat Pipavav Port Limited	Independent Non-Executive Director
5	Mr. Gautam Dalmia	3	Indian Energy Exchange Limited	Non-Executive Non Independent Director
			Dalmia Bharat Sugar and Industries limited	Managing Director
			Dalmia Bharat Limited	Managing Director
6	Mr. Amit Garg <sup>[2]</sup>	1	Indian Energy Exchange Limited	Non- Executive Non Independent Director

<sup>[1]</sup> Mr. Satyanarayan Goel Non-Executive Chairman, was appointed as the Chairman & Managing Director with effect from February 19, 2021.

<sup>[2]</sup> Mr. Amit Garg was appointed as an Additional Director (Non-Executive Non-Independent) with effect from May 14, 2020 and was regularised in 14<sup>th</sup> Annual general meeting of the Company held on August 28, 2020.

None of the directors of the Company holds office as a director, including as an alternate director, in more than twenty companies at the same time. None of them has directorships in more than ten public limited companies. For reckoning the limit of public companies, directorships of private companies that are either holding or subsidiary company of a public company are included and in dormant companies are excluded.

As per the declaration received from the directors, none of the directors of the Company is a Director in more than seven listed entities or is an independent director in more than seven equity listed companies or in more than three equity listed companies in case he is a whole-time director in any listed company.

None of the directors is either a member in more than ten committees or a chairman in more than five committees across all public limited companies in which he is a director.

### C. Non-Disqualification of Directors

Company has obtained a Certificate as required under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (LODR) Regulations, 2015 from M/s MNK and Associates LLP, Company Secretaries that none of the Directors on the Board of the Company for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority. The requisite certificate is attached as **Annexure 17**.

### D. Independent Directors

The Independent Directors have varied experience and expertise in their respective field / profession which they bring to all the deliberations at the Board/Committee meetings.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, CERC (Power Market) Regulations, 2010 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015, as applicable. All Independent Directors maintain their limit of directorships as required under Regulation 17A of the SEBI (LODR) Regulations, 2015.

The maximum tenure of independent directors is in compliance with the Companies Act. The Company has issued a formal letter of appointment to independent directors in the manner as provided in the Companies Act which, inter-alia, sets out the expectation of the Board from the directors so appointed, their fiduciary duties and the accompanying liabilities. Pursuant to Regulation 46(2) of the Listing Regulations the terms and conditions of appointment have been disclosed on the website of the Company. Pursuant to the provisions of Section 149(8) of the Companies Act read with Schedule IV of the Companies Act, the Board of directors of the Company has adopted the code of conduct for its independent directors as a guide to professional conduct.

#### Opinion of the Board

Pursuant to section 149(6) & (7) of the Act along with rules framed thereunder and Regulation 16(1)(b) & 25(8) of the Listing Regulations, the Independent Directors have provided an annual confirmation that they meet the criteria of independence, and they also have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability

to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act, the CERC (Power Market) Regulations, 2010 and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

#### Independent director databank registration:

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

#### Separate meeting of Independent Directors:

Independent directors of the Company met separately on December 15, 2020, without the presence of non-independent directors and members of management. All the independent directors of the Company were present at this meeting. In accordance with Schedule IV of Companies Act, 2013, following matters were, inter-alia, reviewed and discussed in the meeting:

- The performance of Non-Independent Directors and the Board as a whole;
- The performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to perform their duties effectively and reasonably;

During the period under review no independent director resigned from the Board of directors of the Company.

### E. Familiarization Programme for Independent Directors

In order to enable the Independent Directors to fulfil their responsibilities efficiently and effectively and to familiarize the independent directors with the Company's nature and operations, as required under the Listing Regulations, a Familiarisation Programme has been put in place by your Company.

The Board familiarisation program comprises of the following:

- The Company conducts orientation programs/ presentations / training sessions, periodically at regular intervals. A



presentation detailing the overview of the Company is presented by management along with detailed interaction with all department heads of the Company.

2. Periodic presentations are made at the Board/Committee Meetings on business development plan and performance, risk management, technology, etc.
3. Updates on relevant statutory changes and letters received from CERC, as applicable, are regularly circulated to the Directors at the Board Meeting.
4. The appointment letter issued to the Independent Directors outlines his/her role, functions, duties and responsibilities.

The details of familiarization programme for Independent Directors have been posted on the website of the Company and can be accessed through the following web link: -

<https://www.iexindia.com/pdf/Familiarisation%20Programme%20for%20Independent%20Director.pdf>

## F. Board Skills, expertise and competencies

Your Company actively seeks to adopt best global practices for an effective functioning of the Board and believes in having a truly diverse Board whose wisdom and strength can be leveraged for earning higher returns for its stakeholders, protection of their interests and better corporate governance. The Board of Directors, the Nomination Remuneration Committee and Shareholders of the Company are collectively responsible for selection of a Member on the Board of the Company. These members bring in the required skills, competencies and expertise to the Board. They are nominated based on well-defined selection criteria set out by the Nomination and Remuneration Committee.

### *Selection and appointment of new directors:*

1. The Board delegates the identification, screening and selection process to the Nomination and Remuneration Committee, which consists exclusively of Non-Executive Directors out of which majority are Independent Directors.
2. The committee, based on defined criteria, makes recommendations to the Board on the induction of new directors.
3. The Board recommends the appointment of the director to the shareholders.
4. The proposal is placed before the shareholders for approval.

### *Board membership criteria*

The Nomination and Remuneration Committee while nominating a candidate for directorship considers the following criteria's: -

1. Professional qualifications, expertise and experience in specific area of relevance to the Company;
2. Balance of skills and expertise in view of the objectives and activities of the Company;
3. Personal characteristics being in line with the Company's values, such as integrity, honesty, transparency etc.;
4. Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
5. Desired age and diversity on the Board etc.;

In terms of requirement of Listing Regulations, 2015, the Board has identified the following core skills / expertise / competencies in the context of the Company's business for effective functioning as given below:

Competencies/ Skills		Description
1.	Strategy Planning & Policy Development	Identification and assessment of strategic opportunities and threats. Developing effective strategies in the context of the strategic objectives of IEX relevant policies and priorities.  Ability to identify key issues and opportunities for IEX and develop appropriate policies to define the parameters within which the organisation should operate.
2.	Information Technology	Technology expertise and Knowledge of specific markets and emerging technologies.
3.	Governance, Risk and Compliance	Experience in the application of corporate governance principles in a commercial enterprise or other regulated entity. Ability to identify key risks to IEX in a wide range of areas including legal and regulatory compliance.
4.	Financial Performance	<b>Qualifications and experience in accounting and/or finance and the ability to:</b> <ul style="list-style-type: none"> <li>Analyse key financial statements;</li> <li>Critically assess financial viability and performance;</li> <li>Contribute to strategic financial planning;</li> <li>Oversee budgets and the efficient use of resources;</li> <li>Oversee funding arrangements and accountability</li> </ul>
5.	Public Policy	Knowledge or expertise of the broader public policy matters including the strategic priorities of government and the relationship between those priorities and the work of the public agency. Public and private sector experience in economic policy development & analysis. Former or current executive role in a government organization, body, entity, institution.
6.	Power Sector	Identification and assessment of strategic opportunities and threats. Developing effective strategies in the context of the strategic objectives of IEX relevant policies and priorities. Ability to identify key issues and opportunities for IEX and develop appropriate policies to define the parameters within which the organization should operate.

**Given below is a list of core skills, expertise and competencies of the individual Directors on the Board:**

Name of Director	Skills/Expertise/Competencies					
	Strategy Planning & Policy Development	Information Technology	Governance, Risk and Compliance	Financial Performance	Public Policy	Power Sector
Mr. Satyanarayan Goel	√	-	√	√	-	√
Prof. Kayyalathu Thomas Chacko	√	-	√	-	√	-
Ms. Sudha Pillai	√	-	√	√	√	-
Mr. Tejpreet Singh Chopra	√	√	-	-	√	√
Mr. Gautam Dalmia	√	-	-	√	-	-
Mr. Amit Garg	√	√	-	√	-	-

Note - Each Director may possess varied combinations of skills/ expertise within the described set of parameters, and it is not necessary that all Directors possess all skills/ expertise listed therein.

## G. Directors' Remuneration and Shareholding:

### i. Remuneration of the Executive Directors and their Shareholding

The aggregate value of salary and perquisites paid/payable for the year ended March 31, 2021 and the outstanding stock options along with the shareholding as at March 31, 2021 is as below:

(Amount in ₹ lakh)

Particulars	Mr. Satyanarayan Goel (Chairman & Managing Director) <sup>[1]</sup>	Mr. Rajiv Srivastava (Managing Director and Chief Executive Officer) <sup>[2]</sup>
Remuneration		
Fixed Component:		
Salary and allowances	18.58	218.04
Monetary value of perquisites	-	0.24
Retiral Benefits – PF	2.23	11.22
Variable Component:		
Variable Pay (Paid)	11.99	149.94
<b>Total</b>	<b>32.80</b>	<b>379.44</b>
Leave Encashment	-	7.52
Gratuity	-	2.50
Sub Total	-	10.02
Commission	Nil	Nil
<b>Grand total</b>	<b>32.80</b>	<b>389.46</b>
Outstanding Stock options (ESOP 2010)/ (RSU 2019) (in Nos.) as at March 31, 2021	Nil	Nil
Shareholding as at March 31, 2021 (in Nos.)	500	Nil

[1] Mr. Satyanarayan Goel was appointed as the Chairman & Managing Director with effect from February 19, 2021.

[2] Mr. Rajiv Srivastava resigned as Managing Director & CEO of the Company with effect from August 24, 2020.

**ii. Remuneration paid to the Non-Executive Directors including the fees paid for attending the Board and Committee meetings during the year ended March 31, 2021, outstanding stock options and their shareholding as at March 31, 2021 is as below**

(Amount in ₹ lakh)

Name of the Director	Sitting fee		Commission	Outstanding Stock options (ESOP 2010)/RSU2019 (in Nos.)	Shareholding in the Company as at March 31, 2021 (in Nos.)
	Board Meetings	Committee/ Meetings			
Mr. Satyanarayan Goel <sup>[1]</sup>	11.70	9.00	195.01*	Nil	500
Prof. Kayyalathu Thomas Chacko	11.70	11.40	Nil	Nil	Nil
Ms. Sudha Pillai	11.70	12.00	Nil	Nil	Nil
Mr. Tejpreet Singh Chopra	8.10	Nil	Nil	Nil	4,071
Mr. Gautam Dalmia	Nil	Nil	Nil	Nil	3,000
Mr. Amit Garg <sup>[2]</sup>	10.80	4.20	Nil	Nil	Nil
Mr. Ajeet Kumar Agarwal <sup>[3]</sup>	Nil	Nil	Nil	Nil	Nil

\* Includes ₹ 97.07 lakhs towards provision of variable commission, to be paid post requisite approvals (previous year included ₹ 70 lakhs variable commission, against which ₹ 59.95 lakhs was paid in current year).

<sup>[1]</sup> Mr. Satyanarayan Goel was the Non-Executive Chairman till February 18, 2021.

<sup>[2]</sup> Mr. Amit Garg was appointed as an Additional Director (Non-Executive Non-Independent) with effect from May 14, 2020 and was regularised in 14th Annual general meeting of the Company held on August 28, 2020

<sup>[3]</sup> Mr. Ajeet Kumar Agarwal ceased to be Director with effect from June 1, 2020

There were no pecuniary relationships or transactions between the Non-Executive Directors and the Company during FY 2020-2021, except for sitting fees paid to the Non-Executive Directors and sitting fees and commission paid to Mr. S N Goel as a Non-Executive Chairman.

ESOP details are more particularly mentioned in **Annexure 8 & 9** to the Directors' Report and Note 47 of the Notes to Standalone Financial Statement for the year ended 31 March 2021.

During FY 2020-21, the Non-Executive Directors were entitled to sitting fees of ₹90,000/- per meeting for attending the Meetings of the Board and ₹60,000/- per meeting for attending the Meetings of the Committees of the Board.

The sitting fees paid to the Non-Executive Directors and / or Independent Directors is within the limits prescribed under the Companies Act, 2013.

### 3. BOARD COMMITTEES:

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation that needs a closer review and to take informed decisions in the best interest of the Company.

The Board Committees are set up under the formal approval of the Board and constituted in accordance with the provisions of the Companies Act, 2013, the SEBI (LODR) Regulations, 2015, CERC Power Market Regulations, 2010 and Exchange Business Rules and Bye Laws, as applicable, to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice and to ensure effective oversight on the functioning of Exchange and to facilitate cohesive decision making. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committees Meetings. All decisions and recommendations of the Committees are placed before the Board for information, review or approval. The Board Committees can request special invitees to join the meeting, as appropriate.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board. There have been no instances where such recommendations have not been considered.



The Board has established the following statutory and non-statutory Committees: -

## I. AUDIT COMMITTEE

As required under Section 177 of the Companies Act, 2013 (the 'Act') and as per Regulation 18 of SEBI (LODR) Regulations, 2015, the Board has constituted a competent Audit Committee consisting of majority of Independent Directors as its members.

As on March 31, 2021, the members of the Audit Committee were

- Ms. Sudha Pillai (Chairperson) – Non-Executive - Independent Director
- Prof. K.T. Chacko – Non-Executive -Independent Director,
- Mr. Gautam Dalmia – Non- Executive -Non-Independent Director

All the Members of the Committee have requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

### A. Brief Terms of Reference:

The terms of reference' of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and as per applicable Clauses of SEBI Listing Regulations, 2015. The brief terms of reference of the Committee are as under;

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending appointment and removal of auditors and fixing of their fees;
- Reviewing with management the annual financial statements and auditor's report before submission to the Board with special emphasis on accounting policies and practices, compliance with accounting standards, disclosure of related party transactions and other legal requirements relating to financial statements;
- Reviewing the adequacy of the Audit and Compliance functions, including their policies, procedures, techniques and other regulatory requirements; and
- Any other terms of reference as may be included from time to time in the Companies Act, 2013, SEBI Listing Regulations, 2015, including any amendments / re-enactments thereof from time to time.

The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and

under applicable legislation or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed.

### B. Composition and attendance:

During the financial year 2020-21, 5 (Five) Audit Committee Meetings were held and the gap between any two meetings did not exceed one hundred and twenty days. The said meetings were held on May 14, 2020, July 29, 2020, October 20, 2020, January 21, 2021, and February 18, 2021.

The constitution and the number of meetings attended during the year with respect to the Audit Committee are as under:

Member	Category	No. of Meetings Held*	No. of Meetings Attended
Ms. Sudha Pillai (Chairperson)	Non-Executive -Independent Director	5	5
Prof. Kayyalathu Thomas Chacko	Non-Executive -Independent Director	5	5
Mr. Gautam Dalmia	Non- Executive Non- Independent Director	5	2

\*No. of meetings held during the tenure of the director on the committee

The Company Secretary of the Company was the Secretary of the Committee.

## II. NOMINATION AND REMUNERATION COMMITTEE:

As required under Section 178 of the Companies Act, 2013 (the 'Act') and as per Regulation 19 of Listing Regulations, 2015, your Company has a competent Nomination and Remuneration Committee (NRC) consisting of 100% Non-Executive Directors and out of which majority are Independent Directors as its members.

As on March 31, 2021, the members of NRC were

- Prof. K.T. Chacko (Chairperson) – Non-Executive Independent Director,
- Ms. Sudha Pillai –Non-Executive Independent Director,
- Mr. Gautam Dalmia– Non- Executive -Non-Independent Director

The Company's Nomination & Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as **Annexure 4** to this Report. The said Policy is

directed towards rewarding performance based on periodic review of achievements.

#### A. Brief Terms of Reference:

The Terms of Reference of the NRC are in conformity with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations, 2015. The brief terms of reference of the Committee are as under;

The Nomination and Remuneration Committee (NRC) is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments.

The Committee also formulates criteria for evaluation of performance of individual directors including independent directors, the Board of Directors and its Committees. The criteria for evaluation of performance of directors (including independent directors) include personal attributes such as attendance at meetings, communication skills, leadership skills and adaptability and professional & personal attributes such as understanding of the Company's core business and strategic objectives, industry knowledge, independent judgment, adherence to the Company's Code of Conduct, Ethics and Values, etc.

Any other terms of reference as may be included from time to time in the Companies Act, 2013, SEBI Listing Regulations, 2015, including any amendments / re-enactments thereof from time to time.

The Company has formulated the criteria for performance evaluation of individual Directors, Board Committees and the Board as a whole and the same is annexed as **Annexure 5** of the Board Report.

#### B. Composition and attendance:

During the financial year 2020-21, 7 (Seven) meetings of the NRC were held. The said meetings were held on May 11, 2020, May 27, 2020, June 18, 2020, July 21, 2020, August 14, 2020, October 20, 2020, and February 18, 2021. The constitution and the number of meetings attended with respect to the NRC are as under:

Member	Category	No. of Meetings Held <sup>#</sup>	No. of Meetings Attended
Prof. Kayyalathu Thomas Chacko (Chairman)	Non-Executive -Independent Director	7	7
Ms. Sudha Pillai	Non-Executive -Independent Director	7	7
Mr. Gautam Dalmia	Non-Executive-Non-Independent Director	7	7

<sup>#</sup>No. of meetings held during the tenure of the director on the Committee.

The Company Secretary of the Company was the Secretary of the Committee.

### III. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company has Stakeholders Relationship Committee pursuant to Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015. The Stakeholders' Relationship Committee is constituted primarily with the objective of redressing shareholders' complaints / grievances.

#### A. Brief Terms of reference:

The Terms of Reference of the Stakeholders Relationship Committee are in conformity with Section 178 of the Companies Act, 2013 and Clause 20 of the SEBI (LODR) Regulations, 2015. The brief terms of reference of the Committee are as under;

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.

## B. Composition and attendance:

As on March 31, 2021, the members of the Stakeholders Relationship Committee were:

- Prof. KT Chacko (Chairperson) – Non-executive Independent Director,
- Mr. Gautam Dalmia – Non- Executive -Non-Independent Director
- Mr. Amit Garg – Non- Executive -Non-Independent Director (admitted w.e.f. September 14, 2020)

During the financial year 2020-21, 1 (One) meeting of the Stakeholders Relationship Committee was held on March 24, 2021. The constitution and the number of meetings attended with respect to the Stakeholders Relationship Committee are as under:

Member	Category	No. of Meetings Held <sup>#</sup>	No. of Meetings Attended
Prof. Kayyalathu Thomas Chacko (Chairperson)	Non-Executive-Independent Director	1	1
Mr. Gautam Dalmia	Non-Executive-Non-Independent Director	1	-
Mr. Amit Garg <sup>[1]</sup>	Non-Executive-Non-Independent Director	1	1
Rajiv Srivastava <sup>[2]</sup>	Manging Director & CEO	NA	NA

<sup>#</sup> No. of meetings held during the tenure of the Director on the Committee.

<sup>[1]</sup> Mr. Amit Garg was appointed as a member of the Committee w.e.f. September 14, 2020.

<sup>[2]</sup> Mr. Rajiv Srivastava ceased to be member of the Committee w.e.f. August 24, 2020.

The Company Secretary of the Company was the Secretary of the Committee.

Name of Compliance Officer	: Mr. Vineet Harlalka
Designation	: CFO, Company Secretary & Compliance Officer
Email	: compliance@iexindia.com
Tel	: +91-0120-4648100

The Company Secretary & Compliance Officer can be reached at the corporate office of the Company.

Details of the number of complaints received from shareholders and attended during the financial year.

Opening Balance	Nil
Number of complaints* received during the year 2020-21 (From 1st April 2020 to 31st of March, 2021)	8
Number of complaints resolved during the 2020-2021 (From 1st April 2020 to 31st of March, 2021)	8
Number of complaints not solved to the satisfaction of the shareholders during the year 2020-2021 (From 1st April 2020 to 31st of March, 2021)	Nil
Number of pending complaints on 31st of March, 2021	Nil

\* All the complaints were related to non-receipt of annual report, notices, dividend queries etc.

The complaints were attended to the satisfaction of shareholders by the Company and / or its Registrar & Share Transfer Agent – KFin Technologies Private Limited, and no complaints remained pending to be attended as on March 31, 2021.

## IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

Your Company has a competent Corporate Social Responsibility Committee as per the Corporate Social Responsibility Policy as required under Section 135 of the Companies Act, 2013, which shall indicate the activities to be undertaken by the Company on Corporate Social Responsibility and Recommend the amount of expenditure to be incurred.

As on March 31, 2021, the members of the CSR Committee were

- Prof. K.T. Chacko (Chairperson)– Non-Executive -Independent Director,
- Ms. Sudha Pillai– Non-Executive -Independent Director,
- Mr. Satyanarayan Goel– Executive -Non-Independent Director

### A. Brief Terms of reference:

The Terms of Reference of the Corporate Social Responsibility Committee are in conformity with Section 135 of the Companies Act, 2013. The brief terms of reference of the Committee are as under;

- Formulation and recommendation to the Board, a Corporate Social Responsibility Policy, which indicates the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred.
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.
- Any other terms of reference as may be included from time to time in the Companies Act, 2013, including any amendments / re-enactments thereof from time to time.

**B. Composition and attendance**

The CSR Committee met 2 (two) times during the year 2020-21. The said meetings were held on November 10, 2020 and February 16, 2021.

Member	Category	No. of Meetings Held <sup>#</sup>	No. of Meetings Attended
Prof. Kayyalathu Thomas Chacko (Chairperson)	Non-Executive -Independent Director	2	2
Ms. Sudha Pillai	Non-Executive -Independent Director	2	2
Mr. Satyanarayan Goel	Executive -Non-Independent Director	2	2

<sup>#</sup>No. of meetings held during the tenure of the director on the committee.

The Company Secretary of the Company was the Secretary of the Committee.

**V. ENTERPRISE RISK MANAGEMENT COMMITTEE (ERMC)**

Your Company has a competent ERMC as per Regulation-21 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015.

As on March 31, 2021, the members of the ERMC were:

- Prof. K.T. Chacko- Non-Executive -Independent Director (as the Chairperson),
- Mr. Satyanarayan Goel-Chairman & Managing Director
- Mr. Gautam Dalmia- Non- Executive -Non-Independent Director

**A. Brief Terms of reference:**

The Terms of Reference of the Enterprise Risk Management Committee are in conformity with Regulation-21 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015. The brief terms of reference of the Committee are as under:

1. To formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

b. Measures for risk mitigation including systems and processes

c. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
7. Any other terms of reference as may be included from time to time in the SEBI LODR Regulations, and any other roles and responsibilities which the Board may deem fit.

The role of Enterprise Risk Management Committee (ERMC) includes, inter-alia, monitoring implementation of the risk management policy, overseeing and reviewing the activities related to Cyber Security, overseeing Exchange's integrated risk measurement system and risk and control measures that are needed to be built into the system.

**B. Composition and attendance**

The ERMC Committee met 2 (two) times during the year 2020-21. The said meetings were held on May 28, 2020 and October 29, 2020.

Member	Category	No. of Meetings Held <sup>#</sup>	No. of Meetings Attended
Prof. Kayyalathu Thomas Chacko (Chairperson)	Non-Executive -Independent Director	2	2
Mr. Satyanarayan Goel	Chairman & Managing Director	2	2
Mr. Gautam Dalmia	Non-Executive Non-Independent Director	1	Nil
Mr. Rajiv Srivastava <sup>[1]</sup>	Managing Director & CEO	1	1



# No. of meetings held during the tenure of the director on the committee.

<sup>[1]</sup> Mr. Rajiv Srivastava ceased to be Member of the Committee w.e.f. August 24, 2020.

The Company Secretary of the Company was the Secretary of the Committee.

## VI. OTHER BOARD COMMITTEES

### 1. Strategic Committee

The Strategic Committee, inter-alia, explores and identifies development of new products for launching at exchange platform and studies and gives advice on the strategic plans for the long-term development of the Company. As on March 31, 2021, the Committee comprises following members:

- Mr. Tejpreet Singh Chopra (Chairperson)
- Mr. Gautam Dalmia
- Mr. Satyanarayan Goel
- Mr. Amit Garg

### 2. Technology Advisory Committee

The said committee, inter-alia, reviews, advises management and decides on technological advancement requirements in the Company with the aim of new product and having a cutting edge exchange technology and it also gives recommendations to the Board on the technological needs of the Company. As on March 31, 2021, the committee comprises following members:

- Mr. Tejpreet Singh Chopra (Chairperson)
- Mr. Gautam Dalmia

### 3. Investment Committee

The Investment Committee approves the overall investment policy of the Company as well as any subsequent changes therein within the overall scope and framework of the policy and oversees the implementation of the policy. As on March 31, 2021, the Committee comprises following members:

- Mr. Satyanarayan Goel (Chairperson)
- Mr. Gautam Dalmia
- Mr. Amit Garg

### 4. Buyback Committee

The said Committee is authorized to take decisions for activities relating to Buyback. As on March 31, 2021, the committee comprises following members:

- Mr. Gautam Dalmia (Chairman)
- Mr. Satyanarayan Goel

### 5. Divestment Committee:

The said Committee inter-alia authorized to develop and finalise the divestment strategy for the Company's investment in the Indian Gas Exchange Limited in favour of Strategic partners. the committee comprises following members:

- Ms. Sudha Pillai, (Chairperson)
- Mr. Satyanarayan Goel
- Mr. Amit Garg

## VII. COMMITTEES FORMED AS PER CERC (POWER MARKET) REGULATIONS 2010

### 1. Risk Management Committee:

The Board has constituted Risk Management Committee as per clause (ii) of Regulation 25 of CERC (Power Market) Regulation, 2010. The said committee reviews that the Power Exchange is adopting the best practices while formulating prudent and dynamic risk management processes based on changing risk profiles of the market and reviews the Risk Management framework process of the Exchange on half yearly basis (in January and July) each year. As on March 31, 2021, the Committee comprises following members:

- Prof. Kayyalathu Thomas Chacko (Chairperson)
- Mr. Satyanarayan Goel
- Mr. Vineet Harlalka
- Mr. Amit Kumar
- Mr. Sangh Gautam

### 2. Market Surveillance Committee:

The board has constituted Market Surveillance Committee as per clause (iii) of Regulation 25 of CERC (Power Market) Regulations, 2010. The said committee ensures the fair, transparent and unbiased market platforms to members and ensures that the interests of generators and consumers are safeguarded and also the movement in prices and volume are monitored closely and efficiently. As on March 31, 2021, the Committee comprises following members:

- Ms. Sudha Pillai (Chairperson)
- Mr. Satyanarayan Goel
- Mr. Amit Garg
- Mr. Vineet Harlalka
- Mr. Amit Kumar
- Mr. Sangh Gautam

### 3. SGF Management Committee:

The Board has constituted SGF Management Committee as per Clause (iv) of Regulation 25 of CERC (Power Market) Regulations, 2010. The said Committee, inter-alia, monitors the adherence of regulatory directions in respect of Settlement Guarantee Fund (SGF), contribution of Members to the SGF, its investment, utilization and recoupment of SGF in case it is utilized to meet residual defaults, subject to the provisions of the Bye laws, Rules and Regulations of the Exchange. As on March 31, 2021, the Committee comprises following members:

- Prof. Kayyalathu Thomas Chacko (Chairperson)
- Mr. Satyanarayan Goel
- Mr. Rajesh Kumar Mediratta
- Mr. Vineet Harlalka
- Mr. Amit Kumar
- Mr. Abhishek Ranjan, BRPL
- Mr. K.K. Agarwal, Jindal Power Limited
- Mr. Satish Jindal, CEO, JSWPTC

## VIII. OTHER COMMITTEES

### 1. Internal Complaints Committee:

The Board has constituted Internal Complaints committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for providing protection to the women against the Sexual harassment at the Workplace and for the prevention and Redressal of complaints of sexual harassment and for other connected/ incidental matters. The said Committee, inter-alia, ensures that the Company is in compliance with the statutory requirements in this regard and a detailed Prevention and redressal of Sexual Harassment policy is put in place for the Company. The committee comprises following members:

- Ms. Shruti Bhatia (Presiding Officer)
- Mr. Samir Prakash
- Ms. Sonia Sharma
- Ms. Divya Deep Chawla
- Ms. Shubra Mendiratta

### 2. Membership Admission Committee:

The said Committee, inter-alia, evaluates the applications for the membership of the Exchange, makes recommendations of their acceptance/ rejection and frames Rules/criteria relating to admission for membership. The committee comprises following members:

- Mr. Rajesh Kumar Mediratta
- Mr. Amit Kumar
- Mr. Vineet Harlalka
- Mr. Indranil Chatterjee
- Mr. Rohit Bajaj

### 3. Disciplinary Action Committee:

The Disciplinary Action Committee, inter-alia, formulates the policy for regulatory actions to be taken for various violations by the members of the Exchange and is responsible to set out the procedure relating to checks, inspections, enquiries and investigations in order to discover and to prevent and monitor, as the case may be, price manipulation, price distortion and trading malpractices. The Committee comprises following members:

- Mr. R.V. Shahi (Chairperson)
- Prof. Kayyalathu Thomas Chacko
- Mr. H L Bajaj

### 4. Default Committee:

The Default Committee, inter-alia, identifies and notifies a member as defaulter and realizes all the assets/deposits of the defaulter/expelled member and appropriate the same amongst various dues and claims against the defaulter/expelled member in accordance with the Rules, Byelaws and Business Rules of the Exchange. The committee comprises following members:

- Prof. Kayyalathu Thomas Chacko
- Mr. Satyanarayan Goel

## 5. GENERAL BODY MEETINGS:

### A. Details of the last three(3) Annual General Meetings (AGMs) held:

Financial Year (AGM No.)	Date	Time	Venue of the Meeting
2019-20 (14th)	28-08-2020	11:00 AM	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)
2018-19 (13th)	18-09-2019	11:00 AM	Dr. S R KVS Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi-Gurgaon Road, Delhi Cantt, New Delhi-110010 India
2017-18 (12th)	18-09-2018	11:00 AM	Dr. S R KVS Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi-Gurgaon Road, Delhi Cantt, New Delhi-110010 India

### B. Particulars of the Special Resolution passed in the last three AGMs:

Date	Particulars
28-08-2020	1. Approval for payment of remuneration in the form of Commission to Mr. Satyanarayan Goel (DIN: 02294069), Non-Executive Chairman of the Board.
18-09-2019	1. Ratification of appointment of Mr. Satyanarayan Goel as Managing Director and CEO of the Company
	2. Approval for appointment of Mr. Rajiv Srivastava as the Director of the Company
	3. Ratification of appointment of Mr. Rajiv Srivastava as Wholetime Director and Managing Director & CEO
	4. Approval for Indian Energy Exchange Limited 'Restricted Stock Unit Scheme 2019'
	5. Approval for payment of remuneration in the form of commission to Mr. Satyanarayan Goel, Non-Executive Chairman (DIN: 02294069) of the Board.
18-09-2018	1. Re-classification of Authorised Share Capital of the Company.
	2. Sub-Division of Share Capital into smaller amount.
	3. Increase the limit of total shareholding of all registered Foreign Portfolio Investors (FPIs) / Registered Foreign Institutional Investors (FIIs) put together from 24% upto 49% of the paid-up share capital of the Company.
	4. Ratification of pre-IPO Stock Option Scheme.

### C. Extra-ordinary General Meeting:

During the financial year no extra-ordinary general meeting was held.

### D. Postal Ballot:

#### I. Resolutions Passed through Postal Ballot during the last year:

During the year under review, the following two special resolutions were passed by way of Postal Ballot/e-voting dated February 09, 2021.

1. Sale/Transfer/Disposal or divestment of investments or shares held by the Company in Indian Gas Exchange Limited, a wholly owned subsidiary company.
2. Alteration of the Articles of Association ("AoA") of the Company.

#### II. Details of Voting Pattern:

1. Special Resolution for Sale/Transfer/Disposal or divestment of investments or shares held by the Company in Indian Gas Exchange Limited, a wholly owned subsidiary company.

**Voted in favour of the Resolution:**

Particulars	Number of members voted	Number of votes cast by them (Shares)	% of total numbers of valid votes cast
Remote E-voting	282	21,08,22,865	97.5733
Physical Postal Ballot	-	-	-
Total	282	21,08,22,865	97.5733

**Voted against the Resolution:**

Particulars	Number of members voted	Number of votes cast by them (Shares)	% of total numbers of valid votes cast
Remote E-voting	37	52,43,449	2.4267
Physical Postal Ballot	-	-	-
Total	37	52,43,449	2.4267

**Invalid/abstained votes/Less Voted:**

Particulars	Number of members voted	Number of votes cast by them (Shares)
Remote E-voting	5	58,549
Physical Postal Ballot	-	-
Total	5	58,549

## 2. Special Resolution for Alteration of the Articles of Association ("AoA") of the Company.

**Voted in favour of the Resolution:**

Particulars	Number of members voted	Number of votes cast by them (Shares)	% of total numbers of valid votes cast
Remote E-voting	297	21,56,28,380	99.7973
Physical Postal Ballot	-	-	-
Total	297	21,56,28,380	99.7973

**Voted against the Resolution:**

Particulars	Number of members voted	Number of votes cast by them (Shares)	% of total numbers of valid votes cast
Remote E-voting	23	4,37,964	0.2027
Physical Postal Ballot	-	-	-
Total	23	4,37,964	0.2027

**Invalid/abstained votes/Less Voted:**

Particulars	Number of members voted	Number of votes cast by them (Shares)
Remote E-voting	4	58,519
Physical Postal Ballot	-	-
Total	4	58,519



### III. Person who conducted the Postal Ballot Exercise:

Mohd. Nazim Khan, Practicing Company Secretary (FCS No. 6529, CP No. 8245) Designated Partner of MNK and Associates LLP, Practicing Company Secretary, New Delhi, was appointed as the Scrutinizer for conducting Postal Ballot process (including e-voting) in a fair and transparent manner.

### IV. Details of special resolution proposed to be conducted through postal ballot:

None of the businesses are proposed to be transacted through postal ballot.

### V. Procedure for Postal Ballot:

The postal ballot was conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and in terms of the General Circular No. 33/2020 dated September 28, 2020 read with General Circular No.14/2020 dated 8th April, 2020 General Circular No. 17/2020 dated April 13, 2020, and General Circular No. 39/2020 dated December 31, 2020, (the "MCA Circulars"), in view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, the Notice of Postal Ballot was sent in electronic mode only to all those shareholders who had registered their e-mail addresses with the Company or Depository Participant / Depository / KFin Technologies Private Limited, the Company's Registrar & Transfer Agent (hereinafter referred as "RTA"). Further, the shareholders were provided the option to vote only through remote e-voting and voting through physical ballot papers was not provided as per the guidelines issued by the MCA vide MCA Circulars.

The Company fixes a cut-off date to reckon paid-up value of equity shares registered in the name of shareholders for the purpose of voting. Shareholders may cast their votes through e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman or person duly authorised by the Chairman and the results of voting by postal ballot are announced by the Chairman or Person duly authorized within 48 hours of conclusion of the voting period. The results are also displayed on the website of the Company ([www.ixindia.com](http://www.ixindia.com)), besides being communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agents.

The resolutions, if passed by the requisite majority are deemed to have been passed on the last date specified for e-voting.

## 6. MEANS OF COMMUNICATION:

We have established procedures to disseminate, in a planned manner, relevant information to our shareholders, analysts, employees and the society at large.

### Calendar of financial year ended 31st March 2021:

The Company follows April-March as the financial year. The meetings of Board of Directors for approval of quarterly financial results for the financial year ended 31st March 2021 were held on the following dates:

Particulars	Date
Quarter ended 30th June 2020	July 29, 2020
Quarter/half-year ended 30th September 2020	October 20, 2020
Quarter/ nine months ended 31st December 2020	January 21, 2021
Quarter/ year ended 31st March 2021	May 13, 2021

**Financials:** The quarterly, half yearly, annual results of the Company are published in widely circulated national newspapers such as viz. Business Standard (all edition) an English daily newspaper with circulation in the whole or substantially the whole of India and in Business Standard (all edition) a Hindi daily newspaper. The financial results, shareholding pattern and disclosures are uploaded on the Company's website [www.ixindia.com](http://www.ixindia.com).

The financial results, Investors Presentation and other information are also disseminated to the Stock Exchanges (i.e. BSE Limited and NSE Limited) where the securities of the Company are listed, as required/prescribed under SEBI (LODR) Regulations, 2015.

**Press Releases and Presentations:** All the press releases and presentations made at investor conferences and to analysts and other information related to investors meet are posted on the Company's website at <https://www.ixindia.com>

**Website:** The Company's website contains a separate dedicated section "Investor Relations" where information sought by shareholders is available.

Significant events, if any, during the financial year, are filed with the Stock exchange and also posted on the Company's website [www.ixindia.com](http://www.ixindia.com) from time-to-time. The Company's website gives information on trading, clearing & settlement, circulars issued by the Exchange, market data, Exchange rules, bye-laws, business rules, products, financials including annual Report, contract specifications of products and membership related information etc.

**Annual Report:** Annual Report containing audited standalone financial statements, consolidated financial statements together with Board's Report, Auditors Report and other important information are circulated to members entitled thereto and is also available on the Company's website [www.ixindia.com](http://www.ixindia.com).

## 7. GENERAL SHAREHOLDER INFORMATION:

1. Annual General Meeting to be held on	September 02, 2021, through VC/OAVM mode at 12:00 noon.
2. Financial year	April 1, 2020 to March 31, 2021
3. Book Closure date	August 27, 2021 to September 02, 2021 (both days inclusive)
4. Dividend payment date	The Final dividend of Rs. 1.50/- per equity share for the year ended March 31, 2021, if approved by the shareholders, shall be paid /credited within 30 days after the ensuing AGM.
5. Name and Address of Stock Exchange(s) at which the Equity Shares are listed	The equity shares of the Company are listed on the following Stock Exchanges:
	1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001
	2. National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
	<b>Note:</b> Annual Listing fees for the FY 2021-2022 have been duly paid to the above Stock Exchanges.
6. Stock Market Code:	BSE Scrip Code: 540750 NSE Symbol: IEX
7. Registrar & Transfer Agents	<b>KFin Technologies Private Limited</b> <b>Unit: INDIAN ENERGY EXCHANGE LIMITED</b> , Selenium, Tower- B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500 032, India. Toll Free No : 1800 309 4001 Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Website: <a href="http://www.karisma.kfintech.com">www.karisma.kfintech.com</a>
8. Share Transfer system	99.93% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company.
9. Outstanding GDRs/ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity	As on March 31, 2021, the Company did not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.
10. Commodity price risk or foreign exchange risk and hedging activities	Not Applicable
11. Exchange operations are located at	Plot No. C-001/A/A, 9th Floor, Max Towers Sector 16B, Gautam Buddha Nagar, Noida, Uttar Pradesh- 201301
	<b>Indian Energy Exchange Limited (IEX)</b>
12. Address for Correspondence	<b>Registered office:</b> First Floor, Unit No. 1.14(a), Avanta Business Centre, Southern Park, D-2, District Centre, Saket, New Delhi – 110017. <b>Corporate office:</b> Plot No. C-001/A/A, 9th Floor, Max Towers Sector 16B, Gautam Buddha Nagar, Noida, Uttar Pradesh- 201301 Tel: +91-120-4648 100
13. Depository for equity shares	National Securities Depository Limited (NSDL) Central Depository Services (India) Limited (CDSL)

14.	Demat International Securities Identification Number (ISIN) allotted to the equity shares of the Company under the Depository System	INE022Q01020
15.	Corporate Identification Number (CIN) of the Company	L74999DL2007PLC277039

## 8. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

### *Amount of unclaimed/unpaid dividend and the corresponding shares:*

Pursuant to the provisions of Section 124 of the Companies Act, 2013, ("the Act") read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), and relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. Furthermore, the IEPF Rules mandate companies to transfer shares of shareholders whose dividends remain unpaid / unclaimed for a period of 7 consecutive years to the demat account of the IEPF Authority.

