



**Dated: August 06, 2020**

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 2019-20 and Notice convening 14<sup>th</sup> Annual General Meeting ("AGM") of the Company.**

Dear Sir/Madam,

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 2019-20 along with the Notice of 14<sup>th</sup> AGM of the Company to be convened through Video Conferencing (VC)/Other Audio Visual Means (OAVM) in compliance with the applicable provisions of the Companies Act, 2013 read with applicable MCA Circular Nos. 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, issued by SEBI.

The schedule of the 14<sup>th</sup> AGM is set out below:

Particulars	Details
Date & time of the 14 <sup>th</sup> AGM	Friday, August 28, 2020 at 11:00 a.m. IST through VC/OAVM
Book Closure period for the purpose of 14 <sup>th</sup> AGM	Saturday, August 22, 2020 to Friday, August 28, 2020
Cut-off date for the purpose of remote e-voting	Friday, August 21, 2020
Commencement of e-voting	Monday, August 24, 2020 (09:00 a.m. IST)
End of e-voting	Thursday, August 27, 2020 (05:00 p.m. IST)

The Annual Report and 14<sup>th</sup> 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**  
**Company Secretary & Compliance Officer**  
**Membership No. ACS-16264**

Encl: as above



# ANNUAL REPORT 2019-2020



**LEADING *the* FUTURE  
of ENERGY**



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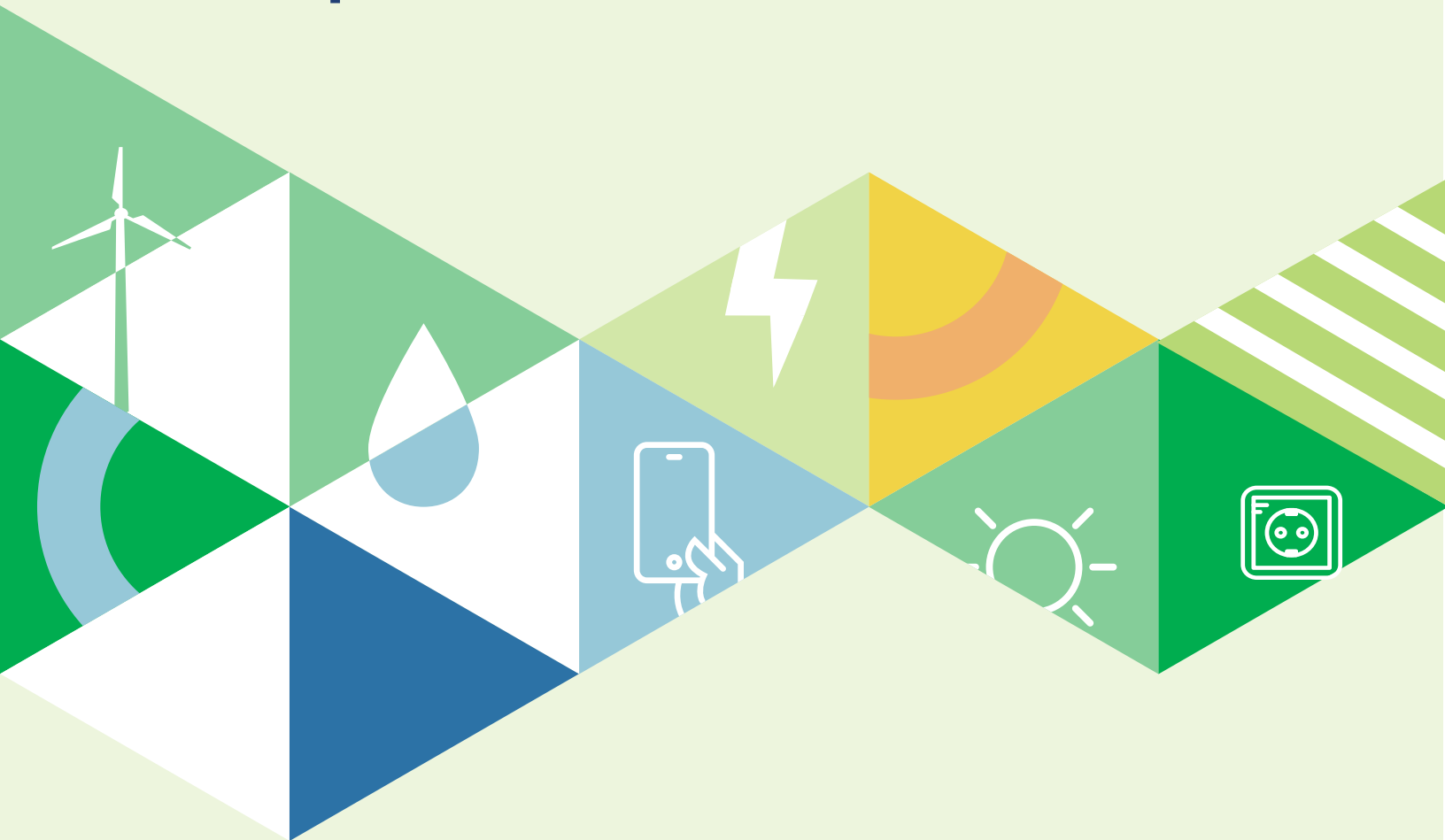
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01

# Corporate Overview



# IEX is leading the future of energy with innovation and technology



*We endeavor to be the architect of next-generation sustainable energy solutions ensuring competitive, transparent, and reliable access to energy.*

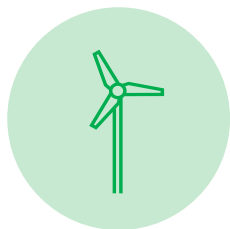
*Through continuous innovation underpinned by technology to establish energy marketplaces for delivering affordable and reliable energy to consumers.*

# | Megatrends for Energy

Decarbonization, Decentralization, Digitization, and Democratization will drive the future of energy across the world. India will be no different. These four megatrends will lead to sustainable, reliable, and affordable energy for the future.

These shifts will also lead to a sectoral transformation from a system based on centralized generation, transmission, and distribution to one that integrates distributed generation, supply chain automation, and low carbon technologies. In addition, they will further the development of digital products that would optimize power flow to end consumers, thus making them more powerful.

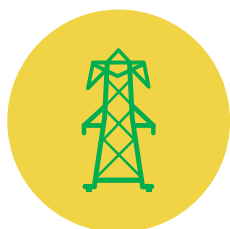




## DECARBONIZATION

2030 will be a milestone year for India as it strives to achieve two significant commitments: the 2030 Agenda for Sustainable Development Goals and the Paris Agreement to ensure 40 percent of installed power capacity in the form of non-fossil sources. India's energy sector accounts for a sizeable percentage of global greenhouse gas emissions (GHG). If not addressed with urgency, this will lead to a severe economic and humanitarian crisis.

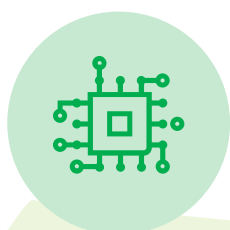
Renewable Energy (RE) will occupy a central role in the evolving energy dynamics in India, both from an energy security and sustainability perspective. The Government has set aggressive RE targets of 175 GW by 2022 and 450 GW by 2030. The National Renewable Energy Policy as highlighted in the Electricity Act 2003 amendments, is a step in the right direction. New hybrid energy solutions will lead the future. Energy storage will also play a crucial role in facilitating large-scale integration of RE generation without compromising grid security. The Government is already working to address this with efforts to improve storage technologies in conjunction with renewable energy investments.



## DECENTRALIZATION

The distribution of small-scale generation across the transmission and distribution network will be driven by localized generation. The addition of off-grid rooftop solar, grid integrated rooftop solar, and microgrids supported by the policy framework, is driving decentralized generation and creating a new breed of 'prosumers' who are both producers and consumers of energy. The Government also launched the 'Kisan Urja Suraksha evam Uhaan Mahaabhiyan' (KUSUM) scheme to replace diesel pumps and grid-connected electric tube wells for irrigation by solar irrigation pumps; with a buy-back arrangement for farmers' surplus solar energy at a remunerative price.

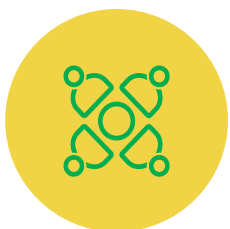
The Indian Government envisages 40 GW of decentralized solar energy solutions by 2022. The transformation of the automobile sector into electric mobility will be a key beneficiary of decentralization. With a capital outlay of Rs 10,000 crores, policies like FAME II are allowing for models such as virtual power plants through the integration of vehicles with grids. Innovative decentralized RE hybrid models for competitive charging stations will also emerge.



## DIGITIZATION

Decarbonization and decentralization will require increased focus on automation and technology to optimize the end to end supply chain across generation, transmission, and distribution. The addition of intelligent control systems and internet-enabled software can enable optimization of power plants and grids. In addition, large-scale upgradation to Smart Metering, IoT based applications, and Smart Grid technologies are driving digitization of power distribution. These will help reduce Aggregate Technical & Commercial (AT&C) losses and attain financial viability.

The Government of India's proposal to shift to smart meters by 2022 to help minimize human intervention in metering, billing, and collection will aid ringing down commercial losses coupled with the choice of suppliers by consumers.



## DEMOCRATIZATION

The future holds more empowerment of consumers with responsible consumerism and choices. With economic power in the hands of end consumers, a consumer will have several choices in terms of the supplier of energy, color of the energy, time of energy consumption, and price. This will herald true power on demand and help establish energy as a service concept in the country.

The Indian Government is set to boost Renewables with a peer to peer (P2P) energy trading initiative. Increasing urbanization as a key factor driving India's growth story and a migration towards Smart Cities, calls for a profound shift in how we power society. This will involve optimized energy utilization, management of energy resources, and active energy efficiency that will surface opportunities not merely for entrepreneurs and investors, but also for consumers.



# Chairman's Message



Dear Shareholders,

India's vision to become Atmanirbhar is pivoted on high industrial and economic growth as we overcome the challenges created by CoVID-19. The year gone by was difficult for several nations across the globe as well as for India. However, India's long-term growth story remains intact, fortified by pillars such as favourable demographics, proactive reforms, infrastructure investments, and building a sustainable energy economy. The demand for electricity is thus expected to grow manifold in the years to come and will be a key driver of India's growth story.

*“India's aspiration to build a self-reliant economy with a thrust on manufacturing is dependent on our ability to develop a sustainable, competitive, and efficient energy sector”*

The Government of India has taken several reform initiatives to strengthen the energy sector. In the power sector we have witnessed announcement of liquidity package for DISCOMs, household electrification through Saubhagaya scheme, investments in transmission capacities and regulations to revive stressed generation assets. On the policy front, the government intends to introduce Draft Electricity Bill, 2020 which is aimed at bringing significant reforms in the power sector.

On regulatory front, the government intends to expand and deepen the power markets with their inherent strong benefits towards achieving '24\*7 power for all' vision and support industry and economic growth in an efficient and sustainable way.

