



INDIAN ENERGY EXCHANGE ANNOUNCES UNAUDITED FINANCIAL RESULTS FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021

- Electricity volume sees 58% YoY growth in Q2 FY'22
- PAT increased by 74.5% YoY.
- The Board of Directors considered two bonus shares for each equity share.
- Exchange receives CERC approval to commence the Green Day Ahead Contract.

New Delhi, Friday, 22 October 2021:

The key highlights of the unaudited financial results* for the second quarter ended September 30, 2021, as declared by the Company on 21 October 2021, are as below:

| Particulars | Consolidated | | | Standalone | | |
|------------------------------|--------------|--------|-------|------------|--------|-------|
| | Q2FY21 | Q2FY22 | YoY% | Q2FY21 | Q2FY22 | YoY% |
| Electricity Volume (MU) | 16,487 | 25,976 | 57.6% | 16,487 | 25,976 | 57.6% |
| REC Volume (in '000) | - | - | 0.0% | - | - | 0.0% |
| Total Revenue | 78.71 | 122.30 | 55.4% | 79.35 | 121.07 | 52.6% |
| Total Operating Expense | 15.46 | 15.34 | -0.8% | 13.22 | 13.39 | 1.3% |
| EBITDA | 63.25 | 106.96 | 69.1% | 66.13 | 107.68 | 62.8% |
| Finance Cost | 0.51 | 0.47 | -7.8% | 0.51 | 0.47 | -7.8% |
| Depreciation & Amortization | 4.26 | 4.39 | 3.1% | 4.06 | 4.11 | 1.2% |
| Income Tax Expense | 14.14 | 24.71 | 74.8% | 14.86 | 24.99 | 68.2% |
| PAT | 44.34 | 77.39 | 74.5% | 46.70 | 78.11 | 67.3% |
| PAT Attributable to: | | | | | | |
| Owner of the Equity | 44.34 | 77.73 | 75.3% | 46.70 | 78.11 | 67.3% |
| Non-Controlling Interest | - | (0.34) | - | - | - | - |
| Basic EPS (Not Annualized) | 1.49 | 2.60 | 74.5% | 1.57 | 2.62 | 66.9% |
| Diluted EPS (Not Annualized) | 1.49 | 2.60 | 74.5% | 1.57 | 2.61 | 66.2% |

* All amounts are represented in Crores

POWER SECTOR HIGHLIGHTS

The second quarter of fiscal year 2021-22 saw a significant growth in the industry and economic activities leading to an increase in the overall power consumption. The manufacturing PMI increased to 53.7 in September'21 for the third month in a row. The services PMI expanded to 55.2 in September 2021 from 41.2 in June 2021, signifying notable progress in overall business sentiment in the country. The increasing economic activity spurred demand for electricity. The national electricity consumption at 366 BU during the second quarter of the fiscal, saw 9.7% YoY growth while the peak demand touched 200.5 GW on 7th July 2021 was the highest ever registered in the country.



In September 2021, the installed power generation capacity reached 389 GW seeing 4.2% YoY growth. The renewable energy capacity reached 101.5 GW from 89.2 GW in the fiscal year 2020, achieving 13.8% YoY growth. The rapidly expanding renewable capacity underpins the energy transition underway and heightened emphasis on building a sustainable and efficient energy economy.

From the policy and regulatory perspective, a few significant developments took place that are expected to deepen the power markets further. First and foremost, the decade long-pending jurisdictional conflict between the CERC and SEBI in respect of jurisdiction of long duration forwards and futures has been settled with final order being passed by the Hon'ble Supreme Court. This development paves way for the introduction of much awaited long-duration delivery contracts on the Power Exchanges under regulatory jurisdiction of CERC and introduction of the electricity derivatives on the commodity exchanges under jurisdiction of SEBI.

The Central Electricity Regulatory Commission (CERC) issued the draft Deviation Settlement Mechanism (DSM) and Related Matters Regulations, 2021, linking the DSM charges to the time block-wise price discovered on the Exchange. This initiative will broaden and deepen the real-time market.

The Ministry of Power (MoP) issued a Press Release stating that Market Based Economic Despatch (MBED) is expected to be operational through Exchanges on April 1, 2022, with NTPC generation capacity. The MoP also issued a press release on redesigning the Renewable Energy Certificate (REC) Mechanism allowing for REC prices to be determined by market conditions.

BUSINESS AND FINANCIAL PERFORMANCE HIGHLIGHTS

On a standalone basis, revenue for the quarter increased by 52.6% YoY, from Rs. 79.4 Cr. in Q2FY'21 to Rs. 121 Cr. in Q2FY'22. The PAT grew by 67.3% YoY. The Board of Directors have considered issuing bonus shares of two equity shares for each equity share.

During the quarter, electricity volumes on the Exchange grew by 58% YoY with 25.9 BU volumes traded versus 16.5BU in Q2 FY'21. During the first half of FY'22, IEX traded a total of 47.2BU of electricity as against 31.4BU in 1H FY'21, implying a robust growth of 50.6% YoY. The growth in volumes was driven by substantial increase in electricity consumption as well as the preference by the distribution utilities to meet their short-term supply requirements in a competitive and flexible manner through IEX.

The Real-Time Market remained one of the fastest-growing electricity market segments on the Exchange, achieving a growth of 125% YoY with 5.3 BU of volumes traded during the quarter. Continuing its outstanding performance, RTM contributed 20% to the overall volumes during the quarter. On August 21, the Green Term Ahead Market marked its first anniversary, recording a cumulative volume of 3.4 BU since its inception and 1.7 BU in this quarter. Furthering the customer centric initiatives, IEX launched Value-Added Services (VAS) for the Renewable Energy generators.

The Exchange is now gearing to launch trade in ESCERTs under Perform, Achieve and Trade-II cycle (PAT-II); commence the Green Day Ahead contract under the Integrated Day-ahead Market, and also launch the Longer Duration delivery contracts in electricity and renewable segment.



On the gas market front, the Indian Gas Exchange witnessed an increase in both volume and participation. During the quarter, IGX traded approximately 10 lakh MMBTU in terms of cumulative volume. Ministry of Petroleum & Natural Gas (MOPNG) vide its Office Memorandum dated 19th August 2021 has provided an additional mechanism to the domestic gas producers, who have been granted pricing and marketing freedom, to trade on Gas Exchanges. Accordingly, the domestic gas producers may sell quantity of Gas, up to 500 MMSCM or 10% of annual production from Contract, whichever is higher, per year through Gas Exchanges. This will provide cheaper gas and induce market liquidity and depth.

IEX stands committed to facilitate India's power sector transformation driven by the energy markets which represent the robust value proposition in terms of price competitiveness, flexibility, efficiency, and customer choice. Towards this objective, we will continue to work in collaboration with government, regulators, customers, and other stakeholders.

ABOUT IEX

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

Ms. Shruti Bhatia
Head-Corporate Communication & CSR
Telephone: +91-120 - 4648100
Email: shruti.bhatia@iexindia.com

Mr Vineet Harlalka
CFO & Company Secretary
Telephone: +91-120 - 4648100
Email:
investorrelations@iexindia.com