The said requirement does not apply to shares in respect of which there is a specific order of the Court, Tribunal or Statutory Authority, restraining any transfer of shares.

Year wise amount of unpaid/unclaimed dividend lying in the unpaid account upto the Year and the corresponding shares, which are liable to be transferred to the IEPF, and the due dates for such transfer:

Financial Year	Type of Dividend	Date of declaration of Dividend	Number of Shareholders against whom Dividend amount is unpaid	Number of shares against which Dividend amount is unpaid	Amount in ₹ Lakh Unpaid as on March 31, 2021	Shares & unpaid/unclaimed dividend liable to be transferred to the IEPF and due dates.
2017-18	Final	18-09-2018	1,382	28,021	6.16	Proposed Due Date of transfer to IEPF- 18-09-2025
2019-20	Interim	10-03-2020	1,365	396,660	9.91	Proposed due date of transfer to IEPF 10-03-2027
2020-21	Interim	20-01-2021	1,138	157,915	3.94	Proposed due date of transfer to IEPF 20-01-2028

The data on unpaid / unclaimed dividend and other unclaimed monies is also available on the website of the Company and can be accessed through the following web link

[https://www.iexindia.com/Unclaimed\\_Dividend.aspx?id=86E%2fb6tyRbl%3d&mid=Gy9kTd80D98%3d](https://www.iexindia.com/Unclaimed_Dividend.aspx?id=86E%2fb6tyRbl%3d&mid=Gy9kTd80D98%3d)

Shareholders who have not yet encashed/claimed their dividend are requested to encash/claim the same from the Company/RTA of the Company before it is transferred to the IEPF.

## 9. OTHER DISCLOSURES

### A. Disclosures on materially significant related party transactions

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

A detailed note on related party transactions is provided in the Directors' Report. Members may refer to Note No 46 to the Standalone Financial Statement which sets out related party disclosures pursuant to Ind AS.

Further, the Company's Policy on Related Party Transactions is available on website of the Company and can be accessed through the following web link

<https://www.ixindia.com/pdf/Policy%20on%20Materiality%20&%20Dealing%20With%20Related%20Party%20Transactions.pdf>

**B. Details of Non Compliance by the Listed Entity, Penalties or strictures imposed on the listed entity by Stock Exchanges, SEBI or any statutory authority, on any matter related to the capital markets during the last three years.**

FY 2020-21	No non-compliance
FY 2019-20	During the year ended March 31, 2020, there was no non-compliance towards any statutory authority. However, National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) both imposed a penalty of ₹1.40 lakh each on the Company due to non-compliance with SEBI LODR Regulations. Your Company made submission/ representation to both the stock exchanges detailing the reasons for non-compliance. Post Company's representation, both NSE and BSE waived off the penalty imposed.
FY 2018-19	No non-compliance

**C. Whistle Blower Policy:**

As mentioned earlier in the Board report, the Company has established a Vigil Mechanism with a channel for receiving and redressing employees' complaints. No personnel in the Company has been denied access to the Audit Committee or its Chairman.

The Whistle Blower Policy has been disclosed on website of the Company and can be accessed through the following web link

<https://www.ixindia.com/pdf/Whistle%20Blower%20Anti%20Fraud%20Policy.pdf>

**D. Policy on Material Subsidiaries**

The Company has adopted a Policy on Material Subsidiary in line with the requirements of the Listing Regulations. The objective of this policy is to lay down criteria for identification

and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on Material Subsidiary is available website of the Company and can be accessed through the following web link

<https://www.ixindia.com/pdf/Policy-For-Determining-Material-Subsidiary-of-IEX.pdf>

**E. Mandatory Requirements:**

Your Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. Specifically, your Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and Regulation 46 of the Listing Regulations.

The Practicing Company Secretary's certificate regarding the compliance of conditions of Corporate Governance is attached as **Annexure 16** in this Report.

The Board periodically reviews compliance reports pertaining to all laws applicable to the Company, prepared by the Company as well as steps taken by it to rectify instances of non-compliances, if any.

Further, no funds were raised through preferential allotment or Qualified Institutional Placement as per the Regulation 32(7A) of Listing Regulations.

**F. Discretionary Requirements: (Part E of Schedule II)**

The Company has complied with the following non-mandatory and discretionary requirements as per Schedule II Part E of the SEBI Listing Regulations.

i. Shareholder rights

Quarterly financial results including the summary of significant events disseminated to stock exchanges are published in the newspaper and are also posted on the website of the Company and hence are available to all the shareholders.

ii. Modified opinion(s) in the audit report

The Company's financial statement for the year 2020-21 does not contain any audit qualification. The Company's audited financial statements are accompanied with unmodified opinion from the Statutory Auditor of the Company.

iii. Reporting of internal auditor

The internal auditors report directly to the Audit Committee and make presentations to the Audit Committee on their reports.



## G. Confirmation and Certification

On an annual basis, the Company obtains from each Director details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. The Company has obtained a certificate from M/s MNK and Associates LLP, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

## H. Management Discussion & Analysis:

The Management's Discussion and Analysis is covered in this Report.

## I. CEO/CFO Certification:

In terms of regulation 17(8) of the Listing Regulations, the CMD and the CFO made a certification to the Board of Directors in the prescribed format for the year at the review, which has been reviewed by the Audit Committees and taken on record by the Board. The same is attached as **Annexure 15**.

## J. Details of fees paid to Statutory Auditor

M/s B S R & Associates LLP, Chartered Accountants, (Firm Registration No. 116231W/W-100024) are the Statutory Auditors of the Company. Total fees paid by the Company and its subsidiaries, on consolidated basis to the Auditors including all entities in their network firm/ entity of which they are a part is given below:

Particulars	Amount in ₹ Lakh )
For audit	28.00
For reimbursement of expenses	1.81
For other services	14.50
<b>Total</b>	<b>44.31</b>

## K. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details have been disclosed in the Director's Report forming part of this Report.

## L. Code of Conduct for Prevention of Insider Trading and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information

With a view to regulate, monitor and report trading in securities

by the directors and designated persons, the Company has adopted a Code of Conduct for Prohibition of Insider Trading in accordance with requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013.

Further, the Company has also adopted the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information under the aforesaid SEBI Regulations for preserving the confidentiality of unpublished price sensitive information and preventing misuse of such information and also ensuring timely, fair and adequate disclosure of events and occurrences that could impact price discovery in the market for the Company's securities.

The aforementioned codes are placed on the website of the Company [www.iexindia.com](http://www.iexindia.com). Communications have been sent to all employees at regular intervals briefing them on the insider trading regulations provisions. Regular sessions on the Policy were conducted for all the employees giving insight on the law and recent changes.

## M. Code of Conduct

The Listing Regulations require listed companies to lay down a code of conduct for directors and senior management, incorporating duties of directors as laid down in the Act. Accordingly, the Company has a Board approved code of conduct for all Board members and Senior Management of the Company.

All Directors and senior management personnel of the Company have affirmed compliance with Company's Code of Conduct as approved and adopted by the Board of Directors for the financial year ended March 31, 2021 and a Declaration to this effect signed by the Managing Director and CEO has been annexed as **Annexure 15** to the Report. The Code of Conduct of the Company is available on the website of the Company and can be accessed through the following web link

<https://www.iexindia.com/pdf/Code%20of%20Conduct%20For%20Board%20Members%20And%20Senior%20Management%20Personnel.pdf>

## N. Details of Demat / Unclaimed Suspense Account:

There were no shares lying in the suspense account as on March 31, 2021(Pursuant to Regulation 34(3) and Schedule V Part F of the SEBI (LODR) Regulations, 2015).

## O. Dematerialization of shares and Liquidity:

The shares of the Company are tradable compulsory in dematerialized (electronic) form, and through KFin Technologies Private Limited, Registrar and Share transfer agent, we have

established connectivity with both the depositories viz. NSDL and CDSL. The bifurcation of the category of shares in physical and electronic mode as on March 31, 2021 is given below:

Category	No. of shareholders	% of Shareholders	Total Shares	% of Equity
PHYSICAL	4	0.00	2,01,610	0.07
DEMAT				
- NSDL	59,040	40.40	27,67,03,250	92.37
- CDSL	87,089	59.60	2,26,51,651	7.56
Sub-total	1,46,129	100	29,93,54,901	99.93
<b>Total:</b>	<b>1,46,133</b>	<b>100</b>	<b>29,95,56,511</b>	<b>100</b>

**P. Reconciliation of share capital audit:**

As stipulated by SEBI, a qualified company secretary carries out, on quarterly basis, reconciliation of share capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital and report thereon is submitted to BSE Ltd. and NSE Ltd., where the Company's shares are listed. Based on the Audit Report, it is certified that the total listed and issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

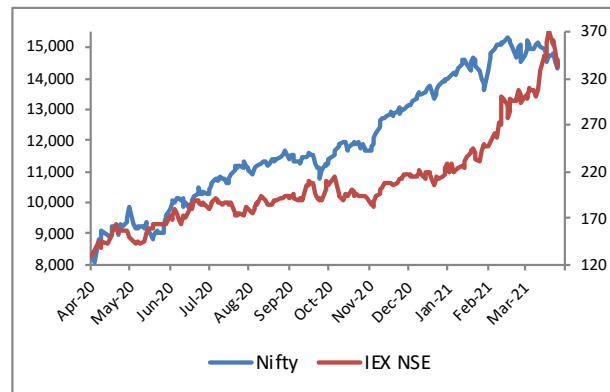
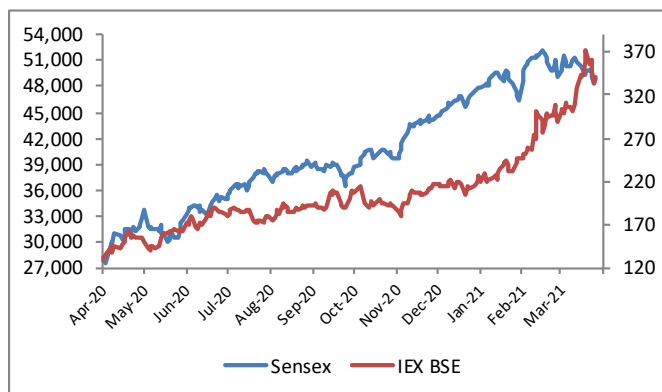
**Q. Month wise Stock Market data:**

High, low during each month and trading volumes of the Company's Equity shares during the last financial year at NSE & BSE are given below:

Period	NSE			BSE		
	Month's High in ₹	Month's Low in ₹	Number of shares traded during the month	Month's High in ₹	Month's Low in ₹	No. of shares traded during the month
Apr-2020	162.75	129.60	95,37,637	162.00	129.10	18,09,430
May-2020	164.75	141.75	1,77,04,969	164.80	141.45	48,97,473
June-2020	189.75	164.40	1,53,43,542	189.70	164.95	7,70,250
July-2020	190.95	172.90	1,65,00,399	190.85	172.60	6,98,844
August-2020	194.45	175.55	2,38,11,458	194.35	175.55	34,61,711
September-2020	211.00	188.70	4,48,53,653	211.05	188.65	1,63,20,710
October-2020	215.75	190.00	2,14,64,602	215.55	190.15	50,03,958
November-2020	217.70	181.25	1,48,96,711	212.60	181.30	16,42,247
December-2020	227.90	205.75	1,93,53,508	222.95	205.00	11,73,641
January-2021	248.35	220.20	2,84,04,874	248.10	219.75	22,74,818
February-2021	308.35	247.45	6,00,42,058	308.80	245.95	61,37,742
March-2021	370.90	297.45	7,63,29,701	371.70	289.80	54,27,370

## R. Share price performance in comparison to broad based indices:

Performance of the Company's closing price of shares vis-à-vis the Nifty and Sensex



## S. Distribution of Shareholding & Shareholding pattern as on March 31, 2021

Distribution of shareholding:

S. No	Category	No. of holders	% of holders	No. of Shares	% Equity
1	upto 1-5000	1,44,856	99.13	2,43,29,022	8.12
2	5001 - 10000	601	0.41	43,78,749	1.46
3	10001 -20000	307	0.21	42,38,446	1.41
4	20001 -30000	105	0.07	25,99,908	0.87
5	30001 -40000	43	0.03	14,67,317	0.49
6	40001 -50000	27	0.02	12,12,165	0.40
7	50001 - 100000	55	0.04	39,56,687	1.32
8	100001 & ABOVE	139	0.10	25,73,74,217	85.93
<b>Total</b>		<b>1,46,133</b>	<b>100</b>	<b>29,95,56,511</b>	<b>100</b>

Shareholding Pattern:

**INDIAN ENERGY EXCHANGE LIMITED**  
**Consolidated Shareholding Pattern As on March 31, 2021**

S. No	Category	Total Shares	% To Equity
1	FOREIGN PORTFOLIO - CORP	11,02,76,361	36.81
2	BODIES CORPORATES	6,23,27,398	20.81
3	MUTUAL FUNDS	4,53,04,539	15.12
4	RESIDENT INDIVIDUALS	3,44,75,854	11.51
5	QUALIFIED INSTITUTIONAL BUYER	1,69,82,454	5.67
6	ALTERNATIVE INVESTMENT FUND	1,24,31,943	4.15
7	FOREIGN CORPORATE BODIES	88,51,210	2.95
8	BENEFICIAL HOLDINGS UNDER MGT-4	25,36,190	0.85
9	NON RESIDENT INDIANS	19,54,393	0.65
10	CLEARING MEMBERS	12,53,983	0.43
11	H U F	11,81,666	0.39
12	EMPLOYEE TRUSTS	10,51,170	0.35
13	NON RESIDENT INDIAN NON REPATRIABLE	8,83,334	0.29
14	NBFC	17,500	0.01
15	TRUSTS	16,276	0.01
16	INDIAN FINANCIAL INSTITUTIONS	8,300	0.00
17	FOREIGN PORTFOLIO INVESTORS	3,850	0.00
18	BANKS	90	0.00
<b>TOTAL</b>		<b>29,95,56,511</b>	<b>100</b>



## ANNEXURE 15

### CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER CERTIFICATE

(Regulation 33(2) & Regulation 17(8) read with Part B of Schedule-II of SEBI (LODR) Regulations 2015)

To,  
 The Board of Directors  
 Indian Energy Exchange Limited  
 First Floor, Unit No. 1.14(a), Avanta Business Centre,  
 Southern Park, D-2, District Centre, Saket, New Delhi – 110017.

We, Satyanarayan Goel, Chairman & Managing Director and Vineet Harlalka, Chief Financial Officer of Indian Energy Exchange Limited, certify that: –

1. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2021 and that to the best of our knowledge and belief and certify that:
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2020-21, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Statutory Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Statutory Auditors and the Audit Committee:
  - significant changes in internal control over financial reporting during the year;
  - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Yours Sincerely  
 Sd/-  
**Satyanarayan Goel**  
 Chairman & Managing Director  
 Place: Noida  
 Date: 13 May 2021

Sd/-  
**Vineet Harlalka**  
 Chief Financial Officer & Company Secretary

#### Declaration by Chief Executive Officer under Regulation 34(3) read with Schedule V of SEBI (LODR) Regulations, 2015 in respect of compliance with the Company's Code of Conduct

This is to confirm that the members of Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of Indian Energy Exchange Limited, as applicable to them, for the Financial Year ended March 31, 2021.

Place: Noida  
 Date: 13 May 2021

Sd/-  
**Satyanarayan Goel**  
 Chairman & Managing Director

## ANNEXURE 16

### CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

To  
The Members  
Indian Energy Exchange Limited

**Registered Office:**

1st Floor, Unit No.1.14(a)  
Avanta Business Centre Southern Park  
D-2, District Centre, Saket  
New Delhi 110017.

**Corporate office:**

Plot No. C-001/A/A, 9th Floor,  
Max Towers Sector 16B  
Gautam Buddha Nagar Noida  
Uttar Pradesh-201301.

We have examined the compliance of conditions of Corporate Governance by Indian Energy Exchange Limited (the Company), for the year ended March 31, 2021 as stipulated in Regulation 17 to 27 of the SEBI (LODR) Regulations, 2015 (the Regulations) of the Company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the condition of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Delhi  
Date: 13 May 2021

**For MNK and Associates LLP**

*Company Secretaries*  
FRN: L2018DE004900

Sd/-

**Mohd. Nazim Khan**  
(Designated Partner)  
*Company Secretaries*  
FCS: 6529, CP: 8245  
UDIN: F006529C000271992

## ANNEXURE 17

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To  
The Members  
Indian Energy Exchange Limited

**Registered Office:**

1st Floor, Unit No.1.14(a)  
Avanta Business Centre Southern Park  
D-2, District Centre, Saket  
New Delhi 110017.

**Corporate office:**

Plot No. C-001/A/A, 9th Floor,  
Max Towers Sector 16B  
Gautam Buddha Nagar Noida  
Uttar Pradesh-201301.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s Indian Energy Exchange Limited having CIN: L74999DL2007PLC277039 and having registered office at Unit No. 3, 4, 5 & 6, Fourth Floor, TDI Centre Plot No. 7, District Centre, Jasola New Delhi - 110025 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Satyanarayan Goel	02294069	21/01/2014
2.	Thomas Chacko Kayyalathu	02446168	21/05/2012
3.	Sudha Pillai	02263950	26/04/2019
4.	Tejpreet Singh Chopra	00317683	05/03/2019
5.	Gautam Dalmia	00009758	20/12/2018
6.	Amit Garg	06385718	14/05/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Delhi  
Date: 13 May 2021

**For MNK and Associates LLP**

*Company Secretaries*

FRN: L2018DE004900

Sd/-

**Mohd. Nazim Khan**

(Designated Partner)

*Company Secretaries*

FCS: 6529, CP: 8245

UDIN: F006529C000271981

# Business Responsibility Report

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

## Section A:

### General Information about The Company

S. No	Particulars	Details
1.	Corporate Identification Number (CIN) of the Company	L74999DL2007PLC277039
2.	Name of the Company	Indian Energy Exchange Limited
3.	Registered Address	1st Floor, Unit No.1.14(a), Avanta Business Centre Southern Park, D-2, District Centre, Saket New Delhi 110017, India. Tel. No. +91-011-3044 6511
4.	Website	www.iexindia.com
5.	Email Id	iexsecretarial@iexindia.com
6.	Financial Year Reported :	2020-21
7.	Sector that the Company is engaged in (industrial Activity code wise):	Company is a Power Exchange, regulated by the Central Electricity Regulatory Commission (CERC), provides an automated platform for trading of electricity and related products.  Section K: Financial and Insurance Activities, Division 66: Other Financial Activities, Administration of Financial Markets,  NIC Code – 66110
8.	List three key products/services that the Company manufactures/provides (as in balance sheet) :The Company has only one Business.  Business: Power Exchange	The Company is engaged in Business of Power Exchange and provides following services-  The Company enables trading and price discovery of electricity and related products with risk management for participants of the electricity market.
9.	Total number of locations where business activity is undertaken by the Company:	
	(a) Number of International Locations (Provide details of major 5)	(a) Not Applicable, the Company serves only in India.
		(b) Two
	(b) Number of National Locations:	<b>1. Corporate Office</b> Plot No. C-001/A/1, 9th Floor, Max Towers Sector-16B, Gautam Buddha Nagar, Noida- 201301 Uttar Pradesh, India  <b>2. Mumbai Office-</b> Unit no -904, 905, 906 & 911, 912, 9th Floor, Meadows, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri (E), Mumbai 40005 Maharashtra, India
10	Markets served by the Company	
		Local                      National                      International
		√                              √                              X



**Section B:****Financial Details of The Company (as per the Financial Statement for the FY 2020-21)**

S. No	Particulars	Details
1.	Paid up Capital (in Rs. Lakh) :	2,995.56
2.	Total Turnover (in Rs. Lakh) :	35,738.55
3.	Total profit after taxes (in Rs. Lakh) :	21,348.82
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) :	During FY21 the Company spent more than 2% of the average net profit of the Company for the last three financial years on CSR. (For details refer annexure-10).
	List of activities in which expenditure in 4 above has been incurred:-	
5.	(a)	Promoting Research, and Education
	(b)	Promoting Healthcare including preventive Health
	(c)	Promoting Heritage and Culture

**Section C:****Other Details****1. Does the Company have any Subsidiary Company/Companies:**

Yes (for details of subsidiary, please refer to Annexure 1 (Form AOC-1) of the Director's Report, forming part of this Annual Report)

**2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):**

No, Subsidiary Company does not participate in BR initiatives as of now.

**3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:**

Not Applicable

**Section D:****BR Information****1. Details of Director/Directors responsible for BR**

Details of the Director/Directors responsible for implementation of the BR policy/policies:

DIN	02294069
Name	Mr. Satyanarayan Goel
Designation	Chairman Cum Managing Director

**a) Details of the BR head**

1.	DIN Number	02294069
2.	Name	Mr. Satyanarayan Goel
3.	Designation	Chairman Cum Managing Director
4.	Telephone Number	0120-4648100
5.	E mail ID	sngoel@iexindia.com

## 2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible

### (a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for... <sup>§</sup>	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?*	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?#	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?##	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?@	Y	Y	Y	Y	Y	Y	Y	Y	Y

<sup>§</sup> These policies are either available on the website of the Company/on the intranet (available to employees). These policies have also been formally communicated to relevant key stakeholders.

\* All the policies have been formulated in accordance with guidelines issued by the Ministry of Corporate Affairs, Securities Exchange Board of India and the legal stipulations governing them and/or in consultation with the Management of the Company.

\*\* Policies are formulated ensuring adherence to the applicable laws of the country. Further, IEX Environment Policy also conforms to ISO 14001 and the Standard Operating Procedure conforms to ISO – 9001, ISO- 27001.

# The policy(ies) are approved by the Board of Directors/Committee of the Board of Directors/Senior Management of the Exchange.

## The Board has appointed Mr. Satyanarayan Goel, Chairman Cum Managing Director, to oversee the implementation of various policy(ies) formulated by the Company.

@ Presently the evaluation of the working of policies is generally done through internal mechanism.

The web-links of the policies as available on the website of the Company are as follows:

Code of Conduct for Board of Directors and Senior Management Personnel	<a href="#">Click here</a>
Rules, Business Rules & Bye laws of the Company	<a href="#">Click Here</a> <a href="#">Click Here</a> <a href="#">Click Here</a>
Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Prohibition of Insider Trading	<a href="#">Click Here</a>
Whistle Blower Anti-Fraud Policy	<a href="#">Click Here</a>
Policy Disclosure of Material Events and Information	<a href="#">Click Here</a>
Corporate Social Responsibility Policy	<a href="#">Click Here</a>
Guidelines for Policy Advocacy	<a href="#">Click Here</a>

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									Not Applicable
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

### 3. Governance related to BR

- a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

The Board of Directors review the compliance of various policies on a regular basis and consolidated review is done by the Board annually.

- b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The BRR forms part of Annual Report for the Financial year 2020-21, which can be viewed at the website of the company [www.ixindia.com](http://www.ixindia.com)

## Section E:

### Principle-Wise Performance

#### Principle 1: Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery, and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/NGOs /Others? Your Company is committed to achieve the highest standard of professionalism, transparency, ethics and integrity in its dealing with all its stakeholders.

The Company has well-defined policies covering ethics, corruption, bribery, etc. which focus on the foundation of ethics,

policies, processes, and practices that ensure high standards of accountability and transparency. The policies extend to all the stakeholders of the Company. The Company ensures compliance of ethical standards by its vendors and contractors through appropriate clauses in the agreements entered with them.

2. **How many stakeholder complaints have been received in the past fiscal year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

Complaints	No. of Complaints received	No. of Complaints resolved	% of Complaints resolved
Shareholders Complaints*	8	8	100%

\*All the complaints were related to non-receipt of annual report, corporate actions, notices, dividend queries etc.

### **Principle 2: Safety and Sustainability of Goods and Services**

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities. (text from this can be used as above)**

The Company is a Power Exchange and provides a trading platform for trading of Electricity and related products. The Exchange allows participants to trade in Electricity including renewable electricity, Renewable Energy Certificates (RECs), and ESCerts (Energy Saving Certificates) and enables efficient price discovery. The platform increases the accessibility and transparency of the power market in India and enhances the speed and efficiency of trade execution. Transparency, Liquidity, Efficiency and Competition are the four hallmarks of IEX.

#### **a. Electricity Market (EM)**

The Electricity market involves physical delivery of electricity through the day-ahead market, Real Time market, term ahead market including Intra Day, Day-Ahead Contingency, Daily, and Weekly Contracts and Green Term Ahead market including Green-Intraday, Green-Day-ahead Contingency (DAC), Green-Daily and Green-Weekly Contracts.

The Market operates on a 24X7 basis through 365 days of the year. The day ahead market (or DAM) offers a great degree of flexibility to both distribution utilities as well as Commercial & Industrial (C&I) Consumers. The market offers participants to trade in standardized and structured contracts; with a choice of trading in 96 contracts of 15-minute time blocks in a 24-hour period; a double-sided anonymous auction bidding process; robust, scalable and user-friendly trading technology with compatible software to handle complex bid structures; transmission Congestion management and risk management, and delivery of electricity for the next day.

Real Time Market (RTM) launched on 1st June, 2020 features a new auction session every half an hour with power to be delivered after 4-time blocks or an hour after gate closure of the auction. The energy is traded closer to real time. RTM has created a value proposition to both buyer and seller. Similarly, G-TAM is a new market segment launched on 21st Aug, 20 to facilitate accomplishment of national renewable energy capacity addition and effective integration of green energy in the country. The price and quantum of electricity traded is determined by Continuous trading in G-Intraday, G-DAC and G-Daily; whereas by open auction bidding process for G-Weekly.

The Electricity Market operated by IEX offers a unique value proposition to our participants i.e. ensuring competitive price discovery, transparency, and giving flexibility to our buyers, especially the Distribution utilities and industrial consumers, to purchase varying quantum during different times of the day thereby assisting them in managing their demand and supply in the most efficient way. The market also facilitates merit order operation of the generating units thereby promoting efficient use of fuel and optimizing the overall cost of system operation.

#### **b. Renewable Energy Certificates (RECs)**

The Exchange provided an opportunity to trade renewable energy certificates (1 MW-hour of power produced from a renewable energy source). RECs are market-based instruments classified into solar RECs and non-solar RECs, representing the environmental attributes of electricity generated from renewable resources. They enable the sale of environmental attributes, separately from the accordance with the regulations issued by the CERC. This contract made it possible for distribution utilities, C&I consumers, captive consumers to buy renewable energy through certificates if they had not been able to meet their renewable energy consumption proportion, REC enhanced convenience and made it possible for people to turn 'green' through the click of a button, circumventing power scheduling issues.

Further, the market has greatly facilitated the development of renewable energy capacity in the country.

**c. Energy Saving Certificates (ESCs)**

The Exchange launched Energy Saving Certificates for trading in September 2017. This market-based instrument was created under the Perform Achieve Trade (PAT) scheme of the Bureau of Energy Efficiency (BEE) under the Ministry of Power, Government of India. Under the PAT scheme, consumers in energy-intensive industries and sectors were identified and were required to reduce their specific energy consumption for every compliance period in accordance with specified targets. Consumers doing better than their targets are issued ESCerts (tradable on the Exchange) and consumers unable to meet their targets are required to buy ESCerts. ESCerts are only permitted to be traded through power exchanges. This model has incentivized carbon footprint reduction in India.

In the ESCerts Market segment, the Member transacting on behalf of others can have Designated Consumer willing to trade ESCerts as Client. Such Client is known as DC Client. ESCert Market operates in accordance with the procedures issued by Central Agency/Commission for trading of ESCerts. This market segment will typically cover Energy Savings certificates, distinguished by their vintage as issued by the concerned authority, and will have validity for a specific cycle. Currently, the trading is stopped in ESCerts since PAT Cycle 1 has already culminated.

Trading in ESCERTs greatly improved energy efficiency focus in the Indian Industry. IEX became the first and only Power Exchange to commence trading in ESCerts on 26 September 2017 PAT Cycle-II is expected to happen in FY 22.

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):**

- a. Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?

**Not Applicable**

- b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

**Not Applicable**, however,

- i. Exchange has clearly defined the types of contracts under different market segments of Day Ahead Market (DAM), Real Time Market (RTM), Term Ahead Market Segment (TAM), Green Term Ahead Market (GTAM), Renewable Energy Certificate (REC) and Energy Saving Certificates (ESCs) in its Business Rules which has been approved by the Regulator and also in exchange circulars. IEX has created a marketplace for its products with a sustained product lifecycle.
- ii. IEX as a platform for optimizing sourcing of power has helped its customers in optimizing & efficient utilization of power resources.
- iii. In creating a market, IEX has helped transfer power from an area of surplus to an area of deficit. The exchange of power addresses natural resource security. IEX has created a possibility that henceforth deficits may not need to result in outages and could be addressed with timely purchases that would also enhance national interest.
- iv. IEX helps its customers to address their needs and thereby indirectly helping to strengthen the sustainability of the products traded on the exchange platform. This helps in utilizing whatever has been generated and minimizes wastage but transacted, this would ensure that finite resources that had gone into the generation would be completely used, the basis of any responsible society.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)?**

**Not Applicable**, as Exchange is providing a trading platform that facilitates online trading of power, environmental & efficiency attributes. As such, it is providing service and not physical products.

- a. If yes, what percentage of your inputs were sourced sustainably? Also, provide details thereof, in about 50 words or so

**Not Applicable**



4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

**Not Applicable**

- a. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

**Not Applicable**

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

**Not Applicable** as the Company provides an online platform for its members to trade there is no direct waste generated by the Company except computers, servers, etc and the e-waste generated due to old computers and equipment are recycled by certified e-waste vendors

### **Principle 3: Well Being of All Employees:**

1. **Please indicate the Total number of employees.**

As at March 31, 2021 – 152 (as mentioned in Director report Annexure 6) (including Trainees & Probationary employees)

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

As at March 31, 2021 – 10 (Ten)

3. **Please indicate the Number of permanent women employees.**

As at March 31, 2021 – 23 (Twenty Three)

4. **Please indicate the Number of permanent employees with disabilities**

As at March 31, 2021 – 1 (One)

5. **Do you have an employee association that is recognized by management?**

No

6. **What percentage of your permanent employees is members of this recognized employee association?**

Not Applicable

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last fiscal year and pending, as on the end of the financial year.**

Category	No. of Complaints received	No. of complaints pending as on end of the fiscal year
Child labour/forced labour/ involuntary labour	Nil	Nil
Sexual harassment	Nil	Nil
Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

i	Permanent Employees	60%
ii	Permanent Women Employees	80%
iii	Casual/Temporary/Contractual Employees	10%
iv	Employees with Disabilities	100%

### **Principle 4: Protection of Stakeholders' Interest:**

1. **Has the company mapped its internal and external stakeholders? Yes/No**

Yes, the exchange regularly interacts with its stakeholders and has mapped its key stakeholders i.e. Members, employees, market participants that include electricity generators, electricity distribution companies, and large electricity consumers, shareholders and investors, electricity regulatory authorities, suppliers, vendors, etc.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable, and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

The Company acknowledges and believes that it has a strong role to play in giving back to the communities and stakeholders it works with. Guided by the Corporate Social Responsibility Policy, the Company reaches out to stakeholders who are socially disadvantaged, vulnerable, and marginalized. The Company takes particular attention in ensuring that the initiatives are designed to provide adequate help and relief to the stakeholders.

**Principle 5: Respecting and Promoting Human Rights**

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Yes, the exchange adheres to all the defined human right laws and guidelines and respects the human rights of all its members/clients, employees etc. and upholding the dignity of the individual.

2. **How many stakeholder complaints have been received in the past fiscal year and what percent was satisfactorily resolved by the management?**

Complaints	No. of Complaints received	No. of Complaints resolved	% of Complaints resolved
Nil	Nil	Nil	Nil

**Principle 6: Respecting and Protecting the Environment**

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

The policy covers all the stakeholders.

Complaints	No. of Complaints received	No. of Complaints resolved	% of Complaints resolved
Nil	Nil	Nil	Nil

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Not Applicable

3. **Does the company identify and assess potential environmental risks? Y/N**

Yes., The company is ISO 14001 certified. As a part of the ISO framework, the environmental management best practices are deployed at the organization.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

No.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

- Promoting of Renewable Energy Certificates (RECs).
- Disposal of E-waste of the Company IT assets in an environment-friendly manner through government certified agency.
- Digitization: IEX promotes digitization initiatives, these initiatives help to save paper.
- The company is trying to bring products related to Renewable energy at its platform, which are pending for regulatory approval.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the fiscal year being reported?**  
Not Applicable
7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Fiscal year.**  
Not Applicable

#### **Principle 7: Public and Regulatory Policy**

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**  
Yes, the Exchange is member of the following trade and chambers or associations:
  - a. APEX (Association of Power Exchanges- an association of power exchanges worldwide)
  - b. FICCI
  - c. CII
  - d. ASSOCHAM
  - e. PHD Chambers of Commerce
  - f. Bangalore Chamber of Industrial Commerce
2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**  
Yes, the Exchange has advocated through above mentioned associations for reforms in the energy sector by establishing competitive markets.

#### **Principle 8: Inclusive Growth and Equitable Development**

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Yes, as a responsible corporate citizen, the Exchange contributes to the society beyond its core business. The CSR initiatives undertaken by the Exchange over the last four years have impacted thousands of lives – children, youth, women, and the elderly, in socially meaningful and beneficial ways. The CSR Policy of the Exchange aims to address social issues in the ambit of education and research; healthcare; environmental sustainability; economic empowerment; social development; restoration, protection, conservation and promotion of national heritage, art and culture; and support to national relief and rehabilitation measures.

During the fiscal year 20-21, the CSR initiatives of the Exchange covered thematic areas such as: culture & heritage, healthcare, education and research as defined under Schedule VII of the Companies Act 2013. The initiatives under these areas were spread across three states – Uttar Pradesh, Delhi-NCR and Madhya Pradesh and covered about 16 Districts. We partnered with Sabhyata Foundation for culture and heritage, IIT-Kanpur for education and research and Help-Age India for healthcare interventions.

As the nation faced an unprecedented Covid-19 crisis, support and solidarity from citizens as well as corporates during these testing times was crucial in supplementing the various efforts being undertaken by the Government of India. The Exchange contributed Rs. 500 Lakh to The Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) to support relief measures in the fight against COVID 19.

To promote culture and heritage, the Exchange partnered with Sabhyata Foundation to develop Visitor Center at Red Fort in an old British barrack dated 19th century. The Barrack is being restored to its original glory through conservation activities. The Visitor Centre curates experiences such as: 360° immersive show, augmented reality, interactive photo-op & souvenir shop

etc. for the visitors and tourists visiting the Red fort monument. The newly curated sound and light show at the monument will be at par with the best global experiences elsewhere in the world.

To promote access to basic healthcare for the elderly and communities, the Exchange supported Mobile Healthcare Unit (MHU) in 32 villages of Satna district in Madhya Pradesh in partnership with HelpAge India. The research revealed that Satna district had low levels of access to basic healthcare facilities and this initiative provided access to healthcare to the communities, especially the elderly, women, and children. In total, more than 20,000 patients were treated through the year by the MHU and 3,726 new patients were registered.

Besides the above-mentioned interventions, the Exchange has a collaboration agreement with the Indian Institute of Technology at Kanpur (IIT-Kanpur) to support research and analytics in the energy sector through Energy Analytical Lab (EAL) established at IIT- Kanpur. The EAL Portal <https://eal.iitk.ac.in/> has been operational since September'18 and provides meaningful data analytics through visualization tools such as System dashboard, Power Market dashboard, and Energy balance dashboard in addition to various learning tools and power market chronicles.

**2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organization?**

The in-house team of the Exchange undertakes CSR projects through external NGOs. The external NGOs identified for partnerships are credible grass root- level organizations, selected for partnership only after a thorough due diligence process involving credibility assessment, resources, and project delivering capabilities. IEX enters into a well-defined MOU that clearly underlines the project budget, objectives, deliverables, timelines, monitoring parameters with well-identified resources and responsibilities.

**3. Have you done any impact assessment of your initiative?**

The CSR projects undertaken by the Company are rigorously reviewed, monitored, and assessed by the exchange, through its own team together with NGO partners.

**4. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?**

Manner in which the CSR amount was spent during fiscal year ending March 31, 2021.

CSR Project or activity identified	Cumulative expenditure up to the reporting period (in Rs. lakh)
PM Cares Relief Fund	500.00
Visitor Centre at Red Fort Delhi through Sabhayata Foundaton	415.00
Energy Analytics Lab - through Indian Institute of Technology, Kanpur	12.00
Provision of health care services to elderly disabled and under-privileged community - through Helpage India at Madhya Pradesh, Satna district	19.84
<b>Total</b>	<b>946.84</b>

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

The various CSR initiatives undertaken by the Exchange have indeed been successfully adopted by the community. For instance, the mobile healthcare unit (MHU) in Madhya Pradesh has been providing timely and regular healthcare needs to elderly, women and community at large across 32 Villages in Madhya Pradesh. In total, more than 20,000 patients were treated through the year by the MHU and 3,726 new patients were registered. With a vision to promote and preserve the rich Indian art, culture and heritage, the Exchange has partnered with the Sabhyata Foundation for developing a Visitor Center at Red Fort in an old British barrack dated 19th century.

**Principle 9: Engaging and Enriching Customer Value:**

1. **What percentage of customer complaints/consumer cases are pending as on the end of fiscal year?**  
Nil
2. **Does the company display product information on the product label, over and above what is mandated as per local laws?**  
**Yes/No/N.A. /Remarks (additional information)**  
Not Applicable
3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of fiscal year? If so, provide details thereof, in about 50 words or so.**  
No
4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**  
Yes, we interact with our clients on a regular basis across multiple platforms and periodically conduct customer survey.



# Financial Statements

EQUITY  
Institution

25,305	1,355,000
20,620	30,500
1,698,625	20,300
2,770,836	1,587,400
	2,289,410

32,062	30,653
112,000	92,756
255,000	175,416
35,260	28,445
434,322	327,270

# Standalone Financial Statements

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## INDEPENDENT AUDITORS' REPORT

To

The Members of Indian Energy Exchange Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of Indian Energy Exchange Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Revenue Recognition- Refer to the significant accounting policies on "Revenue" in Note 3.7 to the Standalone Financial Statements and "Revenue from operations" in Note 29 to the Standalone Financial Statements.

##### The key audit matter

The Company being an electricity exchange is regulated by the Central Electricity Regulatory Commission (CERC). The CERC has issued regulations, which govern the working of the exchange and exchange activities are regularly monitored by the CERC. Accordingly, revenue earned in respect of electricity traded on the exchange and related services is governed by rules framed by CERC.

The Company also earns revenue by means of membership and subscription fee charged to its members.

Revenue in respect of electricity traded on the exchange and related services is derived from customers who settle within the agreed terms and conditions as laid down by the CERC and the related bylaws of the Company.

##### How the matter was addressed in our audit

###### Our audit procedures included the following:

- Assessing the design and implementation of key internal financial controls over recognition of revenue.
- Carrying out the test of operating effectiveness of above-mentioned controls.
- Testing on a sample basis the revenue recognized with the amounts invoiced to customers and the subsequent receipt of payment from those customers.
- Comparing the fee charged for electricity traded (buy/sell) on the exchange with the per unit rates that have been agreed with the respective members.
- In respect of a significant portion of the revenue related to electricity traded on the exchange, compared the data on volume traded with the figures mentioned in the monthly reports published by CERC.
- Testing subsequent settlement of receipts/ payments due from/ to customers arising out of trades done before the year-end.

## INDEPENDENT AUDITORS' REPORT

### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as required under applicable laws and regulations.

### Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone

## INDEPENDENT AUDITORS' REPORT

financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report)

Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

#### 2. (A) As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
- e. On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act; and
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

#### (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 40 to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;



## INDEPENDENT AUDITORS' REPORT

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

**(C) With respect to the matter to be included in the Auditors' Report under section 197(16):**

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.:116231W/W-100024

Sd/-

**Manish Kapoor**

*Partner*

Membership No. 510688

UDIN: 21510688AAAAAU3121

Place: New Delhi

Date: 13 May, 2021

## INDEPENDENT AUDITORS' REPORT

### Annexure A referred to in our Independent Auditors' report to the members of Indian Energy Exchange Limited on the standalone financial statements for the year ended 31 March 2021

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified at least once every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. According to information and explanations provided to us a physical verification of the Company's fixed assets was carried out during the year and the discrepancies noticed on such verification were not material.
- (c) According to the information and explanations given to us, the Company does not hold any immovable property in its name. Accordingly, para 3(i)(c) of the Order is not applicable to the Company.
- II. The Company is a service company and accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- III. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.
- IV. According to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investments made by it. Further, according to the information and explanations given to us, the Company has not given any loan or provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013.
- V. According to the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, para 3(v) of the Order is not applicable to the Company.
- VI. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the service rendered by the Company. Accordingly, para 3(vi) of the Order is not applicable.
- VII. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-tax, Goods and Services tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the provisions of Employees' State Insurance and Duty of customs are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Services tax, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no amounts in respect of dues of Income tax, Goods and Services tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.
- VIII. The Company has not defaulted during the year in repayment of borrowings from banks. The Company did not have any outstanding dues to any financial institution or the government and did not have any outstanding debentures during the year.
- IX. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year.
- X. According to the information and explanation provided to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- XI. According to the information and explanation given to us and based on our examination of the records

## INDEPENDENT AUDITORS' REPORT

of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

XII. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

XIV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, para 3(xiv) of the Order is not applicable to the Company.

XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

XVI. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.:116231W/W-100024

Sd/-

**Manish Kapoor**

*Partner*

Membership No. 510688

UDIN: 21510688AAAAAU3121

Place: New Delhi

Date: 13 May, 2021

## INDEPENDENT AUDITORS' REPORT

### Annexure B to the Independent Auditors' report on the standalone financial statements of Indian Energy Exchange Limited for the year ended 31 March 2021.

*Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013*

*(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)*

#### Opinion

We have audited the internal financial controls with reference to financial statements of Indian Energy Exchange Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### Management's and Board of Directors' Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted

our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally

## INDEPENDENT AUDITORS' REPORT

accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

### Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or

improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.:116231W/W-100024

Sd/-

**Manish Kapoor**

*Partner*

Place: New Delhi

Date: 13 May, 2021

Membership No. 510688

UDIN: 21510688AAAAAU3121



# STANDALONE BALANCE SHEET AS AT 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

	Note No.	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1,421.24	847.04
Capital work-in progress	4	-	2.55
Right-of-use assets	4(a)	1,037.07	1,331.21
Other intangible assets	5	9,034.18	9,717.91
Intangible assets under development	5	647.66	96.01
<b>Financial Assets</b>			
Investments	6	15,131.57	20,674.94
Loans	7	118.75	46.08
Other financial assets- bank deposits	8	202.09	202.50
Non-current tax assets (net)	9	71.98	20.88
Other non-current assets	10	59.68	39.19
<b>Total non-current assets</b>		<b>27,724.22</b>	<b>32,978.31</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	11	55,872.92	30,678.12
Trade receivables	12	319.55	18.54
Cash and cash equivalent	13	4,522.82	1,247.65
Other Bank balance	14	3,214.57	1,478.24
Loans	15	183.78	207.31
Other financial assets- Other recoverable	16	113.85	33.57
Other current assets	17	768.10	169.15
<b>Total current assets</b>		<b>64,995.59</b>	<b>33,832.58</b>
<b>TOTAL ASSETS</b>		<b>92,719.81</b>	<b>66,810.89</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	2,985.04	2,983.24
Other equity	19	50,155.13	36,031.74
<b>Total equity</b>		<b>53,140.17</b>	<b>39,014.98</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities		1,000.86	1,169.62
Other financial liabilities	20	146.35	191.57
Provisions	21	669.52	570.88
Deferred tax liabilities (net)	22	2,698.21	2,441.57
Other non-current liabilities	23	8.29	17.57
<b>Total non-current liabilities</b>		<b>4,523.23</b>	<b>4,391.21</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities		172.29	221.34
Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	24	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		16,454.40	7,555.24
Other financial liabilities	25	16,169.50	13,720.38
Current tax liabilities (net)	26	422.78	264.53
Provisions	27	9.97	8.93
Other current liabilities	28	1,827.47	1,634.28
<b>Total current liabilities</b>		<b>35,056.41</b>	<b>23,404.70</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>92,719.81</b>	<b>66,810.89</b>
Significant accounting policies	3		

The accompanying notes referred to form an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W /W-100024

Sd/-

**Manish Kapoor**

Partner

Membership No.: 510688

UDIN: 21510688AAAAU3121

Place : New Delhi

Date : 13 May, 2021

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Sd/-

**Vineet Harlalka**

Chief Financial Officer &  
Company Secretary

Place : Noida

Date : 13 May, 2021

# STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

	Note No.	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Revenue</b>			
Revenue from operations	29	31,711.38	25,703.11
Other income	30	4,027.17	4,012.11
<b>Total revenue</b>		<b>35,738.55</b>	<b>29,715.22</b>
<b>Expenses</b>			
Employee benefits	31	3,897.76	3,252.57
Finance costs	32	205.48	156.56
Depreciation and amortisation	33	1,585.55	1,524.24
Other expenses	34	1,870.23	2,003.22
<b>Total expenses</b>		<b>7,559.02</b>	<b>6,936.59</b>
<b>Profit before tax</b>		<b>28,179.53</b>	<b>22,778.63</b>
<b>Tax expense</b>	35		
Current tax		6,577.47	4,957.95
Current tax for earlier periods		5.17	15.30
Deferred tax charge	22	248.07	13.77
<b>Total income tax expense</b>		<b>6,830.71</b>	<b>4,987.02</b>
<b>Profit for the year (A)</b>		<b>21,348.82</b>	<b>17,791.61</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss (net of tax)			
- Re-measurement gain/(loss) on defined benefit obligations	37	34.03	(53.61)
- Income tax relating to above		(8.57)	13.49
<b>Other comprehensive income/ (loss) for the year, net of income tax (B)</b>		<b>25.46</b>	<b>(40.12)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>21,374.28</b>	<b>17,751.49</b>
<b>Earnings per equity share [face value Rs. 1/- per share] (refer to note 18 (a))</b>	36		
Basic (Rs.)		7.15	5.96
Diluted (Rs.)		7.15	5.96
Significant accounting policies	3		

The accompanying notes referred to form an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W /W-100024

Sd/-

**Manish Kapoor**

Partner

Membership No.: 510688

UDIN: 21510688AAAAAU3121

Place : New Delhi

Date : 13 May, 2021

For and on behalf of the Board of Directors of  
**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 13 May, 2021

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary

# STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>A. Cash flows from operating activities</b>		
Profit before tax	28,179.53	22,778.63
Adjustments for:		
Depreciation and amortisation	1,585.55	1,524.24
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	22.79	21.02
Interest expenses on overdraft, lease liability and others	182.69	135.54
Amortisation of deferred rent on security deposit	-	5.02
Loss on sale/write off of property, plant and equipment ('PPE')	19.17	1.85
Employee stock option scheme expense	27.93	46.70
Interest income from bank deposits	(159.26)	(124.26)
Interest income from financial assets at amortised cost	(55.81)	(33.06)
Amortisation of deferred settlement guarantee fund	(24.27)	(21.88)
Fair value gain on investments	(2,677.87)	(2,490.58)
Net gain on sale of investments	(634.33)	(1,256.60)
Provision/liabilities no longer required written back	29.82	-
Other interest income	(113.20)	(29.58)
<b>Operating profit before working capital changes</b>	<b>26,382.74</b>	<b>20,557.04</b>
Adjustments for:		
(Increase)/decrease in trade receivables	(301.01)	4,570.11
(Increase)/ decrease in loans, other financial assets and other assets	(660.84)	(150.55)
Increase/ (decrease) in trade payables, other financial liabilities, provisions and other liabilities	11,491.06	(7,285.83)
<b>Cash generated from operating activities</b>	<b>36,911.95</b>	<b>17,690.77</b>
Income tax paid	(6,475.49)	(4,903.31)
<b>Net cash generated from operating activities</b>	<b>30,436.46</b>	<b>12,787.46</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, plant and equipment and other intangible assets	(1,646.39)	(490.44)
Maturity/( investment) of / (in) bank deposits including unpaid dividend (net)	(1,701.66)	(4.11)
Inflow/ (outflow) from sale / (purchase) of investments (net)	(16,255.55)	(139.16)
Interest received on bank deposits	125.00	127.65
Interest income from investments	29.55	29.58
<b>Net cash flow from/ (used in) investing activities</b>	<b>(19,449.05)</b>	<b>(476.48)</b>
<b>C. Cash flows from financing activities</b>		
Interest expenses on overdraft, lease liability and others	(63.48)	(84.04)
Principal repayment of lease liability	(258.76)	(197.00)
Interest paid on lease liability	(112.98)	(53.70)
Proceeds from profit earned by ESOP trust on exercise of stock option by the employees	192.66	88.38
Proceeds from issue of shares on exercise of stock option	1.80	1.36
Dividend paid (net of dividend received (net of tax) by ESOP trust)	(7,471.48)	(7,460.12)
Amount paid for buyback	-	(6,900.00)
Corporate dividend tax paid	-	(1,539.72)
<b>Net cash used in financing activities</b>	<b>(7,712.24)</b>	<b>(16,144.84)</b>
<b>D Net (decrease) / increase in cash and cash equivalents during the year (A+B+C)</b>	<b>3,275.17</b>	<b>(3,833.86)</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>1,247.65</b>	<b>5,081.51</b>
<b>F. Cash and cash equivalents as at the end of the year (D+E)</b>	<b>4,522.82</b>	<b>1,247.65</b>

# STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021 (CONT...)

(All amounts in Rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Notes:</b>		
(i) Cash and cash equivalents consists of the following		
<b>Cash and cash equivalents as at the end of the year</b>		
Balance with banks		
In current accounts	724.34	389.12
In settlement accounts	3,798.48	858.53
	<b>4,522.82</b>	<b>1,247.65</b>

(ii) As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility ("CSR") committee has been constituted by the Company and during the year an amount of Rs. 420.00 (31 March 2020: Rs. 389.04 ) has been spent by the Company on CSR activities.

(iii) The Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act 2013, read with the relevant rules thereunder.

The accompanying notes referred to form an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W /W-100024

Sd/-

**Manish Kapoor**

Partner

Membership No.: 510688

UDIN: 21510688AAAAAU3121

Place : New Delhi

Date : 13 May, 2021

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 13 May, 2021

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary

# STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## (A) Equity share capital

Particulars	Note No.	Number of shares	Amount
Opening as at 01 April 2019		298,189,291	2,981.89
Add: Equity stock option exercised during the year	18 (f)	135,650	1.35
Balance as at 31 March 2020		298,324,941	2,983.24
Add: Equity stock option exercised during the year	18 (f)	180,400	1.80
Balance as at 31 March 2021		298,505,341	2,985.04

## (B) Other equity

Particulars	Note No.	Securities premium	General reserve	Retained earnings	Employee stock options outstanding account	ESOP Trust reserve #	Capital redemption reserve	Total
Opening as at 01 April 2019		3,196.94	3,018.72	27,114.31	44.72	633.02	-	34,007.71
Profit for the year		-	-	17,791.61	-	-	-	17,791.61
Re-measurement gain/(loss) on defined benefit obligations (net of tax)		-	-	(40.12)	-	-	-	(40.12)
<b>Total comprehensive income for the year</b>		-	-	<b>17,751.49</b>	-	-	-	<b>17,751.49</b>
<b>Transactions with owners in their capacity as owners:</b>								
Employee stock options expense	19 (c)	-	-	-	46.70	-	-	46.70
Profit/ Loss on issue of shares to employees #	19 (e)	-	-	-	-	88.38	-	88.38
Interim dividend paid on equity shares	19 (d)	-	-	(7,488.91)	-	-	-	(7,488.91)
Dividend on shares held by ESOP Trust	19 (e)	-	-	-	-	28.79	-	28.79
Dividend distribution tax on dividend on equity shares	19 (d)	-	-	(1,539.72)	-	-	-	(1,539.72)
Transfer to ESOP trust reserve #	19 (e)	-	-	(36.59)	-	36.59	-	-
Buy back of equity shares	19 (a)(b)(d)	(3,196.94)	(3,018.72)	(647.04)	-	-	-	(6,862.70)
Transfer to capital redemption reserve	19 (d)	-	-	(37.30)	-	-	37.30	-
<b>Balance as at 31 March 2020</b>		-	-	<b>35,116.24</b>	<b>91.42</b>	<b>786.78</b>	<b>37.30</b>	<b>36,031.74</b>
Profit for the year		-	-	21,348.82	-	-	-	21,348.82
Re-measurement gain/(loss) on defined benefit obligations (net of tax)		-	-	25.46	-	-	-	25.46
<b>Total comprehensive income for the year</b>		-	-	<b>21,374.28</b>	-	-	-	<b>21,374.28</b>
<b>Transactions with owners in their capacity as owners:</b>								
Employee stock options expense	19 (c)	-	-	-	27.93	-	-	27.93
Profit/ Loss on issue of shares to employees #	19 (e)	-	-	-	-	192.66	-	192.66
Interim dividend paid on equity shares	19 (d)	-	-	(7,488.91)	-	-	-	(7,488.91)
Dividend on shares held by ESOP Trust	19 (e)	-	-	-	-	17.43	-	17.43
Transfer to ESOP trust reserve #	19 (e)	-	-	(32.30)	-	32.30	-	-
Buy back of equity shares	15 (a)(b)(d)	-	-	-	-	-	-	-
Transfer to capital redemption reserve	15 (d)	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>		-	-	<b>48,969.31</b>	<b>119.34</b>	<b>1,029.17</b>	<b>37.30</b>	<b>50,155.13</b>



## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021 (CONT...)

(All amounts in Rupees lakhs, unless otherwise stated)

# ESOP trust reserve represents the surplus arising in the books of ESOP trust from profit on the issue of shares to employees, dividend earned by the trust and other income/ expenses included in the statement of profit and loss.

The accompanying notes referred to form an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W /W-100024

Sd/-

**Manish Kapoor**

Partner

Membership No.: 510688

UDIN: 21510688AAAAAU3121

Place : New Delhi

Date : 13 May, 2021

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 13 May, 2021

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary

# NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

## 1. Company Information

Indian Energy Exchange Limited (the "Company") was incorporated on March 26, 2007 and domiciled in India as a public limited company and limited by shares (CIN: L74999DL2007PLC277039). The address of the Company's registered office is First Floor, Unit No. 1.14(a) Avanta Business Centre, Southern Park, D-2, District Centre, Saket, New Delhi – 110017 and address of the corporate office is Plot No. C-001/A/1, 9th Floor, Max Towers, Sector 16 B, Noida, Gautam Buddha Nagar, Uttar Pradesh – 201301.

The Company is a Power Exchange, licensed by the Central Electricity Regulatory Commission ('CERC') for spot trading in power / electricity and trading of Renewable Energy Certificate (REC) and ESCerts. The main activity of the company is to provide an automated platform and infrastructure for carrying out trading in electricity units for physical delivery of electricity.

The equity shares of the Company were listed on BSE Limited ('BSE') and National Stock Exchange ('NSE') with effect from 23 October 2017.

## 2. Basis of preparation

### 2.1 Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

### 2.2 Basis of measurement

These standalone financial statements have been prepared on the historical cost basis except for certain financial assets (mutual funds and Market linked debentures) that are measured at fair value (refer to accounting policy on financial instruments) and share-based payments. The methods used to measure fair values are discussed further in notes to standalone financial statements.

### 2.3 Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest lakhs (up to two decimals), except as stated otherwise.

### 2.4 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

#### An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

#### A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

#### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the above definition and nature of business, the Company has ascertained its operating cycle as less than 12 months for the purpose of current/non-current classification of assets and liabilities.

### 2.5 Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 is included in the following notes:

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of item which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

- i. Recognition of deferred tax assets/ (liabilities) – note 22.
- ii. Provision for employee benefits - note 21, note 27 & note 37

### 2.6 Measurement of fair values

The Company's accounting policies and disclosures require/ may require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3:** Inputs for the asset or liability that are

not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company measures financial instruments, such as, investments, at fair value at each reporting date.

## 3. Significant accounting policies

### 3.1 Property, plant and equipment and depreciation

#### 3.1.1 Initial recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation/ amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

#### 3.1.2 Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

#### 3.1.3 Derecognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

### 3.1.4 Depreciation

Depreciation is calculated on the depreciable amount of property, plant and equipment over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss.

For assets acquired under leases, at the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation on the following assets is provided on their estimated useful life ascertained on technical evaluation:

Category of assets	Estimated useful life of assets	Useful life as per schedule II
Furniture and Fixtures	3-10 Years	10 Years
<b>Office Equipment</b>		
Mobile Phones	2 Years	5 Years
Others	5 Years	5 Years
<b>Computers</b>		
Servers	3-6 Years	6 Years
Others	3 Years	3 Years
Electrical Installation	10 Years	10 years
Vehicles	5 Years	8 Years

Leasehold Improvements are amortized over the lease period or the remaining useful life, whichever is shorter.

Depreciation on additions to/deductions from

property, plant & equipment during the year is charged on pro-rata basis from/up to the date in which the asset is available for use/disposed.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

## 3.2 Intangible assets and intangible assets under development and amortization

### 3.2.1 Recognition and measurement

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

### 3.2.2 Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

### 3.2.3 Amortization

Amortization is computed to write off the depreciable amount of intangible assets over their estimated useful lives using the straight-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

line method and is included in amortization in Statement of Profit and Loss.

Software license is amortized over fifteen years and Computer software are amortized over six years considering their related useful lives.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

### 3.3 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.

#### 3.4.1 Financial assets

##### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

##### Subsequent measurement

#### A. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ('EIR') method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

#### B. Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### C. Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

#### D. Equity Investments

All equity investments in entities other than tax free bonds and fixed deposits are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends,



## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Investments in tax free bonds and fixed deposits are measured at amortized cost.

Investments in subsidiary is recognized at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents the amount paid for the acquisition of the said investments.

### E. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

### F. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b. Trade receivables under Ind AS 18.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if

credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

### 3.4.2 Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### A. Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.

#### B. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### C. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

### 3.5 Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### 3.6 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is

recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

### 3.7 Revenue

Revenue is measured at the fair value of the consideration received or receivable and amounts receivable for services provided in the normal course of business. The Company recognizes revenue when the amount of revenue and related cost can be reliably measured, and it is probable that the collectability of the related receivables is reasonably assured.

Transaction fee is charged based on the volume of transactions entered into by the respective member or client of trader/ professional member through the exchange. Fee charged in relation to transactions under the Day Ahead Market and the Renewal Energy Certificate segment, is accrued when the orders placed on the network are matched and confirmed by National Load Dispatch Centre. Fee charged in relation to transactions under the Term Ahead Market segment and Green Term Ahead Market is accrued when orders placed on the network are matched, confirmed by Regional

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

Load Dispatch Centre and delivered. Fee charged in relation to transactions under the Real Time Market segment is accrued when orders placed on the network are matched, confirmed by National Load Dispatch Centre and delivered.

Membership fees charged from a member of the exchange at the time of admission to the exchange is recognized on a pro-rata basis over the estimated period of time over which the services are expected to be provided.

Annual subscription fee, in the year when the member/ client is registered for the first time, is recognized on commencement of trading that coincides with the registration of trader member/ client of trader/professional member on a pro-rata basis. Annual subscription fee, in any year subsequent to the year of registration, is recognized on an accrual basis on a pro-rata basis.

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

Dividend income is recognized in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Profit on sale of investments is determined as the difference between the sales price and carrying value of the investments on disposal of the investments.

### 3.8 Employee Benefits

#### 3.8.1 Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognized in the Statement of Profit and Loss in the period in which the employee renders the related services. Such obligations are measured on an undiscounted basis.

#### 3.8.2 Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in profit or loss in the period

during which services are rendered by employees.

The Company pays fixed contribution to Provident Fund at predetermined rates to regional provident fund commissioner. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss.

#### 3.8.3 Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity is in the nature of defined benefit plans.

The Company's net obligation in respect of defined benefit plan is calculated separately by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

#### 3.8.4 Other long term employee benefits

Benefits under the Company's compensated absences constitute other long term employee benefit.

Cost of long-term benefit by way of accumulating compensated absences arising during the tenure of the service is calculated taking into account the pattern of avilment of leave. In respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected up to the assumed date of encashment. The present value of obligations under such long-term benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method as at period end.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 3.8.5 Share based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in other equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcome.

### 3.9 Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For assets that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications

that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### 3.10 Foreign currency transactions and translation

Transactions in foreign currencies are translated at the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of equity investments at fair value through OCI (FVOCI), which are recognized in OCI.

### 3.11 Leases

#### 3.11.1 Accounting for operating leases-As a lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i. The contract involves the use of an identified asset
- ii. The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. The Company has the right to direct the use of the asset.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

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At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payment that depends on index or a rate, and amount to be paid under residual value guarantees. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Company uses incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

### 3.12 Income Tax

Income tax expense comprises current and deferred

tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

### 3.13 Earning per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares



## NOTES TO STANDALONE FINANCIAL STATEMENTS

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that could have been issued upon conversion of all dilutive potential equity shares.

### 3.14 Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's management to allocate resources to the segments and assess their performance.

The Managing Director along with the Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

### 3.15 ESOP Trust

The ESOP trust has been treated as an extension of the Company, and accordingly, shares held by ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets, liabilities, income and expenses of the Company, except for profit / loss on issue of shares to the employees and the dividend earned by the trust which are directly taken to the ESOP Trust reserve.

### 3.16 Standards issued but not yet effective

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 4. Property, plant and equipment and Capital work-in-progress

Assets	Leasehold improvements	Office equipment	Electrical Equipment	Computer hardware/equipment	Furniture and Fixtures	Vehicles	Total	Capital work in progress
<b>Gross Block</b>								
As at 1 April 2019	260.99	71.74	131.48	440.12	65.95	185.24	1,155.52	35.00
Additions/ Adjustments during the year	-	16.69	-	375.83	2.63	106.33	501.48	2.55
Disposals/ Adjustments during the year	-	(8.55)	-	(11.80)	(1.31)	(43.59)	(65.25)	-
Transfers during the year	-	-	-	-	-	-	-	(35.00)
As at 31 March 2020	260.99	79.89	131.48	804.15	67.27	247.98	1,591.75	2.55
As at 1 April 2020	260.99	79.89	131.48	804.15	67.27	247.98	1,591.76	2.55
Additions/ Adjustments during the year	500.38	33.94	149.43	163.93	76.49	59.52	983.69	678.62
Disposals/ Adjustments during the year	(241.13)	(15.91)	(120.15)	(48.11)	(56.90)	(32.94)	(515.14)	-
Transfers during the year	-	-	-	-	-	-	-	(681.17)
<b>As at 31 March 2021</b>	<b>520.24</b>	<b>97.92</b>	<b>160.76</b>	<b>919.97</b>	<b>86.86</b>	<b>274.56</b>	<b>2,060.31</b>	<b>-</b>
<b>Accumulated Depreciation</b>								
As at 1 April 2019	96.10	37.13	50.24	178.12	19.51	58.00	439.10	-
Depreciation charge for the year	98.47	16.39	36.73	133.06	20.99	48.45	354.09	-
Disposals/ adjustments for the year	-	(7.59)	-	(10.76)	(0.60)	(29.53)	(48.48)	-
As at 31 March 2020	194.57	45.93	86.97	300.42	39.90	76.92	744.71	-
As at 1 April 2020	194.57	45.93	86.97	300.42	39.90	76.92	744.71	-
Depreciation charge for the year	87.78	15.66	32.48	161.81	24.64	51.16	373.53	-
Disposals/ adjustments for the year	(241.13)	(13.70)	(104.69)	(43.40)	(55.43)	(20.82)	(479.17)	-
<b>As at 31 March 2021</b>	<b>41.22</b>	<b>47.89</b>	<b>14.76</b>	<b>418.83</b>	<b>9.11</b>	<b>107.26</b>	<b>639.07</b>	<b>-</b>
<b>Net Block</b>								
As at 31 March 2020	66.42	33.96	44.51	503.73	27.37	171.06	847.04	2.55
As at 31 March 2021	479.02	50.03	146.00	501.14	77.75	167.30	1,421.24	-

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 4(a). Right-of-use assets

Assets	Total
<b>Gross Block</b>	
As at 1 April 2019	-
Ind AS-116 transition impact	1,130.33
Additions/ Adjustments during the year	1,239.10
Disposals/ Adjustments during the year	(716.47)
As at 31 March 2020	1,652.96
As at 1 April 2020	1,652.96
Additions/ Adjustments during the year	108.18
Disposals/ Adjustments during the year	-
<b>As at 31 March 2021</b>	<b>1,761.14</b>
<b>Accumulated Amortization</b>	
As at 1 April 2019	-
Amortization charge for the year	321.75
Disposals/ adjustments for the year	-
As at 31 March 2020	321.75
As at 1 April 2020	321.75
Amortization charge for the year	343.13
Transfer to CWIP during the year	59.19
Disposals/ adjustments for the year	-
<b>As at 31 March 2021</b>	<b>724.07</b>
<b>Net Block</b>	
As at 31 March 2020	1,331.21
As at 31 March 2021	1,037.07

## 5. Other intangible assets and intangibles under development

Assets	Computer Software	Software License	Total	Intangible assets under development
<b>Gross Block</b>				
As at 1 April 2019	725.45	11,543.00	12,268.45	89.90
Additions during the year	145.41	-	145.41	89.94
Disposals/ Adjustments during the year	-	-	-	-
Transfers during the year	-	-	-	(83.83)
As at 31 March 2020	870.86	11,543.00	12,413.86	96.01

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

### 5. Other intangible assets and intangibles under development (Cont...)

Assets	Computer Software	Software License	Total	Intangible assets under development
As at 1 April 2020	870.86	11,543.00	12,413.86	96.01
Additions during the year	186.00	-	186.00	562.35
Disposals/ Adjustments during the year	(2.26)	-	(2.26)	-
Transfers during the year	-	-	-	(10.70)
<b>As at 31 March 2021</b>	<b>1,054.60</b>	<b>11,543.00</b>	<b>12,597.60</b>	<b>647.66</b>

### Accumulated Depreciation

As at 1 April 2019	441.29	1,406.26	1,847.55	-
Amortization charge for the year	74.92	773.48	848.40	-
Disposals/ adjustments for the year	-	-	-	-
As at 31 March 2020	516.21	2,179.74	2,695.95	-
<b>As at 1 April 2020</b>	<b>516.21</b>	<b>2,179.74</b>	<b>2,695.95</b>	<b>-</b>
Amortization charge for the year	93.85	775.04	868.89	-
Disposals/ adjustments for the year	(1.42)	-	(1.42)	-
<b>As at 31 March 2021</b>	<b>608.64</b>	<b>2,954.78</b>	<b>3,563.42</b>	<b>-</b>

### Net Block

As at 31 March 2020	354.65	9,363.26	9,717.91	96.01
As at 31 March 2021	445.96	8,588.22	9,034.18	647.66

### 6. Investments

#### Particulars

As at  
31 March 2021

As at  
31 March 2020

#### Non-current investments

#### Investments in Equity of Subsidiary Company

Equity Instruments (Unquoted ) at Cost	3,915.38	1,000.00
39,153,750 (31 March, 2020: 10,000,000) Shares of Rs. 10 each fully Paid up in Subsidiary (Indian Gas Exchange Limited)		

#### Investments measured at amortised cost

##### Bonds (Quoted )

7.74% SBI Perpetual Bonds	2,116.70	-
200 (31 March, 2020: Nil) units of face value of Rs. 1,000,000 each.		
7.11% Tax Free Bonds Power Finance Corporation Ltd.	52.98	52.98
5,134 (31 March, 2020: 5,134) units of face value of Rs. 1,000 each.		
7.04% Tax Free Bonds Housing and Urban Development Corporation Ltd.	153.69	153.69
15,058 (31 March, 2020: 15,058) units of face value of Rs. 1,000 each.		
7.04% Tax Free Bonds Indian Railway Finance Corporation Ltd.	121.38	121.38
11,757 (31 March, 2020: 11,757) units of face value of Rs. 1,000 each.		

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 6. Investments (Cont...)

### Particulars

	As at 31 March 2021	As at 31 March 2020
7.04% Tax Free Bonds National Bank for Agriculture and Rural Development 10,020 (31 March, 2020: 10,020) units of face value of Rs. 1,000 each.	100.37	100.33
9.55% Tata Power Finance Ltd 200 (31 March, 2020: Nil) units of face value of Rs. 1,000,000 each.	2,037.68	-
<b>Investments measured at fair value through profit and loss</b>		
<b>Market Linked Debentures (MLD) (quoted)</b>		
L&T Financial Services 245 (31 March, 2020: Nil) units of face value of Rs. 1,000,000 each.	2,576.57	-
Shriram Transport Finance Company Ltd 200 (31 March, 2020: Nil) units of face value of Rs. 1,000,000 each.	2,063.88	-
<b>Mutual funds (quoted)</b>		
Aditya Birla Sun Life Fixed Term Plan - Series PJ (1135 Days) -Direct Growth* Nil (31 March, 2020: 12,000,000) units of face value of Rs. 10 each.	-	1,417.11
Axis Fixed Term Plan - Series 102 (1133 Days) Direct Growth 5,000,000 (31 March, 2020: 5,000,000) units of face value of Rs. 10 each.	605.44	556.08
HDFC FMP 1143D March 2018 (1) - Direct - Growth -Series -39* Nil (31 March, 2020: 12,000,000) units of face value of Rs. 10 each.	-	1,417.23
HDFC FMP 1122 D August 2018 (1)-Direct - Growth - Series 42 Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.	-	1,162.42
HDFC FMP 1134D May 2018 (1) - Direct - Growth - Series-40 Nil (31 March, 2020: 170,000) units of face value of Rs. 10 each.	-	20.20
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44 10,000,000 (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.	1,211.79	1,114.83
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44 1,450,000 (31 March, 2020: 1,450,000) units of face value of Rs. 10 each.	175.71	161.65
HDFC FMP 1133D July 2018 (1) - Direct - Growth - Series 41 Nil (31 March, 2020: 380,000) units of face value of Rs. 10 each.	-	43.76
ICICI Prudential Fixed Maturity Plan Series 82 - 1175 Days Plan Q Direct Plan Cumulative* Nil (31 March, 2020: 10,000,000 ) units of face value of Rs. 10 each.	-	1,180.72
ICICI Prudential Fixed Maturity Plan Series 84 - 1101 Days Plan A-Direct Plan Cumulative Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.	-	1,162.12
ICICI Prudential Fixed Maturity Plan Series 83 - 1101 Days Plan Z-Direct Plan Cumulative Nil (31 March, 2020: 5,000,000) units of face value of Rs. 10 each.	-	581.76
IDFC Fixed Term Plan Series 142 Direct Plan -Growth (1139 Days)* Nil (31 March, 2020: 10,000,000 ) units of face value of Rs. 10 each.	-	1,177.93
IDFC Fixed Term Plan Series 161 -Direct Plan - Growth (1098 Days) Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.	-	1,158.71



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 6. Investments (Cont...)

Particulars	As at 31 March 2021	As at 31 March 2020
Nippon India Fixed Horizon Fund-XXXVIII- Series 07-Direct Growth Plan formerly known as Reliance Fixed Horizon Fund- XXXVIII- Series 07- Direct Growth Plan*	-	2,296.76
Nil (31 March, 2020: 20,000,000) units of face value of Rs. 10 each.		
SBI Debt Fund Series - C - 12 (1122 Days) - Direct Growth*	-	1,156.78
Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.		
SBI Debt Fund Series C-21 (1100 Days) - Direct Growth	-	2,292.10
Nil (31 March, 2020: 20,000,000) units of face value of Rs. 10 each.		
TATA Fixed Maturity Plan Series 55 Scheme I - Direct Plan - Growth	-	1,165.67
Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.		
UTI-Fixed Term Income Fund Series XXVIII–XII (1154 Days) -Direct Growth Plan*	-	1,180.73
Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.		
<b>Total</b>	<b>15,131.57</b>	<b>20,674.94</b>
Aggregate value of quoted investments in bonds	4,582.80	428.38
Market value of quoted investments in bonds	4,692.36	471.39
Aggregate market value of quoted investments in mutual funds and MLD	6,633.39	19,246.56
Aggregate value of unquoted investments	3,915.38	1,000.00

\*Investments includes Rs. Nil (cost) [(31 March 2020: Rs. 6,400) (cost)] under lien with banks for overdraft facilities.

## 7. Loans - Non Current

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Security deposits	118.75	46.08
<b>Total</b>	<b>118.75</b>	<b>46.08</b>

## 8. Other financial assets - Non Current

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Bank deposits due for maturity after twelve months from the reporting date (refer note 14)	202.09	202.50
<b>Total</b>	<b>202.09</b>	<b>202.50</b>

## 9. Non-current tax assets (net)

Particulars	As at 31 March 2021	As at 31 March 2020
Non-current tax assets (net)	71.98	20.88
<b>Total</b>	<b>71.98</b>	<b>20.88</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 10. Other non-current assets

### Particulars

As at  
31 March 2021    As at  
31 March 2020

*Unsecured, considered good, unless otherwise stated*

Capital advances	32.21	-
Prepaid expenses	27.47	11.50
Deferred rent	-	27.69
<b>Total</b>	<b>59.68</b>	<b>39.19</b>

## 11. Current investments

### Particulars

As at  
31 March 2021    As at  
31 March 2020

#### A) Investments measured at fair value through profit and loss

##### Market Linked Debentures (MLD) (Quoted)

Aditya Birla Finance Ltd	-	538.07
Nil (31 March, 2020: 49) units of face value of Rs. 1,000,000 each.		

##### Mutual funds Quoted

HDFC FMP 1166D MAY 2017 (1) - Direct - Growth - Series-38	-	25.18
Nil (31 March, 2020: 200,000) units of face value of Rs. 10 each.		
HDFC FMP 1165D April 2017 (1) - Direct - Growth - Series-38	-	16.06
Nil (31 March, 2020: 130,000) units of face value of Rs. 10 each.		
Aditya Birla Sun Life Fixed Term Plan - Series PJ (1135 Days) -Direct Growth*	1,509.19	-
12,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
HDFC FMP 1143D March 2018 (1) - Direct - Growth -Series -39*	1,507.36	-
12,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
HDFC FMP 1122 D August 2018 (1)-Direct - Growth - Series 42	1,243.76	-
10,000,000(31 March, 2020: Nil) units of face value of Rs. 10 each.		
HDFC FMP 1134D May 2018 (1) - Direct - Growth - Series-40	21.49	-
170,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
HDFC FMP 1133D July 2018 (1) - Direct - Growth - Series 41	47.25	-
380,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
ICICI Prudential Fixed Maturity Plan Series 82 - 1175 Days Plan Q Direct Plan Cumulative*	1,258.37	-
10,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
ICICI Prudential Fixed Maturity Plan Series 84 - 1101 Days Plan A-Direct Plan Cumulative	1,243.77	-
10,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
ICICI Prudential Fixed Maturity Plan Series 83 - 1101 Days Plan Z-Direct Plan Cumulative	624.59	-
5,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
IDFC Fixed Term Plan Series 142 Direct Plan -Growth (1139 Days)*	1,254.81	-
10,000,000 (31 March, 2020: Nil ) units of face value of Rs. 10 each.		

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 11. Current investments (Cont...)

Particulars	As at 31 March 2021	As at 31 March 2020
IDFC Fixed Term Plan Series 161 –Direct Plan - Growth (1098 Days) 10,000,000(31 March, 2020: Nil) units of face value of Rs. 10 each.	1,249.40	-
Nippon India Fixed Horizon Fund-XXXVIII- Series 07-Direct Growth Plan formerly known as Reliance Fixed Horizon Fund- XXXVIII- Series 07- Direct Growth Plan* 20,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.	2,508.18	-
SBI Debt Fund Series - C - 12 (1122 Days) - Direct Growth* 10,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.	1,229.02	-
SBI Debt Fund Series C-21 (1100 Days) - Direct Growth 20,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.	2,454.30	-
TATA Fixed Maturity Plan Series 55 Scheme I - Direct Plan - Growth 10,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.	1,255.23	-
UTI-Fixed Term Income Fund Series XXVIII–XII (1154 Days) -Direct Growth Plan* 10,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.	1,257.63	-
<b>Mutual funds Unquoted</b>		
Aditya Birla Sun Life Arbitrage Fund - Growth-Direct Plan 5,981,387.766 (31 March, 2020:12,680,893.801) units of face value of Rs. 10 each.	1,302.82	2,653.72
Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan 232,059.258 (31 March, 2020:371,373.491) units of face value of Rs. 100 each.	666.41	1,006.13
Aditya Birla Sun Life Floating Rate Fund - Growth-Direct Plan 876,364.154 (31 March, 2020:876,364.154) units of face value of Rs. 100 each.	2,372.17	2,211.03
Aditya Birla Sun Life Savings Fund - Growth-Direct Plan 756,083.591 (31 March, 2020: 756,083.591) units of face value of Rs. 100 each.	3,227.24	3,030.60
Aditya Birla Sunlife Overnight Fund - Direct Growth 44,928.016 (31 March, 2020: Nil) units of face value of Rs. 1000 each.	500.02	-
Axis Overnight Fund - Direct Growth 142,512.112(31 March, 2020: Nil) units of face value of Rs. 1000 each.	1,550.42	-
Axis Overnight Fund - Direct Growth 4,554.282 (31 March, 2020: Nil) units of face value of Rs. 1000 each.	49.55	-
Axis Arbitrage Fund - Direct Growth 8,424,287.809 (31 March, 2020:14,142,138.304) units of face value of Rs. 10 each.	1,300.94	2,101.25
Axis Liquid Fund -Direct Growth- CFDG Nil (31 March, 2020: 95,485.266) units of face value of Rs. 1,000 each.	-	2,104.82
Axis Treasury Advantage Fund - Direct Growth 95,175.396 (31 March, 2020: 95,175.396) units of face value of Rs. 1000 each.	2,362.81	2,212.97
Axis Banking & PSU Debt Fund - Direct Growth 120,821.36 (31 March, 2020: 62,140.321) units of face value of Rs. 1000 each.	2,534.58	1,206.14
Axis banking & PSU Fund - Direct Growth 24,592.337 (31 March, 2020: Nil) units of face value of Rs. 1000 each.	515.90	-
	-	-

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 11. Current investments (Cont...)