As we move towards decarbonizing India and building a sustainable energy economy, the government aspires to increase the share of natural gas in the country's energy basket from 6% to 15% by 2030 as well as undertake significant investments for expanding the gas pipeline infrastructure. The recently announced Gas Exchange Regulations is a step in the right direction towards transforming the gas market.

In fiscal year 2020, your company recorded a 3.3% YoY growth in electricity volumes and 6% YoY profit growth. We worked towards investing in technology and deepening the power market through new products such as Real-Time-Market (RTM) launched on June 1, 2020. I would like to congratulate our shareholders on the launch of India's first nation-wide delivery based automated gas trading platform, Indian Gas Exchange (IGX), which started operations on June 15, 2020. Inaugurated by Hon. Minister of Petroleum and Natural Gas & Steel Shri Dharmendra Pradhan, IGX will transform India as a gas based economy.

We look forward to exciting times ahead. Your company is equipped with all the right elements and has been leading the power market transformation over the last 12 years. We will continue to work in collaboration with government, regulators, customers, and other stakeholders to develop the energy market as well as leverage new growth opportunities for IEX to maximize shareholders value.

**Satyanarayan Goel**

Non-Executive Chairman

# MD & CEO's Message



**Rajiv Srivastava**

Managing Director and  
Chief Executive Officer

Dear Shareholders,

Fiscal year 2020 was both exciting and challenging. We are proud to have made continued strides in providing affordable and reliable access to energy to our customers through the flexibility, price competitiveness and transparency our Exchange offers. Yet, the industry had to deal with a difficult economic climate further exacerbated by the CoVID-19 pandemic towards the end of the year.

The Energy Sector has been thrust with a massive opportunity to reinvent and transform. Its true potential will manifest itself through the urgency with which a supportive and agile new energy order is established. This new order must embrace mega energy trends of decarbonization, decentralization, digitization, and democratization to allow greater sustainability, flexibility, efficiency and choice for economic growth.

Exchange markets have a unique role in becoming the pivot on which the future of energy revolves. This is made possible with robust technology driven solutions, accelerating hybridization and innovative products and

services that ease existing efficiency hurdles. IEX is well positioned to be a reliable ally to government, industry, and civil society with simple and clear objectives of offering flexibility, 24\*7 energy supply and lowest price points.

With the launch of new products and market segments and several more on the anvil, India's energy sector is set to witness a markets and technology-led transformation. IEX will be at the forefront in maximizing the digital dividend as we enter the next chapter of smart, real-time, and ultra-responsive ways to generate, use, and sell energy. We will integrate technologies like AI, Blockchain, Robotics, and other emerging solutions to deliver overall efficiency for everyone in the energy value chain. We plan to continually invest in modernizing our technology architecture to ensure that we are futuristic and leading edge while according highest priority to security and transparency of transactions.

## The Green Shift

2030 is not far away and we have two significant pledges in the 2030 Agenda for Sustainability Goals and the Paris Climate Agreement to keep. Energy security and

*“The Energy Sector has been thrust with a massive opportunity to reinvent and transform. The exponential potential of India’s energy sector will be determined by the urgency with which a supportive and agile new energy order is established. This new order must embrace mega energy trends to allow greater sustainability, flexibility, efficiency and choice for economic growth.”*

sustainability will be the primary focus for our government in the post CoVID world. Responsible energy consumption will be the new normal as public health will become central to the way we live and work. Industries and their communities will demand the choice of both power supply providers and the source of power. Energy Consumerization, therefore, is at our doorstep and the days of “Energy as a Service” are not far away.

In order to meet the ambitious renewable energy targets laid down by the Ministry of Power in an agile and competitive way, India must embrace a market approach moving away from the current structure of long-term power supply agreements. Your company is leading this discussion in the Indian context with policy makers and regulators. India has the unique opportunity to be ahead of the curve with policy and regulations serving as enablers to the prosperity of the nation.

## Performance for FY’20

India’s economic growth in fiscal year 2020 was subdued with GDP growth at a mere 4.2%. The year presented a mixed set of developments on the electricity front. The national electricity consumption increased only 1.3% YoY, with five months of the year seeing a decline in energy consumption. This was particularly severe in the months from August to November and in March following the CoVID-19 lockdown.

Despite these headwinds, your Company reported a healthy 3.3% YoY growth in electricity volumes from 52,168MU in fiscal year 2019 to 53,881MU during fiscal year 2020. The term ahead market recorded a robust performance and the volumes increased 127% during the year. REC volumes were severely impacted due to the lack of sell-side inventory. The prices discovered saw a decline of 22% from Rs 3.9 in fiscal year 2019 to Rs 3.0 in fiscal year 2020. The reduced prices helped accelerate procurement of power by commercial and industrial consumers. The open access volumes during the year increased 30%. The overall volumes, including REC, however declined by 2% YoY.

The competitively discovered power prices on our platform provide immense value to distribution utilities as well as open access consumers. The low power prices on the Exchange during fiscal year 2020 led utilities to leverage the Exchange power market not only for meeting power demand but to also replace high cost power, accruing significant savings in the process.

In line with our efforts at achieving greater diversification, we recently launched India’s first nationwide automated gas trading platform equipped with cutting edge technology. This aligns well with Indian government’s plans to increase the share of natural gas in our energy mix.

## Way Forward

CoVID-19 has thrown up a multitude of challenges as well as opportunities for the power sector. Post-CoVID, it will be an era of a lot more emphasis on decarbonization through increased adoption of green energy and digitization through automation and IT solutions across the energy value chain. We anticipate the technology led energy markets to play a far greater role to deliver this transformation.

IEX is committed to building deep relationships with stakeholders across organizations and geographies. We stand committed to improving ease of doing business while at the same time reducing the cost of doing business thereby enhancing business competitiveness and sustainability. We continue to stay true to the spirit of good governance that forms the fulcrum of our business.

Let us seize this opportunity and start to think and execute afresh. All stakeholders need to come together and devise ways to transition to a more efficient, technology-driven, sustainable green economy.

**Rajiv Srivastava**

# IEX: Defining India's Energy Future

## Impact Across Generation, Transmission and Distribution



### GENERATION

Signals for Generating Capacity addition (~35 GW Merchant plants)



### TRANSMISSION

Investments in transmission  
No congestion  
One Grid One Price



### DISTRIBUTION

Lower power prices for discoms, end consumers  
Flexibility on 15-min basis

## Energy: The Fulcrum for India's Economic Growth

The gargantuan exercise of economic growth in the new CoVID normal rides on the back of infrastructure and industrial growth, urbanization, rise in per capita income, and leveraging our demographic dividend. The role of uninterrupted, round the clock, affordable, energy supply is indispensable in a time like this. From educational institutions to factories to agricultural practices to the service sector - energy is imperative to build and sustain an economy.

The new, innovative energy order post CoVID will be underpinned by sustainability, efficiency, affordability, technology. Energy markets will play a central role in ushering a new energy order mandated for India's economic growth.

## Ushering in a New Era of Transformation

IEX is spearheading the transformation of the Indian energy sector by facilitating a shift from rigid long-term contracts to a more dynamic market-based contracting which is competitive, flexible, transparent, and reliable. The market facilitates the balancing of energy demand and supply in the most efficient and optimum way.

Through this, it has brought wide-ranging benefits to India's energy sector by enabling:

- Benchmark prices for all electricity transactions
- Transparent mechanism for price discovery
- High liquidity on exchange to ensure lowest cost and assured supply

# Building a futuristic energy marketplace

## SIMPLE Approach to Customer Engagement

S

**Self-service web and mobile applications**  
enable customers anytime anywhere easy access

I

**Intelligent process automation**  
reduce customer effort and provide insights to enable effective decision making

M

**Matching engine optimization**  
increase social welfare

P

**Product launches**  
meet the needs of all customer segments

L

**Learning opportunities for our customers**  
experiential learning for customers through events

E

**Energy portfolio management solutions**  
optimize procurement cost for customers

LEX envisions a state-of-the-art, intuitive, secure, and efficient energy marketplace with customer centricity at the core of every feature:

- **Customer Centricity** driven by intuitive, secure, and responsive design.
- **Efficiency** through efficient matching algorithms, automation, and low latency.
- **State-of-the-Art** analytics-based solutions that are future ready.

A technology-led energy marketplace will be at the forefront to facilitate the metamorphosis of the energy sector. With the consumerization of energy as the key focus, digitization and automation of the entire ecosystem will play a key role in paving the way forward. Technology is a key component of our business operations and critical to our success and in cognizance

of these rapid strides, we are working proactively to realign the architecture of our trading platform and make sure it is futuristic.

There is a constant endeavor to introduce new features in our current platform that can enable greater liquidity and flexibility, and new trading options. Your company is working towards automating its market operation processes using Robotic Process Automation (RPA) and Artificial Intelligence (AI) to improve forecasting models and optimize buying patterns.

# The Indian Gas Exchange



## A Giant Leap Towards Energy Sustainability

**India's first nation-wide automated gas trading platform equipped with cutting edge technology**

Across the globe, natural gas is gaining popularity as a critical component of a sustainable energy future. In line with its climate goals, the Indian government plans to increase the share of natural gas in the country's energy mix from 6% to 15% by 2022. The imminent launch of Indian Gas Exchange (IGX) is a step towards realizing this vision.

IGX envisions India's transition towards a gas-based economy by architecting next-generation solutions for natural gas trading and access. IGX facilitates this by leveraging technology and innovation to establish a nationwide, transparent & competitive marketplace for trading of gas and petroleum products.

The company launched on 15th June 2020, is India's first automated national-level trading platform for physical delivery of natural gas. It will provide stimulus to the gas

industry by providing multiple competing supply options to the customer. Enabled by state-of-the-art technology, in partnership with GMEX, United Kingdom and backed by leadership and proven experience and expertise of Indian Energy Exchange in establishing and operating an electricity marketplace in India, the platform provides a neutral and transparent marketplace to multiple buyers and sellers to trade in spot and forward contracts at designated physical hubs.

The Gas Exchange will facilitate trade in physical delivery of gas from designated hubs through world-class products, and thereby boost gas usage in India, a country that otherwise relies heavily on cheaper coal for its energy needs, and enable competitive price discovery; thereby spurring investments in the gas value chain.

IGX will help India transition towards a gas-based economy thus providing a fillip to growth in the gas market.

# | Social Connect



## Corporate Social Responsibility

As a socially responsible corporate, we stand committed to promoting inclusive growth and focus on social empowerment to uplift the lives of underprivileged sections of our society. Through our Corporate Social Responsibility (CSR) interventions, we have directly and indirectly impacted the lives of thousands of children, youth, women, and elderly people in meaningful and positive ways and leading efforts to bring social transformation in the society.

During the fiscal year 2020, the CSR initiatives of your Company were spread across 4 states - Uttar Pradesh, Delhi-NCR, Madhya Pradesh, and Maharashtra and covered about 16 Districts. The programs were undertaken by 5 NGO partners and 1 academic partner.