Particulars	As at 31 March 2021	As at 31 March 2020
Axis Short Term Fund - Direct Growth 6,072,128.362 (31 March, 2020: Nil) units of face value of Rs. 10 each.	1,542.44	-
HDFC Money Market Fund - Direct Plan - Growth Option Nil (31 March, 2020: 23,853.263) units of face value of Rs. 1000 each.	-	1,006.57
HDFC Arbitrage Fund - Wholesale Plan - Growth - Direct Plan Nil (31 March, 2020: 2,797,726.326) units of face value of Rs. 10 each.	-	416.44
HDFC Liquid Fund-Direct Growth 1,271.138 (31 March, 2020: 1,545.956) units of face value of Rs. 1000 each.	51.42	60.39
HDFC Money Market Fund - Direct Growth 2,478.488 (31 March, 2020: Nil) units of face value of Rs. 1000 each.	110.89	-
ICICI Prudential Equity Arbitrage Fund - Direct Plan-Growth 1,249,656.331 (31 March, 2020: 9,829,284.978) units of face value of Rs. 10 each.	350.56	2,652.15
ICICI Prudential Savings Fund - Direct Plan - Growth (formerly ICICI Prudential Mutual Fund- Flexible Income Plan) 485,395.239 (31 March, 2020: 341,190.123) units of face value of Rs. 100 each.	2,037.15	1,331.90
ICICI Prudential Banking & PSU Fund - Direct Growth 6,038,491.283 (31 March, 2020: Nil) units of face value of Rs. 10 each.	1,546.84	-
ICICI Prudential Short Term Fund - Direct Growth 3,189,280.513 (31 March, 2020: Nil) units of face value of Rs. 10 each.	1,550.60	-
ICICI Prudential Liquid Fund - Direct Growth Nil (31 March, 2020: 443,909.551) units of face value of Rs. 100 each.	-	1,304.12
IDBI Liquid Fund- Direct Plan - Growth 22,592.912(31 March, 2020: Nil) units of face value of Rs. 1000 each.	500.04	-
IDFC Arbitrage Fund - Growth - (Direct Plan) Nil (31 March, 2020: 6,712,539.828) units of face value of Rs. 10 each.	-	1,727.19
IDFC Banking & PSU Fund - Direct Growth 2,729,262.669 (31 March, 2020: Nil) units of face value of Rs. 10 each.	533.31	-
Kotak Equity Arbitrage Fund - Direct Plan-Growth 8,246,338.928 (31 March, 2020: 5,283,957.955) units of face value of Rs. 10 each.	2,497.08	1,535.99
Kotak Liquid Direct Plan Growth 12,048.454 (31 March, 2020: 44,850.522) units of face value of Rs. 1000 each.	501.10	1,800.69
Nippon India Arbitrage Fund - Direct Growth 10,980,600.721 (31 March, 2020: Nil) units of face value of Rs. 10 each.	2,396.74	-
Nippon India Liquid Fund-Direct Growth 42,752.935 (31 March, 2020: NIL) units of face value of Rs. 1000 each.	2,151.58	-
Nippon India Floating Rate Fund - Direct Growth 4,250,635.643 (31 March, 2020: Nil) units of face value of Rs. 10 each.	1,529.72	-
Nippon India Low Duration Fund - Direct Growth 50,340.047 (31 March, 2020: Nil) units of face value of Rs. 1000 each.	1,520.38	-

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 11. Current investments (Cont...)

Particulars	As at 31 March 2021	As at 31 March 2020
SBI Liquid Fund- Direct Growth 14,165.696 (31 March, 2020: 10,859.366) units of face value of Rs. 1000 each.	456.36	337.62
Tata Arbitrage Fund - Direct Growth 13,509,132.173 (31 March, 2020: Nil) units of face value of Rs. 10 each.	1,549.50	-
Tata Liquid Fund Direct Plan - Growth (formerly Tata money market fund) Nil (31 March, 2020: 8,032.003) units of face value of Rs. 1000 each.	-	251.56
UTI Ultra Short Term Fund - Direct Growth Plan Nil (31 March, 2020: 35,467.516) units of face value of Rs. 1,000 each.	-	1,147.53
<b>Total</b>	<b>55,872.92</b>	<b>30,678.12</b>
Aggregate market value of quoted investments	18,664.35	579.31
Aggregate value of unquoted investments	37,208.57	30,098.81

\*Investments includes Rs. 6,400 (cost) [(31 March 2020: Rs. Nil) (cost)] under lien with banks for overdraft facilities.

## 12. Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables		
Secured, considered good	319.55	18.54
<b>Total</b>	<b>319.55</b>	<b>18.54</b>

## 13. Cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- in current accounts	724.34	389.12
- in settlement accounts	3,798.48	858.53
<b>Total</b>	<b>4,522.82</b>	<b>1,247.65</b>

## 14. Other Bank balance

Particulars	As at 31 March 2021	As at 31 March 2020
Bank deposits having Original maturity of more than three months but less than twelve months from the reporting date*	3,198.49	1,460.79
<b>In earmarked accounts</b>		
- Current Accounts (unpaid dividend)#	16.08	17.45
<b>Total</b>	<b>3,214.57</b>	<b>1,478.24</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 14. Other Bank balance (Cont...)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Details of bank balances/ deposits</b>		
Fixed Deposits with original maturity of 3 months or less included under "Cash and cash equivalents"	-	-
Fixed Deposits due to mature within 12 months of reporting date included under "Other bank balance"	3,198.49	1,460.79
Fixed Deposits due to mature after 12 months of reporting date included under "Other financial assets - Non current"	202.09	202.50
<b>Total</b>	<b>3,400.58</b>	<b>1,663.29</b>

\*Bank deposits includes Rs. 200 (31 March 2020: Rs. 200) under lien with banks for overdraft facilities.

#The above mentioned bank balances are restricted bank balances which are to be used for specified purposes.

## 15. Loans - Current

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Security deposits	183.17	206.88
Loans and advances to employees	0.61	0.43
<b>Total</b>	<b>183.78</b>	<b>207.31</b>

## 16. Other financial assets - Current

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Other recoverable	109.13	4.12
Other advances	4.72	29.45
<b>Total</b>	<b>113.85</b>	<b>33.57</b>

## 17. Other current assets

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Prepaid expenses	105.99	112.19
Balance with government authorities	115.27	50.40
Other advances	546.84	-
Deferred rent	-	6.56
<b>Total</b>	<b>768.10</b>	<b>169.15</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 18. Equity share capital

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Authorised equity share capital</b>		
402,500,000 Equity shares of face value of Rs.1 each (31 March 2020: 402,500,000 Equity shares of face value of Rs.1 each )	4,025.00	4,025.00
	<b>4,025.00</b>	<b>4,025.00</b>
<b>Issued, subscribed and fully paid up equity share capital</b>		
299,556,511 Equity shares of face value of Rs.1 each (31 March 2020*: 299,556,511 Equity shares of face value of Rs.1 each )	2,995.56	2,995.56
Less: 1,051,170 Equity shares of face value of Rs 1 each (31 March 2020: 1,231,570 Equity shares of face value of Rs 1 each) held by IEX ESOP Trust	(10.52)	(12.32)
	<b>2,985.04</b>	<b>2,983.24</b>

\* After extinguishment of 3,729,729 equity shares of face value of Rs. 1 each due to buyback.

### a) Movements in equity share capital outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
Outstanding at the beginning of the year (face value of Rs.1 each)	29,83,24,941	2,983.24	30,19,19,020	3,019.19
Add: Option vested and exercised during the year (refer note 18 (f))	1,80,400	1.80	1,35,650	1.35
Less: Nil (31 March 2020: 3,729,729) Equity shares of face value of Rs 1 each extinguished due to buyback	-	-	(37,29,729)	(37.30)
<b>Outstanding at the end of the year (Face value 31 March 2021: Rs. 1 each, 31 March 2020 : Rs. 1 each)</b>	<b>29,85,05,341</b>	<b>2,985.04</b>	<b>29,83,24,941</b>	<b>2,983.24</b>

### b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity share. The par value of the shares is Rs.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

During the current year the Company has declared interim dividend @ 2.5 per equity share in their meeting held on 21 January 2021. The same has been paid before the year-end.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 18. Equity share capital (Cont...)

### c) Details of shareholders holding more than 5% shares in the Company:

Particulars	31 March 2021		31 March 2020	
	No. of shares	% holding	No. of shares	% holding
<b>Equity shares of Rs. 1 each, fully paid up held by:</b>				
DPVL Ventures LLP (Previously TVS Shriram Growth Fund 1B LLP)	2,30,03,351	7.68	3,00,03,351	10.02
Dalmia Power Limited	2,45,03,361	8.18	3,00,03,361	10.02

### d) Details of shares issued for consideration other than cash / bonus shares / bought back.

There are no shares issued by way of bonus shares or issued for consideration other than cash and no shares were bought back during the period of 5 years immediately preceding the reporting date, except that, the Company has on 10 April 2019 completed the buyback of 3,729,729 fully paid-up equity shares of Re.1 each of the Company (representing 1.23% of the total number of equity shares in the paid-up share capital of the Company) at a price of Rs. 185 (Rupees One Hundred Eighty Five only) per equity share (the "Maximum Price") paid in cash aggregating to the total consideration of Rs. 6,900.

### e) Employee stock options

Terms attached to stock options granted to employees are described in Note 47 regarding employee share based payments issued under the Employee Stock Option Scheme 2010.

- f) During the year ended 31 March 2021, 180,400 options (31 March 2020 : 135,650 options) (each option entitle the holder to get one equity share of Re. 1 each) were exercised from the options granted earlier, by the employees. Further during the year Nil (previous year: 100,000) ESOPs were granted to the employees of the Company.

## 19. Other equity

Particulars	As at 31 March 2021	As at 31 March 2020
Employee stock options outstanding account	119.35	91.42
Retained earnings	48,969.31	35,116.24
ESOP trust reserve	1,029.17	786.78
Capital redemption reserve	37.30	37.30
<b>Total</b>	<b>50,155.13</b>	<b>36,031.74</b>

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>a) Securities premium account</b>		
Opening balance	-	3,196.94
Less: Utilised during the year for buyback	-	(3,196.94)
<b>Closing balance</b>	<b>-</b>	<b>-</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 19. Other equity (Cont...)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>b) General reserve</b>		
Opening balance	-	3,018.72
Less: Utilised during the year for buyback	-	(3,018.72)
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>c) Employee stock options outstanding account</b>		
Opening balance	91.42	44.72
Add: employee stock option expense (refer note 47)	27.93	46.70
<b>Closing balance</b>	<b>119.35</b>	<b>91.42</b>
<b>d) Retained earnings</b>		
<b>Opening balance</b>	<b>35,116.24</b>	<b>27,114.31</b>
Add: Profit for the year	21,348.82	17,791.61
Add: Re-measurement gain/(loss) on defined benefit obligations (net of tax) (Refer note 37)	25.46	(40.12)
Less: Interim dividend on Equity Shares (Refer note 19 (g)) *	(7,488.91)	(7,488.91)
Interim dividend distribution tax paid on equity dividend	-	(1,539.72)
Transfer to ESOP trust reserve	(32.30)	(36.59)
Utilised during the year for buyback	-	(647.04)
Adjustment on account of transfer to capital redemption reserve	-	(37.30)
<b>Closing balance</b>	<b>48,969.31</b>	<b>35,116.24</b>
* includes dividend paid on shares held by ESOP trust		
<b>e) ESOP Trust reserve</b>		
Opening balance	786.78	633.02
Add: Addition during the year	32.30	36.59
Add: Profit earned on sale of shares to employees by ESOP Trust	192.66	88.38
Add: Dividend on shares held by the ESOP Trust from retained earnings	17.43	28.79
<b>Closing balance</b>	<b>1,029.17</b>	<b>786.78</b>
<b>f) Capital redemption reserve</b>		
Opening balance	37.30	-
Add: Adjustment on account of buyback of equity shares	-	37.30
<b>Closing balance</b>	<b>37.30</b>	<b>37.30</b>

### Nature of reserves:

#### Securities premium reserve:

Securities premium account is used to record the premium on issue of shares/securities. This amount is utilized in accordance with the provisions of the Act.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 19. Other equity (Cont...)

### General reserve:

Free reserve to be utilized as per provision of the Act.

### Employee stock options outstanding account

Employee stock options outstanding account is used to record the impact of employee stock option scheme. Refer note 47 for further details of this plans.

### ESOP Trust reserve

ESOP Trust reserve represents the surplus arising in the books of ESOP Trust from profit on the issue of shares to employees, dividend earned by the trust and other income/ expenses included in the statement of profit and loss.

### Capital redemption reserve

Capital redemption reserve was created to the extent of share capital extinguished Rs. Nil (31 March 2020 : 37)

### (g) Following dividend has been declared and paid by the Holding Company

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Equity shares</b>		
Interim Dividend for the year ended 31 March 2021 of Rs. 2.50 (31 March 2020 is Rs. 2.50 per share)	7,488.91	7,488.91

## 20. Other financial liabilities - Non Current

Particulars	As at 31 March 2021	As at 31 March 2020
Deposits towards settlement guarantee fund (Refer Note 48)	119.05	171.50
Deposit from employees	27.30	20.07
<b>Total</b>	<b>146.35</b>	<b>191.57</b>

## 21. Provisions - Non Current

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Provision for employee benefits (Refer Note 37)</b>		
Gratuity	358.91	317.88
Compensated absences	310.61	253.00
<b>Total</b>	<b>669.52</b>	<b>570.88</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 22. Deferred tax assets/ (Deferred tax liabilities) (net)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Deferred tax assets rising on timing differences on account of:</b>		
Provisions for employee benefits	171.01	132.44
Fair valuation of financial assets/ liabilities	51.91	41.13
<b>Deferred tax liabilities rising on timing differences on account of:</b>		
Deferred tax liabilities on account of difference between WDV of property, plant and equipment and other intangible assets as per books and under Income Tax Act, 1961.	(1,778.65)	(1,732.80)
Investments at fair value through profit or loss	(1,142.48)	(882.34)
<b>Total</b>	<b>(2,698.21)</b>	<b>(2,441.57)</b>

## Movement in deferred tax assets/(liabilities)

### As at 31 March 2021

Particulars	Net balance 1 April 2020	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2021
<b>Deferred tax liability</b>				
Deferred tax liabilities on account of difference between WDV of property, plant and equipment and other intangible assets as per books and under Income Tax Act, 1961.	(1,732.80)	(45.85)	-	(1,778.65)
Investments at fair value through profit or loss	(882.34)	(260.14)	-	(1,142.48)
<b>Less: Deferred tax assets</b>				-
Provisions for employee benefits	132.44	47.14	(8.57)	171.01
Fair valuation of financial assets/ liabilities (including impact on Right of Use and Lease liability)	41.13	10.78	-	51.91
<b>Deferred tax assets/(liabilities)</b>	<b>(2,441.57)</b>	<b>(248.07)</b>	<b>(8.57)</b>	<b>(2,698.21)</b>

### As at 31 March 2020

Particulars	Net balance 1 April 2019	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2020
<b>Deferred tax liability</b>				
Deferred tax liabilities on account of difference between WDV of property, plant and equipment and other intangible assets as per books and under Income Tax Act, 1961.	(2,114.08)	381.27	-	(1,732.80)
Investments at fair value through profit or loss	(471.31)	(411.02)	-	(882.34)
<b>Less: Deferred tax assets</b>				
Provisions for employee benefits	140.06	(21.11)	13.49	132.44
Fair valuation of financial assets/ liabilities (including impact on Right of Use and Lease liability)	4.05	37.08	-	41.13
<b>Deferred tax assets/(liabilities)</b>	<b>(2,441.28)</b>	<b>(13.78)</b>	<b>13.49</b>	<b>(2,441.57)</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 23. Other non-current liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred income settlement guarantee fund	8.29	17.57
<b>Total</b>	<b>8.29</b>	<b>17.57</b>

## 24. Trade Payables

Particulars	As at 31 March 2021	As at 31 March 2020
-Total outstanding dues of micro enterprises and small enterprises*	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	16,454.40	7,555.24
<b>Total</b>	<b>16,454.40</b>	<b>7,555.24</b>

\*The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the Memorandum. Based on information available with the Company, there are no amounts required to be disclosed in relation to Micro and Small Enterprises as at 31 March 2021 and 31 March 2020.

## 25. Other financial liabilities - Current

Particulars	As at 31 March 2021	As at 31 March 2020
Deposits towards settlement guarantee fund (Refer Note 48)	13,498.05	11,517.93
Deposit from employees	-	1.39
Creditors for capital goods	218.83	117.55
Unpaid dividends	16.08	17.45
Other liabilities	0.01	70.01
Employee related payables	836.53	396.05
Deposit from clearing and settlement bankers	1,600.00	1,600.00
<b>Total</b>	<b>16,169.50</b>	<b>13,720.38</b>

## 26. Current tax liabilities (net)

Particulars	As at 31 March 2021	As at 31 March 2020
Current tax liabilities (net)	422.78	264.53
<b>Total</b>	<b>422.78</b>	<b>264.53</b>

## 27. Provisions - Current

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Provision for employee benefits (Refer Note 37)</b>		
Gratuity	3.22	2.94
Compensated absences	6.75	5.99
<b>Total</b>	<b>9.97</b>	<b>8.93</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 28. Other current liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred income settlement guarantee fund	15.60	21.56
Unamortised subscription fee income	620.15	918.78
Advance from customers	453.43	142.83
Statutory dues payables	738.29	551.11
<b>Total</b>	<b>1,827.47</b>	<b>1,634.28</b>

## 29. Revenue from operations

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Sale of services</b>		
Transaction fees	29,879.23	23,833.42
Annual subscription fees	1,761.48	1,810.81
Membership, processing and transfer fees	46.40	37.00
	<b>31,687.11</b>	<b>25,681.23</b>
<b>Other operating revenues</b>		
Amortisation of deferred settlement guarantee fund	24.27	21.88
<b>Total</b>	<b>31,711.38</b>	<b>25,703.11</b>

## 30. Other income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income from bank deposits	159.26	124.26
Interest income from financial assets at amortised cost (security deposits)	55.81	33.06
Other interest income	113.20	29.58
Net gain on sale of investments	634.33	1,256.60
Fair value gain on investments	2,677.87	2,490.58
Provision/liabilities no longer required written back	29.82	-
Business support services	335.56	-
Miscellaneous income	21.32	78.03
<b>Total</b>	<b>4,027.17</b>	<b>4,012.11</b>

## 31. Employee benefits expense

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	3,458.77	2,805.67
Contribution to provident funds	119.45	96.02
Gratuity	98.14	85.67
Compensated absences	103.94	112.27
Employee stock options expense (refer to note no 47)	27.93	46.70
Staff welfare expense	89.53	106.24
<b>Total</b>	<b>3,897.76</b>	<b>3,252.57</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 32. Finance Costs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	22.79	21.02
Interest		
- on bank overdraft	7.87	3.78
- on members security guarantee fund	55.60	80.18
- on lease liability	119.21	51.57
- on others	0.01	0.01
<b>Total</b>	<b>205.48</b>	<b>156.56</b>

## 33. Depreciation and Amortisation

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment	373.53	354.09
Amortisation of Right-of-use assets	343.13	321.75
Amortisation of intangible assets	868.89	848.40
<b>Total</b>	<b>1,585.55</b>	<b>1,524.24</b>

## 34. Other expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Rent	113.44	102.90
Technology	254.42	322.17
Business promotion/ development	116.31	117.09
Training and coaching	13.12	21.91
Legal and professional *	396.73	367.62
Travelling and conveyance	5.45	154.19
Market Communication	80.37	68.01
Insurance	11.48	10.82
Communication	83.54	82.01
CERC regulatory fee	56.06	53.00
Printing and stationery	1.98	19.95
Directors sitting fees	90.60	52.80
Repairs and maintenance - building	84.15	85.02
Repairs and maintenance - others	8.65	17.88
Electricity	28.88	50.29
Loss on sale/write off of property, plant and equipment ('PPE')	19.17	1.85
Contribution towards corporate social responsibility	420.00	389.04
Miscellaneous	85.88	86.67
<b>Total</b>	<b>1,870.23</b>	<b>2,003.22</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 34. Other expenses (Cont...)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
* Include payment to auditors as follows :		
- Audit fee	20.00	18.00
- Other services	13.50	16.50
- Reimbursement of expenses	1.53	3.88
<b>Total</b>	<b>35.03</b>	<b>38.38</b>

## 35. Income taxes

This note provides an analysis of the company's income tax expense, and how the tax expense is affected by non-assessable and non-deductible items.

### i) Income tax recognised in Statement of Profit and Loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Current tax expense</b>		
Current tax	6,577.47	4,957.95
<b>Total current tax expense</b>	<b>6,577.47</b>	<b>4,957.95</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	248.07	13.77
<b>Total deferred tax expense</b>	<b>248.07</b>	<b>13.77</b>
Income tax expense for current year	6,825.54	4,971.72
Current tax for earlier years	5.17	15.30
<b>Total income tax expense charged to P&amp;L</b>	<b>6,830.71</b>	<b>4,987.02</b>

### ii) Income tax recognised in other comprehensive income

Particulars	31 March 2021			31 March 2020		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Re-measurement gain/(loss) on defined benefit obligations	34.03	(8.57)	25.46	(53.61)	13.49	(40.12)
	<b>34.03</b>	<b>(8.57)</b>	<b>25.46</b>	<b>(53.61)</b>	<b>13.49</b>	<b>(40.12)</b>

### iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Particulars	As at 31 March 2021	As at 31 March 2020
Profit before income tax expense	28,179.53	22,778.63
Enacted tax rates in India	25.17%	25.17%
<b>Computed expected tax (expenses)/credit</b>	<b>7,092.79</b>	<b>5,733.38</b>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible tax expenses	113.80	109.67



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 35. Income taxes (Cont...)

Particulars	As at 31 March 2021	As at 31 March 2020
Tax-exempt income	(7.45)	(7.44)
Deferred Tax - Opening	-	(588.86)
Others	(373.60)	(275.03)
<b>Income tax expense for current year</b>	<b>6,825.54</b>	<b>4,971.72</b>

## 36. Earnings per Share ('EPS')

### (a) Basic and diluted earnings per share (in Rs.)

	As at 31 March 2021	As at 31 March 2020
Basic earnings per share	7.15	5.96
Diluted earnings per share	7.15	5.96
Nominal value per share	1.00	1.00

### (b) Profit attributable to equity shareholders (used as numerator)

	As at 31 March 2021	As at 31 March 2020
Profit attributable to equity holders	21,348.82	17,791.61

### (c) Weighted average number of equity shares (used as denominator) (in Nos.)

	As at 31 March 2021	As at 31 March 2020
Weighted average number of equity shares used in calculation of basic earnings per share	29,83,99,071	29,83,33,735
Add: Number of potential equity shares in respect of stock option	1,38,149	63,817
Weighted average number of equity shares used in calculation of diluted earnings per share	29,85,37,220	29,83,97,552

## 37. Employee benefits

### (i) Defined contribution plans:

#### Provident fund

The Company makes contributions, determined as a specified percentage of employee's salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as expense towards such contribution to provident fund for the year aggregated to Rs. 119.45 (31 March 2020 Rs. 96.02).

### (ii) Defined benefit plans:

#### Gratuity

The Company has a defined benefit plan that provide gratuity. The gratuity plan entitles all eligible employees who has completed five years or more of service to receive one half month's salary for each year of completed service at the time of retirement, superannuation, death or permanent disablement, in terms of the provisions of the payment of Gratuity Act or as per company's scheme whichever is more beneficial. The following table summarizes the position of assets and obligations:

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity and the amounts recognised in the Company's financial statements as at balance sheet date:

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 37. Employee benefits (Cont...)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>a) Net defined benefit liability:</b>		
Gratuity (unfunded)	362.13	320.82
	<b>362.13</b>	<b>320.82</b>

## b) Classification of defined benefit liability in current and non-current:

Non-current	358.91	317.88
Current	3.22	2.94

## c) Reconciliation of present value of defined benefit obligation:

Particulars	31 March 2021	31 March 2020
<b>Balance at the beginning of the year</b>	320.82	234.44
Acquisition adjustment	(16.54)	-
Benefits paid	(6.25)	(52.90)
Current service cost	76.26	67.71
Interest cost	21.88	17.96
Actuarial (gain)/ loss recognised in other comprehensive income		
- Demographic assumptions	-	-
- Financial assumptions	3.25	71.87
- Experience adjustment	(37.28)	(18.26)
<b>Balance at the end of the year</b>	<b>362.14</b>	<b>320.82</b>

## d) Expense recognised in profit or loss:

Particulars	31 March 2021	31 March 2020
Current service cost	76.26	67.71
Interest Cost	21.88	17.96
<b>Total</b>	<b>98.14</b>	<b>85.67</b>

## e) Remeasurement recognised in other comprehensive income:

Particulars	31 March 2021	31 March 2020
Actuarial (gain)/ loss on defined benefit obligation	(34.03)	53.61
<b>Total</b>	<b>(34.03)</b>	<b>53.61</b>

## f) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

Particulars	31 March 2021	31 March 2020
Discount rate	6.76%	6.82%
Salary escalation rate	10.00%	10.00%
Retirement age (years)	60	60
Mortality rates inclusive of provision for disability	IALM(2012-14)	IALM(2012-14)

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 37. Employee benefits (Cont...)

Particulars	31 March 2021	31 March 2020
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### g) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31 March 2021		31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(26.59)	29.42	(23.32)	25.78
Salary escalation rate (0.5% movement)	28.37	(25.95)	24.87	(22.78)

The sensitivity analysis is based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these have not been calculated.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior years.

### h) Risk exposure:

#### i) Changes in discount rate

A decrease in discount yield will increase plan liabilities.

#### ii) Mortality table

The gratuity plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in plan liabilities.

### Expected maturity analysis of gratuity in future years

Particulars	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at 31 March 2021	3.22	6.00	51.29	301.63	362.14
As at 31 March 2020	2.94	4.89	49.90	263.08	320.81

Expected contributions to post-employment benefit plans for the next annual reporting period as on 31 March 2021 are Rs. 111.15 (31 March 2020: Rs. 114.33).

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.73 years (31 March 2020: 19.93 years).

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 38. Leases

### i) Leases where company is a lessee:

The company has entered into lease transactions mainly for leasing of office premise for a period between 1 to 9 years. The terms of lease include terms of renewal, increase in rents in future periods, which are in line with general inflation, and terms of cancellation. None of the leases consists of any variable lease payment terms. Extension and termination options are included in a number of property lease arrangements of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable based on mutual consent of the Company and respective lessors and uses to assess the short term leases. The aggregate depreciation expense on Right of Use assets is included under depreciation and amortization expense in the Statement of Profit and Loss. (Also, refer note-4(a)).

(A) The movement in lease liabilities during the year ended March 31, 2021 is as follows :

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	1,390.96	-
Ind AS-116 transition impact	-	1,067.00
Additions during the year	34.72	1,239.88
Finance cost accrued during the year	119.21	51.57
Deletions during the year	-	(716.79)
Payment of lease liabilities during the year	(371.74)	(250.70)
<b>Closing Balance</b>	<b>1,173.15</b>	<b>1,390.96</b>

(B) The break-up of current and non-current lease liabilities as at March 31, 2021 is as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Current lease liabilities	172.29	221.34
Non-current lease liabilities	1,000.86	1,169.62
<b>Total</b>	<b>1,173.15</b>	<b>1,390.96</b>

### (C) Discount rate

Discount rate at which the lease liability is recognised as on the initial application is 10%

(D) Amount recognised in statement of profit and loss during the year for:

Particulars	As at 31 March 2021	As at 31 March 2020
Depreciation and Amortisation	343.13	321.75
Interest expenses	119.21	51.57
Expenses related to low value assets	-	-
Expenses related to short term leases	113.44	102.90

(E) Actual cash flow during the year for:

Particulars	As at 31 March 2021	As at 31 March 2020
Cash flow during the year	485.18	353.60

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 39. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 463.12 (previous year Rs. 56.61).

## 40. Provisions and contingent liabilities

- a) The Company's pending litigations comprise proceedings pending with Income Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. This provision has been created only as a matter of abundant caution. Management continues to believe that it has a strong case and that the demands against it are not tenable.
- b) The Company is directly or indirectly (through its members/other parties) involved in other lawsuits, claims, and proceedings, which arise in the ordinary course of business. The Company or its members/other parties have challenged these litigation with respective authorities. Based on the facts currently available, management believes that likelihood of outflow of resources is remote.
- c) During the financial year 2018-19, the Company had received a show cause notice from the service tax department for Rs. 170.88. The Company had filed a reply to the department for the show cause notice and no further action has been observed from the service tax authorities after filing of the reply. While the ultimate outcome of the above mentioned appeals cannot be ascertained at this time, based on current knowledge of the applicable law, management believes that matter raised by department is not tenable and highly unlikely to be retained and accordingly believe that no amount will be payable to the concerned authorities.
- d) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.
- e) The Hon'ble Supreme Court of India, vide their ruling dated 28 February 2019, set out the principles based on which certain allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed by a third party and is pending before the SC for disposal. In view of the management, pending decision on the subject review petition and directions from the EPFO, the management has a view that the applicability of the decisions is prospective. Further, the impact for the past period, if any, is not practically ascertainable in view of various interpretation issues.

## 41. Corporate social responsibility

- A) Pursuant to section 135 of the Companies Act, 2013, the Company has incurred expenditure in respect of eradication of hunger and malnutrition, promoting education, healthcare, art & culture, environment sustainability, disaster relief, skill development etc. Details of expenses incurred are given below:-

### 31 March 2021

- a) Gross amount required to be spent by the Company during the year was Rs. 415.73.
- b) Amount approved by the Board to be spent during the year 20-21 was Rs. 966.84, out of which Rs 546.84 approved by the Board to be carried forward for next years.
- c) Amount recognised in P&L during the year on:

Particulars	In cash	Yet to be paid	Total
Construction/acquisition of any assets	-	-	-
On purpose other than (i) above	420.00	-	420.00
<b>Total</b>	<b>420.00</b>	<b>-</b>	<b>420.00</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 41. Corporate social responsibility (Cont...)

### 31 March 2020

a) Gross amount required to be spent by the Company during the year was Rs. 387.30.

b) Amount recognised in P&L during the year on:

Particulars	In cash	Yet to be paid	Total
Construction/acquisition of any assets	-	-	-
On purpose other than (i) above	389.04	-	389.04
<b>Total</b>	<b>389.04</b>	<b>-</b>	<b>389.04</b>

## B) Details of Amount available for set off in succeeding financial years

S.No	Particulars	As at 31 March 2021
(i)	Two percent of average net profit of the company as per section 135(5)	415.73
(ii)	Total amount spent for the Financial Year 2020-21	662.57
(iii)	Excess amount spent for the financial year 2020-21 [(ii)-(i)]	246.84
(iv)	Advance amount paid, not yet spent	300.00
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(vi)	Amount available for set off in succeeding financial years [(iii)+(iv)+(v)]	546.84

## 42. Fair Value Measurements

### (a) Financial instruments by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

#### As at 31 March 2021

Particulars	Carrying amount				Fair value		
	FVTPL	Amortised cost	At Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Investments (bonds)	-	4,582.80	-	4,582.80	-	-	4,582.80
Investments in Equity of Subsidiary Company	-	-	3,915.38	3,915.38	-	-	-
Mutual fund	1,992.94	-	-	1,992.94	-	1,992.94	-
Market Linked Debentures (MLD)	4,640.45	-	-	4,640.45	-	-	4,640.45
Loans (security deposits)#	-	118.75	-	118.75	-	-	118.75
Other financial assets- bank deposits	-	202.09	-	202.09	-	-	-

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 42. Fair Value Measurements (Cont...)

As at 31 March 2021

Particulars	Carrying amount				Fair value		
	FVTPL	Amortised cost	At Cost	Total	Level 1	Level 2	Level 3
<b>Current</b>							
Investments							
- Mutual funds	55,872.90	-	-	55,872.90	-	55,872.90	-
Trade receivables*	-	319.55	-	319.55	-	-	-
Loans (current security deposit and advances to employees)*	-	183.78	-	183.78	-	-	-
Cash and cash equivalents*	-	4,522.82	-	4,522.82	-	-	-
Other Bank balances*	-	3,214.57	-	3,214.57	-	-	-
Other financial assets-others recoverable*	-	113.85	-	113.85	-	-	-
	<b>62,506.29</b>	<b>13,258.21</b>	<b>3,915.38</b>	<b>79,679.88</b>	-	<b>57,865.84</b>	<b>9,342.00</b>
<b>Financial liabilities</b>							
<b>Non-current</b>							
Lease liability	1,000.86	-	-	1,000.86	-	-	1,000.86
Other financial liabilities							
- Settlement guarantee fund #	-	119.05	-	119.05	-	-	119.05
- Deposits from employees	-	27.30	-	27.30	-	-	27.30
<b>Current</b>							
Trade payables*	-	16,454.40	-	16,454.40	-	-	-
Lease liability	172.29	-	-	172.29	-	-	172.29
Other financial liabilities							
- Settlement guarantee fund #	-	13,498.05	-	13,498.05	-	-	13,498.05
- Others (excluding settlement guarantee fund)*	-	2,671.45	-	2,671.45	-	-	-
	<b>1,173.15</b>	<b>32,770.25</b>	<b>-</b>	<b>33,943.40</b>	<b>-</b>	<b>-</b>	<b>14,817.55</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 42. Fair Value Measurements (Cont...)

As at 31 March 2020

Particulars	Carrying amount				Fair value		
	FVTPL	Amortised cost	At Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Investments (bonds)	-	428.38	-	428.38	-	-	428.38
Investments in Equity of Subsidiary Company	-	-	1,000.00	1,000.00	-	-	1,000.00
Mutual fund	19,246.56	-	-	19,246.56	-	19,246.56	-
Loans (security deposits)#	-	46.08	-	46.08	-	-	46.08
Other financial assets- bank deposits	-	202.50	-	202.50	-	-	-
<b>Current</b>							
<b>Investments</b>							
Investments (MLD)	538.07	-	-	538.07	-	-	538.07
- Mutual funds	30,140.05	-	-	30,140.05	-	30,140.05	-
Trade receivables*	-	18.54	-	18.54	-	-	-
Loans (current security deposit and advances to employees)*	-	207.31	-	207.31	-	-	-
Cash and cash equivalents*	-	1,247.65	-	1,247.65	-	-	-
Bank balances other than cash and cash equivalent*	-	1,478.24	-	1,478.24	-	-	-
Other financial assets-others recoverable*	-	33.57	-	33.57	-	-	-
	49,924.68	3,662.27	1,000.0	54,586.95	-	49,386.61	2,012.53
<b>Financial liabilities</b>							
<b>Non-current</b>							
Lease liability	1,169.62	-	-	1,169.62	-	-	1,169.62
<b>Other financial liabilities</b>							
- Settlement guarantee fund #	-	171.50	-	171.50	-	-	171.50
- Deposits from employees	-	20.07	-	20.07	-	-	20.07
<b>Current</b>							
Trade payables*	-	7,555.24	-	7,555.24	-	-	-
Lease liability	221.34	-	-	221.34	-	-	221.34
<b>Other financial liabilities</b>							
- Settlement guarantee fund #	-	11,517.93	-	11,517.93	-	-	11,517.93
- Others (excluding settlement guarantee fund)*	-	2,202.45	-	2,202.45	-	-	-
	1,390.96	21,467.19	-	22,858.15	-	-	13,100.46

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 42. Fair Value Measurements (Cont...)

\*The carrying amounts of trade receivables, trade payables, other current financial liabilities, cash and cash equivalent, other bank balances, loans (security deposits) and other current financial assets, approximates the fair values, due to their short-term nature. In case of the non current bank deposits (due for maturity after twelve months from reporting date) and interest accrued but not due on bank deposits also the carrying value approximates the fair values as on the date.

#The fair values for security deposits given and deposit for settlement guarantee fund were calculated based on cash flows discounted using effective interest rate ('EIR') method. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk/own credit risk.

### Valuation technique used to determine fair value:

Specific valuation techniques used to fair value of financial instruments include:

- a) the use of quoted market prices for quoted mutual funds and market linked debentures
- b) the use of NAV for unquoted mutual funds
- c) the fair value of the remaining financial instruments are discounted at appropriate discounting rate

## 43. Financial Risk Management

The Company's activities expose it to the followings risks arising from the financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

### Risk Management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analysis the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The board provides written principles for overall risk management, as well as policies covering specific areas, such as regulatory risk, compliance risk, technology related risk, IT risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Company's risk management is carried out by an Enterprise Risk Management Committee under risk policy approved by the board of directors.

The Company's audit committee oversees how management monitors compliance with Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the Company.

### Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from trade receivables, investments, loans and advances, cash and cash equivalents, deposits with banks and other financial assets. The carrying amount of the financial assets represents maximum credit exposure.

Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit agencies. Investments primarily include investments in mutual fund units, fixed maturity plans and investment in bonds with fixed interest income. The management actively monitors the net asset value of investments in mutual funds, interest rate and maturity period of these investments. The Company does not expect the counterparty to fail to meet its obligations. However, investment in fixed maturity plans of mutual funds are exposed to uncertainties in regards to fulfilment of obligations by counter-party. Further the Company has not experienced any significant impairment losses in respect of any of the investments. The loans primarily represents security deposits given for facilities taken on rent. Such security deposit will be returned to the Company at the end of lease term. Hence, the credit risk associated with such deposits is relatively low. Accordingly, no provision for expected credit loss has been provided on these financial assets.

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 43. Financial Risk Management (Cont...)

Credit risk on trade receivable is also very limited. The Company mitigates its exposure to risks relating to trade receivables from its members / clients by requiring them to comply with the Company's established financial requirements and criteria for admission as members / clients. As a process, the Company collects the amounts from buyer for purchase of power, including transmission and other charges and exchange fees on the day of trade and pays out the amount to seller for sale of power on the second day from the day of trade (one day after actual delivery). Further, transmission charges etc. are paid to system operator on the next day from the day of trade. Further, the Company also holds and maintain settlement guarantee funds for settlement of defaults by any of the members/ clients.

### (i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	31 March 2021	31 March 2020
<b>Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b>		
Investments (Non current and current)	71,004.49	51,353.05
Non-current loans	118.75	46.08
Other non-current financial assets - bank deposits	202.09	202.50
Cash and cash equivalents	4,522.82	1,247.65
Other Bank balance	3,214.57	1,478.24
Current loans	183.78	207.31
Other current financial assets - other recoverable	113.85	33.57
<b>Total</b>	<b>79,360.35</b>	<b>54,568.40</b>
<b>Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)</b>		
Trade receivables	319.55	18.54

### (ii) Provision for expected credit losses

#### (a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment loss has been recognised during the reporting periods in respect of these assets.

#### (b) Financial assets for which loss allowance is measured using life time expected credit losses

The Company has customers with strong capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk and SGF funds available with the Company and hence no impairment loss has been recognised during the reporting year in respect of trade receivables.

### (iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as 31 March 2021	-	316.48	-	-	-	3.07	319.55
Gross carrying amount as 31 March 2020	-	13.80	-	-	-	4.74	18.54



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 43. Financial Risk Management (Contd...)

### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash (including bank deposits under lien) and short-term investments and anticipated future internally generated funds from operations, will enable it to meet its future known obligations in the ordinary course of business. However, if liquidity needs were to arise, the Company believes it has access to financing arrangements which would enable it to meet its ongoing capital, operating and other liquidity requirements.

### (i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 March 2021	31 March 2020
Floating-rate borrowings		
Overdraft facilities from banks*	5,180.00	5,180.00
<b>Total</b>	<b>5,180.00</b>	<b>5,180.00</b>

\* the overdraft facilities may be drawn at any time

### (ii) Maturities of financial liabilities

The following are the contractual maturities of financial liabilities at the reporting date. The contractual cash flow amount are gross and undiscounted.

#### 31 March 2021

Contractual maturities of financial liabilities	Carrying amount	Contractual cash flows					Total
		3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Trade payables	16,454.40	16,454.40	-	-	-	-	16,454.40
Deposits towards settlement guarantee fund- Non current	119.05	-	-	105.00	60.00	-	165.00
Deposits towards settlement guarantee fund- Current	13,498.05	13,423.05	75.00	-	-	-	13,498.05
Deposit from employees- Non Current	27.30	-	-	8.92	18.38	-	27.30
Employee related payables	836.53	836.53	-	-	-	-	836.53
Deposit from clearing and settlement bankers	1,600.00	1,600.00	-	-	-	-	1,600.00
Creditors for capital goods	218.83	218.83	-	-	-	-	218.83
Unpaid dividend	16.08	16.08	-	-	-	-	16.08
Other liabilities	0.01	0.01	-	-	-	-	0.01
Lease liability	1,173.15	75.96	202.55	289.90	917.64	-	1,486.05
<b>Total</b>	<b>33,943.40</b>	<b>32,624.86</b>	<b>277.55</b>	<b>403.82</b>	<b>996.02</b>	<b>-</b>	<b>34,302.25</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

### 43. Financial Risk Management (Contd...)

31 March 2020

Contractual maturities of financial liabilities	Carrying amount	Contractual cash flows					Total
		3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Trade payables	7,555.24	7,555.24	-	-	-	-	7,555.24
Deposits towards settlement guarantee fund- Non current	171.50	-	-	100.00	105.00	-	205.00
Deposits towards settlement guarantee fund- Current	11,517.93	11,457.95	68.00	-	-	-	11,525.95
Deposit from employees- Non Current	20.07	-	-	-	20.07	-	20.07
Deposit from employees- Current	1.39	-	1.39	-	-	-	1.39
Employee related payables	396.05	396.05	-	-	-	-	396.05
Deposit from clearing and settlement bankers	1,600.00	1,600.00	-	-	-	-	1,600.00
Creditors for capital goods	117.55	117.55	-	-	-	-	117.55
Unpaid dividend	17.45	17.45	-	-	-	-	17.45
Other liabilities	70.01	70.01	-	-	-	-	70.01
Lease liability	1,390.96	63.39	283.63	278.51	930.46	271.44	1,827.43
<b>Total</b>	<b>22,858.15</b>	<b>21,277.64</b>	<b>353.02</b>	<b>378.51</b>	<b>1,055.53</b>	<b>271.44</b>	<b>23,336.14</b>

### Market risk

Market risk is the risk that future cash flows of a financial instruments will fluctuate because of change in market price. Market comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### A. Currency risk

Currency Risk is the risk that the future cash flows of a financial instrument will fluctuate because of change in foreign exchange rates. The Company is not exposed to the effects of fluctuations in the prevailing foreign exchange rates on its financial position and cash flows since all financial assets / liabilities are receivable / payable in Indian currency.

#### B. Interest rate risk

Interest rate risk is the risk that future cash flows of financial instruments will fluctuate because of change in market interest risks. The interest rate profile of the Company's interest bearing financial instruments as reported to the management of the Company is as follows:

Particulars	31 March 2021	31 March 2020
<b>Financial Assets</b>		
Investments in bonds	4,582.80	428.38
Bank deposits	3,400.58	1,663.29
<b>Total</b>	<b>7,983.38</b>	<b>2,091.67</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 43. Financial Risk Management (Contd...)

### Fair value sensitivity analysis for fixed-rate instruments

The company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

## 44. Capital Management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. For the purpose of the Company's capital management, the Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities less cash and cash equivalents and other bank balance. Adjusted equity refers to total equity and includes issued equity share capital and other equity comprises securities premium, retained earnings etc.

Particulars	As at 31 March 2021	As at 31 March 2020
Total Liabilities	39,579.64	27,795.91
Less : Cash and cash equivalent and Other bank balance	7,939.48	2,928.39
<b>Adjusted net debt (A)</b>	<b>31,640.16</b>	<b>24,867.52</b>
<b>Adjusted equity (B)</b>	<b>53,140.17</b>	<b>39,014.98</b>
<b>Adjusted net debt to adjusted equity ratio (A/B)</b>	<b>59.54%</b>	<b>63.74%</b>

## 45. Operating segments

The Company is a power exchange. The entire operations are governed by the similar set of risk and returns. Accordingly, the Company's activities/ business is reviewed regularly by the Company's Managing Director alongwith the Board of Directors of the Company, from an overall business perspective, rather than reviewing its activities as individual standalone components. Thus, the Company has only one operating segment, and no reportable segments in accordance with Ind AS 108 - Operating Segments.

## 46. Related Party Disclosures

a) List of Related parties with whom transactions taken place:

### i) Key Managerial Personnel (KMP)

Name	Relationship
Satyanarayan Goel (w.e.f. 19.02.2021)	Chairman & Managing Director
Satyanarayan Goel (w.e.f 20.07.2019 till 18.02.2021)	Chairman & Non-Executive Director
Satyanarayan Goel (till 20.07.2019)	Managing Director & CEO
Sudha Pillai	Independent Director
Kayyalathu Thomas Chacko	Independent Director
Tejpreet Singh Chopra	Independent Director
Gautam Dalmia	Non-Executive Director
Amit Garg (w.e.f. 14.05.2020)	Non-Executive Director
Rajiv Srivastava (till 24.08.2020)	Managing director & CEO
Ajeet Kumar Agarwal (REC representative ) (till 01.06.2020)	Non-Executive Director (Nominee)
Dinesh Kumar Mehrotra (till 22.05.2019)	Non-Executive Director
Vineet Harlalka	Chief Financial Officer & Company Secretary

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 46. Related Party Disclosures (Cont...)

### ii) Subsidiary

Indian Gas Exchange Limited ('IGX') (Wholly Owned Subsidiary till 22.01.2021)

b) Transactions with the related parties are as follows:

Transactions during the year	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>i. Compensation to Key managerial personnel (S.N. Goel) - Chairman &amp; MD</b>		
Salary, wages and bonus <sup>1</sup>	32.76	-
<b>Compensation to Key managerial personnel (S.N. Goel) - Chairman &amp; Non-executive director</b>		
Commission <sup>2</sup>	195.01	125.32
Sitting fees	20.70	12.00
<b>Compensation to Key managerial personnel (S.N. Goel) - MD &amp; CEO</b>		
Salary, wages and bonus <sup>3</sup>	-	71.92
Gratuity and leave encashment paid	-	27.36
Perquisites	-	0.13
<b>ii. Compensation to Key managerial personnel (Rajiv Srivastava) - WTD</b>		
Salary, wages and bonus	-	48.29
<b>Compensation to Key managerial personnel (Rajiv Srivastava) - MD &amp; CEO</b>		
Salary, wages and bonus	379.20	317.88
Gratuity and leave encashment paid	10.02	-
Perquisites	0.24	0.30
<b>iii. Compensation to Key managerial personnel (Vineet Harlalka) - CFO &amp; CS</b>		
Salary, wages and bonus <sup>4</sup>	101.63	96.67
Leave encashment paid	3.72	-
Perquisites	0.49	0.44
<b>iv. Sitting fees</b>		
Tejpreet Singh Chopra	8.10	6.30
Sudha Pillai	23.70	11.70
Dinesh Kumar Mehrotra	-	4.20
Kayyalathu Thomas Chacko	23.10	17.70
Ajeet Kumar Agarwal (REC representative)*	-	0.90
Amit Garg	15.00	-

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 46. Related Party Disclosures (Cont...)

### Transactions during the year

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>v. Transaction with Indian Gas Exchange Limited</b>		
Investment in Equity shares	6,387.50	1,000.00
Reimbursement of revenue expenses charged to IGX	38.40	137.68
Business support services charged to IGX	335.56	-
Reimbursement of capital expenses charged to IGX	3.45	21.37
Reimbursement of expenses charged by IGX	42.69	-

### Note:

Above amounts does not include provision for gratuity and compensated absences since these are determined for the Company as whole.

<sup>1</sup> Includes Rs. 11.95 lakhs towards provision for variable pay, payable post requisite approvals.

<sup>2</sup> Includes Rs. 97.07 lakhs towards variable commission, to be paid post requisite approvals (previous year included Rs. 70 lakhs variable commission, against which Rs 59.95 lakhs was paid in current year).

<sup>3</sup> Previous year includes provision of Rs. 21.87 lakhs towards variable pay, out of which Rs 20.45 lakhs was paid in current year.

<sup>4</sup> Includes Rs. 26.54 lakhs towards variable pay provision, to be paid post requisite approvals (previous year included Rs. 26.14 lakhs towards variable pay provision, against which Rs 25.50 lakhs was paid in current year).

\* Sitting fee paid to REC.

### c) Outstanding balances with related parties are as follows:

Particulars	31 March 2021	31 March 2020
<b>Payable to key management personnel</b>		
Rajiv Srivastava	-	61.59
Satyanarayan Goel <sup>5</sup>	109.02	91.87
Vineet Harlalka <sup>5</sup>	26.54	26.14
<b>Recoverable from Subsidiary Company</b>		
Indian Gas Exchange Limited	97.57	4.12

### Note:

<sup>5</sup> Shall be paid post requisite approvals.



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 47. Share based payment arrangements:

### a. Description of share-based payment arrangements

During the financial year 2010-2011, the Company had framed an Employee Stock Option Scheme - 2010 ("ESOP 2010"), which was duly approved by the Shareholders and Board of Directors of the Company. Accordingly, the Company allotted 606,572 number of equity shares of Rs. 10 each (post sub division equivalent to 6,065,720 of Rs 1 each) to IEX ESOP Trust ("ESOP Trust") who will administer ESOP 2010 on behalf of the Company. Subsequently, ESOP 2010 has been amended by special resolution passed at the Extra-ordinary General Meeting held on 16 May 2017 by the shareholders of the Company.

Further, the Shareholders of the Company vide their special resolution passed at the Annual General Meeting held on 27 September 2013 had authorised the Board of Directors/ Compensation Committee of the Company to vary the terms of ESOP's including the vesting period for selective/specific eligible employees in respect of the options which have yet not been granted or granted but which have not been vested yet, subject to a minimum vesting period of one year from the date of grant under ESOP 2010.

In the Annual General Meeting of the Company held on 18 September 2018, the Shareholders of the Company had approved the sub-division of the nominal value of equity shares of the Company from the earlier nominal value of Rs. 10 each to nominal value of Re. 1 each, thereby all the numbers have been reinstated. Out of total shares allotted to IEX ESOP Trust, ESOP Trust has granted 5,243,950 (net of 1,505,050 option lapsed) number of options to employees (representing figures post-sub-division adjustment of equity shares). Details of options granted by the IEX ESOP Trust ("ESOP Trust") is as under:

SI No	Grant Date	No. of Options	Exercise Price	Vesting Conditions	Vesting Period	Contractual period
1	08/07/2010*	3,07,100	10	-33% on completion of first year -33% on completion of second year -34% on completion of third year	-33% on completion of first year -33% on completion of second year -34% on completion of third year	12 months from the date of vesting
2	07/09/2010*	17,600	10	-33% on completion of first year -33% on completion of second year -34% on completion of third year	-33% on completion of first year -33% on completion of second year -34% on completion of third year	12 months from the date of vesting
3	16/12/2011*	1,06,100	53	-33% on completion of first year -33% on completion of second year -34% on completion of third year	-33% on completion of first year -33% on completion of second year -34% on completion of third year	12 months from the date of vesting
4	16/12/2011*	1,00,000	53	-55% on completion of first year -45% on completion of second year	-55% on completion of first year -45% on completion of second year	12 months from the date of vesting
5	21/01/2014*	45,000	150	- 25% on completion of second year - 25% on completion of third year - 25% on completion of fourth year - 25% on completion of fifth year	-25% on completion of second year -25% on completion of third year -25% on completion of fourth year -25% on completion of fifth year	12 months from the date of vesting
6	24/06/2014*	10,000	535	100% on completion of one year and successful completion of the IPO and listing of the Company's equity shares at Stock Exchange	100% on completion of one year and successful completion of the IPO and listing of the Company's equity shares at Stock Exchange	12 months from the date of vesting
7	17/04/2017*	10,000	750	33% on completion of first year 33% on completion of second year 34% on completion of third year	33% on completion of first year 33% on completion of second year 34% on completion of third year	12 months from the date of vesting
8	19/06/2017*	19,000	750	33% on completion of first year 33% on completion of second year 34% on completion of third year	33% on completion of first year 33% on completion of second year 34% on completion of third year	12 months from the date of vesting

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 47. Share based payment arrangements: (Cont...)

SI No	Grant Date	No. of Options	Exercise Price	Vesting Conditions	Vesting Period	Contractual period
9	16/08/2017*	35,100	750	33% on completion of 17 months 33% on completion of 29 months 34% on completion of 41 months	33% on completion of 17 months 33% on completion of 29 months 34% on completion of 41 months	12 months from the date of vesting
10	15/11/2018**	1,00,000	160	30% on completion of first year 30% on completion of second year 40% on completion of third year	30% on completion of first year 30% on completion of second year 40% on completion of third year	12 months from the date of vesting
11	18/12/2018**	50,000	166	30% on completion of first year 30% on completion of second year 40% on completion of third year	30% on completion of first year 30% on completion of second year 40% on completion of third year	12 months from the date of vesting
12	05/08/2019**	1,00,000	142	30% on completion of first year 30% on completion of second year 40% on completion of third year	30% on completion of first year 30% on completion of second year 40% on completion of third year	12 months from the date of vesting
<b>Total</b>		<b>8,99,900</b>				

\* each option entitle the holder to get one equity share of Rs. 10 each (before sub-division of equity shares of the Company from face value of Rs. 10 to Rs 1)

\*\* each option entitle the holder to get one equity share of Rs. 1 each (post sub-division of equity shares of the Company from face value of Rs. 10 to Rs 1)

No employee has been issued options entitling such person to subscribe to more than 1% of Equity Share Capital of the Company.

### b. Measurement of fair values

The weighted average fair value of stock options as on grant date:

Particulars	Method of Valuation	Weighted average fair value as on the grant date (Rs.)
<b>Employee stock option plan -2010</b>		
<b>Pre-sub division</b>		
21-Jan-14	Black Scholes option pricing model	21.24
24-Jun-14	Black Scholes option pricing model	58.86
17-Apr-17	Black Scholes option pricing model	Nil
19-Jun-17	Black Scholes option pricing model	75.25
16-Aug-17	Black Scholes option pricing model	83.73
<b>Post-sub division</b>		
15-Nov-18	Black Scholes option pricing model	41.90
18-Dec-18	Black Scholes option pricing model	42.57
05-Aug-19	Black Scholes option pricing model	28.24

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

### 47. Share based payment arrangements: (Cont...)

The inputs used in the measurement of grant date fair value are as follows:

Particulars	Share Price (Rs.)	Exercise Price (Rs.)	Expected Volatility	Expected Life (in years)	Expected Dividend	Risk free Interest Rate
<b>Employee stock option plan -2010</b>						
21/01/2014*	148	150	0.00%	1.5 to 4.5 years	Based on dividend declared prior to the date of grant	8.52%
24/06/2014*	148	535	0.00%	1.50 years	Based on dividend declared prior to the date of grant	8.83%
17/04/2017*	555	750	0.00%	1.5 to 3.5 years	Based on dividend declared prior to the date of grant	6.49%
19/06/2017*	647	750	25.54%	1.5 to 3.5 years	Based on dividend declared prior to the date of grant	6.34%
16/08/2017*	647	750	25.54%	1.5 to 3.88 Years	Based on dividend declared prior to the date of grant	6.32%
15/11/2018**	158.5	160	24.25%	2.5 to 4.51 years	Based on dividend declared prior to the date of grant	7.45%
18/12/2018**	164.5	166	24.55%	2.5 to 4.51 years	Based on dividend declared prior to the date of grant	7.16%
05-08-2019**	142	142	24.55%	1.5 to 3.5 years	Based on dividend declared prior to the date of grant	6.13%

\* each option entitle the holder to get one equity share of Rs. 10 each (before sub-division of equity shares of the Company from face value of Rs. 10 to Rs 1)

\*\* each option entitle the holder to get one equity share of Rs. 1 each (post sub-division of equity shares of the Company from face value of Rs. 10 to Rs 1)

The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity equal to the expected life of the options based on the zero-yield curve for Government Securities. Expected volatility calculation is based on historical net asset method of valuation.

### c. Effect of employee stock option scheme on the Statement of Profit and loss:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Employee stock option expenses	27.93	46.70
<b>Total</b>	<b>27.93</b>	<b>46.70</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 47. Share based payment arrangements: (Cont...)

### d. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programs were as follows

Particulars	31 March 2021**		31 March 2020**	
	Number of options	Weighted average exercise price (Rs.)	Number of options	Weighted average exercise price (Rs.)
Options outstanding as at the beginning of the year	1,49,900	75.00	3,18,900	75.00
	70,000	160.00	1,00,000	160.00
	35,000	166.00	-	-
	1,00,000	142.00	50,000	166.00
Exercisable at the beginning of the year	9,900	75		
	30,000	160	-	-
	15,000	166		
Add: Options granted during the year	-	-	1,00,000	142.00
Less: Options forfeited and expired during the year	-	-	23,450	75.00
Less: Options vested and exercised during the year	1,05,400	75.00		
	30,000	160.00		
	15,000	166.00	1,35,650	75.00
	30,000	142.00		
Options outstanding as at the year end	-	-	1,49,900	75.00
	40,000	160.00	70,000	160.00
	20,000	166.00	35,000	166.00
	70,000	142.00	1,00,000	142.00
Exercisable at the end of the year	54,400	75.00	9,900	75.00
	30,000	160.00	30,000	160.00
	15,000	166.00	15,000	166.00

\*\* representing figures post-sub-division adjustment of equity shares, each option entitle the holder to get one equity share of Rs. 1 each (post sub-division of equity shares of the Company from face value of Rs. 10 to Rs 1)

The options outstanding at 31 March 2021 have an exercise price in the range of Rs 75 to Rs 166, each option entitle the holder to get one equity share of Rs. 1 each (31 March 2020: Rs 75 to Rs 166, each option entitle the holder to get one equity share of Rs. 1 each) and a weighted average remaining contractual life of 0.80 years (31 March 2020: 2.67 years).

The weighted average share price at the date of exercise for share options exercised in 2020-21 was Rs. 107.84 for 180,400 shares of Rs. 1 each (2019-20: Rs. 75 for 1,35,650 shares of Rs. 1 each).

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

- 48.** The Company had constituted a separate 'Settlement Guarantee Fund' ('SGF') in respect of the activities carried out in various contracts being traded at the exchange platform. The members are required to contribute interest free margin money which forms part of the SGF. However, as per CERC order dated 09 October 2018, the Company has to share 70% of the return earned on 'initial security deposits' with the Members. The margin money is refundable, subject to adjustments, if any. Such fund is also termed as Settlement Guarantee Fund. The Cash Margin Money forming part of SGF was Rs. 13,617.10 (previous year Rs. 11,689.42) and same has been disclosed under note 25 - Other current financial liabilities i.e. Rs. 13,498.05 (previous year Rs. 11,517.93) under Deposits towards Settlement Guarantee Fund and note 20 - Other non current financial liabilities - Deposits towards Settlement Guarantee Fund i.e. Rs. 119.05 (previous year Rs. 171.50). These balances have been accounted for on amortised cost basis. The Company had also collected non cash portion of the Settlement Fund comprising collateral such as bank guarantees, received from the members amounting to Rs. 1,405.00 (previous year Rs. 905.00) which does not form part of the Balance Sheet.
- 49.** In view of pandemic relating to COVID 19, the Company has considered internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of right-of-use assets, investment in subsidiary and other financial assets, for possible impact on the Standalone Financial Statements. However, the actual impact of COVID-19 on the Company's standalone financial statements may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W /W-100024

Sd/-

**Manish Kapoor**

Partner

Membership No.: 510688

UDIN: 21510688AAAAAU3121

Place : New Delhi

Date : 13 May, 2021

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 13 May, 2021

Sd/-

**Vineet Harlalka**

Chief Financial Officer

& Company Secretary



# Consolidated Financial Statements

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## INDEPENDENT AUDITORS' REPORT

To

The Members of Indian Energy Exchange Limited

### Report on the Audit of Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Indian Energy Exchange Limited (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

**Revenue Recognition** - Refer to the significant accounting policies on "Revenue" in Note 3.7 to the Consolidated Financial Statements and "Revenue from operations" in Note 29 to the Consolidated Financial Statements.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
<p>The Holding Company being an electricity exchange is regulated by the Central Electricity Regulatory Commission (CERC). The CERC has issued regulations, which govern the working of the exchange and exchange activities are regularly monitored by the CERC. Accordingly, revenue earned in respect of electricity traded on the exchange and related services is governed by rules framed by CERC.</p> <p>The Holding Company also earns revenue by means of membership and subscription fee charged to its members.</p> <p>Revenue in respect of electricity traded on the exchange and related services is derived from customers who settle within the agreed terms and conditions as laid down by the CERC and the related bylaws of the Holding Company.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>Assessing the design and implementation of key internal financial controls over recognition of revenue.</li> <li>Carrying out the test of operating effectiveness of above-mentioned controls.</li> <li>Testing on a sample basis the revenue recognized with the amounts invoiced to customers and the subsequent receipt of payment from those customers.</li> <li>Comparing the fee charged for electricity traded (buy/sell) on the exchange with the per unit rates that have been agreed with the respective members.</li> <li>In respect of a significant portion of the revenue related to electricity traded on the exchange, compared the data on volume traded with the figures mentioned in the monthly reports published by CERC.</li> <li>Testing subsequent settlement of receipts/ payments due from/ to customers arising out of trades done before the year-end.</li> </ul>

# INDEPENDENT AUDITORS' REPORT

## Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon. The Holding Company's annual report is expected to be made available to use after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we concluded that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as required under applicable laws and regulations.

## Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial

## INDEPENDENT AUDITORS' REPORT

statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act;
- e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 and taken on record by the Board of Directors of the Holding Company and its subsidiary company, none of the directors of the Group companies is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act; and
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group. Refer Note 40 to the consolidated financial statements.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There are no amounts which are required to be transferred to the Investor Education and Protection

## INDEPENDENT AUDITORS' REPORT

Fund by the Holding Company or its subsidiary company during the year ended 31 March 2021.

- iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2021.

- C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the

current year by the Holding Company is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. Further, according to the information and explanations given to us, the subsidiary of the Holding Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.:116231W/W-100024

Sd/-

**Manish Kapoor**

*Partner*

Membership No. 510688

UDIN: 21510688AAAAAW5956

Place: New Delhi

Date: 13 May, 2021



## INDEPENDENT AUDITORS' REPORT

### Annexure 1 to the Independent Auditors' report on the consolidated financial statements of Indian Energy Exchange Limited for the year ended 31 March 2021

**Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

**(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

#### Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Indian Energy Exchange Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### Management's and Board of Directors' Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in

accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

#### Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation

## INDEPENDENT AUDITORS' REPORT

of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements,

including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.:116231W/W-100024

Sd/-

**Manish Kapoor**

*Partner*

Place: New Delhi

Date: 13 May, 2021

Membership No. 510688

UDIN: 21510688AAAAAW5956

# CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

	Note No.	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1,429.67	849.16
Capital work-in progress	4	16.79	2.55
Right-of-use assets	4(a)	1,037.07	1,331.21
Other intangible assets	5	9,680.01	9,717.91
Intangible assets under development	5	647.66	380.64
<b>Financial Assets</b>			
Investments	6	11,216.19	19,674.94
Loans	7	119.30	46.08
Other financial assets- bank deposits	8	202.09	202.50
Deferred tax assets (net)	22	340.26	-
Non-current tax assets (net)	9	75.70	21.16
Other non-current assets	10	62.68	39.19
<b>Total non-current assets</b>		<b>24,827.42</b>	<b>32,265.34</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	11	60,064.81	31,182.12
Trade receivables	12	319.55	18.54
Cash and cash equivalent	13	4,604.67	1,285.88
Other Bank balance	14	5,782.10	1,478.24
Loans	15	184.46	208.16
Other financial assets- Other recoverable	16	22.57	29.79
Other current assets	17	2,710.33	257.70
<b>Total current assets</b>		<b>73,688.49</b>	<b>34,460.43</b>
<b>TOTAL ASSETS</b>		<b>98,515.91</b>	<b>66,725.77</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	2,985.04	2,983.24
Other equity	19	49,626.01	35,811.92
<b>Equity attributable to shareholders of the Company</b>		<b>52,611.05</b>	<b>38,795.16</b>
Non-controlling interests		2,968.99	-
<b>Total equity</b>		<b>55,580.04</b>	<b>38,795.16</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities		1,000.86	1,169.62
Other financial liabilities	20	146.35	191.57
Provisions	21	749.63	570.88
Deferred tax liabilities (net)	22	2,698.20	2,442.97
Other non-current liabilities	23	115.55	17.57
<b>Total non-current liabilities</b>		<b>4,710.59</b>	<b>4,392.61</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities		172.29	221.34
Trade payables		-	-
(a) total outstanding dues of micro enterprises and small enterprises	24	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		16,590.47	7,657.25
Other financial liabilities	25	19,058.73	13,720.38
Current tax liabilities (net)	26	422.78	264.53
Provisions	27	11.20	8.93
Other current liabilities	28	1,969.81	1,665.57
<b>Total current liabilities</b>		<b>38,225.28</b>	<b>23,538.00</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>98,515.91</b>	<b>66,725.77</b>
Significant accounting policies	3		

The accompanying notes referred to form an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W /W-100024

Sd/-

**Manish Kapoor**

Partner

Membership No.: 510688

UDIN: 21510688AAAAW5956

Place : New Delhi

Date : 13 May, 2021

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman &amp; MD

DIN-02294069

Place : Noida

Date : 13 May, 2021

Sd/-

**Vineet Harlalka**Chief Financial Officer &  
Company Secretary

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

	Note No.	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Revenue</b>			
Revenue from operations	29	31,785.06	25,713.11
Other income	30	3,838.04	4,026.95
<b>Total revenue</b>		<b>35,623.10</b>	<b>29,740.06</b>
<b>Expenses</b>			
Employee benefits	31	4,438.10	3,323.14
Finance costs	32	205.48	156.56
Depreciation and amortisation	33	1,651.01	1,524.29
Other expenses	34	2,283.58	2,174.14
<b>Total expenses</b>		<b>8,578.17</b>	<b>7,178.13</b>
<b>Profit before tax</b>		<b>27,044.93</b>	<b>22,561.93</b>
<b>Tax expense</b>	<b>35</b>		
Current tax		6,587.97	4,959.67
Current tax for earlier periods		5.17	15.30
Deferred tax charge/ (credit)	22	(91.33)	15.17
<b>Total income tax expense</b>		<b>6,501.81</b>	<b>4,990.14</b>
<b>Profit for the year (A)</b>		<b>20,543.12</b>	<b>17,571.79</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss (net of tax)			
- Re-measurement gain/(loss) on defined benefit obligations	37	25.02	(53.61)
- Income tax relating to above		(6.30)	13.49
<b>Other comprehensive income for the year, net of income tax (B)</b>		<b>18.72</b>	<b>(40.12)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>20,561.84</b>	<b>17,531.67</b>
<b>Profit for the year attributable to:</b>			
Shareholders of the Company		20,609.33	17,571.79
Non-controlling interests		(66.21)	-
		<b>20,543.12</b>	<b>17,571.79</b>
<b>Other comprehensive income for the year attributable to:</b>			
Shareholders of the Company		17.87	(40.12)
Non-controlling interests		0.85	-
		<b>18.72</b>	<b>(40.12)</b>
<b>Total comprehensive income for the year attributable to:</b>			
Shareholders of the Company		20,627.20	17,531.67
Non-controlling interests		(65.36)	-
		<b>20,561.84</b>	<b>17,531.67</b>
<b>Earnings per equity share [face value Rs. 1/- per share] (refer to note 18 (a))</b>	<b>36</b>		
Basic (Rs.)		6.91	5.89
Diluted (Rs.)		6.90	5.89
Significant accounting policies	3		

The accompanying notes referred to form an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Associates LLP**  
 Chartered Accountants  
 ICAI Firm Registration Number: 116231W /W-100024

Sd/-  
**Manish Kapoor**  
 Partner  
 Membership No.: 510688  
 UDIN: 21510688AAAAW5956

Place : New Delhi  
 Date : 13 May, 2021

For and on behalf of the Board of Directors of  
**Indian Energy Exchange Limited**

Sd/-  
**S. N. Goel**  
 Chairman & MD  
 DIN-02294069

Place : Noida  
 Date : 13 May, 2021

Sd/-  
**Vineet Harlalka**  
 Chief Financial Officer &  
 Company Secretary

# CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>A. Cash flows from operating activities</b>		
Profit before tax	27,044.93	22,561.93
Adjustments for:		
Depreciation and Amortisation	1,651.01	1,524.29
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	22.79	21.02
Interest expenses on overdraft, lease liability and others	182.69	135.54
Amortisation of deferred rent on security deposit	-	5.00
Loss on sale/write off of property, plant and equipment ('PPE')	19.17	1.85
Employee stock option scheme expense	27.93	46.70
Interest income from bank deposits	(236.59)	(124.26)
Interest income from financial assets at amortised cost	(55.81)	(33.06)
Amortisation of deferred settlement guarantee fund	(24.27)	(21.88)
Fair value gain on investments	(2,710.32)	(2,498.60)
Net gain on sale of investments	(670.98)	(1,263.42)
Provision/liabilities no longer required written back	29.82	-
Other interest income	(113.20)	(29.58)
<b>Operating profit before working capital changes</b>	<b>25,167.17</b>	<b>20,325.53</b>
Adjustments for:		
(Increase)/decrease in trade receivables	(301.01)	4,570.11
(Increase)/ decrease in loans, other financial assets and other assets	(751.26)	(236.17)
Increase/ (decrease) in trade payables, other financial liabilities, provisions and other liabilities	13,010.81	(7,152.50)
<b>Cash generated from operating activities</b>	<b>37,125.71</b>	<b>17,506.97</b>
Income tax paid	(6,489.43)	(4,905.31)
<b>Net cash generated from operating activities</b>	<b>30,636.28</b>	<b>12,601.66</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, plant and equipment and other intangible assets	(2,096.44)	(777.24)
Maturity/( investment) of / (in) bank deposits including unpaid dividend (net)	(4,197.66)	(4.11)
Inflow/ (outflow) from sale / (purchase) of investments (net)	(13,465.70)	371.68
Interest received on bank deposits	125.00	127.65
Interest income from investments	29.55	29.58
<b>Net cash flow from/ (used in) investing activities</b>	<b>(19,605.25)</b>	<b>(252.44)</b>
<b>C. Cash flows from financing activities</b>		
Interest expenses on overdraft, lease liability and others	(63.48)	(84.04)
Principal repayment of lease liability	(258.76)	(197.00)
Interest paid on lease liability	(112.98)	(53.70)
Proceeds from profit earned by ESOP trust on exercise of stock option by the employees	192.66	88.38
Proceeds from issue of shares on exercise of stock option	1.80	1.36
Dividend paid (net of dividend received (net of tax) by ESOP trust)	(7,471.48)	(7,460.12)
Amount paid for buyback	-	(6,900.00)
Corporate dividend tax paid	-	(1,539.72)
<b>Net cash used in financing activities</b>	<b>(7,712.24)</b>	<b>(16,144.84)</b>



# CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021 (CONT...)

(All amounts in Rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>D</b> Net (decrease) / increase in cash and cash equivalents during the year (A+B+C)	3,318.79	(3,795.63)
<b>E</b> Cash and cash equivalents at the beginning of the year	1,285.88	5,081.51
<b>F</b> Cash and cash equivalents as at the end of the year (D+E)	4,604.67	1,285.88
Notes:		
(i) Cash and cash equivalents consists of the following		
<b>Cash and cash equivalents as at the end of the year</b>		
Balance with banks		
In current accounts	728.83	427.35
In settlement accounts	3,875.84	858.53
	<b>4,604.67</b>	<b>1,285.88</b>

(ii) As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility ("CSR") committee has been constituted by the Holding Company and during the year an amount of Rs. 420.00 (31 March 2020: Rs. 389.04) has been spent by the Holding Company on CSR activities.

(iii) The Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act 2013, read with the relevant rules thereunder.

The accompanying notes referred to form an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W /W-100024

Sd/-

**Manish Kapoor**

Partner

Membership No.: 510688

UDIN: 21510688AAAAW5956

Place : New Delhi

Date : 13 May, 2021

For and on behalf of the Board of Directors of  
**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman & MD

DIN-02294069

Place : Noida

Date : 13 May, 2021

Sd/-

**Vineet Harlalka**

Chief Financial Officer &

Company Secretary

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## (A) Equity share capital

Particulars	Note No.	Number of shares	Amount
Opening as at 01 April 2019		298,189,291	2,981.89
Add: Equity stock option exercised during the year	18 (f)	135,650	1.35
Balance as at 31 March 2020		298,324,941	2,983.24
Add: Equity stock option exercised during the year	18 (f)	180,400	1.80
Balance as at 31 March 2021		298,505,341	2,985.04

## (B) Other equity

Particulars	Note No.	Attributable to the equity holders of the parent						Non-Controlling interests	Total Equity
		Securities premium	General reserve	Retained earnings	Employee stock options outstanding account	ESOP Trust reserve #	Capital redemption reserve		
Opening as at 01 April 2019		3,196.94	3,018.72	27,114.31	44.72	633.02	- 34,007.71	-	34,007.71
Profit for the year		-	-	17,571.79	-	-	- 17,571.79	-	17,571.79
Re-measurement gain/(loss) on defined benefit obligations (net of tax)		-	-	(40.12)	-	-	(40.12)	-	(40.12)
<b>Total comprehensive income for the year</b>		-	-	<b>17,531.67</b>	-	-	<b>- 17,531.67</b>	-	<b>17,531.67</b>
<b>Transactions with owners in their capacity as owners:</b>									
Employee stock options expense	19 (c)	-	-	-	46.70	-	- 46.70	-	46.70
Profit/ Loss on issue of shares to employees #	19 (e)	-	-	-	-	88.38	- 88.38	-	88.38
Interim dividend paid on equity shares	19 (d)	-	-	(7,488.91)	-	-	(7,488.91)	-	(7,488.91)
Dividend on shares held by ESOP Trust	19 (e)	-	-	-	-	28.79	- 28.79	-	28.79
Dividend distribution tax on dividend on equity shares	19 (d)	-	-	(1,539.72)	-	-	(1,539.72)	-	(1,539.72)
Transfer to ESOP trust reserve #	19 (e)	-	-	(36.59)	-	36.59	-	-	-
Buy back of equity shares	19 (a)(b)(d)	(3,196.94)	(3,018.72)	(647.04)	-	-	(6,862.70)	-	(6,862.70)
Transfer to capital redemption reserve	19 (d)	-	-	(37.30)	-	-	37.30	-	-
<b>Balance as at 31 March 2020</b>		-	-	<b>34,896.42</b>	<b>91.42</b>	<b>786.78</b>	<b>37.30</b>	-	<b>35,811.92</b>
Profit for the year		-	-	20,609.33	-	-	- 20,609.33	(66.21)	20,543.12
Re-measurement gain/(loss) on defined benefit obligations (net of tax)		-	-	17.87	-	-	17.87	0.85	18.72
<b>Total comprehensive income for the year</b>		-	-	<b>20,627.20</b>	-	-	<b>- 20,627.20</b>	<b>(65.36)</b>	<b>20,561.84</b>
<b>Transactions with owners in their capacity as owners:</b>									
Employee stock options expense	19 (c)	-	-	-	27.93	-	- 27.93	-	27.93
Profit/ Loss on issue of shares to employees #	19 (e)	-	-	-	-	192.66	- 192.66	-	192.66
Interim dividend paid on equity shares	19 (d)	-	-	(7,488.91)	-	-	(7,488.91)	-	(7,488.91)
Dividend on shares held by ESOP Trust	19 (e)	-	-	-	-	17.43	- 17.43	-	17.43
Dividend distribution tax on dividend on equity shares	19 (d)	-	-	-	-	-	-	-	-
Transfer to ESOP trust reserve #	19 (e)	-	-	(32.30)	-	32.30	-	-	-

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021 (CONT...)

(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Attributable to the equity holders of the parent							Non-Controlling interests	Total Equity
	Note No.	Securities premium	General reserve	Retained earnings	Employee stock options outstanding account	ESOP Trust reserve #	Capital redemption reserve		
Buy back of equity shares	19 (a)(b)(d)	-	-	-	-	-	-	-	-
Transfer to capital redemption reserve	19 (d)	-	-	-	-	-	-	-	-
Sale of investment to non- controlling interests	19 (d)	-	-	437.78	-	-	-	437.78	437.78
Acquisition of non- controlling interests		-	-	-	-	-	-	3,034.35	3,034.35
<b>Balance as at 31 March 2021</b>		-	-	48,440.19	119.35	1,029.17	37.30	49,626.01	52,595.00

# ESOP trust reserve represents the surplus arising in the books of ESOP trust from profit on the issue of shares to employees, dividend earned by the trust and other income/ expenses included in the statement of profit and loss.

The accompanying notes referred to form an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 116231W /W-100024

Sd/-  
**Manish Kapoor**  
Partner  
Membership No.: 510688  
UDIN: 21510688AAAAW5956

Place : New Delhi  
Date : 13 May, 2021

For and on behalf of the Board of Directors of  
**Indian Energy Exchange Limited**

Sd/-  
**S. N. Goel**  
Chairman & MD  
DIN-02294069

Place : Noida  
Date : 13 May, 2021

Sd/-  
**Vineet Harlalka**  
Chief Financial Officer &  
Company Secretary

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

## 1. BACKGROUND INFORMATION

Indian Energy Exchange Limited ("IEX" or "the Holding Company" or "the Company") was incorporated on March 26, 2007 and domiciled in India as a public limited company and limited by shares (CIN: L74999DL2007PLC277039). The address of the Company's registered office is First Floor, Unit No. 1.14(a) Avanta Business Centre, Southern Park, D-2, District Centre, Saket, New Delhi – 110017 and address of the corporate office is Plot No. C-001/A/1, 9th Floor, Max Towers, Sector 16 B, Noida, Gautam Buddha Nagar, Uttar Pradesh – 201301.

The Company is a Power Exchange, licensed by the Central Electricity Regulatory Commission ('CERC') for spot trading in power / electricity and trading of Renewal Energy Certificate (REC) and Energy Saving Certificates (ESCs). The main activity of the Company is to provide an automated platform and infrastructure for carrying out trading in electricity units for physical delivery of electricity.

The equity shares of the Holding Company were listed on BSE Limited ('BSE') and National Stock Exchange ('NSE') with effect from 23 October 2017.

Indian Gas Exchange Limited ("IGX" or "the subsidiary") is India's first automated national level gas exchange to promote and sustain an efficient and robust gas market and to foster gas trading in the country. The exchange features multiple buyers and sellers to trade in spot and forward contracts at designated physical hubs. IGX enables efficient and competitive discovery of gas prices.

IGX has obtained approval from Petroleum and Natural Gas Regulatory Board (PNGRB) on 02 December 2020 to operate as Gas Exchange.

## 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

### 2.1 Statement of compliance

These consolidated financial statements (herein after referred to as "consolidated financial statements" or "financial statements") of IEX and the subsidiary (together referred to "the Group") have been prepared in

accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

### 2.2 Basis of consolidation

The Holding Company is able to exercise control over the operating decisions of the investee company, resulting in variable returns to the Holding Company, and accordingly, the same has been classified as investment in subsidiary and line by line by consolidation has been carried under the principles of consolidation. The Consolidated financial statements of the Group have been prepared on the following basis:

- The financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the Holding Company i.e. March 31, 2021.
- The financial statements of the Holding Company and its subsidiary have been combined on a line-by-line basis by adding together like items of asset, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profit or losses, unless cost cannot be recovered.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are prepared to the extent possible, for all significant matters in the same manner as the Holding Company's separate financial statements.

#### Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Following subsidiary company have been considered in the preparation of the consolidated financial statements:

Name of Entity	Relationship	Country of Incorporation and principal place of business	Ownership held by	% of Holding and voting power either directly or indirectly through subsidiary as at	
				March 31, 2021	March 31, 2020
Indian Gas Exchange Limited	Subsidiary	India	Company	53%	100%

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

## 2.3 Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for certain financial assets (mutual funds and Market linked debentures) that are measured at fair value (refer to accounting policy on financial instruments) and share-based payments. The methods used to measure fair values are discussed further in the respective notes to consolidated financial statements.

## 2.4 Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is the Group's functional currency. All financial information presented in INR has been rounded to the nearest lakhs (up to two decimals), except as stated otherwise.

## 2.5 Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

**An asset is current when it is:**

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is current when:**

It is expected to be settled in normal operating cycle;

- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the above definition and nature of business, the Group has ascertained its operating cycle as less than 12 months for the purpose of current/non-current classification of assets and liabilities.

## 2.6 Figures for the corresponding period

Since IGX was incorporated on 6 November 2019, the corresponding figures as at and for the year ended 31 March 2020 as disclosed in these financial statements comprise IGX figures for the period from 6 November 2019 to 31 March 2020 only.