## Initiatives

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

Our partnership with the Indian Institute of Technology, Kanpur, in its third year for a five-year project focusses on analytics, learning tools, visualization tools, data dashboards, newsletters and periodicals and research in energy sector as well as power markets. This initiative disseminates information in through dedicated portal [eal.iitk.ac.in/market\\_dashboard.php](http://eal.iitk.ac.in/market_dashboard.php) for the benefit of the entire energy eco-system.

The EAL Portal is operational since September 2018 and provides data analytics through visualization tools such as a System dashboard, Power Market dashboard, and an Energy balance dashboard in addition to various learning tools and power market chronicles. The EAL has already started contributing to real-time data compilation and analysis related to the Indian Power market. It promises to offer more interesting insights in the future with the



Development of the EAL android app-based platform. This extends state-specific dashboards with a state power balance, enhancing capability and including a study on renewable generation and its impact.

**Preserving & Promoting National Heritage, Art, and Culture**

With a vision to promote and preserve the rich Indian culture and heritage, your Company tied up with the Sabhayata Foundation and undertook efforts to restore and promote national heritage beginning with the Red Fort situated in Delhi. The Foundation is developing a new experience centre in an old British barrack that dates back to the 19th century at Red Fort. The barrack is being restored to its original glory through conservation activities. The experience centre will curate and globally benchmark experiences such as a 360° immersive show, augmented reality, interactive photo-op, a souvenir shop, etc. for visitors and tourists visiting the Red fort monument. The newly curated sound and light show at the monument will also be introduced at par with the best global experiences elsewhere in the world.

**Better livelihood Through Skills Development Initiatives**

With the objective to make youth self-reliant and employable, we partnered with SMILE Foundation to skill



**NGO Partners**

**For Culture & Heritage**

Sabhayata Foundation - Red Fort, Delhi

**For Community Development**

Bharatiya Jain Sangathan, Buldhana district, Maharashtra – Sujalam Suphalam

**For Education**

Akshaya Patra Foundation – Mid-Day Meal Program at Mathura, Uttar Pradesh

**For Livelihood - vocational skill-development and employment**

SMILE Foundation – Twin E-Learning Centres (STeP) at Malviya Nagar and Samaypur Badli, 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





280 urban under-privileged youth in the NCR Region at Malviya Nagar and Samaypur Badli, in Delhi. The focus was on promoting vocational skill development and employment for underprivileged urban youth. The program was hugely successful as a total of 299 youth were trained and 181 youth were employed with an average salary range of INR 6,000-8,000 per month. There was a healthy male: female ratio of 3:2 promoting an equitable growth in society.

### **Empowering children through mid-day meals, and supporting education and learning**

To empower children through education and learning and build a strong foundation for a new India, we have successfully partnered with Akshaya Patra Foundation for the third consecutive year. We sponsor mid-day meals for more than 6,400 children per month at the Primary Government School, Mathura, Uttar Pradesh. The program has been well received in the current fiscal year by both the school authorities and children, as is evident from the increase in the average number of days served to 22.

### **Improved Access to Healthcare**

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. Satna district has 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, 17,867 patients - 8,636 male & 9,231 female were treated through the year by MHU Satna.

- The total number of new patients registered was 3,726. Besides the MHU also facilitated:
- Referring several beneficiaries to 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 counselling.
- Organizing 13 health camps at Pipar-Barband, Ribara, Maudaha Kudava, Shalaiya, Ajamain, and Bhadai especially in rain shadow areas, benefiting approximately 400 patients.
- Organizing 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.

### **Sustainable Community Development**

Your Company collaborated with the Bharatiya Jain Sanghatana (BJS) for the enhancement of access to community water resources leading to a reduction in the effects of drought in Buldhana District, Maharashtra under the flagship program called Sujalam Suphalam. This initiative covered more than 482 villages and resulted in multiple benefits for the villages as mentioned below:

- Increased water availability in the influence areas for domestic and agricultural purposes. The water storage capacity of 61% of water bodies has been restored and water bodies are now rejuvenated with an increased water storage capacity to 220 crore litres.
- Increased annual agricultural productivity among the silt recipients' land holdings. The silt excavation has helped to improve farm productivity. Almost 50,000 acres of marginally productive land has been converted into fertile land.
- Increased capacity of the community to manage village-level water resources. Increased awareness amongst farmers regarding water usage and preservation has helped to reduce the wastage.



# Board of Directors



**Mr. Satyanarayan Goel**



**Mr. Rajiv Srivastava**



**Ms. Sudha Pillai**



**Mr. Tejpreet Singh Chopra**



**Mr. Gautam Dalmia**



**Prof. K T Chacko**



**Mr. Amit Garg**



Chairman	Member	Committees	Chairman	Member	Committees
▶	●	Stakeholders Relationship Committee	▶	●	Market Surveillance Committee
▶	●	CSR Committee	▶	●	SGF Committee
▶	●	Enterprise Risk Management Committee	▶	●	Membership Admission Committee
▶	●	Strategic Committee	▶	●	Audit Committee
▶	●	Technology Advisory Committee	▶	●	Nomination and Remuneration Committee
▶	●	Investment Committee	▶	●	Disciplinary Action Committee
▶	●	Risk Management Committee	▶	●	Default Committee
▶	●	Buyback Committee			

# | About IEX

IEX is the first and largest energy exchange in India providing a nationwide, automated trading platform for physical delivery of 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).

## Fast Facts

- Commenced operations in 2008
- 53.8 billion units of electricity traded in fiscal year 20.
- 3.3% YoY growth in IEX's electricity traded volume
- Average daily trade 6,000+ MW
- Record day volume: 193 MUs
- ISO 9001:2008 accreditation for quality management, ISO 27001:2013 accreditation for information security management and ISO 14001:2004 accreditation for environment management.
- Publicly listed company (NSE and BSE)

## Product offerings

### Day-Ahead-Market (DAM)

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 (TAM)

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 (RTM) 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 4 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.

### Renewable Energy Certificates (RECs)

RECs are tradable, intangible energy commodities that represent the attributes of electricity generated from renewable resources. One REC (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 (ESCert)

ESCCerts is a market-based instrument designed for consumers in energy-intensive industries and sectors (Aluminum, Cement, Thermal Power Plant, 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.

### IEX Ecosystem

6700+

Registered Participants

50+

Distribution companies

500+

Electricity generators

### Customers

4200+

Industries

50+

Discoms

### Active industrial participants in FY'20



Textile

397



Automobiles

141



Metal

196



Cement

84



Chemical

138



Others

299

1700+

RE Generators & Obligated entities

100+

ESCert Entities

### Ownership

The Company is owned through diversified shareholding, and at the end of fiscal year 2020

36.3%

Non-institutional investors

11.7%

Foreign Corporate Bodies

7.2%

Other domestic institutional investors

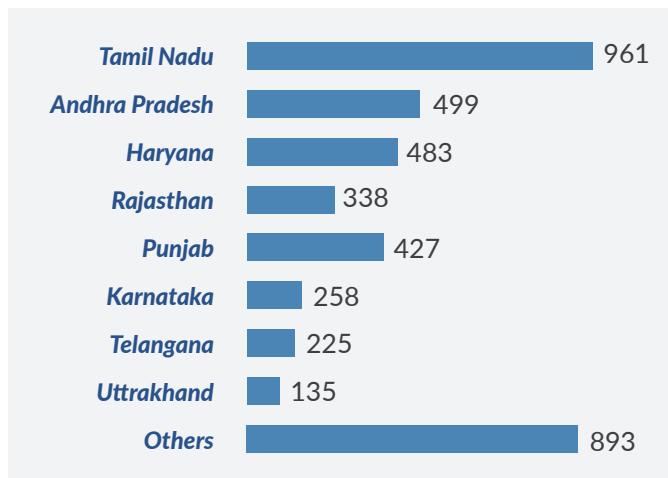
12.3%

Mutual Funds

31.9%

Foreign Portfolio Investors

### Registered OA Participants in FY'20



# IEX Leadership Team

*The leadership team at IEX brings a combined experience of ~200 years & ~50 companies.*

*Enviably legacy of experience with the best of organizations.*

*Average experience ~23 years.*

*Well rounded team with expertise across Power, IT & other industries.*



MD & CEO  
**Rajiv Srivastava**



Director - Strategy &  
Regulatory Affairs  
**Rajesh Kumar Mediratta**



CFO & Company Secretary  
**Vineet Harlalka**



Head - Business Development  
**Rohit Bajaj**



Head - Market  
Operations & NPI  
**Amit Kumar**



Chief Technology Officer  
**Sangh Gautam**



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



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



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

# IEX Over the Years

2008

Launched Day Ahead Market (DAM)

Commenced Operations with 58 participants

Daily cleared volume in DAM - 20 million units

2009

Registered first Open Access Consumer(OA)

Introduced Term Ahead Market (TAM)

2010

Registered participants in DAM crossed 500

2013

Signed MOU with EPEX SPOT (France)

2012

Introduced 15mins contract in DAM  
First solar REC trade  
Signed MOU with PJM Technologies

2011

Introduced Renewable Energy Certificate (REC) in the market  
Traded first non-solar REC

2015

Launched round the clock TAM

2016

First Indian energy exchange to get ISO certification

2017

Launched Energy Saving Certificate  
Publically listed its securities

2020

Launched two new bid types and TAM contract enhancements

Signed MOU with Power Ledger, Australia

Incorporated Indian Gas Exchange (wholly owned subsidiary of IEX)

2019

Highest DAM vols in a day reached 306 MU

2018

Signed MOU with JPX (Japan)  
Daily cleared volume in DAM crossed all-time high

# 02

## | Statutory Reports



# Management Discussion & Analysis

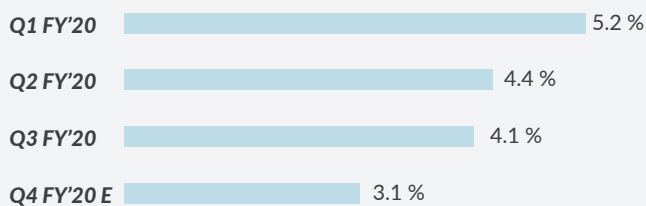
## India Economic Review

India is among the world's fastest-growing economies. The economic growth over the years has lifted millions of people out of poverty. Long term growth is underpinned by the Indian economy's structural drivers, including demographics, proactive government reforms, infrastructure, and urbanization.

While the long-term story of India remains intact, the country witnessed a muted growth in fiscal year 2020 and grew only 4.2% (provisional) during the year. Major factors that contributed to the slowdown were:

- Weak global growth and the global economy grew only 2.9% YoY in calendar year 2019 as compared to 3.6% in calendar year 2018 (Source: IMF)
- Slowdown in credit growth amidst stress in the non-banking financial sector
- Weak income growth, especially the rural economy
- Impact of structural reforms such as GST

## India's Quarterly GDP Growth FY'20



Source: CSO

The weakness in GDP was largely attributed to a deceleration in manufacturing sector growth. IIP and core sector indices recorded a muted growth at -0.7% and 0.4% respectively. The country witnessed moderate green shoots in manufacturing indices during January and February, 2020. However, the ongoing pandemic further aggravated the already weak Indian economy towards the end of the year.

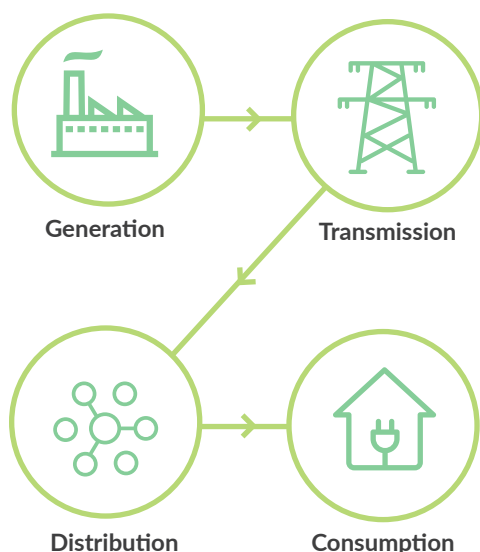


Proactive measures announced by the Government and Central Bank amidst the nationwide lockdown including fiscal as well as monetary stimuli will help India to continue its growth in the year 2020. Moody's has estimated India's GDP growth to contract to -3.1% in FY'21.

## Indian Power sector

India is ranked as the third-largest power consumer in the world and has the world's largest transmission system.

## Electricity Value Chain



The per capita electricity consumption is expected to go up from 1,181 units currently to 1,616 units over the next 5 years. To support this growth, an investment of Rs 11.75 lac crores has been envisaged by the government as a subset of Rs 100 lac crore vision for investment in infrastructure by 2025.

### Factors driving growth in consumption

#### Core sector growth

The Government envisions a robust economy with manufacturing contribution growing steadily in the next five years.

### Rapid urbanization

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

### Growth in 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 are a few progressive steps that will shape the energy industry and consumer aspirations going forward.

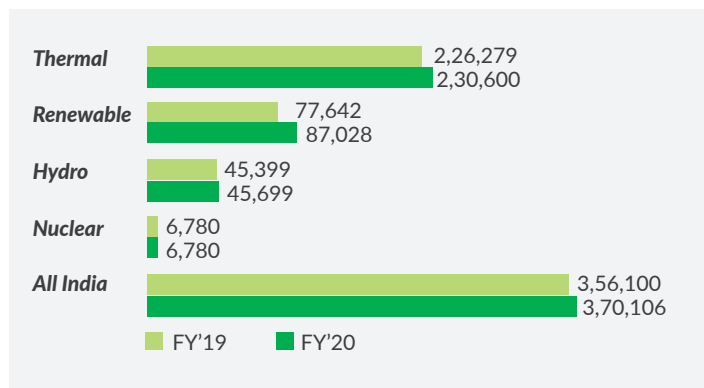
### Power generation

India's total installed power capacity stood at 370 GW as on March 31, 2020 with thermal energy comprising the largest share at 62%. In line with India's commitment to the Paris Agreement to increase the share of green energy in the overall energy mix, renewable capacity registered 12% YoY growth in fiscal year 2020 to 87GW from 78GW in March 2019.

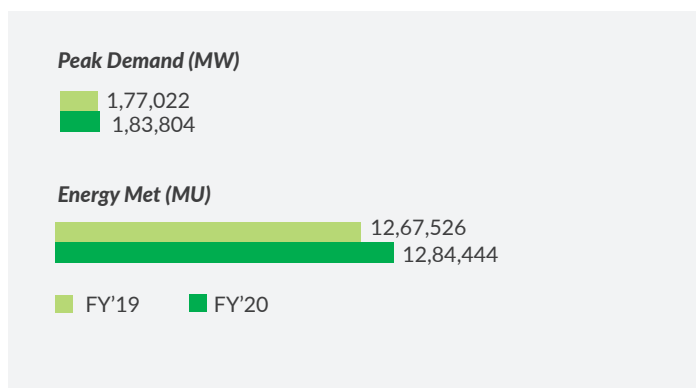
Across India, the total generation was 1383.3 billion units of electricity in fiscal year 2020, out of which 75% was generated from thermal, 11% from hydro, 10% from renewables, and 3% from nuclear. The overall generation in the country increased by 0.8% over last year with conventional power generation recording a degrowth of 2.8% and renewable power generation clocking 8.4% growth. The Plant Load Factor (PLF) of thermal power plants monitored by CEA stood at 55.9% in fiscal year 2020, compared to 60.3% in fiscal year 2019.

The growth in installed capacity helped reduce India's peak deficit from 0.8% in fiscal year 2019 to 0.7% in fiscal year 2020. Many states such as Punjab, Himachal Pradesh, Haryana, Gujarat, Rajasthan, Uttarakhand, Madhya Pradesh, Telangana, and Karnataka had surplus power through the year while Jammu & Kashmir, Jharkhand and few states in the North East region saw the highest deficit in power supply.

### Total Installed Capacity (MW)



### Demand and Supply Position



### Power consumption

Fiscal year 2020 represented a mixed set of developments on the power consumption front. All India electricity demand increased a mere 1.3% YoY during the year and registered a decline for 5 months from August to December. The demand was followed by a 8.4% decline in March due to the countrywide lockdown in the wake of COVID-19.

Sluggish industrial activity through the year amidst an overall economic slowdown and shift in weather patterns were among a few key factors that attributed to the decline in demand and consumption of electricity. The electricity consumption registered a decline of 13% in October, the steepest fall seen in over the last 12 years. This was preceded by a decline of 0.5% and 1.2% in August and September, respectively, continuing in November, degrowth of 4% YoY.

A few States / UTs such as Chhattisgarh, Himachal Pradesh, Bihar, Kerala, registered a more than 5 percentage growth in the demand for power in fiscal year 2020.

### Short-term electricity market

The size of India's short-term power market declined by 8 BU from 145 billion units in fiscal year 2019 to 137 billion units in fiscal year 2020, which is about 10% of the total power generation including renewables.

Of the total short-term market, bilateral both trader & direct transactions constituted 42.4% (excluding volumes traded on exchange) followed by the power

exchanges at 41.2% (including DAM & TAM) and Deviation Settlement Mechanism (DSM) transactions at 16.5%. During fiscal year 2020, the volume of electricity traded through bilateral transactions (excluding volumes traded on exchange) decreased to 58.1 billion units from 66.5 billion units registering a decline of 12.7%. The volumes transacted through power exchanges (including DAM & TAM) increased to 56.5 billion units from 53.5 billion units registering 5.5% increase. Deviation Settlement Mechanism(DSM) volume decreased to 22.6 billion units from 25.1 registering 10% decrease in fiscal year 2020 over the same period last year.

### Outlook

India's power production is projected to grow to 1,905 billion units by fiscal year 2022 from 1,383.3 in fiscal year 2020 on the back of industrial expansion, growth in per capita income, enhanced rural electricity availability, and GDP growth. The continued thrust by the Government on its flagship schemes in the power sector will also drive sustainable growth for the short-term power market in India.

**Peak Demand Comparison of Key States (MW)**

States	FY'19	FY'20	Increase	% Change
Telangana	10,815	13,168	2,353	22%
Bihar	5,115	5,835	720	14%
Jammu & Kashmir	3,080	3,405	325	11%
Uttar Pradesh	20,498	22,599	2,101	10%
Gujarat	17,053	18,437	1,384	8%
Andhra Pradesh	9,459	10,225	766	8%
Madhya Pradesh	13,815	14,886	1,071	8%
Punjab	12,638	13,606	968	8%
Rajasthan	13,276	14,277	1,001	8%
Haryana	10,270	11,001	731	7%

**Energy Met Comparison of the Key States (MU)**

States	FY'19	FY'20	Increase	% Change
Chattisgarh	26,417	30,107	3,690	14%
Himachal Pradesh	9,618	10,353	735	8%
Bihar	29,825	31,533	1,708	6%
Kerala	24,898	26,265	1,367	5%
Uttarakhand	13,753	14,376	623	5%
Uttar Pradesh	1,16,149	1,21,004	4,855	4%
Jammu & Kashmir	15,616	16,259	643	4%
Telangana	66,427	68,303	1,876	3%
West Bengal	51,287	52,824	1,537	3%
Punjab	55,315	56,770	1,455	3%

# Policy & Regulatory Initiatives



The Government of India has taken several initiatives to reform and strengthen the power sector as a whole including measures taken for ensuring 24x7 supply to all, installation of smart pre-paid meters, prompt payment by distribution utilities to generating companies, making coal available to generators for selling power in short term market and power exchanges, capacity addition and grid integration of renewable energy, increasing energy efficiency, e-mobility solutions, and power market reforms.

Ministry of Power in April 2020 issued the Draft Electricity Bill, 2020. The following are the salient features of the draft bill a) easier privatisation through sub-licensing/ franchise of distribution areas b) a separate authority to adjudicate disputes c) promotion of renewable energy d) cross border trade of electricity e) payment security mechanism.

Additionally, the Government of India has charted a five-year road map for the power sector and identified various interventions to deepen the power market. Likewise, the Central Electricity Regulatory Commission (CERC) finalized a framework for Real Time Market and other Regulations

for promoting competition in the sector. These initiatives are briefly discussed below:

## Augmentation of Demand

The Ministry of Power, in fiscal year 2020, 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 SAUBHAGYA scheme, launched in September 2017, 99.99% 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. By 2022, the per capita and overall power consumption are estimated to reach 1,490 units and 1,894 billion units respectively.

## Payment Security Mechanism for Generating Companies

To address the problem of mounting outstanding dues towards Generating Companies by the Distribution Companies, in July'20, the Government issued notification mandating opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by the distribution utilities. Under this mechanism, the Power will be scheduled for dispatch only after LC for the desired quantum of power with respect to the generating stations has been opened. The measure is expected to improve payments to the power generators and improve sustainability in the Power Sector.

## Smart Prepaid Metering to improve Distribution Efficiency

10 lac smart meters were successfully installed across India under Smart Meter National Programme (SMNP). These smart meters, operational in Uttar Pradesh, Delhi, Haryana, and Bihar, aim to bring efficiency in the distribution system leading to better service delivery. The SMNP aims to replace India's 250 million conventional meters with smart meters. Installation of these smart meters along with its associated communication and IT infrastructure will enable the distribution utilities to obtain real-time energy consumption data of each consumer for subsequent analysis and will pave the way for initiating various smart measures such as Time Of Day (TOD)/Time Of Use (TOU) billing, prediction, and management of peak demand, providing real-time energy consumption data to the consumer, prepaid billing facility, remote connection and disconnection of load, accurate billing, etc.