## 2.7 Use of estimates and judgements

In preparing these consolidated financial statements, Management of the Holding Company has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 is included in the following notes:

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of item which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

- i. Recognition of deferred tax assets/ (liabilities) – note 22
- ii. Provision for employee benefits - note 21, note 27 & note 37

## 2.8 Measurement of fair values

The Group's accounting policies and disclosures require/ may require measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. This includes a team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group measures financial instruments, such as, investments, at fair value at each reporting date.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Property, plant and equipment and depreciation

##### 3.1.1 Initial recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation/ amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

##### 3.1.2 Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

##### 3.1.3 Derecognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

##### 3.1.4 Depreciation

Depreciation is calculated on the depreciable amount of property, plant and equipment over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss.

For assets acquired under leases, at the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation on the following assets is provided on their estimated useful life ascertained on technical evaluation:

Category of assets	Estimated useful life of assets	Useful life as per schedule II
Furniture and Fixtures	3-10 Years	10 Years
<b>Office Equipment</b>		
Mobile Phones	2 Years	5 Years
Others	5 Years	5 Years
<b>Computers</b>		
Servers	3-6 Years	6 Years
Others	3-4 Years	3 Years
Electrical Installation	10 Years	10 years
Vehicles	5 Years	8 Years

Leasehold Improvements are amortized over the lease period or the remaining useful life, whichever is shorter.

Depreciation on additions to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the date in which the asset is available for use/disposed.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Where it is probable that future economic benefits derived from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

## 3.2 Intangible assets and intangible assets under development and amortization

### 3.2.1 Recognition and measurement

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

### 3.2.2 Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

### 3.2.3 Amortization

Amortization is computed to write off the depreciable amount of intangible assets over their estimated useful lives using the straight-line method and is included in amortization in Statement of Profit and Loss.

Software license is amortized over seven to fifteen years and Computer software are amortized over six years considering their related useful lives.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

## 3.3 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## 3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.

### 3.4.1 Financial assets

#### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

#### Subsequent measurement

##### A. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ('EIR') method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

##### B. Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

### C. Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

### D. Equity Investments

All equity investments in entities other than tax free bonds and fixed deposits are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Investments in tax free bonds and fixed deposits are measured at amortized cost.

### E. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred

substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### F. Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables under Ind AS 18.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

### 3.4.2 Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### A. Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

## B. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

## C. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

## 3.5 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 3.6 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the

expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

## 3.7 Revenue

Revenue is measured at the fair value of the consideration received or receivable and amounts receivable for services provided in the normal course of business. The Group recognizes revenue when the amount of revenue and related cost can be reliably measured and it is probable that the collectability of the related receivables is reasonably assured.

Transaction fee is charged based on the volume of transactions entered into by the respective member or client of trader/ professional member through the exchange. Fee charged in relation to transactions under the Day Ahead Market and the Renewal Energy Certificate segment, is accrued when the orders placed on the network are matched and confirmed by National Load Dispatch Centre. Fee charged in relation to transactions under the Term Ahead Market segment and Green Term Ahead Market is accrued when orders placed on the network are matched, confirmed by Regional Load Dispatch Centre and delivered. Fee charged in relation to transactions under the Real Time Market segment is accrued when orders placed on the network are matched, confirmed by National Load Dispatch Centre and delivered.

Transaction fee for gas trades is charged based on the

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

volume of transactions entered into by the respective member or client of trading and clearing/ proprietary/ City Gas Distribution members through the exchange. Fee charged in relation to transactions, is accrued when the orders placed on the network are matched and confirmed by transporter.

Membership fees charged from a member of the exchange at the time of admission to the exchange is recognized on a pro-rata basis over the estimated period of time over which the services are expected to be provided.

Annual subscription fee, in the year when the member/ client is registered for the first time, is recognized on a pro rata basis on commencement of trading which coincides with the registration of trader member/ client of trader/ professional member. Annual subscription fee, in any year subsequent to the year of registration, is recognized on an accrual basis on a pro-rata basis.

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

Dividend income is recognized in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Profit on sales of investments is determined as the difference between the sales price and the carrying value of the investments on disposal of the investments.

### 3.8 Employee Benefits

#### 3.8.1 Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognized in the Statement of Profit and Loss in the period in which the employee renders the related services. Such obligations are measured on an undiscounted basis.

#### 3.8.2 Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in profit or loss in the period during which services are rendered by employees.

The Group pays fixed contribution to Provident Fund at predetermined rates to regional provident fund commissioner. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss.

#### 3.8.3 Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Group's liability towards gratuity is in the nature of defined benefit plans.

Group's net obligation in respect of defined benefit plan is calculated separately by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognized asset is limited to the total of any unrecognized past service costs. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

#### 3.8.4 Other long term employee benefits

Benefits under the Group's compensated absences constitute other long term employee benefit.

Cost of long-term benefit by way of accumulating compensated absences arising during the tenure of the service is calculated taking into account the pattern of availment of leave. In respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected up to the assumed date of encashment. The present value of obligations under such long-term benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method as at period end.

#### 3.8.5 Share based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in other equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcome.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

## 3.9 Impairment of non-financial assets

The Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For assets that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

## 3.10 Foreign currency transactions and translation

Transactions in foreign currencies are translated at the functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of equity investments at fair value through OCI (FVOCI), which are recognized in OCI.

## 3.11 Leases

### 3.11.1 Accounting for operating leases- As a lessee

The Group's lease asset classes primarily consist of leases for office premises. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- i. The contract involves the use of an identified asset
- ii. The Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. The Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payment that depends on index or a rate, and amount to be paid under residual value guarantees. The lease payments are discounted using the interest rate

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

implicit in the lease or, if not readily determinable, the Group uses incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

### 3.12 Income Tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

### 3.13 Earning per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### 3.14 Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Group's management to allocate resources to the segments and assess their performance.

The Managing Director along with the Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

### 3.15 ESOP Trust

The Company's ESOP trust has been treated as an extension of the Holding Company, and accordingly, shares held by ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets, liabilities, income and expenses of the Company, except for profit / loss on issue of shares to the employees and the dividend earned by the trust which are directly taken to the ESOP Trust reserve.

### 3.16 Standards issued but not yet effective

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 4. Property, plant and equipment and Capital work-in-progress

Assets	Leasehold improvements	Office equipment	Electrical Equipment	Computer hardware/equipment	Furniture and Fixtures	Vehicles	Total	Capital work in progress
<b>Gross Block</b>								
As at 1 April 2019	260.99	71.74	131.48	440.12	65.95	185.24	1,155.52	35.00
Additions/ Adjustments during the year	-	16.69	-	378.00	2.63	106.33	503.65	2.55
Disposals/ Adjustments during the year	-	(8.55)	-	(11.80)	(1.31)	(43.59)	(65.25)	-
Transfers during the year	-	-	-	-	-	-	-	(35.00)
As at 31 March 2020	260.99	79.89	131.48	806.32	67.27	247.98	1,593.92	2.55
As at 1 April 2020	260.99	79.89	131.48	806.32	67.27	247.98	1,593.93	2.55
Additions/ Adjustments during the year	500.38	35.17	149.43	172.80	76.49	59.52	993.79	695.41
Disposals/ Adjustments during the year	(241.13)	(15.91)	(120.15)	(48.11)	(56.90)	(32.94)	(515.14)	-
Transfers during the year	-	-	-	-	-	-	-	(681.17)
<b>As at 31 March 2021</b>	<b>520.24</b>	<b>99.15</b>	<b>160.76</b>	<b>931.01</b>	<b>86.86</b>	<b>274.56</b>	<b>2,072.58</b>	<b>16.79</b>
<b>Accumulated Depreciation</b>								
As at 1 April 2019	96.10	37.13	50.24	178.12	19.51	58.00	439.10	-
Depreciation charge for the year	98.47	16.39	36.73	133.11	20.99	48.45	354.14	-
Disposals/ adjustments for the year	-	(7.59)	-	(10.76)	(0.60)	(29.53)	(48.48)	-
As at 31 March 2020	194.57	45.93	86.97	300.47	39.90	76.92	744.76	-
As at 1 April 2020	194.57	45.93	86.97	300.47	39.90	76.92	744.76	-
Depreciation charge for the year	87.78	16.15	32.48	165.11	24.64	51.16	377.32	-
Disposals/ adjustments for the year	(241.13)	(13.70)	(104.69)	(43.40)	(55.43)	(20.82)	(479.17)	-
<b>As at 31 March 2021</b>	<b>41.22</b>	<b>48.38</b>	<b>14.76</b>	<b>422.18</b>	<b>9.11</b>	<b>107.26</b>	<b>642.91</b>	<b>-</b>
<b>Net Block</b>								
As at March 31, 2020	66.42	33.95	44.51	505.85	27.37	171.06	849.16	2.55
As at March 31, 2021	479.02	50.77	146.00	508.83	77.75	167.30	1,429.67	16.79

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 4(a). Right-of-use assets

Assets	Total
<b>Gross Block</b>	
As at 1 April 2019	-
Ind AS-116 transition impact	1,130.33
Additions/ Adjustments during the year	1,239.10
Disposals/ Adjustments during the year	(716.47)
As at 31 March 2020	1,652.96
As at 1 April 2020	1,652.96
Additions/ Adjustments during the year	108.18
Disposals/ Adjustments during the year	-
<b>As at 31 March 2021</b>	<b>1,761.14</b>
<b>Accumulated Amortization</b>	
As at 1 April 2019	-
Amortization charge for the year	321.75
Disposals/ adjustments for the year	-
As at 31 March 2020	321.75
As at 1 April 2020	321.75
Amortization charge for the year	343.13
Transfer to CWIP during the year	59.19
Disposals/ adjustments for the year	-
<b>As at 31 March 2021</b>	<b>724.07</b>
<b>Net Block</b>	
As at March 31, 2020	1,331.21
As at March 31, 2021	1,037.07

## 5. Other intangible assets and intangibles under development

Assets	Computer Software	Software License	Total	Intangible assets under development
<b>Gross Block</b>				
As at 1 April 2019	725.45	11,543.00	12,268.45	89.90
Additions during the year	145.41	-	145.41	374.57
Disposals/ Adjustments during the year	-	-	-	-
Transfers during the year	-	-	-	(83.83)
As at 31 March 2020	870.86	11,543.00	12,413.86	380.64

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 5. Other intangible assets and intangibles under development (Cont...)

Assets	Computer Software	Software License	Total	Intangible assets under development
As at 1 April 2020	870.86	11,543.00	12,413.86	380.64
Additions during the year	893.50	-	893.50	822.11
Disposals/ Adjustments during the year	(2.26)	-	(2.26)	-
Transfers during the year	-	-	-	(555.09)
<b>As at 31 March 2021</b>	<b>1,762.10</b>	<b>11,543.00</b>	<b>13,305.10</b>	<b>647.66</b>

### Accumulated Depreciation

As at 1 April 2019	441.29	1,406.26	1,847.55	-
Amortization charge for the year	74.92	773.48	848.40	-
Disposals/ adjustments for the year	-	-	-	-
As at 31 March 2020	516.21	2,179.74	2,695.95	-
<b>As at 1 April 2020</b>	<b>516.21</b>	<b>2,179.74</b>	<b>2,695.95</b>	<b>-</b>
Amortization charge for the year	155.52	775.04	930.56	-
Disposals/ adjustments for the year	(1.42)	-	(1.42)	-
<b>As at 31 March 2021</b>	<b>670.31</b>	<b>2,954.78</b>	<b>3,625.09</b>	<b>-</b>

### Net Block

As at March 31, 2020	354.65	9,363.26	9,717.91	380.64
As at March 31, 2021	1,091.79	8,588.22	9,680.01	647.66

## 6. Investments

Particulars	As at 31 March 2021	As at 31 March 2020
-------------	------------------------	------------------------

### Non-current investments

#### Investments measured at amortised cost

##### Bonds (Quoted )

7.74% SBI Perpetual Bonds	2,116.70	-
200 (31 March, 2020: Nil) units of face value of Rs. 1,000,000 each.		
7.11% Tax Free Bonds Power Finance Corporation Ltd.	52.98	52.98
5,134 (31 March, 2020: 5,134) units of face value of Rs. 1,000 each.		
7.04% Tax Free Bonds Housing and Urban Development Corporation Ltd.	153.69	153.69
15,058 (31 March, 2020: 15,058) units of face value of Rs. 1,000 each.		
7.04% Tax Free Bonds Indian Railway Finance Corporation Ltd.	121.38	121.38
11,757 (31 March, 2020: 11,757) units of face value of Rs. 1,000 each.		
7.04% Tax Free Bonds National Bank for Agriculture and Rural Development	100.37	100.33
10,020 (31 March, 2020: 10,020) units of face value of Rs. 1,000 each.		

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 6. Investments (Cont....)

Particulars	As at 31 March 2021	As at 31 March 2020
9.55% Tata Power Finance Ltd	2,037.68	-
200 (31 March, 2020: Nil) units of face value of Rs. 1,000,000 each.		
<b>Investments measured at fair value through profit and loss</b>		
<b>Market Linked Debentures (MLD) (quoted)</b>		
L&T Financial Services	2,576.57	-
245 (31 March, 2020: Nil) units of face value of Rs. 1,000,000 each.		
Shriram Transport Finance Company Ltd	2,063.88	-
200 (31 March, 2020: Nil) units of face value of Rs. 1,000,000 each.		
<b>Mutual funds (quoted)</b>		
Aditya Birla Sun Life Fixed Term Plan - Series PJ (1135 Days) -Direct Growth*	-	1,417.11
Nil (31 March, 2020: 12,000,000) units of face value of Rs. 10 each.		
Axis Fixed Term Plan - Series 102 (1133 Days) Direct Growth	605.44	556.08
5,000,000 (31 March, 2020: 5,000,000) units of face value of Rs. 10 each.		
HDFC FMP 1143D March 2018 (1) - Direct - Growth -Series -39*	-	1,417.23
Nil (31 March, 2020: 12,000,000) units of face value of Rs. 10 each.		
HDFC FMP 1122 D August 2018 (1)-Direct - Growth - Series 42	-	1,162.42
Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.		
HDFC FMP 1134D May 2018 (1) - Direct - Growth - Series-40	-	20.20
Nil (31 March, 2020: 170,000) units of face value of Rs. 10 each.		
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44	1,211.79	1,114.83
10,000,000 (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.		
HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44	175.71	161.65
1,450,000 (31 March, 2020: 1,450,000) units of face value of Rs. 10 each.		
HDFC FMP 1133D July 2018 (1) - Direct - Growth - Series 41	-	43.76
Nil (31 March, 2020: 380,000) units of face value of Rs. 10 each.		
ICICI Prudential Fixed Maturity Plan Series 82 - 1175 Days Plan Q Direct Plan Cumulative*	-	1,180.72
Nil (31 March, 2020: 10,000,000 ) units of face value of Rs. 10 each.		
ICICI Prudential Fixed Maturity Plan Series 84 - 1101 Days Plan A-Direct Plan Cumulative	-	1,162.12
Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.		
ICICI Prudential Fixed Maturity Plan Series 83 - 1101 Days Plan Z-Direct Plan Cumulative	-	581.76
Nil (31 March, 2020: 5,000,000) units of face value of Rs. 10 each.		
IDFC Fixed Term Plan Series 142 Direct Plan -Growth (1139 Days)*	-	1,177.93
Nil (31 March, 2020: 10,000,000 ) units of face value of Rs. 10 each.		



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 6. Investments (Cont....)

Particulars	As at 31 March 2021	As at 31 March 2020
IDFC Fixed Term Plan Series 161 –Direct Plan - Growth (1098 Days)	-	1,158.71
Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.		
Nippon India Fixed Horizon Fund-XXXVIII- Series 07-Direct Growth Plan formerly known as Reliance Fixed Horizon Fund- XXXVIII- Series 07- Direct Growth Plan*	-	2,296.76
Nil (31 March, 2020: 20,000,000) units of face value of Rs. 10 each.		
SBI Debt Fund Series - C - 12 (1122 Days) - Direct Growth*	-	1,156.78
Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.		
SBI Debt Fund Series C-21 (1100 Days) - Direct Growth	-	2,292.10
Nil (31 March, 2020: 20,000,000) units of face value of Rs. 10 each.		
TATA Fixed Maturity Plan Series 55 Scheme I - Direct Plan - Growth	-	1,165.67
Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.		
UTI-Fixed Term Income Fund Series XXVIII–XII (1154 Days) -Direct Growth Plan*	-	1,180.73
Nil (31 March, 2020: 10,000,000) units of face value of Rs. 10 each.		
<b>Total</b>	<b>11,216.19</b>	<b>19,674.94</b>

Aggregate value of quoted investments in bonds	4,582.80	428.38
Market value of quoted investments in bonds	4,692.36	471.39
Aggregate market value of quoted investments in mutual funds and MLD	6,633.39	19,246.56

\*Investments includes Rs. Nil (cost) [(31 March 2020: Rs. 6,400) (cost)] under lien with banks for overdraft facilities.

## 7. Loans - Non Current

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Security deposits	119.30	46.08
<b>Total</b>	<b>119.30</b>	<b>46.08</b>

## 8. Other financial assets - Non Current

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Bank deposits due for maturity after twelve months from the reporting date (refer note 14)	202.09	202.50
<b>Total</b>	<b>202.09</b>	<b>202.50</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 9. Non-current tax assets (net)

Particulars	As at 31 March 2021	As at 31 March 2020
Non-current tax assets (net)	75.70	21.16
<b>Total</b>	<b>75.70</b>	<b>21.16</b>

## 10. Other non-current assets

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Capital advances	32.21	-
Prepaid expenses	30.47	11.50
Deferred rent	-	27.69
<b>Total</b>	<b>62.68</b>	<b>39.19</b>

## 11. Current investments

Particulars	As at 31 March 2021	As at 31 March 2020
<b>A) Investments measured at fair value through profit and loss</b>		
<b>Market Linked Debentures (MLD) (Quoted)</b>		
Aditya Birla Finance Ltd	-	538.07
Nil (31 March, 2020: 49) units of face value of Rs. 1,000,000 each.		
<b>Mutual funds Quoted</b>		
HDFC FMP 1166D MAY 2017 (1) - Direct - Growth - Series-38	-	25.18
Nil (31 March, 2020: 200,000) units of face value of Rs. 10 each.		
HDFC FMP 1165D April 2017 (1) - Direct - Growth - Series-38	-	16.06
Nil (31 March, 2020: 130,000) units of face value of Rs. 10 each.		
Aditya Birla Sun Life Fixed Term Plan - Series PJ (1135 Days) -Direct Growth*	1,509.19	-
12,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
HDFC FMP 1143D March 2018 (1) - Direct - Growth -Series -39*	1,507.36	-
12,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
HDFC FMP 1122 D August 2018 (1)-Direct - Growth - Series 42	1,243.76	-
10,000,000(31 March, 2020: Nil) units of face value of Rs. 10 each.		
HDFC FMP 1134D May 2018 (1) - Direct - Growth - Series-40	21.49	-
170,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
HDFC FMP 1133D July 2018 (1) - Direct - Growth - Series 41	47.25	-
380,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
ICICI Prudential Fixed Maturity Plan Series 82 - 1175 Days Plan Q Direct Plan Cumulative*	1,258.37	-
10,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 11. Current investments (Cont...)

Particulars	As at 31 March 2021	As at 31 March 2020
ICICI Prudential Fixed Maturity Plan Series 84 - 1101 Days Plan A-Direct Plan Cumulative	1,243.77	-
10,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
ICICI Prudential Fixed Maturity Plan Series 83 - 1101 Days Plan Z-Direct Plan Cumulative	624.59	-
5,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
IDFC Fixed Term Plan Series 142 Direct Plan -Growth (1139 Days)*	1,254.81	-
10,000,000 (31 March, 2020: Nil ) units of face value of Rs. 10 each.		
IDFC Fixed Term Plan Series 161 -Direct Plan - Growth (1098 Days)	1,249.40	-
10,000,000(31 March, 2020: Nil) units of face value of Rs. 10 each.		
Nippon India Fixed Horizon Fund-XXXVIII- Series 07-Direct Growth Plan formerly known as Reliance Fixed Horizon Fund- XXXVIII- Series 07- Direct Growth Plan*	2,508.18	-
20,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
SBI Debt Fund Series - C - 12 (1122 Days) - Direct Growth*	1,229.02	-
10,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
SBI Debt Fund Series C-21 (1100 Days) - Direct Growth	2,454.30	-
20,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
TATA Fixed Maturity Plan Series 55 Scheme I - Direct Plan - Growth	1,255.23	-
10,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
UTI-Fixed Term Income Fund Series XXVIII–XII (1154 Days) -Direct Growth Plan*	1,257.63	-
10,000,000 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
<b>Unquoted</b>		
Aditya Birla Sun Life Arbitrage Fund - Growth-Direct Plan	1,302.82	2,653.72
5,981,387.766 (31 March, 2020:12,680,893.801) units of face value of Rs. 10 each.		
Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan	1,401.49	1,006.13
488,030.441 (31 March, 2020:371,373.491) units of face value of Rs. 100 each.		
Aditya Birla Sun Life Floating Rate Fund - Growth-Direct Plan	2,372.17	2,211.03
876,364.154 (31 March, 2020:876,364.154) units of face value of Rs. 100 each.		
Aditya Birla Sun Life Savings Fund - Growth-Direct Plan	3,227.24	3,030.60
756,083.591 (31 March, 2020: 756,083.591) units of face value of Rs. 100 each.		
Aditya Birla Sunlife Overnight Fund - Direct Growth	500.02	-
44,928.016 (31 March, 2020: Nil) units of face value of Rs. 1000 each.		
Axis Overnight Fund - Direct Growth	1,799.83	-
165,437.889 (31 March, 2020: Nil) units of face value of Rs. 1000 each.		
Axis Overnight Fund - Direct Growth	49.55	-
4,554.282 (31 March, 2020: Nil) units of face value of Rs. 1000 each.		
Axis Arbitrage Fund - Direct Growth	1,300.94	2,101.25
8,424,287.809 (31 March, 2020:14,142,138.304) units of face value of Rs. 10 each.		

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 11. Current investments (Cont...)

Particulars	As at 31 March 2021	As at 31 March 2020
Axis Liquid Fund -Direct Growth- CFDG	-	2,104.82
Nil (31 March, 2020: 95,485.266) units of face value of Rs. 1,000 each.		
Axis Treasury Advantage Fund - Direct Growth	2,362.81	2,212.97
95,175.396 (31 March, 2020: 95,175.396) units of face value of Rs. 1000 each.		
Axis Banking & PSU Debt Fund - Direct Growth	2,534.58	1,206.14
120,821.36 (31 March, 2020: 62,140.321) units of face value of Rs. 1000 each.		
Axis banking & PSU Fund - Direct Growth	515.90	-
24,592.337 (31 March, 2020: Nil) units of face value of Rs. 1000 each.	-	
Axis Short Term Fund - Direct Growth	1,560.99	-
6,145,158.733 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
HDFC Money Market Fund - Direct Plan - Growth Option	-	1,006.57
Nil (31 March, 2020: 23,853.263) units of face value of Rs. 1000 each.		
HDFC Arbitrage Fund - Wholesale Plan - Growth - Direct Plan	-	920.44
Nil (31 March, 2020: 6,183,687.326) units of face value of Rs. 10 each.		
HDFC Liquid Fund-Direct Growth	51.42	60.39
1,271.138 (31 March, 2020: 1,545.956) units of face value of Rs. 1000 each.		
HDFC Money Market Fund - Direct Growth	110.89	-
2,478.488 (31 March, 2020: Nil) units of face value of Rs. 1000 each.		
ICICI Prudential Equity Arbitrage Fund - Direct Plan-Growth	350.56	2,652.15
1,249,656.331 (31 March, 2020: 9,829,284.978) units of face value of Rs. 10 each.		
ICICI Prudential Savings Fund - Direct Plan - Growth (formerly ICICI Prudential Mutual Fund- Flexible Income Plan)	2,037.15	1,331.90
485,395.239 (31 March, 2020: 341,190.123) units of face value of Rs. 100 each.		
ICICI Prudential Banking & PSU Fund - Direct Growth	1,853.04	-
7,233,831.616 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
ICICI Prudential Short Term Fund - Direct Growth	1,550.60	-
3,189,280.513 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
ICICI Prudential Liquid Fund - Direct Growth	-	1,304.12
Nil (31 March, 2020: 443,909.551) units of face value of Rs. 100 each.		
IDBI Liquid Fund- Direct Plan - Growth	500.04	-
22,592.912(31 March, 2020: Nil) units of face value of Rs. 1000 each.		
IDFC Arbitrage Fund - Growth - (Direct Plan)	-	1,727.19
Nil (31 March, 2020: 6,712,539.828) units of face value of Rs. 10 each.		
IDFC Banking & PSU Fund - Direct Growth	533.31	-
2,729,262.669 (31 March, 2020: Nil) units of face value of Rs. 10 each.		
Kotak Equity Arbitrage Fund - Direct Plan-Growth	2,497.08	1,535.99
8,246,338.928 (31 March, 2020: 5,283,957.955) units of face value of Rs. 10 each.		

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 11. Current investments (Cont...)

Particulars	As at 31 March 2021	As at 31 March 2020
Kotak Bond Short Term Fund-Direct Growth 683,643.332 (31 March, 2020: Nil) units of face value of Rs. 10 each.	297.24	-
Kotak Money Market Fund-Direct Growth 8,698.796 (31 March, 2020: Nil) units of face value of Rs. 1000 each.	303.05	-
Kotak Liquid Direct Plan Growth 12,048.454 (31 March, 2020: 44,850.522) units of face value of Rs. 1000 each.	501.10	1,800.69
Nippon India Arbitrage Fund - Direct Growth 10,980,600.721 (31 March, 2020: Nil) units of face value of Rs. 10 each.	2,396.74	-
Nippon India Liquid Fund-Direct Growth 42,752.935 (31 March, 2020: Nil) units of face value of Rs. 1000 each.	2,151.58	-
Nippon India Floating Rate Fund - Direct Growth 7,784,717.211 (31 March, 2020: Nil) units of face value of Rs. 10 each.	2,801.57	-
Nippon India Low Duration Fund - Direct Growth 50,340.047 (31 March, 2020: Nil) units of face value of Rs. 1000 each.	1,520.38	-
SBI Liquid Fund- Direct Growth 14,165.696 (31 March, 2020: 10,859.366) units of face value of Rs. 1000 each.	456.36	337.62
SBI Saving Fund-Direct Growth 2,955,074.715 (31 March, 2020: Nil) units of face value of Rs. 10 each.	1,010.51	-
Tata Arbitrage Fund - Direct Growth 13,509,132.173 (31 March, 2020: Nil) units of face value of Rs. 10 each.	1,549.50	-
Tata Liquid Fund Direct Plan - Growth (formerly Tata money market fund) Nil (31 March, 2020: 8,032.003) units of face value of Rs. 1000 each.	-	251.56
UTI Ultra Short Term Fund - Direct Growth Plan Nil (31 March, 2020: 35,467.516) units of face value of Rs. 1,000 each.	-	1,147.51
<b>Total</b>	<b>60,064.81</b>	<b>31,182.12</b>

Aggregate market value of quoted investments	18,664.35	41.24
Aggregate value of unquoted investments	41,400.46	30,602.83

\*Investments includes Rs. 6,400 (cost) [(31 March 2020: Rs. Nil) (cost)] under lien with banks for overdraft facilities.

## 12. Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables		
Secured, considered good	319.55	18.54
<b>Total</b>	<b>319.55</b>	<b>18.54</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 13. Cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- in current accounts	728.83	427.35
- in settlement accounts	3,875.84	858.53
<b>Total</b>	<b>4,604.67</b>	<b>1,285.88</b>

## 14. Other Bank balance

Particulars	As at 31 March 2021	As at 31 March 2020
Bank deposits having Original maturity of more than three months but less than twelve months from the reporting date*	5,766.02	1,460.79
<b>In earmarked accounts</b>		
- Current Accounts (unpaid dividend)#	16.08	17.45
<b>Total</b>	<b>5,782.10</b>	<b>1,478.24</b>

### Details of bank balances/ deposits

Fixed Deposits with original maturity of 3 months or less included under "Cash and cash equivalents"	-	-
Fixed Deposits due to mature within 12 months of reporting date included under "Other bank balance"	5,766.02	1,460.79
Fixed Deposits due to mature after 12 months of reporting date included under "Other financial assets"	202.09	202.50
<b>Total</b>	<b>5,968.11</b>	<b>1,663.29</b>

\*Bank deposits includes Rs. 200 (31 March 2020: Rs. 200) under lien with banks for overdraft facilities.

#The above mentioned bank balances are restricted bank balances which are to be used for specified purposes.

## 15. Loans - Current

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Security deposits	183.82	207.73
Loans and advances to employees	0.64	0.43
<b>Total</b>	<b>184.46</b>	<b>208.16</b>

## 16. Other financial assets - Current

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Other recoverable	17.66	-
Other advances	4.91	29.79
<b>Total</b>	<b>22.57</b>	<b>29.79</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 17. Other current assets

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
SGF Contribution	1,675.00	-
Prepaid expenses	123.63	121.68
Balance with government authorities	364.86	129.46
Other advances	546.84	-
Deferred rent	-	6.56
<b>Total</b>	<b>2,710.33</b>	<b>257.70</b>

## 18. Equity share capital

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Authorised equity share capital *</b>		
402,500,000 Equity shares of face value of Rs.1 each (31 March 2020: 402,500,000 Equity shares of face value of Rs.1 each )	4,025.00	4,025.00
	<b>4,025.00</b>	<b>4,025.00</b>
<b>Issued, subscribed and fully paid up equity share capital</b>		
299,556,511 Equity shares of face value of Rs.1 each (31 March 2020*: 299,556,511 Equity shares of face value of Rs.1 each )	2,995.56	2,995.56
Less: 1,051,170 Equity shares of face value of Rs 1 each (31 March 2020: 1,231,570 Equity shares of face value of Rs 1 each) held by IEX ESOP Trust	(10.52)	(12.32)
	<b>2,985.04</b>	<b>2,983.24</b>

\* After extinguishment of 3,729,729 equity shares of face value of Rs. 1 each due to buyback.

### a) Movements in equity share capital outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
Outstanding at the beginning of the year (face value of Rs.1 each)	29,83,24,941	2,983.24	30,19,19,020	3,019.19
Add: Option vested and exercised during the year (refer note 18 (f))	1,80,400	1.80	1,35,650	1.35
Less: Nil (31 March 2020: 3,729,729) Equity shares of face value of Rs 1 each extinguished due to buyback	-	-	(37,29,729)	(37.30)
<b>Outstanding at the end of the year (Face value 31 March 2021: Rs. 1 each, 31 March 2020 : Rs. 1 each)</b>	<b>29,85,05,341</b>	<b>2,985.04</b>	<b>29,83,24,941</b>	<b>2,983.24</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 18. Equity share capital (cont...)

### b) Rights, preferences and restrictions attached to equity shares

The Holding Company has only one class of equity share. The par value of the shares is Rs.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

During the current year, the Holding Company has declared interim dividend @ 2.5 per equity share in their meeting held on 21 January 2021. The same has been paid before the year-end.

### c) Details of shareholders holding more than 5% shares in the Holding Company:

Particulars	31 March 2021		31 March 2020	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 1 each, fully paid up held by:				
DPVL Ventures LLP (Previously TVS Shriram Growth Fund 1B LLP)	2,30,03,351	7.68	3,00,03,351	10.02
Dalmia Power Limited	2,45,03,361	8.18	3,00,03,361	10.02

### d) Details of shares issued for consideration other than cash / bonus shares / bought back.

There are no shares issued by way of bonus shares or issued for consideration other than cash and no shares were bought back during the period of 5 years immediately preceding the reporting date, except that, the Holding Company has on 10 April 2019 completed the buyback of 3,729,729 fully paid-up equity shares of Re.1 each of the Holding Company (representing 1.23% of the total number of equity shares in the paid-up share capital of the Holding Company) at a price of Rs. 185 (Rupees One Hundred Eighty Five only) per equity share (the "Maximum Price") paid in cash aggregating to the total consideration of Rs. 6,900.

### e) Employee stock options

Terms attached to stock options granted to employees are described in Note 49 regarding employee share based payments issued under the Employee Stock Option Scheme 2010.

- f) During the year ended 31 March 2021, 180,400 options (31 March 2020 : 135,650 options) (each option entitle the holder to get one equity share of Re. 1 each) were exercised from the options granted earlier, by the employees. Further during the year Nil (previous year: 100,000) ESOPs were granted to the employees of the Holding Company.

## 19. Other equity

Particulars	As at 31 March 2021	As at 31 March 2020
Employee stock options outstanding account	119.35	91.42
Retained earnings	48,440.19	34,896.42
ESOP trust reserve	1,029.17	786.78
Capital redemption reserve	37.30	37.30
<b>Total</b>	<b>49,626.01</b>	<b>35,811.92</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 19. Other equity (Cont...)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>(a) Securities premium account</b>		
Opening balance	-	3,196.94
Less: Utilised during the year for buyback	-	(3,196.94)
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>(b) General reserve</b>		
Opening balance	-	3,018.72
Less: Utilised during the year for buyback	-	(3,018.72)
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>(c) Employee stock options outstanding account</b>		
Opening balance	91.42	44.72
Add: Employee stock option expense (refer note 49)	27.93	46.70
<b>Closing balance</b>	<b>119.35</b>	<b>91.42</b>
<b>(d) Retained earnings</b>		
<b>Opening balance</b>	<b>34,896.42</b>	<b>27,114.31</b>
Add: Profit for the year	20,609.33	17,571.79
Add: Re-measurement gain/(loss) on defined benefit obligations (net of tax) (Refer note 37)	17.87	(40.12)
Less: Interim dividend on Equity Shares (Refer note 19 (g)) *	(7,488.91)	(7,488.91)
Interim dividend distribution tax paid on equity dividend	-	(1,539.72)
Transfer to ESOP trust reserve	(32.30)	(36.59)
Utilised during the year for buyback	-	(647.04)
Sale of investment to non- controlling interests	437.78	-
Adjustment on account of transfer to capital redemption reserve	-	(37.30)
<b>Closing balance</b>	<b>48,440.19</b>	<b>34,896.42</b>
* includes dividend paid on shares held by ESOP trust		
<b>(e) ESOP Trust reserve</b>		
Opening balance	786.78	633.02
Add: Addition during the year	32.30	36.59
Add: Profit earned on sale of shares to employees by ESOP Trust	192.66	88.38
Add: Dividend on shares held by the ESOP Trust from retained earnings	17.43	28.79
<b>Closing balance</b>	<b>1,029.17</b>	<b>786.78</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 19. Other equity (Cont...)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>(f) Capital redemption reserve</b>		
Opening balance	37.30	-
Add: Adjustment on account of buyback of equity shares	-	37.30
<b>Closing balance</b>	<b>37.30</b>	<b>37.30</b>

### Nature of reserves:

#### Securities premium reserve:

Securities premium account is used to record the premium on issue of shares/securities. This amount is utilized in accordance with the provisions of the Act.

#### General reserve:

Free reserve to be utilized as per provision of the Act.

#### Employee stock options outstanding account

Employee stock options outstanding account is used to record the impact of employee stock option scheme. Refer note 47 for further details of this plans.

#### ESOP Trust reserve

ESOP Trust reserve represents the surplus arising in the books of ESOP Trust from profit on the issue of shares to employees, dividend earned by the trust and other income/ expenses included in the statement of profit and loss.

#### Capital redemption reserve

Capital redemption reserve was created to the extent of share capital extinguished Rs. Nil (31 March 2020 : 37)

## (g) Following dividend has been declared and paid by the Holding Company

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Equity shares</b>		
Interim Dividend for the year ended 31 March 2021 of Rs. 2.50 (31 March 2020 is Rs. 2.50 per share)	7,488.91	7,488.91

## 20. Other financial liabilities - Non Current

Particulars	As at 31 March 2021	As at 31 March 2020
Deposits towards settlement guarantee fund (Refer Note 48 and 49 )	119.05	171.50
Deposit from employees	27.30	20.07
<b>Total</b>	<b>146.35</b>	<b>191.57</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 21. Provisions - Non Current

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Provision for employee benefits (Refer Note 37)</b>		
Gratuity	398.15	317.88
Compensated absences	351.48	253.00
<b>Total</b>	<b>749.63</b>	<b>570.88</b>

## 22. Deferred tax assets/ (Deferred tax liabilities) (net)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Deferred tax assets rising on timing differences on account of:</b>		
Provisions for employee benefits	191.48	132.44
Fair valuation of financial assets/ liabilities	51.91	41.13
Deduction u/s 35 D of Income Tax Act, 1961	14.48	-
Carryforward of unused tax losses	365.97	-
<b>Deferred tax liabilities rising on timing differences on account of:</b>		
Deferred tax liabilities on account of difference between WDV of property, plant and equipment and intangible assets as per books and under Income Tax Act, 1961.	(1,825.86)	(1,734.18)
Investments at fair value through profit or loss	(1,155.92)	(882.36)
<b>Total</b>	<b>(2,357.94)</b>	<b>(2,442.97)</b>

## Movement in deferred tax assets/(liabilities)

As at 31 March 2021

Particulars	Net balance 1 April 2020	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2021
<b>Deferred tax liability</b>				
Deferred tax liabilities on account of difference between WDV of property, plant and equipment and intangible assets as per books and under Income Tax Act, 1961.	(1,734.18)	(91.68)	-	(1,825.86)
Investments at fair value through profit or loss	(882.36)	(273.56)	-	(1,155.92)

As at 31 March 2021

Particulars	Net balance 1 April 2020	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2021
<b>Less: Deferred tax assets</b>				-
Provisions for employee benefits	132.44	65.34	(6.30)	191.48
Fair valuation of financial assets/ liabilities (including impact on Right of Use and Lease liability)	41.13	10.78	-	51.91
Deduction u/s 35 D of Income Tax Act, 1961	-	14.48	-	14.48
Carryforward of unused tax losses	-	365.97	-	365.97
<b>Deferred tax assets/(liabilities)</b>	<b>(2,442.97)</b>	<b>91.33</b>	<b>(6.30)</b>	<b>(2,357.94)</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

### 22. Deferred tax assets/ (Deferred tax liabilities) (net) (Cont...)

As at 31 March 2020

Particulars	Net balance 1 April 2019	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2020
<b>Deferred tax liability</b>				
Deferred tax liabilities on account of difference between WDV of property, plant and equipment and intangible assets as per books and under Income Tax Act, 1961.	(2,114.08)	379.89	-	(1,734.18)
Investments at fair value through profit or loss	(471.31)	(411.04)	-	(882.36)
<b>Less: Deferred tax assets</b>				
Provisions for employee benefits	140.06	(21.11)	13.49	132.44
Fair valuation of financial assets/ liabilities (including impact on Right of Use and Lease liability)	4.05	37.08	-	41.13
<b>Deferred tax assets/(liabilities)</b>	<b>(2,441.28)</b>	<b>(15.19)</b>	<b>13.49</b>	<b>(2,442.97)</b>

Reflected in the Consolidated Balance Sheet as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax assets (A)	340.26	-
Deferred tax liabilities (B)	2,698.20	2,442.97
<b>Deferred tax liabilities (net) (B-A)</b>	<b>2,357.94</b>	<b>2,442.97</b>

### 23. Other non-current liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Unamortised subscription and admission fee income	107.26	-
Deferred income settlement guarantee fund	8.29	17.57
<b>Total</b>	<b>115.55</b>	<b>17.57</b>

### 24. Trade Payables

Particulars	As at 31 March 2021	As at 31 March 2020
-Total outstanding dues of micro enterprises and small enterprises*	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	16,590.47	7,657.25
<b>Total</b>	<b>16,590.47</b>	<b>7,657.25</b>

\*The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the Memorandum. Based on information available with the Company, there are no amounts required to be disclosed in relation to Micro and Small Enterprises as at 31 March 2021 and 31 March 2020.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 25. Other financial liabilities - Current

Particulars	As at 31 March 2021	As at 31 March 2020
Deposits towards settlement guarantee fund*	15,520.92	11,517.93
Deposit from employees	-	1.39
Creditors for capital goods	218.83	117.55
Advance from customers	299.77	-
Unpaid dividends	16.08	17.45
Other liabilities	0.01	70.01
Employee related payables	903.12	396.05
Deposit from clearing and settlement bankers	2,100.00	1,600.00
<b>Total</b>	<b>19,058.73</b>	<b>13,720.38</b>

\*includes 2,022.87 (31 March 2020: Nil) as per PNBGRB regulations. (Refer Note 48 and 49)

## 26. Current tax liabilities (net)

Particulars	As at 31 March 2021	As at 31 March 2020
Current tax liabilities (net)	422.78	264.53
<b>Total</b>	<b>422.78</b>	<b>264.53</b>

## 27. Provisions - Current

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Provision for employee benefits (Refer Note 37)</b>		
Gratuity	3.52	2.94
Compensated absences	7.68	5.99
<b>Total</b>	<b>11.20</b>	<b>8.93</b>

## 28. Other current liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred income settlement guarantee fund	15.60	21.56
Unamortised subscription and admission fee income	689.07	918.78
Advance from customers	458.43	152.83
Statutory dues payables	806.71	572.40
<b>Total</b>	<b>1,969.81</b>	<b>1,665.57</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 29. Revenue from operations

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Sale of services</b>		
Transaction fees	29,898.09	23,833.42
Annual subscription fees	1,773.56	1,810.81
Membership, processing and transfer fees	89.14	47.00
	<b>31,760.79</b>	<b>25,691.23</b>
<b>Other operating revenues</b>		
Amortisation of deferred settlement guarantee fund	24.27	21.88
<b>Total</b>	<b>31,785.06</b>	<b>25,713.11</b>

## 30. Other income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income from bank deposits	236.59	124.26
Interest income from financial assets at amortised cost (security deposits)	55.81	33.06
Other interest income	113.20	29.58
Net gain on sale of investments	670.98	1,263.42
Fair value gain on investments	2,710.32	2,498.60
Provision/liabilities no longer required written back	29.82	-
Miscellaneous income	21.32	78.03
<b>Total</b>	<b>3,838.04</b>	<b>4,026.95</b>

## 31. Employee benefits expense

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	3,921.99	2,875.67
Contribution to provident funds	135.74	96.02
Gratuity	112.13	85.67
Compensated absences	141.86	112.27
Employee stock options expense (refer note 47)	27.93	46.70
Staff welfare expense	98.45	106.81
<b>Total</b>	<b>4,438.10</b>	<b>3,323.14</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 32. Finance Costs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	22.79	21.02
Interest		
- on bank overdraft	7.87	3.78
- on members security guarantee fund	55.60	80.18
- on lease liability	119.21	51.57
- on others	0.01	0.01
<b>Total</b>	<b>205.48</b>	<b>156.56</b>

## 33. Depreciation and Amortisation

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment	377.32	354.14
Amortisation of Right-of-use assets	343.13	321.75
Amortisation of intangible assets	930.56	848.40
<b>Total</b>	<b>1,651.01</b>	<b>1,524.29</b>

## 34. Other expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Rent	115.59	105.81
Technology	446.69	336.70
Business promotion/ development	123.21	122.93
Training and coaching	13.49	21.91
Legal and professional *	437.33	475.54
Travelling and conveyance	6.76	157.23
Market Communication	151.81	80.99
Insurance	11.48	10.82
Communication	87.16	82.01
CERC regulatory fee	56.06	53.00
Printing and stationery	2.44	19.95
Directors sitting fees	98.40	52.80
Repairs and maintenance - building	88.74	85.02
Repairs and maintenance - others	8.65	17.88
Electricity	28.88	50.29
Loss on sale/write off of property, plant and equipment ('PPE')	19.17	1.85
Contribution towards corporate social responsibility	420.00	389.04

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 34. Other expenses (Cont...)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Contribution to SGF	1.73	-
Rates and taxes	81.11	19.41
Miscellaneous	84.88	90.96
<b>Total</b>	<b>2,283.58</b>	<b>2,174.14</b>

### a) Details in respect of payment to auditors:

* Include payment to auditors as follows :		
- Audit fee	28.00	26.00
- Other services	14.50	16.50
- Reimbursement of expenses	1.81	4.18
<b>Total</b>	<b>44.31</b>	<b>46.68</b>

## 35. Income taxes

This note provides an analysis of the group's income tax expense, and how the tax expense is affected by non-assessable and non-deductible items.