## Deepening of the Electricity Market

The Government has been working on bringing 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. Long-term contracts can act as forward contracts while physical transactions can take place through the short term market. The roadmap outlines a series of initiatives such as the introduction of financial

products including Contracts for Differences (CFD) as enablers, making markets efficient and transparent by strengthening the data disclosure regime, better demand forecasting, and power procurement optimization approaches. Some other initiatives and discussion areas are: Introduction of financial products such as derivatives for hedging risks and improving liquidity, deepening of products in markets to enhance clean energy, introduction of new technologies such as battery storage to quickly provide the primary response to grid fluctuations, introduction of innovative models such as Demand Response which will help signal new investments including storage, flexible thermal, etc., introduction of competition in retail supply business and developing a mechanism for unbundling distribution companies into wires and supply business.

## Renewable Energy Capacity Addition and Grid Integration through REMCs

The Government has established 11 Renewable Energy Management Centers (REMC) equipped with Artificial Intelligence based renewable forecasting and scheduling tools. These provide greater visualization and enhanced situational awareness to the grid operators. REMCs are co-located with the State Load Dispatch Centers in Tamil Nadu, Karnataka, Andhra Pradesh, Maharashtra, Madhya Pradesh, Gujarat, and Rajasthan. They are also located at RLDCs at Bengaluru, Mumbai, and New Delhi and at the NLDC. Presently, 55 GW of renewable - solar and wind are being monitored through the eleven REMCs. Besides, in order to further promote the capacity addition of solar and wind projects, the waiver available for use of Inter-State Transmission System (ISTS) charges and losses has been extended for use of ISTS for solar or wind power projects commissioned until December 2022. The waiver shall be applicable for the twenty-five years from the commissioning of such projects.

## Cost Optimization through National level Merit Order Dispatch

In order to reduce the cost of power procured by the distribution utilities, a new system has been put in place. For Inter State Generating Stations (ISGS), the merit order dispatch at the national level will be followed. Hence, 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.

POSOCO implemented Security Constrained Economic Despatch (SCED) 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.

### Other key interventions

- The government issued the methodology for allocation of coal for sale of power through Day Ahead Market in Power Exchanges or in short term through a transparent bidding process through DEEP portal.
- 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.
- Guidelines and standards for charging infrastructure for Electric Vehicles under National E-Mobility Programme were issued.
- The concessional tax rate of 15% was extended to the power generation companies to boost investments in the sector.
- Under Make in India the government is working to attract global companies to produce solar PV, lithium batteries, solar charging infrastructure and other advanced technologies in India with an objective to strengthen innovation efforts in a broad range of energy technology areas, including cooling, electric mobility, smart grids and advanced biofuels, etc.

### Regulatory Initiatives: Centre

The Central Electricity Regulatory Commission (CERC) notified various regulations such as linking DSM with power exchange price, Terms & Conditions for Trading Licensee. CERC also issued Regulations on Sharing of inter-State Transmission charges and losses and a discussion paper on Re-designing Ancillary Services Mechanism, and a Market Based Economic Dispatch of Electricity (MBED).

### Regulatory Initiatives: States

Out of total a 34 States and Union Territories, the State Electricity Regulatory Commissions (SERCs) except J&K, Telangana, West Bengal, Tamil Nadu, Arunachal Pradesh, and Tripura have issued their Tariff Orders for fiscal year 2020. TNERC and BERC took the initiative of linking DSM price with Exchange Prices and UPERC issued new intra-state open access regulations to promote open access in the state.

### Power markets: key drives for growth and diversification

In view of the developments cited above, a meaningful shift is evidently underway in the short-term power market in India. The policy and regulatory initiatives undertaken in the recent past will greatly assist in broadening and deepening of the power market. Multiple market 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 follow:

#### Green Market

In its endeavor to provide an additional avenue to renewable generators to sell their power and buyers to fulfill their RPOs, your Company proposed to commence an exclusive market – Green Term-Ahead Market (GTAM) to facilitate trade in renewable energy, for approval of CERC. This market, when approved by CERC, will enable renewable energy trade on your Company's platform.

#### Market based Ancillary Services

Presently, India has an administered mechanism for procurement of Ancillary Services. Only those regional entity generators are included under the RRAS mechanism whose tariff for the full station is determined or adopted

by the Central Commission. 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 CERC have reached an agreement over the regulatory jurisdiction of electricity derivatives. It has been agreed that the CERC will regulate the ready delivery and non-transferrable specific delivery contracts as defined under SCRA Act, 1956 whereas commodity derivatives other than non-transferrable specific delivery contracts shall fall under the regulatory purview of SEBI. Both SEBI and CERC 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.

### **Coal linkage to merchant generators selling electricity in day-ahead market**

Keeping in view the revival of stressed generation assets, the Government allowed the provision of coal linkage to power plants for sale of power in the short-term power market. The Ministry of Power notified the methodology in this regard and the auctions of coal under this scheme have already been initiated. This will enable Generators that don't have long term PPA to operate and sell power on the Power Exchange, which will strengthen liquidity at Exchange.

### **Cross border trade in electricity**

The Ministry of Power has already issued the Guidelines for Import/Export of Electricity based on which CERC notified the Cross-Border Trade of Electricity Regulations. As per the Regulations, the participants from neighboring countries can participate in the Indian power exchanges

through a trading license after obtaining the necessary approval from the Designated Authority. The Designated Authority has issued the Draft Procedure for Approval and facilitating Import/Export of Electricity under the provisions of Guidelines. Post finalization of the procedure, neighboring countries will be able to participate in the trading platform of power exchanges. The Government has already signed MoUs with Bhutan, Bangladesh, Nepal, and Myanmar to inter-alia improve power connectivity with these neighboring countries.

### **Increase in Power procurement cost optimization 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.2.7 per unit in fiscal year 2016, and Rs.2.4 per unit in fiscal year 2017, Rs.3.3 per unit in fiscal year 2018, Rs 3.85 in fiscal year 2019 and Rs 3.01 in fiscal year 2020 even as the average power procurement cost through bilateral contracts remained higher. The competitively priced power available through the exchange platform provides an opportunity to distribution utilities to optimize their power portfolio. Moreover, due to the surplus scenario with sell bids in much higher proportion over buy bids almost 2 times in fiscal year 2020, demonstrate 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.

### **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 competitively priced 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 'Make in India'.

#### **Power procurement due to Seasonality factors**

There is variation in demand from the state electricity distribution utilities due to their geographical spread and varied climatic conditions. States such as Himachal Pradesh, Jammu and Kashmir, Uttarakhand and Sikkim with high hydroelectric potential are surplus in power in summer and monsoon months but have a deficit in winter months. Some states like Punjab and Haryana have power requirements in the summer and monsoon seasons but are surplus in winters – this diversity in power requirements is addressed in the most competitive and reliable way through the Exchange platform. For managing the seasonal variations, the distribution utilities leverage the short-term market instead of entering into long-term purchase power agreements that warrant the payment of fixed charges even when there is no non-peak power procurement.

#### **Significant Improvement in transmission infrastructure**

With the addition of 5,700 MW Inter-regional transmission capacity, the loss of trade volume at Exchanges 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.

#### **Digitization**

With a thrust on accelerating adoption of technology and the use of IT, the NLDC is in the process of implementing the National Open Access Registry (NOAR) – a centralized electronic platform through which the short-term open access to the inter-state transmission system shall be administered. NOAR 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 (DBT) scheme also envisages that the financial prudence and health of the distribution sector will strengthen the position of utilities to increase Exchange based procurement.





# | Business review FY 2020

## Electricity Segment

Fiscal year 2020 saw a 3.3% increase in electricity volume traded in your Company's electricity market. A total of 53,881 million units were traded in the electricity segment, compared to 52,168 million units traded last year. Average Market Clearing Price in fiscal year 2020 at Rs 3.01 per unit was a considerable 22% lower than the prices discovered in the same period last year. Owing to attractive prices, the procurement of power by commercial and industrial consumers increased by 30% during the fiscal year 2020.

### Day-Ahead Market

A total of 49,112 million units were traded in the day-ahead market in fiscal year 2020 in comparison to 50,063 million units in fiscal year 2019 indicating a decline of 2%. The average daily volume trade was 134 million units, about a 2% decline from 137 million units in the previous fiscal. The key highlights of the day-ahead market in fiscal year 2020 included:

- 49,112 MU (million units) traded in fiscal year 2020 against 50,063 MU (million units) trade in fiscal year 2019 witnessing degrowth of 2%
- Day-ahead market traded a 35.8 % of total volume transacted in the short-term market as per CERC MMC reports, from April 2019 till March 2020
- Total sell bids at 1,11,839 MU were received in fiscal year 2020, while sell bids of 86,841 MU were received in fiscal year 2019, indicating a 29% growth. Sell bids were 1.9X of the buy bids received indicating excess power availability. This kept a check on power prices
- The Market Clearing Price (MCP) reflected the demand-supply side dynamics with average MCP at Rs 3.01 per unit in fiscal year 2020, about 22% less than Rs 3.86 per unit in previous fiscal
- Final cleared volume was 49,112 MU, registered a decrease of 2% from the previous year.

- Total registered participants increased from 6,429 in fiscal year 19 to 6,725 in fiscal year 2020, reflecting growth of 4.6%
- One price was realized on 309 days in fiscal year 2020 compared to 214 days in fiscal year 2019. In volume terms, a total of 196 million units could not be traded in fiscal year 2020 due to congestion while in the last fiscal 538 million units were lost. The East - South and West -South corridors were congested for about 2.4% of the time. And, the East - North and West - North corridors were congested for about 1.3% of the time

### 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:

- Reduction of gate closure from 3 hours to 2 hours 30 minutes enabling dispatch closer to delivery hours.
- Introduction of 15-minute block-wise contracts for the Intraday & Day-ahead contingency contracts.
- Extension of the weekly market for trading on Friday in addition to available trading days of Wednesday and Thursday.
- The daily contract started for the delivery period starting from T+2 to T+10.
- Introduction of Any Day & Anytime contract to cater to customized hourly demand needs in addition to the existing contracts thereby enhancing flexibility to buy and sell.

In fiscal year 2020, a total of 4,768 MU of power were scheduled under TAM compared to 2,105 MU units reported in fiscal year 2019. The highest volume traded so far in this segment was achieved in August 2019 when

## Key Focus Areas

close to 726 MU were traded.

### **Renewable Energy Certificate Market**

In fiscal year 2020, a total of 60.27 lac REC certificates were traded in comparison to 89.56 lac certificates in fiscal year 2019 indicating a decline of 33%. Lack of sell-side inventory impacted the volumes of RECs during the year.

### **Energy Saving Certificates (ESCert)**

The PAT Cycle-I was completed in 2017. PAT Cycle-II trade session is expected to take place in fiscal year 2021. Therefore, during the fiscal year 2020, trade sessions of ESCerts were not held, and thus no certificates were not traded.

### **Core business growth**

Your company is working towards expanding the addressable market by three times soon. As of FY'20 the company was confined to delivery of electricity between 2.5 hours and 11 days, we are set to expand the duration of delivery of electricity up to 365 days and offer various new market segments and products to deepen the Exchange market, similar to many countries globally.

The two ways in which we aim to expand our core business growth are:

- Increase our share within the short-term market
- Enable an expansion of the short-term market

The three pillars for our core business growth are:

### **DISCOM Maximization**

Your company currently has more than 55 distribution companies registered on the platform. With the launch of various power procurement portfolio optimization tools such as Smart Power Procurement, 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 PPA, the company advises utilities on replacement of power wherever prices are higher compared to the competitive prices discovered on the Exchange. Your company also engages in various marketing initiatives to bring forth the value proposition of IEX to enable maximization of power procurement by DISCOMs.

### **Open Access Maximization**

More than 4200+ commercial and industrial consumers across India representing varied industry sectors such as textiles, metals, chemicals, automobiles, home products, food, cement, institutions, commercial consumers, etc, leverage the day-ahead market on Exchange platform to buy low priced power in an endeavor to step up their overall competitiveness. The industrial competitiveness is critical to support and accelerate national initiatives such as 'Make in India'. Your company undertakes marketing efforts to reach out to potential consumers, create awareness as



well as proactively engage in policy and regulatory advocacy 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 Longer Duration Contracts to strengthen the play within the short-term market. In addition, new products such as Cross Border Trade, Green TAM and DAM, Exchange-based Ancillary Market, and Gross Bidding are a few offerings we are working towards to usher markets.

### **Diversification**

Your company is closely studying and executing diversification opportunities.

The launch of the Indian Gas Exchange envisioned as India's first nation-wide automated gas trading platform equipped with cutting edge technology, is a great example of one such diversification initiative.

Your company has also signed a Memorandum of Understanding with Power Ledger, an Australian company for peer to peer trading in India.

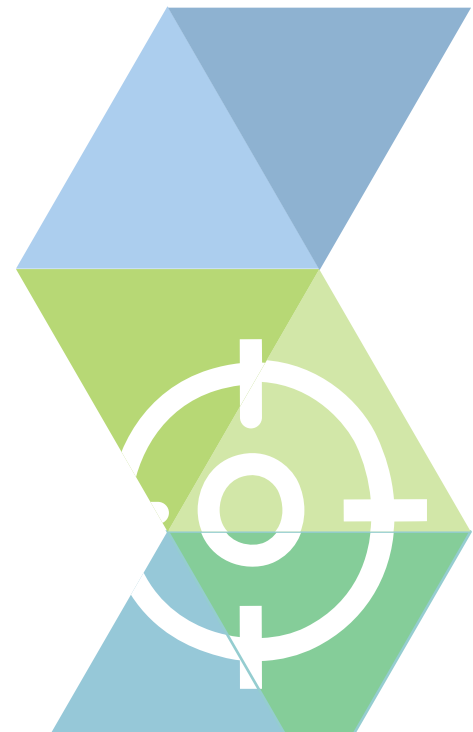
### **Building a world class company**

With inspiring leadership, robust financials, engaged employees, and delighted customers, your company is working in the direction to build a world-class organization which is innovation-focused, principled and value-driven.

Your company comprises a diverse team that encompasses over 200 years of combined complementary experience from over 50 companies from power, IT, telecom and other sectors. The team thrives on a high-performance culture that comes from a structured leadership framework and greater ownership through simplification of processes. The company has a open and transparent culture that places

adequate emphasis on learning and strong employee connects

As on 31st March 2020, your company comprised a human capital of 157 people with various competencies including engineers, MBAs, and finance professionals.



# Risks and Compliances

Your Company is exposed to risks such as regulatory, IT, legal, operational, and market risk among others and it takes adequate steps to monitor, measure, and mitigate these risks through a well-defined Enterprise Risk Management Framework. The framework is designed to ensure a robust risk management mechanism comprising of risk identification, assessment, and mitigation technique leading to a transparent & competitive price discovery to ensure smooth and seamless functioning.

The focus of the Risk Management framework is primarily to achieve the following objectives:

- Identification of the different risks in the current structure of market dynamics including strategic, operational and external risks that may affect the entity
  - a. Strategic Risks: The Strategic Risks are risks related to various policy and regulatory changes which affect the power market and the outlook of Exchange businesses by affecting the transaction volumes at the exchange.
  - b. Operational Risks: The Operational risks are mainly related to the regulatory compliances as per CERC guidelines and risks related to financial settlements of all transactions at IEX, which may include the following
    - i. Market Risk arising from trading activities
    - ii. Investment related risks such as fall in the value of investments, concentration of investment portfolio, etc.
    - iii. Credit Risk covering margin account maintenance leading to payment, security management and Collateral management etc.
    - iv. System risks.

**The enterprise risk management framework consists of the following steps:**

## Risk governance

Risk governance emphasizes on setting up risk management control

## Risk identification

The risk management policy identifies key risk areas which are broadly classified into 14 risk categories

## Risk Mitigation

Compliance to SOP

## Risk monitoring & reporting

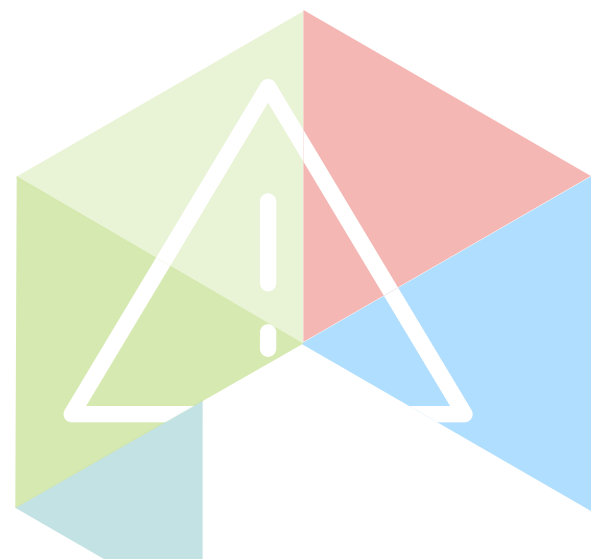
Risk Committee

## Risk assessment and measurement

Risk category  
Risk Frequency  
Risk Severity

## Risk reporting & remediation

ERM Committee monitors and reviews the Risk management Policy of IEX



**The extensive Risk Management Policy Framework identifies operational risks across the following 14 risk categories**



The major risks identified by the businesses and other functions are systematically reviewed and mitigating actions are defined on a continuous basis. Your Company's internal control systems are also in place and are adequate considering the nature of business and the complexity of operations. Your Company follows a definitive Enterprise Risk Management (ERM) framework that consists of practices relating to identification, analysis, evaluation, control, mitigation & monitoring of strategic and operational risks related to key business objectives. The mitigation status of the risks identified is placed before the ERM committee on half yearly basis. A few key risks as identified by the Company along with the mitigation measures are as listed below:

### 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.

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 CERC, the 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 2010, Inter-State OA Regulations and Procedure for Scheduling of Collective Transactions issued by POSOCO, etc. Any deviation from any of the provisions under the regulations would be of significant risk to the Company.

**Mitigation:** The Enterprise Risk Management Committee (ERMC) 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 Committee & Risk Management Committees are formed as mandated by CERC and the committee meetings are held as per timelines fixed by

CERC with reports submitted to the regulator at regular intervals. The state level regulations are governed by State Electricity Regulatory Commissions (SERC). The Company also proactively engages into regular policy advocacy with CERC, SERCs, Ministry of Power (MoP) 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:** The Company's cutting-edge technology serves a large number of 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 (LODR) 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 that and the plan shall cover cybersecurity.

**Mitigation:** In compliance to LODR 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 (ERMC), which reviews and monitors the same.

### Legal Risk

Legal risk consists of non-compliance of various factors like membership criteria fulfillment, 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 CERC at periodic intervals. Moreover, the Company is ISO 9001:2008 certified with definitive Standard Operating Procedures (SOP) in place.

### Operational Risk

Operational risk consists of various risks that have the potential to affect the regular business operation of the Company. This may include multiple 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 CERC at periodic intervals. Moreover, the Company is ISO 9001:2008 certified with definitive SOP in place.

### Market Risk

The Company's revenues could be adversely affected if it is unable to maintain or grow electricity volumes.

**Mitigation:** revenues of the Company are majorly derived from transaction fees and annual subscription fees. The Company systematically engages with all stakeholders maintaining participant base and driving revenue growth.

# 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 therefor. The key financial ratios are given below:

## Key performance metrics

Particulars	2019-20	2018-19	Growth %
Total Revenue (Rs. lakh)	29,715.22	29,415.86	1.02%
Operating Cost	4,866.75	4,777.00	1.88%
CSR Expenses	389.04	348.53	11.62%
Finance Cost, Depreciation and Amortization	1,680.80	1,115.83	50.63
<b>Total Expenses (Rs. lakh)</b>	<b>6,936.59</b>	<b>6,241.36</b>	<b>11.14%</b>
PBT (Rs. lakh)	22,778.63	23,174.50	(1.71%)
PAT (Rs. lakh)	17,791.61	16,503.67	7.80%
PAT MARGIN	59.87%	56.10%	377 bps
Earnings per share (Rs.) - Basic	5.96	5.47	8.96%
Earnings per share (Rs.) - Diluted	5.96	5.46	9.16%

## Profit & Loss statement analysis

### 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 FY20, the total revenue of the Company stood at Rs. 29,715.22 lakh as compared to Rs. 29,415.86 lakh in the previous year. The operating revenue increased from Rs. 25,407.68 lakh in FY19 to Rs. 25,703.11 lakh in FY20, with growth rate of 1.16%. However, the treasury and other income was almost flat at Rs.4,012.11 lakh as compared to Rs. 4,008.18 lakh during previous year.

The Company continued to perform well and maintain its leadership position during the fiscal with profit after tax (PAT) of Rs. 17,791.61 lakh as compared to Rs. 16,503.67 lakh in FY19 with a YoY growth of 7.80%.

### 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 (Rs. in lakh)*

Particulars	2019-20	2018-19	Growth %
Employee benefit	3,252.57	2,483.19	30.98%
Other operating expenses	1,614.18	2,293.81	(29.63%)
CSR	389.04	348.53	11.62%
Finance cost	156.56	73.42	113.24%
Depreciation and amortization	1,524.24	1,042.41	46.22%
<b>Total expenditure</b>	<b>6,936.59</b>	<b>6,241.36</b>	<b>11.14%</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, etc., remuneration of new MD & CEO, payment of remuneration in the form of commission to the Non-executive Chairman of the Board (wef from July 21, 2019 as approved by the Shareholders in their meeting held on September 19, 2019).
- During the year, the Rent decreased from 355.87 lakh in FY-19 to Rs.102.90 lakh mainly due to adoption of Ind AS 116 "Leases" from April 01, 2019, due to which the Company had recognized its lease expenses as depreciation on Right-to-use (ROU) assets and finance cost on lease liability.
- The Technology related expenses increased from Rs.269.29 lakh to Rs.322.17 lakh during the year, as the company continued to rigorously pursue technology led innovations and made significant investments in technology and automation.
- Business promotion and advertisement cost was Rs. 185.10 lakh during the year as compared to Rs. 119.25 lakh during FY19, the cost increased due to various business development and promotional initiatives taken by the Company.
- The Training and Coaching cost decreased from Rs.88.29 lakh to Rs.21.91 lakh as no training programme was organised during FY20 for the members and stakeholders.
- The Travelling cost increased from Rs.119.99 lakh to Rs.154.19 lakh mainly due to business related travelling.
- During the year the Legal and Professional expenses decreased from 854.37 lakh to Rs.367.62 lakh mainly due to various one time professional expenses incurred towards business requirement during FY19.