### i) Income tax recognised in Statement of Profit and Loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Current tax expense</b>		
Current tax	6,587.97	4,959.67
<b>Total current tax expense</b>	<b>6,587.97</b>	<b>4,959.67</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	(91.33)	15.17
<b>Total deferred tax expense</b>	<b>(91.33)</b>	<b>15.17</b>
Income tax expense for current year	6,496.64	4,974.84
Current tax for earlier years	5.17	15.30
<b>Total income tax expense charged to P&amp;L</b>	<b>6,501.81</b>	<b>4,990.14</b>

### ii) Income tax recognised in other comprehensive income

Particulars	31 March 2021			31 March 2020		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Remeasurement of defined benefit plans	25.02	(6.30)	18.72	(53.61)	13.49	(40.12)
	<b>25.02</b>	<b>(6.30)</b>	<b>18.72</b>	<b>(53.61)</b>	<b>13.49</b>	<b>(40.12)</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 35. Income taxes (Cont...)

### iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Particulars	As at 31 March 2021	As at 31 March 2020
Profit before income tax expense	27,044.93	22,561.93
Enacted tax rates in India	25.17%	25.17%
<b>Computed expected tax (expenses)/credit</b>	<b>6,807.21</b>	<b>5,678.84</b>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible tax expenses	127.95	109.67
Tax-exempt income	(7.45)	(7.44)
Deferred Tax - Opening	-	(588.87)
Others	(431.08)	(217.36)
<b>Income tax expense for current year</b>	<b>6,496.64</b>	<b>4,974.84</b>

## 36. Earnings per Share ('EPS')

### (a) Basic and diluted earnings per share (in Rs.)

	As at 31 March 2021	As at 31 March 2020
Basic earnings per share	6.91	5.89
Diluted earnings per share	6.90	5.89
Nominal value per share	1.00	1.00

### (b) Profit attributable to equity shareholders (used as numerator)

	As at 31 March 2021	As at 31 March 2020
Profit attributable to equity holders	20,609.33	17,571.79

### (c) Weighted average number of equity shares (used as denominator) (in Nos.)

	As at 31 March 2021	As at 31 March 2020
Weighted average number of equity shares used in calculation of basic earnings per share	29,83,99,071	29,83,33,735
Add: Number of potential equity shares in respect of stock option	1,38,149	63,817
Weighted average number of equity shares used in calculation of diluted earnings per share	29,85,37,220	29,83,97,552

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 37. Employee benefits

### (i) Defined contribution plans:

#### Provident fund

The Group makes contributions, determined as a specified percentage of employee's salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as expense towards such contribution to provident fund for the year aggregated to Rs. 135.74 (31 March 2020 Rs. 96.02).

### (ii) Defined benefit plans:

#### Gratuity

The Group has a defined benefit plan that provide gratuity. The gratuity plan entitles all eligible employees who has completed five years or more of service to receive one half month's salary for each year of completed service at the time of retirement, superannuation, death or permanent disablement, in terms of the provisions of the payment of Gratuity Act or as per company's scheme whichever is more beneficial. The following table summarizes the position of assets and obligations:

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity and the amounts recognised in the Group's financial statements as at balance sheet date:

Particulars	As at 31 March 2021	As at 31 March 2020
<b>a) Net defined benefit liability:</b>		
Gratuity (unfunded)	401.67	320.82
	<b>401.67</b>	<b>320.82</b>
<b>b) Classification of defined benefit liability in current and non-current:</b>		
Non-current	398.15	317.88
Current	3.52	2.94

### c) Reconciliation of present value of defined benefit obligation:

Particulars	31 March 2021	31 March 2020
<b>Balance at the beginning of the year</b>	320.82	234.44
Benefits paid	(6.25)	(52.90)
Current service cost	89.13	67.71
Interest cost	23.00	17.96
Actuarial (gain)/ loss recognised in other comprehensive income		
- Demographic assumptions	-	-
- Financial assumptions	3.25	71.87
- Experience adjustment	(28.27)	(18.26)
<b>Balance at the end of the year</b>	<b>401.68</b>	<b>320.82</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 37. Employee benefits (Cont...)

### d) Expense recognised in profit or loss:

Particulars	31 March 2021	31 March 2020
Current service cost	89.13	67.71
Interest Cost	23.00	17.96
	<b>112.13</b>	<b>85.67</b>

### e) Remeasurement recognised in other comprehensive income:

Particulars	31 March 2021	31 March 2020
Actuarial (gain)/ loss on defined benefit obligation	(25.02)	53.61
	<b>(25.02)</b>	<b>53.61</b>

### f) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

Particulars	31 March 2021	31 March 2020
Discount rate	6.76%	6.82%
Salary escalation rate	10.00%	10.00%
Retirement age (years)	60	60
Mortality rates inclusive of provision for disability	IALM(2012-14)	IALM(2012-14)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### g) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31 March 2021		31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(29.56)	32.70	(23.32)	25.78
Salary escalation rate (0.5% movement)	31.54	(28.85)	24.87	(22.78)

The sensitivity analysis is based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 37. Employee benefits (Cont...)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these have not been calculated.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior years.

### h) Risk exposure:

#### i) Changes in discount rate

A decrease in discount yield will increase plan liabilities.

#### ii) Mortality table

The gratuity plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in plan liabilities.

### Expected maturity analysis of gratuity in future years

Particulars	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at 31 March 2021	3.51	6.51	53.23	338.42	401.67
As at 31 March 2020	2.94	4.89	49.90	263.08	320.81

Expected contributions to post-employment benefit plans for the next annual reporting period as on 31 March 2021 are Rs. 128.32 (31 March 2020: Rs. 114.33).

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.73 years (31 March 2020: 19.93 years).

## 38. Leases

### i) Leases where Group is a lessee:

The Group has entered into lease transactions mainly for leasing of office premise for a period between 1 to 9 years. The terms of lease include terms of renewal, increase in rents in future periods, which are in line with general inflation, and terms of cancellation. None of the leases consists of any variable lease payment terms. Extension and termination options are included in a number of property lease arrangements of the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable based on mutual consent of the Group and respective lessors and uses to assess the short term leases. The aggregate depreciation expense on Right of Use assets is included under depreciation and amortization expense in the Statement of Profit and Loss. (Also, refer note-4(a)).

(A) The movement in lease liabilities during the year ended March 31, 2021 is as follows :

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	1,390.96	-
Ind AS-116 transition impact	-	1,067.00
Additions during the year	34.72	1,239.88
Finance cost accrued during the year	119.21	51.57
Deletions during the year	-	(716.79)
Payment of lease liabilities during the year	(371.74)	(250.70)
<b>Closing Balance</b>	<b>1,173.15</b>	<b>1,390.96</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 38. Leases (Cont...)

(B) The break-up of current and non-current lease liabilities as at March 31, 2021 is as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Current lease liabilities	172.29	221.34
Non-current lease liabilities	1,000.86	1,169.62
<b>Total</b>	<b>1,173.15</b>	<b>1,390.96</b>

## (C) Discount rate

Discount rate at which the lease liability is recognised as on the initial application is 10%

(D) Amount recognised in statement of profit and loss during the year for:

Particulars	As at 31 March 2021	As at 31 March 2020
Depreciation and Amortisation	343.13	321.75
Interest expenses	119.21	51.57
Expenses related to low value assets	-	-
Expenses related to short term leases	115.59	105.81

(E) Actual cash flow during the year for:

Particulars	As at 31 March 2021	As at 31 March 2020
Cash flow during the year	487.33	356.51

## 39. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 463.12 (previous year Rs. 462.62).

## 40. Provisions and contingent liabilities

- The Group's pending litigations comprise proceedings pending with Income Tax authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. This provision has been created only as a matter of abundant caution. Management continues to believe that it has a strong case and that the demands against it are not tenable.
- The Group is directly or indirectly (through its members/other parties) involved in other lawsuits, claims, and proceedings, which arise in the ordinary course of business. The Group or its members/other parties have challenged these litigation with respective authorities. Based on the facts currently available, management believes that likelihood of outflow of resources is remote.
- During the financial year 2018-19, the Holding Company had received a show cause notice from the service tax department for Rs. 170.88. The Holding Company had filed a reply to the department for the show cause notice and no further action has been observed from the service tax authorities after filing of the reply. While the ultimate outcome of the above mentioned appeals cannot be ascertained at this time, based on current knowledge of the applicable law, management believes that matter raised by department is not tenable and highly unlikely to be retained and accordingly believe that no amount will be payable to the concerned authorities.
- The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Group will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 40. Provisions and contingent liabilities (Cont...)

- e) The Hon'ble Supreme Court of India, vide their ruling dated 28 February 2019, set out the principles based on which certain allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed by a third party and is pending before the SC for disposal. In view of the management, pending decision on the subject review petition and directions from the EPFO, the management has a view that the applicability of the decisions is prospective. Further, the impact for the past period, if any, is not practically ascertainable in view of various interpretation issues.

## 41. Corporate social responsibility

- A) Pursuant to section 135 of the Companies Act, 2013, the Holding Company has incurred expenditure in respect of eradication of hunger and malnutrition, promoting education, healthcare, art & culture, environment sustainability, disaster relief, skill development etc. Details of expenses incurred are given below:-

### 31 March 2021

- a) Gross amount required to be spent by the Holding Company during the year was Rs. 415.73.  
b) Amount approved by the Board of Holding Company to be spent during the year 20-21 was Rs 966.84, out of which Rs. 546.84 approved by the Board of Holding Company to be carried forward for next years.  
c) Amount recognised in P&L during the year on

Particulars	In cash	Yet to be paid	Total
Construction/acquisition of any assets	-	-	-
On purpose other than (i) above	420.00	-	420.00
<b>Total</b>	<b>420.00</b>	<b>-</b>	<b>420.00</b>

### 31 March 2020

- a) Gross amount required to be spent by the Holding Company during the year was Rs. 387.30  
b) Amount recognised in P&L during the year on

Particulars	In cash	Yet to be paid	Total
Construction/acquisition of any assets	-	-	-
On purpose other than (i) above	389.04	-	389.04
<b>Total</b>	<b>389.04</b>	<b>-</b>	<b>389.04</b>

## B) Details of Amount available for set off in succeeding financial years

S.No	Particulars	As at 31 March 2021
(i)	Two percent of average net profit of the company as per section 135(5)	415.73
(ii)	Total amount spent for the Financial Year 2020-21	662.57
(iii)	Excess amount spent for the financial year 2020-21 [(ii)-(i)]	246.84
(iv)	Advance amount paid, not yet spent	300.00
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(vi)	Amount available for set off in succeeding financial years [(iii)+(iv)+(v)]	546.84

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 42. Fair Value Measurements

### (a) Financial instruments by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at 31 March 2021

Particulars	Carrying amount			Fair value		
	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>						
<b>Non-current</b>						
Investments (bonds)	-	4,582.80	4,582.80	-	-	4,582.80
Mutual fund	1,992.94	-	1,992.94	-	1,992.94	-
Market Linked Debentures (MLD)	4,640.45	-	4,640.45	-	-	4,640.45
Loans (security deposits)#	-	119.30	119.30	-	-	119.30
Other financial assets- bank deposits	-	202.09	202.09	-	-	-
<b>Current</b>						
Investments						
- Mutual funds	60,064.81	-	60,064.81	-	60,064.81	-
Trade receivables*	-	319.55	319.55	-	-	-
Loans (current security deposit and advances to employees)*	-	184.46	184.46	-	-	-
Cash and cash equivalents*	-	4,604.67	4,604.67	-	-	-
Other Bank balances*	-	5,782.10	5,782.10	-	-	-
Other financial assets-others recoverable*	-	22.57	22.57	-	-	-
	<b>66,698.20</b>	<b>15,817.54</b>	<b>82,515.74</b>	<b>-</b>	<b>62,057.75</b>	<b>9,342.55</b>
<b>Financial liabilities</b>						
<b>Non-current</b>						
Lease liability	1,000.86	-	1,000.86	-	-	1,000.86
Other financial liabilities						
- Settlement guarantee fund #	-	119.05	119.05	-	-	119.05
- Deposits from employees	-	27.30	27.30	-	-	27.30
<b>Current</b>						
Trade payables*	-	16,590.47	16,590.47	-	-	-
Lease liability	172.29	-	172.29	-	-	172.29
Other financial liabilities						
- Settlement guarantee fund #	-	15,520.92	15,520.92	-	-	15,520.92
- Others (excluding settlement guarantee fund)*	-	3,537.81	3,537.81	-	-	-
	<b>1,173.15</b>	<b>35,795.55</b>	<b>36,968.70</b>	<b>-</b>	<b>-</b>	<b>16,840.42</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 42. Fair Value Measurements (Cont...)

As at 31 March 2020

Particulars	Carrying amount			Fair value		
	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>						
<b>Non-current</b>						
Investments (bonds)	-	428.38	428.38	-	-	428.38
Mutual fund	19,246.56	-	19,246.56	-	19,246.56	-
Loans (security deposits)#	-	46.08	46.08	-	-	46.08
Other financial assets- bank deposits	-	202.50	202.50	-	-	-
<b>Current</b>						
Investments						
- Investments (MLD)	538.07	-	538.07	-	-	538.07
- Mutual funds	30,644.05	-	30,644.05	-	30,644.05	-
Trade receivables*	-	18.54	18.54	-	-	-
Loans (current security deposit and advances to employees)*	-	208.16	208.16	-	-	-
Cash and cash equivalents*	-	1,285.88	1,285.88	-	-	-
Other Bank balances*	-	1,478.24	1,478.24	-	-	-
Other financial assets-others recoverable*	-	29.79	29.79	-	-	-
	<b>50,428.68</b>	<b>3,697.57</b>	<b>54,126.25</b>	<b>-</b>	<b>49,890.61</b>	<b>1,012.53</b>
<b>Financial liabilities</b>						
<b>Non-current</b>						
Lease liability	1,169.62	-	1,169.62	-	-	1,169.62
Other financial liabilities						
- Settlement guarantee fund #	-	171.50	171.50	-	-	171.50
- Deposits from employees	-	20.07	20.07	-	-	20.07
<b>Current</b>						
Trade payables*	-	7,657.25	7,657.25	-	-	-
Lease liability	221.34	-	221.34	-	-	221.34
Other financial liabilities						
- Settlement guarantee fund #	-	11,517.93	11,517.93	-	-	11,517.93
- Others (excluding settlement guarantee fund)*	-	2,202.45	2,202.45	-	-	-
	<b>1,390.96</b>	<b>21,569.20</b>	<b>22,960.16</b>	<b>-</b>	<b>-</b>	<b>13,100.46</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 42. Fair Value Measurements (Cont...)

\*The carrying amounts of trade receivables, trade payables, other current financial liabilities, cash and cash equivalent, other bank balances, loans (security deposits) and other current financial assets, approximates the fair values, due to their short-term nature. In case of the non current bank deposits (due for maturity after twelve months from reporting date) and interest accrued but not due on bank deposits also the carrying value approximates the fair values as on the date.

#The fair values for security deposits given and deposit for settlement guarantee fund were calculated based on cash flows discounted using effective interest rate ('EIR') method. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk/own credit risk.

### Valuation technique used to determine fair value:

Specific valuation techniques used to fair value of financial instruments include:

- a) the use of quoted market prices for quoted mutual funds and market linked debentures
- b) the use of NAV for unquoted mutual funds
- c) the fair value of the remaining financial instruments are discounted at appropriate discounting rate

## 43. Financial Risk Management

The Group's activities expose it to the followings risks arising from the financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

### Risk Management framework

The Board of directors of the Holding Company and Subsidiary Company has overall responsibility for the establishment and oversight of the respective company's risk management framework. The risk management policies are established to identify and analysis the risk faced by the respective entities, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The board provides written principles for overall risk management, as well as policies covering specific areas, such as regulatory risk, compliance risk, technology related risk, IT risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. Risk management is carried out by an Enterprise Risk Management Committee under risk policy approved by the board of directors.

The audit committee of Holding Company and subsidiary company oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the respective entities.

### Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from trade receivables, investments, loans and advances, cash and cash equivalents, deposits with banks and other financial assets. The carrying amount of the financial assets represents maximum credit exposure.

Credit risks on cash and cash equivalents and bank deposits is limited as the Group generally invest in deposits with banks with high credit ratings assigned by domestic credit agencies. Investments primarily include investments in mutual fund units, fixed maturity plans and investment in bonds with fixed interest income. The management actively monitors the net asset value of investments in mutual funds, interest rate and maturity period of these investments. The Group does not expect the counterparty to fail to meet its obligations. However, investment in fixed maturity plans of mutual funds are exposed to uncertainties in regards to fulfilment of obligations by counter-party. Further

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 43. Financial Risk Management (Cont...)

the Group has not experienced any significant impairment losses in respect of any of the investments. The loans primarily represents security deposits given for facilities taken on rent. Such security deposit will be returned to the Group at the end of lease term. Hence, the credit risk associated with such deposits is relatively low. Accordingly, no provision for expected credit loss has been provided on these financial assets.

Credit risk on trade receivable is also very limited. The Group mitigates its exposure to risks relating to trade receivables from its members / clients by requiring them to comply with the Group's established financial requirements and criteria for admission as members / clients. As a process, the Group collects the amounts from buyer for purchase of power, including transmission and other charges and exchange fees on the day of trade and pays out the amount to seller for sale of power on the second day from the day of trade (one day after actual delivery). Further, transmission charges etc. are paid to system operator on the next day from the day of trade. Further, the Group also holds and maintain settlement guarantee funds for settlement of defaults by any of the members/ clients.

### (i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	31 March 2021	31 March 2020
<b>Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b>		
Investments (Non current and current)	71,281.00	50,857.05
Non-current loans	119.30	46.08
Other non-current financial assets - bank deposits	202.09	202.50
Cash and cash equivalents	4,604.67	1,285.88
Other Bank balance	5,782.10	1,478.24
Current loans	184.46	208.16
Other current financial assets - other recoverable	22.57	29.79
<b>Total</b>	<b>82,196.19</b>	<b>54,107.70</b>
<b>Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)</b>		
Trade receivables	319.55	18.54

### (ii) Provision for expected credit losses

#### (a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment loss has been recognised during the reporting periods in respect of these assets.

#### (b) Financial assets for which loss allowance is measured using life time expected credit losses

The Group has customers with strong capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk and SGF funds available with the Group and hence no impairment loss has been recognised during the reporting year in respect of trade receivables.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 43. Financial Risk Management (Cont...)

### (iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as 31 March 2021	-	316.48	-	-	-	3.07	319.55
Gross carrying amount as 31 March 2020	-	13.80	-	-	-	4.74	18.54

### Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group believes that its liquidity position, including total cash (including bank deposits under lien) and short-term investments and anticipated future internally generated funds from operations, will enable it to meet its future known obligations in the ordinary course of business. However, if liquidity needs were to arise, the Group believes it has access to financing arrangements which would enable it to meet its ongoing capital, operating and other liquidity requirements.

### (i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 March 2021	31 March 2020
<b>Floating-rate borrowings</b>		
Overdraft facilities from banks*	5,180.00	5,180.00
<b>Total</b>	<b>5,180.00</b>	<b>5,180.00</b>

\* the overdraft facilities may be drawn at any time

### (ii) Maturities of financial liabilities

The following are the contractual maturities of financial liabilities at the reporting date. The contractual cash flow amount are gross and undiscounted.

#### 31 March 2021

Contractual maturities of financial liabilities	Carrying amount	Contractual cash flows					Total
		3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Trade payables	16,590.47	16,590.47	-	-	-	-	16,590.47
Deposits towards settlement guarantee fund- Non current	119.05	-	-	105.00	60.00	-	165.00
Deposits towards settlement guarantee fund- Current	15,520.92	13,423.05	2,097.87	-	-	-	15,520.92

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 43. Financial Risk Management (Cont...)

Contractual maturities of financial liabilities	Carrying amount	Contractual cash flows					Total
		3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Deposit from employees- Non Current	27.30	-	-	8.92	18.38	-	27.30
Employee related payables	903.12	903.12	-	-	-	-	903.12
Deposit from clearing and settlement bankers	2,100.00	2,100.00	-	-	-	-	2,100.00
Advance from customers	299.77	299.77	-	-	-	-	299.77
Creditors for capital goods	218.83	218.83	-	-	-	-	218.83
Unpaid dividend	16.08	16.08	-	-	-	-	16.08
Other liabilities	0.01	0.01	-	-	-	-	0.01
Lease liability	1,173.15	75.96	202.55	289.90	917.64	-	1,486.05
<b>Total</b>	<b>36,968.70</b>	<b>33,627.28</b>	<b>2,300.42</b>	<b>403.82</b>	<b>996.02</b>	<b>-</b>	<b>37,327.55</b>

## 31 March 2020

Contractual maturities of financial liabilities	Carrying amount	Contractual cash flows					Total
		3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Trade payables	7,657.25	7,657.25	-	-	-	-	7,657.25
Deposits towards settlement guarantee fund- Non current	171.50	-	-	100.00	105.00	-	205.00
Deposits towards settlement guarantee fund- Current	11,517.93	11,457.95	68.00	-	-	-	11,525.95
Deposit from employees- Non Current	20.07	-	-	-	20.07	-	20.07
Deposit from employees- Current	1.39	-	1.39	-	-	-	1.39
Employee related payables	396.05	396.05	-	-	-	-	396.05
Deposit from clearing and settlement bankers	1,600.00	1,600.00	-	-	-	-	1,600.00
Creditors for capital goods	117.55	117.55	-	-	-	-	117.55
Unpaid dividend	17.45	17.45	-	-	-	-	17.45
Other liabilities	70.01	70.01	-	-	-	-	70.01
Lease liability	1,390.96	63.39	283.63	278.51	930.46	271.44	1,827.43
<b>Total</b>	<b>22,960.16</b>	<b>21,379.65</b>	<b>353.02</b>	<b>378.51</b>	<b>1,055.53</b>	<b>271.44</b>	<b>23,438.15</b>

## Market risk

Market risk is the risk that future cash flows of a financial instruments will fluctuate because of change in market price. Market comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 43. Financial Risk Management (Contd...)

### A. Currency risk

Currency Risk is the risk that the future cash flows of a financial instrument will fluctuate because of change in foreign exchange rates. The Group is not exposed to the effects of fluctuations in the prevailing foreign exchange rates on its financial position and cash flows since all financial assets / liabilities are receivable / payable in Indian currency.

### B. Interest rate risk

Interest rate risk is the risk that future cash flows of financial instruments will fluctuate because of change in market interest risks. The interest rate profile of the Group's interest bearing financial instruments as reported to the management of the Group is as follows:

Particulars	31 March 2021	31 March 2020
<b>Financial Assets</b>		
Investments in bonds	4,582.80	428.38
Bank deposits	5,968.11	1,663.29
<b>Total</b>	<b>10,550.91</b>	<b>2,091.67</b>

### Fair value sensitivity analysis for fixed-rate instruments

The Group's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

## 44. Capital Management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. For the purpose of the Group's capital management, the Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities less cash and cash equivalents and other bank balance. Adjusted equity refers to total equity and includes issued equity share capital and other equity comprises securities premium, retained earnings etc.

Particulars	As at 31 March 2021	As at 31 March 2020
Total Liabilities	42,935.87	27,930.62
Less : Cash and cash equivalent and Other bank balance	10,588.86	2,966.62
<b>Adjusted net debt (A)</b>	<b>32,347.01</b>	<b>24,964.00</b>
<b>Adjusted equity (B)</b>	<b>55,580.04</b>	<b>38,795.16</b>
<b>Adjusted net debt to adjusted equity ratio (A/B)</b>	<b>58.20%</b>	<b>64.35%</b>

## 45. Operating segments

The Managing Director of the Holding Company along with the Board of Directors have been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of each segment and to make decision about allocation of resources. Accordingly, the Group has determined reportable segments by the nature of its products and services, which are as follows:

- Power exchange
- Gas exchange

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 45. Operating segments (Cont...)

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

No operating segments have been aggregated to form the above reportable operating segments.

Information related to each reportable segment is set out below. Segment results (profit/(loss) before interest and tax is used to measure performance because management believes that this information is most relevant in evaluating the results of the respective segments.

### Year ended 31 March 2021

Particulars	Power Exchange	Gas Exchange	Total	Elimination	Consolidated
<b>Revenue</b>					
External Customers	35,402.99	220.11	35,623.10	-	35,623.10
Inter-Segment	335.56	-	335.56	(335.56)	-
<b>Total revenue</b>	<b>35,738.55</b>	<b>220.11</b>	<b>35,958.66</b>	<b>(335.56)</b>	<b>35,623.10</b>
<b>Segment Profit before tax and interest</b>	<b>28,385.01</b>	<b>(1,134.60)</b>	<b>27,250.41</b>	<b>-</b>	<b>27,250.41</b>
Finance cost	205.48	-	205.48	-	205.48
<b>Segment Profit before tax</b>	<b>28,179.53</b>	<b>(1,134.60)</b>	<b>27,044.93</b>	<b>-</b>	<b>27,044.93</b>
Tax expense	6,830.71	(328.90)	6,501.81	-	6,501.81
<b>Segment Profit after tax</b>	<b>21,348.82</b>	<b>(805.70)</b>	<b>20,543.12</b>	<b>-</b>	<b>20,543.12</b>
<b>Segment Assets</b>	<b>92,719.81</b>	<b>9,802.93</b>	<b>1,02,522.74</b>	<b>(4,006.83)</b>	<b>98,515.91</b>
<b>Segment Liabilities</b>	<b>39,579.64</b>	<b>3,447.70</b>	<b>43,027.34</b>	<b>(91.47)</b>	<b>42,935.87</b>

### Year ended 31 March 2020

Particulars	Power Exchange	Gas Exchange	Total	Elimination	Consolidated
<b>Revenue</b>					
External Customers	29,715.22	24.84	29,740.06	-	29,740.06
Inter-Segment	-	-	-	-	-
<b>Total revenue</b>	<b>29,715.22</b>	<b>24.84</b>	<b>29,740.06</b>	<b>-</b>	<b>29,740.06</b>
<b>Segment Profit before tax and interest</b>	<b>22,935.20</b>	<b>(216.71)</b>	<b>22,718.49</b>	<b>-</b>	<b>22,718.49</b>
Finance cost	156.56	-	156.56	-	156.56
<b>Segment Profit before tax</b>	<b>22,778.64</b>	<b>(216.71)</b>	<b>22,561.93</b>	<b>-</b>	<b>22,561.93</b>
Tax expense	4,987.02	3.12	4,990.14	-	4,990.14
<b>Segment Profit after tax</b>	<b>17,791.62</b>	<b>(219.83)</b>	<b>17,571.79</b>	<b>-</b>	<b>17,571.79</b>
<b>Segment Assets</b>	<b>66,810.89</b>	<b>919.00</b>	<b>67,729.89</b>	<b>(1,004.12)</b>	<b>66,725.77</b>
<b>Segment Liabilities</b>	<b>27,795.91</b>	<b>138.82</b>	<b>27,934.73</b>	<b>(4.12)</b>	<b>27,930.61</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 45. Operating segments (Cont...)

Inter-segment revenues are eliminated upon consolidation and reflected in the "eliminations" column.

### Information about Geographical segments:

#### Revenue by geographical markets

	As at 31 March 2021	As at 31 March 2020
- India	35,623.10	29,740.06
- Outside India	-	-
<b>Total</b>	<b>35,623.10</b>	<b>29,740.06</b>

#### Non-current assets (by geographical location of assets)\*

	As at 31 March 2021	As at 31 March 2020
- with in India	13,270.97	12,590.40
- Outside India	-	-
<b>Total</b>	<b>13,270.97</b>	<b>12,590.40</b>

\*Non-current assets are excluding financial investments and deferred tax assets.

## 46. Related Party Disclosures

a) List of Related parties with whom transactions taken place:

i) Key Managerial Personnel (KMP) of Holding Company (IEX):

Name	Relationship
Satyanarayan Goel (w.e.f. 19.02.2021)	Chairman & Managing Director
Satyanarayan Goel (w.e.f 20.07.2019 till 18.02.2021)	Chairman & Non-Executive Director
Satyanarayan Goel (till 20.07.2019)	Managing Director & CEO
Sudha Pillai	Independent Director
Kayyalathu Thomas Chacko	Independent Director
Tejpreet Singh Chopra	Independent Director
Gautam Dalmia	Non-Executive Director
Amit Garg (w.e.f. 14.05.2020)	Non-Executive Director
Rajiv Srivastava (till 24.08.2020)	Managing director & CEO
Ajeet Kumar Agarwal (REC representative ) (till 01.06.2020)	Non-Executive Director (Nominee)
Dinesh Kumar Mehrotra (till 22.05.2019)	Non-Executive Director
Vineet Harlalka	Chief Financial Officer & Company Secretary

ii) Key Managerial Personnel (KMP) of Subsidiary Company: Indian Gas Exchange Limited (IGX):

Name	Relationship
Vaidyanathan Ramamurthy (w.e.f 15.12.2020)	Chairman
Radhey Shyam Sharma (w.e.f 15.12.2020)	Independent Director
Satyanarayan Goel (w.e.f 14.09.2020)	Non-Executive Director
Rajesh Kumar Mediratta (w.e.f 06.11.2019 till 25.03.2021)	Non-Executive Director
Rajesh Kumar Mediratta (w.e.f 07.10.2020)	Manager
Vineet Harlalka (w.e.f 06.11.2019 till 09.12.2020)	Non-Executive Director
Gautam Dalmia (w.e.f 20.01.2021)	Non-Executive Director
Priyanka Nautiyal (w.e.f 05.10.2020)	Company Secretary and Compliance officer

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 46. Related Party Disclosures (Cont...)

b) Transactions with the related parties are as follows:

### Transactions during the year

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>i. Compensation to Key managerial personnel (S.N. Goel) - Chairman &amp; MD (IEX)</b>		
Salary, wages and bonus <sup>1</sup>	32.76	-
<b>Compensation to Key managerial personnel (S.N. Goel) - Chairman &amp; Non-executive director (IEX)</b>		
Commission <sup>2</sup>	195.01	125.32
Sitting fees	20.70	12.00
<b>Compensation to Key managerial personnel (S.N. Goel) - MD &amp; CEO (IEX)</b>		
Salary, wages and bonus <sup>3</sup>	-	71.92
Gratuity and leave encashment paid	-	27.36
Perquisites	-	0.13
<b>ii. Compensation to Key managerial personnel (Rajiv Srivastava) - WTD (IEX)</b>		
Salary, wages and bonus	-	48.29
<b>Compensation to Key managerial personnel (Rajiv Srivastava) - MD &amp; CEO (IEX)</b>		
Salary, wages and bonus	379.20	317.88
Gratuity and leave encashment paid	10.02	-
Perquisites	0.24	0.30
<b>iii. Compensation to Key managerial personnel (Vineet Harlalka) - CFO &amp; CS (IEX)</b>		
Salary, wages and bonus <sup>4</sup>	101.63	96.67
Leave encashment paid	3.72	-
Perquisites	0.49	0.44
<b>iv. Compensation to Key managerial personnel (Priyanka Nautiyal) - Company Secretary and Compliance Officer (IGX)</b>		
Salary, wages and bonus <sup>5</sup>	11.36	-
Perquisites	0.03	-
<b>v. Sitting fees (IEX)</b>		
Tejpreet Singh Chopra	8.10	6.30
Sudha Pillai	23.70	11.70
Dinesh Kumar Mehrotra	-	4.20
Kayyalathu Thomas Chacko	23.10	17.70
Ajeet Kumar Agarwal (REC representative)*	-	0.90
Amit Garg	15.00	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 46. Related Party Disclosures (Cont...)

### Transactions during the year

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>vi. Sitting fees (IGX)</b>		
Vaidyanathan Ramamurthy	2.60	-
Radhey Shyam Sharma	2.60	-
Satyanarayan Goel	2.60	-

#### Note:

Above amounts does not include provision for gratuity and compensated absences, since these are determined for the Group as whole.

<sup>1</sup> Includes Rs. 11.95 lakhs towards provision for variable pay, payable post requisite approvals.

<sup>2</sup> Includes Rs. 97.07 lakhs towards variable commission, to be paid post requisite approvals (previous year included Rs. 70 lakhs variable commission, against which Rs 59.95 lakhs was paid in current year).

<sup>3</sup> Previous year includes provision of Rs. 21.87 lakhs towards variable pay, out of which Rs 20.45 lakhs was paid in current year.

<sup>4</sup> Includes Rs. 26.54 lakhs towards variable pay provision, to be paid post requisite approvals (previous year included Rs. 26.14 lakhs towards variable pay provision, against which Rs 25.50 lakhs was paid in current year).

<sup>5</sup> Includes Rs. 1.73 lakhs towards variable pay provision, to be paid post requisite approvals.

\* Sitting fee paid to REC.

### c) Outstanding balances with related parties are as follows:

Particulars	31 March 2021	31 March 2020
<b>Payable to key management personnel</b>		
Rajiv Srivastava (IEX)	-	61.59
Satyanarayan Goel (IEX) <sup>6</sup>	109.44	91.87
Vineet Harlalka (IEX) <sup>6</sup>	26.54	26.14
Priyanka Nautiyal (IGX) <sup>6</sup>	1.73	-

#### Note:

<sup>6</sup> Shall be paid post requisite approvals.

## 47. Share based payment arrangements:

### a. Description of share-based payment arrangements

During the financial year 2010-2011, the Holding Company had framed an Employee Stock Option Scheme - 2010 ("ESOP 2010"), which was duly approved by the Shareholders and Board of Directors of the Holding Company. Accordingly, the Holding Company allotted 606,572 number of equity shares of Rs. 10 each ( post sub division equivalent to 6,065,720 of Rs 1 each) to IEX ESOP Trust ("ESOP Trust") who will administer ESOP 2010 on behalf of the Holding Company. Subsequently, ESOP 2010 has been amended by special resolution passed at the Extra-ordinary General Meeting held on 16 May 2017 by the shareholders of the Holding Company.

Further, the Shareholders of the Holding Company vide their special resolution passed at the Annual General Meeting held on 27 September 2013 had authorised the Board of Directors/ Compensation Committee of the Holding Company to vary the terms of ESOP's including the vesting period for selective/specific eligible employees in respect of the options which have yet not been granted or granted but which have not been vested yet, subject to a minimum vesting period of one year from the date of grant under ESOP 2010.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 47. Share based payment arrangements: (Cont...)

In the Annual General Meeting of the Holding Company held on 18 September 2018, the Shareholders of the Holding Company had approved the sub-division of the nominal value of equity shares of the Holding Company from the earlier nominal value of Rs. 10 each to nominal value of Re. 1 each, thereby all the numbers have been reinstated. Out of total shares allotted to IEX ESOP Trust, ESOP Trust has granted 5,243,950 (net of 1,505,050 option lapsed) number of options to employees (representing figures post-sub-division adjustment of equity shares). Details of options granted by the IEX ESOP Trust ("ESOP Trust") is as under:

Sl No	Grant Date	No. of Options	Exercise Price	Vesting Conditions	Vesting Period	Contractual period
1	08/07/2010*	3,07,100	10	33% on completion of first year 33% on completion of second year 34% on completion of third year	33% on completion of first year 33% on completion of second year 34% on completion of third year	12 months from the date of vesting
2	07/09/2010*	17,600	10	33% on completion of first year 33% on completion of second year 34% on completion of third year	33% on completion of first year 33% on completion of second year 34% on completion of third year	12 months from the date of vesting
3	16/12/2011*	1,06,100	53	33% on completion of first year 33% on completion of second year 34% on completion of third year	33% on completion of first year 33% on completion of second year 34% on completion of third year	12 months from the date of vesting
4	16/12/2011*	1,00,000	53	55% on completion of first year 45% on completion of second year	55% on completion of first year 45% on completion of second year	12 months from the date of vesting
5	21/01/2014*	45,000	150	25% on completion of second year 25% on completion of third year 25% on completion of fourth year 25% on completion of fifth year	25% on completion of second year 25% on completion of third year 25% on completion of fourth year 25% on completion of fifth year	12 months from the date of vesting
6	24/06/2014*	10,000	535	100% on completion of one year and successful completion of the IPO and listing of the Company's equity shares at Stock Exchange	100% on completion of one year and successful completion of the IPO and listing of the Company's equity shares at Stock Exchange	12 months from the date of vesting
7	17/04/2017*	10,000	750	33% on completion of first year 33% on completion of second year 34% on completion of third year	33% on completion of first year 33% on completion of second year 34% on completion of third year	12 months from the date of vesting
8	19/06/2017*	19,000	750	33% on completion of first year 33% on completion of second year 34% on completion of third year	33% on completion of first year 33% on completion of second year 34% on completion of third year	12 months from the date of vesting
9	16/08/2017*	35,100	750	33% on completion of 17 months 33% on completion of 29 months 34% on completion of 41 months	33% on completion of 17 months 33% on completion of 29 months 34% on completion of 41 months	12 months from the date of vesting
10	15/11/2018**	1,00,000	160	30% on completion of first year 30% on completion of second year 40% on completion of third year	30% on completion of first year 30% on completion of second year 40% on completion of third year	12 months from the date of vesting
11	18/12/2018**	50,000	166	30% on completion of first year 30% on completion of second year 40% on completion of third year	30% on completion of first year 30% on completion of second year 40% on completion of third year	12 months from the date of vesting
12	05/08/2019**	1,00,000	142	30% on completion of first year 30% on completion of second year 40% on completion of third year	30% on completion of first year 30% on completion of second year 40% on completion of third year	12 months from the date of vesting
<b>Total</b>		<b>8,99,900</b>				

\* each option entitle the holder to get one equity share of Rs. 10 each (before sub-division of equity shares of the Holding Company from face value of Rs. 10 to Rs 1)

\*\* each option entitle the holder to get one equity share of Rs. 1 each (post sub-division of equity shares of the Holding Company from face value of Rs. 10 to Rs 1)

No employee has been issued options entitling such person to subscribe to more than 1% of Equity Share Capital of the Holding Company.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 47. Share based payment arrangements: (Cont...)

### b. Measurement of fair values

The weighted average fair value of stock options as on grant date

Particulars	Method of Valuation	Weighted average fair value as on the grant date (Rs.)
<b>Employee stock option plan -2010</b>		
<b>Pre-sub division</b>		
21-Jan-14	Black Scholes option pricing model	21.24
24-Jun-14	Black Scholes option pricing model	58.86
17-Apr-17	Black Scholes option pricing model	Nil
19-Jun-17	Black Scholes option pricing model	75.25
16-Aug-17	Black Scholes option pricing model	83.73
<b>Post-sub division</b>		
15-Nov-18	Black Scholes option pricing model	41.90
18-Dec-18	Black Scholes option pricing model	42.57
05-Aug-19	Black Scholes option pricing model	28.24

The inputs used in the measurement of grant date fair value are as follows:

Particulars	Share Price (Rs.)	Exercise Price (Rs.)	Expected Volatility	Expected Life (in years)	Expected Dividend	Risk free Interest Rate
<b>Employee stock option plan -2010</b>						
21/01/2014*	148	150	0.00%	1.5 to 4.5 years	Based on dividend declared prior to the date of grant	8.52%
24/06/2014*	148	535	0.00%	1.50 years	Based on dividend declared prior to the date of grant	8.83%
17/04/2017*	555	750	0.00%	1.5 to 3.5 years	Based on dividend declared prior to the date of grant	6.49%
19/06/2017*	647	750	25.54%	1.5 to 3.5 years	Based on dividend declared prior to the date of grant	6.34%
16/08/2017*	647	750	25.54%	1.5 to 3.88 Years	Based on dividend declared prior to the date of grant	6.32%
15/11/2018**	158.5	160	24.25%	2.5 to 4.51 years	Based on dividend declared prior to the date of grant	7.45%
18/12/2018**	164.55	166	24.55%	2.5 to 4.51 years	Based on dividend declared prior to the date of grant	7.16%
05-08-2019**	142	142	24.55%	1.5 to 3.5 years	Based on dividend declared prior to the date of grant	6.13%

\* each option entitle the holder to get one equity share of Rs. 10 each (before sub-division of equity shares of the Holding Company from face value of Rs. 10 to Rs 1)

\*\* each option entitle the holder to get one equity share of Rs. 1 each (post sub-division of equity shares of the Holding Company from face value of Rs. 10 to Rs 1)

The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity equal to the expected life of the options based on the zero-yield curve for Government Securities. Expected volatility calculation is based on historical net asset method of valuation.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 47. Share based payment arrangements: (Cont...)

### c. Effect of employee stock option scheme on the Statement of Profit and loss:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Employee stock option expenses	27.93	46.70
<b>Total</b>	<b>27.93</b>	<b>46.70</b>

### d. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programs were as follows

Particulars	31 March 2021**		31 March 2020**	
	Number of options	Weighted average exercise price (Rs.)	Number of options	Weighted average exercise price (Rs.)
Options outstanding as at the beginning of the year	1,49,900	75.00	3,18,900	75.00
	70,000	160.00	1,00,000	160.00
	35,000	166.00	-	-
	1,00,000	142.00	50,000	166.00
Exercisable at the beginning of the year	9,900	75		
	30,000	160	-	-
	15,000	166		
Add: Options granted during the year	-	-	1,00,000	142.00
Less: Options forfeited and expired during the year	-	-	23,450	75.00
Less: Options vested and exercised during the year	1,05,400	75.00		
	30,000	160.00		
	15,000	166.00	1,35,650	75.00
	30,000	142.00		
Options outstanding as at the year end	-	-	1,49,900	75.00
	40,000	160.00	70,000	160.00
	20,000	166.00	35,000	166.00
	70,000	142.00	1,00,000	142.00
Exercisable at the end of the year	54,400	75.00	9,900	75.00
	30,000	160.00	30,000	160.00
	15,000	166.00	15,000	166.00

\*\* representing figures post-sub-division adjustment of equity shares, each option entitles the holder to get one equity share of Rs. 1 each (post sub-division of equity shares of the Holding Company from face value of Rs. 10 to Rs 1)

The options outstanding at 31 March 2021 have an exercise price in the range of Rs 75 to Rs 166, each option entitles the holder to get one equity share of Rs. 1 each (31 March 2020: Rs 75 to Rs 166, each option entitles the holder to get one equity share of Rs. 1 each) and a weighted average remaining contractual life of 0.80 years (31 March 2020: 2.67 years).

The weighted average share price at the date of exercise for share options exercised in 2020-21 was Rs. 107.84 for 180,400 shares of Rs. 1 each (2019-20: Rs. 75 for 1,35,650 shares of Rs. 1 each).



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

48. The Holding Company had constituted a separate 'Settlement Guarantee Fund' ('SGF') in respect of the activities carried out in various contracts being traded at the exchange platform. The members are required to contribute interest free margin money which forms part of the SGF. However, as per CERC order dated 09 October 2018, the Holding Company has to share 70% of the return earned on 'initial security deposits' with the Members. The margin money is refundable, subject to adjustments, if any. Such fund is also termed as Settlement Guarantee Fund. The Cash Margin Money forming part of SGF was Rs. 13,617.10 (previous year Rs. 11,689.42) and same has been disclosed under note 25 - Other current financial liabilities i.e. Rs. 13,498.05 (previous year Rs. 11,517.93) under Deposits towards Settlement Guarantee Fund and note 20 - Other non current financial liabilities - Deposits towards Settlement Guarantee Fund i.e. Rs. 119.05 (previous year Rs. 171.50). These balances have been accounted for on amortised cost basis. The Holding Company had also collected non cash portion of the Settlement Fund comprising collateral such as bank guarantees, received from the members amounting to Rs. 1,405.00 (previous year Rs. 905.00) which does not form part of the Balance Sheet.

49. In accordance with Regulation 39 of the Petroleum and Natural Gas Regulatory Board (Gas Exchange) Regulations, 2020 (GER 2020) the subsidiary Company has established and maintained a settlement guarantee fund (SGF), to guarantee the settlement of trades executed on the Gas Exchange. The subsidiary Company has maintained the minimum balance of Rs. 2,000 lakh as required under the GER 2020. The components of SGF at the end of the year are as below:

## Components of SGF

Amount as on 31 March 2021

Base minimum capital contributed by the members (Cash Component)	325.00
5% of Company's gross revenue from the date of approval	1.73
Return accruing on investments of the SGF	21.14
Shortfall in SGF funded by the subsidiary company	1,675.00
<b>Total</b>	<b>2,022.87</b>

The Subsidiary Company has also collected Rs. 25 (previous year Rs. Nil) base minimum capital from members comprising non cash collateral such as bank guarantees.

50. Additional information required as at and for the year ended 31 March 2021 as per Schedule III of the Act in respect of the entities consolidated in these financial statements:

Name of the Entity	Net Assets		Share in profit and loss		Share in other Comprehensive income		Share in Total Comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated Profit	Amount	As % of other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Holding Company</b>								
Indian Energy Exchange Limited								
Balance as at 31 March 2021	101%	53,140.17	104%	21,348.82	142%	25.46	104%	21,374.28
Balance as at 31 March 2020	101%	39,014.98	101%	17,791.61	100%	(40.12)	101%	17,751.49
<b>Subsidiary Company</b>								
Balance as at 31 March 2021	12%	6,355.23	-4%	(805.70)	-38%	(6.74)	-4%	(812.44)
Balance as at 31 March 2020	2%	780.18	-1%	(219.82)	0%	-	-1%	(219.82)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in Rupees lakhs, unless otherwise stated)

## 50. Additional information required as at and for the year ended 31 March 2021 as per Schedule III of the Act in respect of the entities consolidated in these financial statements: (Cont...)

Name of the Entity	Net Assets		Share in profit and loss		Share in other Comprehensive income		Share in Total Comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated Profit	Amount	As % of other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Eliminations/Adjustments</b>								
Balance as at 31 March 2021	-7%	(3,915.36)	-	-	-	-	-	-
Balance as at 31 March 2020	-3%	(1,000.00)	-	-	-	-	-	-
<b>Non-controlling interest</b>								
Balance as at 31 March 2021	-6%	(2,968.99)	0%	66.21	-5%	(0.85)	0%	65.36
Balance as at 31 March 2020	0%	-	-	-	-	-	-	-
<b>Total</b>								
Balance as at 31 March 2021	100.00%	52,611.05	100.00%	20,609.33	100%	17.87	100%	20,627.20
Balance as at 31 March 2020	100.00%	38,795.16	100.00%	17,571.79	100%	(40.12)	100%	17,531.67

51. In view of pandemic relating to COVID-19, the Group has considered internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of right-of-use assets, investment in subsidiary and other financial assets, for possible impact on the Consolidated Financial Statements. However, the actual impact of COVID-19 on the Group's consolidated financial statements may differ from that estimated and the Group will continue to closely monitor any material changes to future economic conditions.

For **B S R & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 116231W /W-100024

Sd/-  
**Manish Kapoor**  
Partner  
Membership No.: 510688  
UDIN: 21510688AAAAW5956

Place : New Delhi  
Date : 13 May, 2021

For and on behalf of the Board of Directors of  
**Indian Energy Exchange Limited**

Sd/-  
**S. N. Goel**  
Chairman & MD  
DIN-02294069

Place : Noida  
Date : 13 May, 2021

Sd/-  
**Vineet Harlalka**  
Chief Financial Officer &  
Company Secretary



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## Corporate Information

### Board of Directors

**Mr. Satyanarayan Goel**

Chairman & Managing Director

**Ms. Sudha Pillai**

Independent Director

**Prof. Kayyalathu Thomas Chacko**

Independent Director

**Mr. Tejpreet Singh Chopra**

Independent Director

**Mr. Gautam Dalmia**

Non-Executive Director

**Mr. Amit Garg**

Non-Executive Director

### CFO, Company Secretary & Compliance Officer

**Mr. Vineet Harlalka**

### Statutory Auditors

**B S R & Associates LLP**

Chartered Accountants

(FRN: 116231W/W-100024)

### Clearing Banks

HDFC Bank

State Bank of India

ICICI Bank

Yes Bank

IndusInd Bank Limited

### Registrar and Transfer Agent

KFin Technologies Private Limited

(Formerly, Karvy Fintech Private Limited)

### Depository

National Securities Depository Limited

Central Depository Services (India) Limited

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### Registered Office

Indian Energy Exchange Limited

First Floor, Unit No. 1.14(a)

Avanta Business Centre,

Southern Park, D-2, District Centre,

Saket, New Delhi – 110017

### Corporate Office

Indian Energy Exchange Limited

Plot No. C-001/A/1, 9th Floor,

Max Towers, Sector 16 B,

Noida, Gautam Buddha Nagar,

Uttar Pradesh – 201301

Tel: 0120 - 4648100 | Fax: 0120 - 4648115



[www.iexindia.com](http://www.iexindia.com)

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District Centre, Saket, New Delhi - 110017, India

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Tel. No. +91-011-3044 6511 +91-120-4648 100 Fax: +91-120-4648 115

## Notice of Annual General Meeting

**NOTICE** is hereby given that the Fifteenth (15<sup>th</sup>) Annual General Meeting ("AGM") of the Members of the Indian Energy Exchange Limited will be held on Thursday, September 02, 2021 at 12:00 Noon IST through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), to transact the following business:

### ORDINARY BUSINESS

**1. To receive, consider and adopt:**

- a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors thereon, and in this regard, to pass the following resolutions as Ordinary Resolutions:

(a) **"RESOLVED THAT** the Audited Standalone Financial Statements including the Balance Sheet of the Company as at March 31, 2021, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Directors' and Auditors' Reports thereon, placed before the meeting, be and are hereby considered and adopted."

(b) **"RESOLVED THAT** the Audited Consolidated Financial Statements including the Balance Sheet of the Company as at March 31, 2021, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Auditors' Reports thereon, placed before the meeting, be and are hereby considered and adopted."

- 2. (a) To confirm the payment of Interim Dividend of Rs. 2.50 (Two Rupees Fifty Paise) per equity share of face value of Re. 1/- (Rupee One) each for the financial year ended March 31, 2021, to pass the following resolution as an Ordinary Resolution:**

**RESOLVED THAT** an Interim Dividend of Rs.2.50/- per equity share of face value of Re.1/- each absorbing Rs. 7,488.91 Lakh, for the financial year ended March 31, 2021, be and is hereby noted and confirmed as the Interim Dividend for the Financial Year 2020-21.

- 2. (b) To approve and declare the payment of Final Dividend of Rs. 1.50/- (One Rupee Fifty paise) per equity share of face value of Rs. 1/- each for the year ended March 31, 2021, to pass the following resolution as an Ordinary Resolution:**

**RESOLVED THAT** a final Dividend of Rs. 1.50/- per equity share of face value of Re.1/- each aggregating to Rs. 4493.35 Lakh, as recommended by the Board of Directors of the Company for the financial year ended March 31, 2021, be and is hereby declared and the same be paid to the eligible members of the Company as per the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

- 3. To appoint Mr. Amit Garg (DIN 06385718), who retires by rotation as a Director and in this regard, to pass the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Amit Garg (DIN 06385718), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

### SPECIAL BUSINESS

- 4. Ratification of appointment of Mr. Satyanarayan Goel (DIN: 02294069) as the Managing Director of the Company.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and

approval of the Board of Directors ("**Board**") and pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (the "**Act**"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule-V of the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), articles of association of the Company and subject to the approval of Central Government and such other approvals/permissions, if any as may be required, the approval of the Members of the Company be and hereby accorded for the appointment of Mr. Satyanarayan Goel (DIN: 02294069) as Chairman cum Managing Director of the Company with effect from February 19, 2021 till the appointment of new managing director, subject to the maximum tenure as per section 196 of the Companies Act, 2013, on such terms and conditions including remuneration as mentioned below and in the explanatory statement forming part of this AGM notice:

- a) **Fixed Remuneration** - Rs. 184 lakh per annum (Rupees one hundred eighty four lakh only), as per Company policy.
- b) **Variable Remuneration** - up to 0.5 % (zero decimal five percent) of the net profit of the Company, as decided by the Board at its sole discretion, and will depend upon the Company's profitability and on achievement of pre-defined performance benchmarks.
- c) **Miscellaneous terms:**
  - (i) Director & Officers liability insurance- On Actual basis.
  - (ii) Personal Accident and Medical Insurance as per Company policy
  - (iii) Earned/privilege leave: As per rules of the Company.
  - (iv) Encashment of leave: As per rules of the Company.
  - (v) Company Car/lease with fuel, driver and maintenance on actual basis.
  - (vi) Termination-the aforesaid appointment is subject to termination with 3 months' notice from either party, except for termination for cause, termination due to incapacity or death.
  - (vii) Any other benefit, amenity, privilege, not mentioned above but provided by the Company to its other employees.

**RESOLVED FURTHER THAT** the overall remuneration payable to Mr. Satyanarayan Goel, Chairman cum Managing Director by way of fixed salary, variable pay, performance-based incentives (including stock-based compensation of all types), bonus and employee benefits etc. (mentioned hereinabove) shall not exceed in aggregate five percent of the net profits of the Company as computed in the manner laid down in Section 198 of the Act or any statutory modification(s) or re-enactment(s) thereof.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the currency of tenure of the appointment, the Chairman cum Managing Director shall be paid the current remuneration, or such increased remuneration as may be agreed upon between the Board / Nomination and Remuneration Committee of the Board, as minimum remuneration subject to compliances as per the applicable provisions of the Act.

**RESOLVED FURTHER THAT** the office of the Chairman cum Managing Director shall not be liable to retire by rotation pursuant to Section 152(6) of Companies Act, 2013 and rules made thereunder and any subsequent amendment(s) and/or modification(s) in the Act, rules and/or applicable laws in this regard and the Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include a duly authorised 'Committee' thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) be and hereby authorized to vary, or increase the remuneration specified above from time to time to the extent the Board may deem appropriate or alter, amend, vary and modify the other terms and conditions of the said appointment from time to time as they deem fit in such manner as may be agreed to between the Board and Mr. Satyanarayan Goel and provided that such variation or increase, as the case may be, is within the overall limits of the managerial remuneration as prescribed under the Act or any statutory amendment(s) and/or modification(s) thereof, without being required to seek any further consent or approval of the member(s) of the Company.

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include a duly authorised 'Committee' thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution, without being required to seek any further consent or approval of the member(s) of the Company.

**5. Approval of payment of additional one time lumpsum honorarium to Mr. Satyanarayan Goel (DIN: 02294069) during his term as Non-Executive Chairman of the Board.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Rules") and provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) or any other approval as may be required, approval of the Members of the Company be and is hereby accorded for one time payment of Rs. 35 Lakh (Rupees Thirty-Five Lakh only) to Mr. Satyanarayan Goel (DIN: 02294069), as token of appreciation for his efforts and contribution made in overseeing the activities of the Company during the absence of Managing Director & CEO during the period starting from August 24, 2020, till February 18, 2021 (both days inclusive), which shall be in addition to commission paid to him in the capacity of

Non-executive Chairman of the Board, as detailed in in the explanatory statement forming part of this AGM notice.

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include a duly authorised 'Committee' thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution, without being required to seek any further consent or approval of the member(s) of the Company.

By Order of the Board of Directors  
For **Indian Energy Exchange Limited**

Sd/-  
**(Vineet Harlalka)**  
CFO, Company Secretary & Compliance Officer  
Membership No. ACS-16264

Date: July 22, 2021  
Place: Noida



## NOTES:

1. Considering the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its circular dated January 13, 2021 read together with circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM, is annexed hereto.
3. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing at Item No's. 4 and 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through electronic voting ("e-voting").
5. Body Corporates whose Authorised Representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company at [compliance@iexindia.com](mailto:compliance@iexindia.com), a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting through e-voting.
6. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
7. The Register of Members and Share Transfer Books will remain closed from Friday, August 27, 2021, to Thursday, September 02, 2021 (both days inclusive) in terms of the provision of Section 91 the Companies Act, 2013.
8. The information regarding the Director who is proposed to be appointed/re-appointed, as required to be provided under Listing Regulations, and Secretarial Standard on General Meetings, is annexed hereto. The Directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and Rules made thereunder.
9. The Facility of joining the AGM through VC / OAVM will be made available to at least 1,000 members on first come first served basis as per the MCA Circular. However, the participation of members (holding 2% or more shares), promoters, and Institutional Investors, directors, key managerial personnel, chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Enterprise Risk Management Committee and Auditors are not restricted on first come first serve basis.
10. Institutional investors, who are members of the Company, are encouraged to attend and vote at the AGM of the Company.
11. The Board of Directors at its meeting held on January 21, 2021, had declared interim dividend of Rs. 2.50/- per equity share of Rs. 1/- each for the financial year ending March 31, 2021, based on the financial performance of the Company for the period ended December 31, 2020. The payment of the interim dividend was made on February 10, 2021.
12. The Board of Directors at its meeting held on July 22, 2021, has recommended a final dividend of Rs. 1.50/- per equity share of Rs. 1/- each for the financial year ending March 31, 2021 subject to approval of the Shareholders at the ensuing Annual General Meeting.
13. The Final dividend, if approved by the members at the ensuing Annual General Meeting will be paid to those shareholders whose names stand as beneficial owners as at the end of business on Friday, August 20, 2021 ("Record Date") as per list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in electronic and physical form. Members holding shares in electronic form must intimate the changes, if any, to their respective Depository Participants (DPs) only.

14. A) Kindly note that as per Listing Regulations it is mandatory for the company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to register/update your correct bank account details with the Company/RTA/ Depository Participant, as the case may be.

B) Shareholders are requested to follow the process as given below to register their mandate for receiving Dividend directly in their Bank accounts.

**Demat Holding:** Members holding shares in dematerialized mode are requested to register / update their Bank details with their Depository Participant (NSDL/CDSL).

**Physical Holding:** Members may send duly signed Request letter, Copy of Self-attested PAN card, address proof (such as Driving License, Bank Statement, Election Card, Passport, AADHAR Card) in support of address registered with Company and scanned copy of self-attested cancelled cheque by email to the RTA at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or Company at [compliance@iexindia.com](mailto:compliance@iexindia.com). Member are requested to send hardcopies of aforesaid documents to RTA or Company.

15. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
16. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to KFin Technologies Private Limited (KFin), Registrar and Share Transfer Agent of the Company at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or the Company at [compliance@iexindia.com](mailto:compliance@iexindia.com).
17. Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandated that dividend paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with, the provisions of the Income Tax Act,

1961. Accordingly, in order to enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide requisite details and documents on or before Friday, August 20, 2021.

18. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. Members who wish to claim Dividends, which remain unclaimed, are requested to either correspond with the Corporate Affairs Department at the Company's registered office or e-mailing at [compliance@iexindia.com](mailto:compliance@iexindia.com) or the Company's RTA by e-mailing at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for revalidation and encash them before the due dates. For details, please refer to corporate governance report which is a part of the Annual Report.
19. Members are requested to note that, RTA of the Company have launched a mobile application -KPRISM and a website <https://kprism.kfintech.com/> for investors. Now members can download the mobile app and see their portfolios serviced by KFINTECH, check dividend status, request for annual reports, change of address, change / update Bank mandate and download standard forms. The android mobile application can be downloaded from Play Store by searching for "KPRISM".
- DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**
20. In terms of sections 101 and 136 of the Act read with the rules made thereunder, the listed companies may send the Notice of AGM and the Annual Report by electronic mode. In compliance with the MCA Circulars and SEBI Circulars dated May 12, 2020 and January 15, 2021, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website [www.iexindia.com](http://www.iexindia.com), websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of Company's Registrar and Transfer Agent, KFin Technologies Private Limited ("KFIN") at <https://evoting.kfintech.com>.
21. For receiving all communication (including Annual Report) from the Company electronically:

- a. Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [compliance@iexindia.com](mailto:compliance@iexindia.com) or to KFIN at [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com)
- b. Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participant.

### PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

22. The Company will provide VC / OAVM facility to its Members for participating at the AGM.
  - a. Members will be able to attend the AGM through VC / OAVM at <https://emeetings.kfintech.com/> by using their e-voting login credentials.
  - b. Members are requested to follow the procedure given below:
    - (i) Launch internet browser (chrome/firefox/safari) by typing the <https://emeetings.kfintech.com/>
    - (ii) Enter the login credentials (i.e., User ID and password for e-voting).
    - (iii) After logging in, click on the Video Conference tab and select the EVEN of the Company.
    - (iv) Click on the video symbol and accept the meeting etiquettes to join the meeting.
  - c. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the remote e-Voting instructions.
  - d. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
  - e. Members will be required to grant access to the webcam to enable VC / OAVM.
  - f. Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to

use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- g. Members who need assistance before or during the AGM, can contact KFIN on [emeetings@kfintech.com](mailto:emeetings@kfintech.com) or call on toll free numbers 1800-309-4001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.
- h. Facility for joining AGM through VC/ OAVM shall open atleast 30 minutes before the commencement of the Meeting and shall be kept open throughout the proceedings of the AGM.

23. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

24. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

### PROCEDURE FOR REMOTE E-VOTING AT THE AGM AND E-VOTING:

25. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFIN, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
26. However, pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
27. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
28. Further, the facility for voting through electronic voting system will also be made available at the

Meeting ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through e-voting system available during the AGM.

**Instructions for e-voting at the AGM are as under:-**

- i. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
  - ii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
29. The Company has engaged the services of KFIN as the agency to provide e-voting facility. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.
30. The remote e-voting facility will be available during the following voting period:

**Commencement of remote e-voting:** 9:00 a.m. IST on Monday, August 30, 2021.

**End of remote e-voting:** 5:00 p.m. IST on Wednesday, September 01, 2021.

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled upon expiry of the aforesaid period.

31. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e., Thursday, August 26, 2021.
32. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@Kfintech.com](mailto:evoting@Kfintech.com). However, if he / she is already registered with KFIN for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
33. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login

method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode." In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

34. The Board of Directors has appointed Mohd Nazim Khan, Designated Partner of MNK and Associates LLP, Practicing Company Secretary (FCS No. 6529 and CP No. 8245) as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
35. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Thursday, September 02, 2021.
36. The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman or a person authorized by him in writing.
37. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company: [www.ixindia.com](http://www.ixindia.com) and on the website of KFIN at: <https://evoting.kfintech.com> The result will simultaneously be communicated to the stock exchanges.
38. Members seeking any information on the Company, its financial statements for the Financial Year ended March 31, 2021, or any matter to be placed at the AGM may visit the Company's website at [www.ixindia.com](http://www.ixindia.com) or send their queries through email on [compliance@ixindia.com](mailto:compliance@ixindia.com) to the Company in advance before the date of the meeting to enable the Management to keep full information ready on the date of AGM.
39. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or RTA for assistance in this regard.
40. In accordance with the MCA Circulars, the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or

arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and Relevant documents referred to in this Notice of AGM and explanatory statement will be available for inspection on the date of AGM in electronic mode and shall remain open and be accessible to any Member.

41. Members of the Company holding shares either in physical form or in Dematerialized form as on Friday, July 30, 2021 will receive Annual Report and AGM Notice through electronic mode.

42. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their Demat Accounts. Members holding shares in Physical form can submit their PAN details to the Company or to the RTA of the Company.

43. Members are requested to quote their Folio No. or DP ID / Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / RTA.

## INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING ARE AS UNDER:

**Step 1** : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Details on Step 1 are mentioned below:

### I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"><li><b>User already registered for IDeAS facility:</b><ol style="list-style-type: none"><li>Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li><li>Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.</li><li>On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"</li><li>Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li></ol></li><li><b>User not registered for IDeAS e-Services</b><ol style="list-style-type: none"><li>To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li><li>Select "Register Online for IDeAS" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>Proceed with completing the required fields.</li><li>Follow steps given in point 1</li></ol></li><li><b>Alternatively by directly accessing the e-Voting website of NSDL</b><ol style="list-style-type: none"><li>Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li><li>Click on the icon "Login" which is available under 'Shareholder/Member' section.</li><li>A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li><li>Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech.</li><li>On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</li></ol></li></ol>
Individual Shareholders holding securities in demat mode with <b>CDSL</b>	<ol style="list-style-type: none"><li><b>Existing user who have opted for Easi / Easiest</b><ol style="list-style-type: none"><li>Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li><li>Click on New System Myeasi</li><li>Login with your registered user id and password.</li><li>The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</li><li>Click on e-Voting service provider name to cast your vote.</li></ol></li><li><b>User not registered for Easi/Easiest</b><ol style="list-style-type: none"><li>Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li><li>Proceed with completing the required fields.</li><li>Follow the steps given in point 1</li></ol></li><li><b>Alternatively, by directly accessing the e-Voting website of CDSL</b><ol style="list-style-type: none"><li>Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li><li>Provide your demat Account Number and PAN No.</li><li>System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li><li>After successful authentication, user will be provided links for the respective ESP, i.e <b>KFintech</b> where the e- Voting is in progress.</li></ol></li></ol>



Individual Shareholder login through their demat accounts / Website of Depository Participant	V.	You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.
	VI.	Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.
	VII.	Click on options available against company name or e-Voting service provider – <b>KFintech</b> and you will be redirected to e-Voting website of <b>KFintech</b> for casting your vote during the remote e-Voting period without any further authentication.

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022- 23058738</b> or <b>022-23058542-43</b>

Details on Step 2 are mentioned below:

## II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 6076, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case

(A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVEN" i.e., "6076 - AGM" and click on "Submit"
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting, together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id [nazim@mnkassociates.com](mailto:nazim@mnkassociates.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format "Corporate Name EVEN No."

**(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:**

- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFinTech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>

Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

- ii Alternatively, member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual

report, Notice of AGM and the e-voting instructions.

- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

## OTHER INSTRUCTIONS

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from KFIN. On successful login, select 'Speaker Registration' which will be opened from 09:00 AM to 05:00 PM on Tuesday, August 31, 2021. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from KFIN. On successful login, select 'Post Your Question' option which will be opened from Tuesday, August 31, 2021 (09:00 AM) to Wednesday, September 01, 2021 (05:00 PM).
- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFIN Website) or at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call KFIN toll free No. 1-800-3094-001 for any further clarifications.
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, August 26, 2021, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. In case a person (a person holding shares in physical mode and non-individual holders) has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

- a. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

**Example for NSDL:**

MYEPWD <SPACE> IN12345612345678

**Example for CDSL:**

MYEPWD <SPACE> 1402345612345678

**Example for Physical:**

MYEPWD <SPACE> XXXX1234567890

- b. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID,

then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

- c. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).
- d. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

# EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

## ITEM NO. 4:

The members are informed that Mr. Rajiv Srivastava, erstwhile Managing Director & CEO of the Company, had resigned from his post on 24 August 2020, with immediate effect, and the position of Managing Director & CEO of the Company became vacant.

It is further informed that the Company commenced the search process for identifying a suitable candidate for the position of Managing Director of the Company, however due to COVID and other factors the process could not get completed within the stipulated time frame of six months. Also, as IEX is in a unique business segment and with its complex and specialized nature of business, it would require a candidate with specialized experience and qualification, which shall also meet the requirements of Power Market Regulations with respect to qualification and market experience.

As per the provisions of section 203(4) of the Companies Act, 2013, if the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy. Accordingly, the Company had to fill up the said vacancy on or before February 23, 2021 to avoid any statutory default. Similarly, the CERC (Power Market) Regulations, 2010 ("Power Market Regulations"), also requires that a Power Exchange shall have a Managing Director & CEO who shall be solely responsible for running of day-to-day operations of the Power Exchange.

Considering that the search for new Managing Director will take some time till things normalize and the Company was required to have a leader for managing the business and affairs of the Company on full time basis till the time new Managing Director joins the Company therefore to ensure compliance with Statutory requirements, the Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee (NRC) has appointed Mr. Satyanarayan Goel, (who earlier held the position of non-executive Chairman of the Company since July 21, 2019) as the Chairman cum Managing Director of the Company on w.e.f. February 19, 2021.

Before being appointed as Non Executive Chairman of the Board, Mr. Goel was Managing Director & CEO of the Company for the period from January 21, 2014 till July 20, 2020 hence he has good understanding of

affairs of the Company and have good understanding with the senior management team and other stakeholders of the Company.

The members are further informed that the said appointment of Mr. Goel as Chairman cum Managing Director shall only be for a limited period until the Company appoints a new Managing Director, and once new Managing Director is appointed, Mr. Goel will be redesignated to his earlier role of Non-Executive Chairman of the Board and his remuneration shall also be revised as paid to him in his capacity as Non-Executive Chairman subject to the approval of shareholders, if any.

In terms of provisions contained under Section 196(4) of the Companies Act, 2013 and the rules made thereunder, a managing director, whole-time director or manager shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in Part I of Schedule-V of the Companies Act, 2013. Accordingly, approval of shareholders is sought for appointment of Mr. Satyanarayan Goel as Chairman cum Managing Director of the Company.

The Company has received consent of Mr. Satyanarayan Goel to act as the Chairman cum Managing Director of the Company and a declaration that he is not disqualified from being appointed as the Managing Director of the Company.

The necessary details as required to be provided under regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India has been provided as Annexure-I:

Except Mr. Satyanarayan Goel being appointee and his relatives, none of the directors, key managerial personnel of the Company and their relatives are, in any way, concerned or interested (financially or otherwise) in the proposed resolution.

The Board accordingly recommends passing of the resolution as set out at item no. 4 of this Notice, for the approval of the members.

## ITEM NO. 5:

Mr. Satyanarayan Goel was appointed as the Non-Executive Chairman of the Board with effect from July

21, 2019, and the shareholders of the Company in its 14<sup>th</sup> AGMs held on August 28, 2020 has approved the payment of following remuneration to him in the form of commission for the period from July 21, 2020 upto July 20, 2021-

- a. Fixed portion - Rs. 80 lakh per annum (Rupees Eighty Lakh only) payable on quarterly basis.
- b. Variable portion - 0.5 % (zero point five percent) of the net profit of the Company for the financial year subject to a maximum of Rs. 1 Crore (Rupees One Crore only). The total Commission (fixed plus variable) shall be within the permissible limit as defined under Section 197 of the Act or any other Act or statutory provisions or enactments.

The quantum of variable portion pay-out shall be determined by the Board in its sole discretion based on recommendations of the NRC Committee and will depend upon the Company's profitability and on achievement of defined Performance benchmarks.

Further, post resignation of the erstwhile MD & CEO of the Company from his position, the Board requested Mr. Satyanarayan Goel, Non-Executive Chairman, to oversee the affairs of the Company and guide the management team during the absence of full time Managing Director & CEO and during this time the Company has performed exceptionally well in terms of business with about 60% growth in the volumes.

Therefore, as a token of recognition and appreciation of his efforts and intrinsic guidance to the Company during this period, the Board based on the

recommendations of Nomination and Remuneration Committee has proposed to compensate him by paying one time amount of Rs. 35 lakh (Rupees Thirty-Five Lakh only) as an honorarium for the deep guidance and time devoted by him during the absence of MD & CEO (i.e. period starting from August 24, 2021 till February 18, 2021), subject to the Shareholders approval, and other applicable provisions of Companies Act 2013 and SEBI (LODR) Regulations, 2015.

Members are informed that the proposed one time payment of Rs. 35 lakh shall be in addition to aforesaid commission paid to him as Non-Executive Chairman. This is to further clarify that the aforesaid commission as Non-Executive Chairman was paid only till February 18, 2021, as w.e.f. February 19, 2021, Mr. Goel was appointed as Chairman and Managing Director of the Company as explained in Agenda item no.4. The overall remuneration paid to Mr. Goel by the Company shall not exceed the overall remuneration permissible under the Act.

Accordingly, approval of shareholders is sought for the payment of Rs. 35 Lakh (Rupees Thirty-Five Lakh only) as an honorarium to Mr. Goel for his efforts

Except Mr. Satyanarayan Goel and his relatives, none of the directors, key managerial personnel of the Company and their relatives are, in any way, concerned or interested (financially or otherwise) in the proposed resolution.

The Board accordingly recommends passing of the resolution as set out at item no. 5 of this Notice, for the approval of the members

By Order of the Board of Directors  
For **Indian Energy Exchange Limited**

Sd/-  
**(Vineet Harlalka)**  
CFO, Company Secretary & Compliance Officer  
Membership No. ACS-16264

Date: July 22, 2021  
Place: Noida

## **ANNEXURE TO THE EXPLANATORY STATEMENT:**

Additional Information on Directors recommended for appointment/re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and Secretarial Standards-2 as prescribed by the Institute of Company Secretaries of India.

<b>S. No.</b>	<b>Name of the Director</b>	<b>Mr. Satyanarayan Goel</b>	<b>Mr. Amit Garg</b>
1.	DIN	02294069	06385718
2.	Age	66 Years	53 years
3.	Qualification	<ul style="list-style-type: none"> <li>- Bachelor's Degree in Electrical Engineering from NIT Rourkela</li> <li>- Master's Degree in Business Administration from the Faculty of Management Studies, New Delhi.</li> </ul>	Chemical engineering from IIT Varanasi and PGDM from IIM Lucknow
4.	Experience and Expertise in specific functional area	He has over 40 years of rich experience in different areas of power sector – power generation, transmission, system operation, power trading, commercial, regulatory affairs, power market development and cross border trade. He was also actively involved in various reform initiatives of Govt. of India which includes - Enactment of Electricity Act, 2003, Tariff Based Bidding Guidelines, Tariff Policy, National Electricity Policy, Open Access, etc. He was the director of marketing and operations at PTC India Limited. Prior to it, he was associated with NTPC Limited for 29 years and retired as an Executive Director.	He is a seasoned business professional with almost 28+ years of diverse functional experience across multiple industries. He has worked in companies like Asian paints, Whirlpool and most recently with HT Media Ltd. (Hindustan Times). He has been credited with turnaround of Hindi newspaper business for Hindustan Times and setting up the entire Digital portfolio for HT group. As an executive director Dalmia Bharat Group, he is tasked with managing new business investments for the group.
5.	Terms and conditions of appointment or re appointment	Refer Resolution under Item no. 4 of this Notice and the explanatory statement thereto.	As per the Nomination, Remuneration & Board Diversity Policy of the Company as placed on the Company's website i.e. <a href="http://www.ixindia.com">www.ixindia.com</a> .
6.	Details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Refer Resolution under Item no. 4 of this Notice and the explanatory statement thereto.	Sitting fee for attending Board and Committee Meetings of the Company
7.	Date of first appointment on the Board	January 21, 2014, as the Managing Director and Chief Executive Officer of the Company.	May 14, 2020, as an Additional Director
8.	Shareholding in the Company	500 Equity Shares as on March 31, 2021	Nil



9.	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None
10.	Number of Meetings of the Board attended during the year	The details of meetings attended during the year are provided in the Corporate Governance Report section of the Annual Report.	
11.	Other Directorships	Refer report on Corporate Governance Report section of the Annual Report 2020-21.	
12.	Membership/ Chairmanship of Committees of other Boards as on 31 <sup>st</sup> March, 2021	<b>Indian Gas Exchange Limited</b> Member of the following committees 1. Audit Committee 2. Nomination and Remuneration Committee 3. Stakeholders Relationship Committee 4. Regulatory Oversight Committee 5. Risk Management Committee 6. Grievance Redressal Committee	None

By Order of the Board of Directors  
For **Indian Energy Exchange Limited**

Sd/-  
**(Vineet Harlalka)**  
CFO, Company Secretary & Compliance Officer  
Membership No. ACS-16264

Date: July 22, 2021  
Place: Noida