### Finance cost

- The finance cost increased from Rs.73.42 lakh to Rs.156.56 lakh during the year due to Rs. 51.57 lakh finance cost recognised on lease liability in accordance with IND AS 116 "Leases" adopted from April 01, 2019 and provision of Rs. 80.18 lakh towards refund of 70% of the return earned on investment of initial security deposit received from members of the exchange, as per the directions of the CERC for full year which was Rs. 50.85 lakh for half year during FY19.

### CSR Expenses

- The Company spent Rs.389.04 lakh towards the

corporate social responsibility required pursuant to Section 135 of the Companies Act, 2013 against the obligation of Rs.387.30 lakh. During the previous year the Company had spent Rs.348.53 lakh on the CSR activities.

For details please refer **Annexure 11** of the Directors Report.

### Provision for taxation

- The Company adopted the lower Tax rate of 22%, which resulted in significant reduction in overall tax liability. The total income tax (provision) decline from Rs. 6,670.83 lakh to Rs.4,987.02 lakh. This also included onetime tax savings of Rs. 562 lakh on opening deferred tax liability. With changes made vide Finance Act 2020, the Company would continue to be in lower tax category in next year also.

### Earnings Per Share

- Basic EPS of the Company increased by 8.96% to Rs.5.96 for the FY2019-20 against Rs. 5.47 in the FY2018-19 whereas Diluted EPS increased by 9.16% to Rs. 5.96 from Rs. 5.46 in the same period.

### Shareholders' Funds

#### Share capital

As on March 31, 2020, the Company's share capital stood at Rs. 2,983.24 lakh, i.e., 29,83,24,941 equity shares of Rs. 1 each. (Previous year: Rs. 3,019.19 lakh, i.e., 30,19,19,020\* equity shares of Rs. 1 each).

During the year the Company has completed the buyback of 37,29,729 fully paid-up equity shares of Rs. 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 paid in cash aggregating to the total consideration of Rs. 6,900 lakh.

Refer note 14 of Financials on page 156.

\*Company's share capital is net of 12,31,570 equity shares of Rs. 1 each (yet to be granted) held by IEX ESOP Trust (previous year: 13,67,220 equity share of Rs. 1 each)

#### Other equity

The Company's other equity as on March 31, 2020 was of Rs. 36,031.74 lakh in comparison to Rs. 34,007.71 lakh as on March 31, 2019. During the year Rs. 6,900 lakh was utilized from the Company's free reserves and securities premium account for the buy back and creation of capital redemption reserve of Rs. 37.30 lakh representing the nominal value of



the shares bought back and extinguished.

During FY20 Rs.9,028.63 lakh was also utilised from free reserves of the Company towards payment of Interim dividend on Equity Shares including the dividend distribution tax on the same. The net worth stood at Rs. 39,014.98 lakh as on March 31, 2020 as against Rs. 37,026.90 lakh as on March 31, 2019.

#### **Settlement Guarantee Fund:**

The SGF balance (non-current and current) as on March 31, 2020 was of Rs. 11,689.43 lakh decrease by Rs. 1,757.31 lakh as compared to Rs. 13,446.73 lakh as on March 31, 2019.

#### **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 Rs. 7,555.24 lakh as on March 31, 2020, as against Rs. 13,382.63 lakh as on March 31, 2019, previous year trade payable was high mainly because of non-clearing day on March 31, 2019 due to Sunday.

### **Other financial liabilities**

The Company's other current financial liabilities was of Rs. 13,941.72 lakh as on March 31, 2020, as against Rs. 15,355.67 lakh as on March 31, 2019, the decrease in other financial liabilities was primarily due to decrease in SGF by Rs. 1,770.21 lakh and increase in lease liability by Rs 221.34 lakh against LER assets created during the year in accordance with IND AS 116 "Leases" adopted by Company from April 01, 2019.

### **Fixed assets**

The Company's net fixed assets stood at Rs. 11,994.72 lakh as at March 31, 2020, as against Rs. 11,262.22 lakh as at March 31, 2019. The increase in fixed assets was mainly due to addition in IT assets and creation of Right-to-use (ROU) assets in accordance with IND AS 116 "Leases" adopted by Company from April 01, 2019 using the modified retrospective method on the date of initial application.

### **Investments and Cash and Bank balances**

As on March 31, 2020, the Company's investments (Non-current and Current) and cash and Bank balances stood at

Rs. 54,281.45 lakh (including Rs. 1,000 lakh invested in Indian Gas Exchange Limited, wholly owned subsidiary of the Company), as against Rs. 54,226.92 lakh as on March 31, 2019.

### **Trade Receivable**

The Company's trade receivable was of Rs. 18.54 lakh as on March 31, 2020, as against Rs. 4,588.65 lakh as at March 31, 2019, previous year trade receivable was high mainly because of non-clearing day on March 31, 2019 due to Sunday.

### **Loan (Current Assets)**

Loans under current assets was Rs. 207.31 lakh as on March 31, 2020, as against Rs. 3.24 lakh as at March 31, 2019, the increase was mainly due to reclassification of security deposit towards office premises of Rs. 200 lakh from non current asset to current asset.

### **Key ratios**

Key Ratios	2019-20	2018-19	Reasons for change
Operating profit margin (%)	82.31%	82.58%	Minor change
Net Profit Margin (%)	59.87%	56.10%	The rise in net profit margin was mainly because of lower tax rate, as the Company had adopted the lower tax rate option of 22%, which resulted in significant reduction in overall tax liability during FY2019-20 as compared to FY2018-19.

### **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 14th (Fourteenth) 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, 2020.

## 1. FINANCIAL RESULTS

The Standalone and the Consolidated Financial Statements for the financial year ended March 31, 2020, 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, 2020 is summarised below:

(Amount in Rs. lakh)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from operations	25,703.11	25,407.68	25,713.11	25,407.68
Other Income	4,012.11	4,008.18	4,026.95	4,008.18
<b>Total Revenue</b>	<b>29,715.22</b>	<b>29,415.86</b>	<b>29,740.06</b>	<b>29,415.86</b>
Less: Total Expenditure	6,936.59	6,241.36	7,178.13	6,241.36
<b>Profit before tax</b>	<b>22,778.63</b>	<b>23,174.50</b>	<b>22,561.93</b>	<b>23,174.50</b>
Less: Provision for Tax	4,987.02	6,670.83	4,990.14	6,670.83
<b>Profit after tax (A)</b>	<b>17,791.61</b>	<b>16,503.67</b>	<b>17,571.79</b>	<b>16,503.67</b>
Other comprehensive income for the year, net of income tax (B)	(40.12)	(14.27)	(40.12)	(14.27)
<b>Total comprehensive income for the year (A+B)</b>	<b>17,751.49</b>	<b>16,489.40</b>	<b>17,531.67</b>	<b>16,489.40</b>
Earnings per equity share* [face value Rs.1/- per share]				
<b>Basic (Rs.)</b>	<b>5.96</b>	<b>5.47</b>	<b>5.89</b>	<b>5.47</b>
<b>Diluted (Rs.)</b>	<b>5.96</b>	<b>5.46</b>	<b>5.89</b>	<b>5.46</b>

Your Company has sustained and maintained its leadership position in the power exchange industry in India during the financial year 2019-20.

## Results of operations and the state of company's affairs

*The highlights of the company's performance (standalone) for the year ended March 31, 2020 are as under*

### Key Market highlights during fiscal 2019-20

- Total Revenue of the Company was almost flat Rs. 29,715.22 lakh as compared to Rs. 29,415.86 lakh during financial year 2018-19.
- PAT increased by 7.8% from Rs. 16,503.67 lakh to Rs. 17,791.61 lakh
- Company paid an interim dividend of 250% in March 2020
- Electricity volume increased by 3.2%, total of 53,862 million units were traded in the electricity segment, compared to 52,189 million units traded in fiscal year 2018-19.
- Total volume traded across all market segments was down by 2% at 59,889 million units as compared 61,144 million units traded in fiscal year 2018-19.
- One Nation, One Gird, One price was realized on 309 days i.e. 84.66% of the days this fiscal.
- In volume terms, a total of 196 MU could not be traded in fiscal year 2020 due to congestion while in the last fiscal 538 million units were lost.
- Average Market Clearing Price in fiscal year 2020 at Rs 3 per unit was a 22% lower than the prices discovered in the previous year.
- Owing to attractive prices, the procurement of power by commercial and industrial consumers increased by 31% during the fiscal year 2020.

- During the year total 4,768 MU of power was scheduled under TAM compared to 2,105 MU units in fiscal year 2019. The highest volume TAM was achieved in August 2019 when close to 726 MU were traded.
- During the year, your company cumulatively traded 60,27,391 Renewal Energy Certificates (RECs) with 17,10,940 Solar RECs and 43,16,451 Non-Solar RECs.
- The PAT Cycle-I was completed in 2017. PAT Cycle-II trade session is expected to take place in fiscal year 2021. Therefore, during the fiscal year 2020, no trade sessions of ESCerts were held.

Highlights of Company's performance are discussed in detail in the Management Discussion and Analysis Report (MDA), included in this Annual Report as required under Schedule V of the SEBI (LODR) Regulations, 2015.

### **Financial performance review and analysis (consolidated)**

The consolidated financials of the Company includes financials of Indian Gas Exchange, a wholly owned subsidiary of Indian Energy Exchange incorporated on November 06, 2019. The IGX financials for the year ended March 31, 2020 spans over a period of five months only and during the limited period of five months, the primary focus was on setting up the infrastructure, building teams and the trading platform.

Since Indian Gas Exchange Limited was incorporated in the current year, the corresponding financial results for year ended 31 March 2019 as contained in these consolidated annual financial results comprise only the standalone financial results of Indian Energy Exchange Limited.

Highlights of Company's standalone performance are discussed in detail in the Management Discussion and Analysis (MDA) Section of this report.

## **2. CoVID-19**

As a nation we are faced with the onerous responsibility of ensuring uninterrupted power supply to the public utilities, the stressed healthcare ecosystem, communication providers, related businesses that support these and to all residential consumers in times of social distancing due to CoVID crisis.

Your Company, recognizes Power as the lifeline of our country - at a time like this more than ever before and stands firmly by the country to continue 24X7 uninterrupted access to our platform backed by operational excellence, transparent and competitive price discovery.

Your Company has contributed Rs.5 Crores to the PM's Citizen Assistance and Relief in Emergency Situation (PM CARES) Fund to support relief measures in the fight against CoVID-19. As we face an unprecedented crisis, support and solidarity from citizens as well as corporates during these times will go a long way in supplementing the various efforts undertaken by the Government.

Due to outbreak of CoVID-19 globally and in India, your Company's management has made initial assessment of likely adverse impact on business and financial risks on

account of CoVID-19. It is well appreciated that the situation as well as its assessment is continuously evolving and the way ahead is to avoid living in denial, leading to acceptance & pro-active measures. The Company's management currently believes that there will be negligible or very minimal impact on the working or performance of the Company due to CoVID-19. The management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

## **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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section, forming part of the 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 Rs. 2.50/- (250%) per equity share of face value of Rs. 1 each for the financial year 2019-20. Total pay out was of Rs. 9,028.63 Lakh (including Rs.1,539.72 lakh towards dividend distribution tax) towards interim dividend .

Your Directors wish to conserve resources for future expansion and growth of the Company. Hence, your Directors have decided not to recommend any further final dividend for the year under review, the aforesaid payment of interim dividend may be treated as final dividend for financial year-2019-20.

## **5. Dividend Distribution Policy**

In compliance with the requirements of Regulation 43A of SEBI (LODR) Regulations, 2015, 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 annexed as **Annexure 1** to this Report. The policy is also available on the website of the Company and can be accessed through the following web link:

[Click here to view](#)

## **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.

However, during the year a Capital Redemption Reserve (CRR) Account was created in which an amount equivalent

to nominal value of the shares bought back under the Buy Back i.e. Rs. 37.30/-Lakh was transferred.

## 7. Changes in Share Capital

During the year under review, the Company completed the Buyback of 37,29,729 equity shares of Rs. 1 each at a price of Rs. 185/- per share for a total consideration of Rs. 6,900/-Lakh after the shareholders approved the Buyback proposal by passing Special Resolution on January 29, 2019 through Postal Ballot.

Post Buyback of 37,29,729 equity shares, the issued, subscribed and paid up equity capital as on March 31, 2020 stood at Rs. 2,995.57 Lakh divided into 29,95,56,511 equity shares of Rs. 1 each.

The Company completed buyback of 37,29,729 (Thirty Seven Lakh Twenty Nine Thousand Seven Hundred Twenty Nine) equity shares of Rs. 1 each on April 11, 2019, out of which 37,29,729 (Thirty Seven Lakh Twenty Nine Thousand Seven Hundred Twenty Nine) equity shares have been extinguished in electronic segment in NSDL and there were no physical shares tendered in the Buy-back.

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 Associates Companies

During the year under review, your Company has incorporated a wholly-owned subsidiary Company "M/s Indian Gas Exchange Limited ("IGX") on November 6, 2019 with a subscribed and paid up share capital Rs.100 Lakh equity shares of Rs.10 (Rupees Ten) each.

Your Directors are pleased to share that IGX's Gas Exchange Portal, first nationwide online delivery-based gas trading platform was inaugurated on June 15, 2020 by Shri Dharmendra Pradhan, Honourable Minister of Petroleum and Natural Gas, in the e-ceremony and the trade on the platform commenced in his auspicious presence. Esteemed dignitaries such as Shri Tarun Kapoor, Secretary, MOPNG and Shri D K Saraf, Chairman, PNGRB also addressed and felicitated the e-launch ceremony which also saw a virtual gathering of 1000+ participants from India and overseas. The platform is fully automated with a web-based interface to provide seamless trading experience to the customers and is powered by best-in-class technology from GMEX, one of the world's leading digital exchange trading and post trade technology providers. IGX will play an instrumental role in transforming India's gas markets, positioning India as a sustainable economy and enhancing industry's competitiveness. The competitive price discovery will facilitate availability of gas at lower prices for cross-spectrum of industries across India, stimulate demand and facilitate greater investments in domestic gas exploration.

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 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 prescribed Form AOC-1 as **Annexure 2** is attached to this Report.

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

[Click here to view](#)

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 contracts / arrangements / transactions entered by the Company during the financial year with the related parties were in its ordinary course of business and on an arm's length basis. 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.

All Related Party Transactions are placed before the Audit Committee for its review and approved on a quarterly basis. Further, all Related Party Transactions are reviewed by the statutory auditors of the Company.

There was no related party transaction entered by the Company during the year in terms of Section 188 of the Companies Act, 2013 other than those as disclosed in the audited financial statements of the Company.

Members may refer to **Note No. 37** to the Standalone financial statement which sets out related party disclosures pursuant to Ind AS.

A disclosure of Related Party Transaction is annexed with this Report in Form AOC-2 as **Annexure 3**.

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:

[Click here to view](#)

The Policy intends to ensure that proper approval, reporting and disclosure processes are in place for all transactions

between the Company and the Related Parties.

## 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.

As on March 31, 2020, the Board comprised of 7 (seven) Directors, out of which 3 (three) were Non-Executive Independent Directors including one woman Independent Director, 3 (three) Non-Executive Non-Independent Directors and 1 (one) Executive Director

### A. Changes in Directors

During the financial year 2019-20, there have been following changes in the position of Directors of the Company:

#### Appointment/re-appointment of Directors

Prof. Kayyalathu Thomas Chacko (DIN 02446168) was re-appointed as a Non-Executive Independent Director of the Company.

Prof. KT Chacko was reappointed as an Independent Director of the Company for a second term of consecutive 5 (five) years from March 30, 2020 upto March 29, 2025.

The approval of Members of the Company for aforesaid appointment was obtained by way of Postal Ballot on March 24, 2020. Further, pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the consent of the members by way of Special Resolution, was also obtained by way of Postal Ballot for continuation of his Directorship on attaining the age of seventy-five years on October 29, 2021, on the same terms and conditions.

In the opinion of the Board, Prof. K T Chacko is a person of integrity and fulfills the conditions specified in the Companies Act, 2013, Power Market Regulations, 2010, and the SEBI Listing Regulations, 2015, and is independent of the management. He has vast experience and expertise in Public Administration, Governance, Risk and Compliance. Further, in terms of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules 2019, the existing Independent Directors were required to register themselves with data bank maintained by Indian Institute of Corporate Affairs (IICA) within a period of 7 months effective from 1st December, 2019, and further undertake

an online proficiency self-assessment test conducted by the institute within one year of registration. Prof. K T Chacko was registered in the data bank on 7th of February 2020 accordingly he is required to pass the online proficiency self-assessment test on or before February 06, 2021.

#### Cessation of Directors

- Mr. Dinesh Kumar Mehrotra (DIN: 00142711), Chairman and Non-Executive Independent Director, resigned from the directorship of the Company w.e.f. May 22, 2019 due to preoccupation, there was no other material reason for his resignation.
- Ms. Renuka Ramnath (DIN: 00147182), Non-Executive Director, retired by rotation at the 13th Annual General Meeting held on September 18, 2019 and did not offer herself for re-appointment as a Director of the Company.
- Mr. Gopal Srinivasan (DIN: 00177699), Non-Executive Director, resigned from the directorship of the Company w.e.f. January 30, 2020 due to his other commitments.
- Mr. Mahendra Singhi (DIN: 00243835), Non-Executive Director resigned from the directorship of the Company w.e.f. March 13, 2020 due to his other commitments.

Further, Mr. Ajeet Kumar Agarwal (DIN: 02231613), Non-Executive Director on the Board as the nominee of REC Limited (formally Rural Electrification Corporation Limited) has ceased to be Director of the Company with effect from June 1, 2020 as a result of withdrawal of his nomination by REC Limited.

The Company places on record its appreciation and gratitude towards valuable contributions made by Mr. Dinesh Kumar Mehrotra, Ms. Renuka Ramnath, Mr. Gopal Srinivasan, Mr. Mahendra Singhi and Mr. Ajeet Kumar Agarwal to the growth and governance of the Company during their tenure as member of the Board.

Post completion of financial year 2019-20, the Board of your Company appointed Mr. Amit Garg as an Additional Director (Non-Executive Non-Independent Director) with effect from May 14, 2020, who shall hold office upto the date of ensuing Annual General Meeting of the Company.

The members' approval is sought towards appointment of Mr. Garg as Non-Executive Non-Independent Director of the Company. Detailed resolutions seeking members approval for his appointment forms part of the AGM Notice.

#### 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. Gautam Dalmia (DIN: 00009758) Non-Executive Director of the Company will be retiring by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offer 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:

Mr. Rajiv Srivastava was appointed as Additional Director designated as Whole-time Director with effect from June 3, 2019. Subsequently, Mr. Srivastava took over as Managing Director & CEO of the Company effective from July 21, 2019. Shareholder of the Company duly approved and ratified his appointments in the 13th Annual General Meeting held on September 18, 2019 vide passing special resolutions for (a) Approval for appointment as a Director of the Company and (b) Ratification of appointment as Whole-time Director and MD & CEO of the Company.

Further, the Central Government approval under section 196 read with Part - I (e) of Schedule V of the Companies Act, 2013 for his appointment as MD of the Company was received vide letter no. SRN R00689034 /2019 - CL-VII dated 27th February, 2020.

The term of Mr. Satyanarayan Goel, Managing Director & CEO of the Company expired on July 20, 2019. Thereafter, after completion of his term as MD & CEO of the Company on July 20, 2019, Mr. Satyanarayan Goel took over as Non-Executive Chairman of Board with effect from July 21, 2019. The Shareholder of the Company duly ratified and approved his appointment in the 13th Annual General Meeting.

The Key Managerial Personnel of the Company as on March 31, 2020 are Mr. Rajiv Srivastava, Managing Director and Chief Executive Officer 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, 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 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 enrollment 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.

## **D. Meetings of Board / Committees**

During the year 9 (nine) number of Board Meeting 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 Corporate Governance Report, forming part of this Report.

## **E. 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 to 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 4** to this Report and Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which is reproduced in **Annexure 5** to this Report.

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

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 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, 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 6** 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.

### **G. 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 7**.

A statement showing the names and particulars of the employees falling within the purview of Rule 5(2) and 5(3) of the aforesaid Rule are provided as part of this Report as **Annexure 8**. None of the employees listed in the said Annexure are related to any Director of the Company.

## **12. Employees 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 9** to this Report

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

During the year, the Company, pursuant to members approval, has formulated a '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 will be administered directly by the NRC of the Company. The Board was 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 10** to this Report.

Further, the Company has obtained a certificate from the statutory auditors of the Company 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 financial year 2019-20.

Pursuant to Section 134 (5) of the Companies Act, 2013, the Directors to the best of its 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 2019-20;
- 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;
  - 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, 2020.

## 17. Particulars of Loans, Guarantee or Investment

During the financial year 2019-20, 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 05 to Standalone Financial Statement for the year ended March 31, 2020.

Further, the Company incorporated a wholly owned subsidiary namely Indian Gas Exchange Limited (IGX) on November 06, 2019 and subscribed 1,00,00,000 (One Crore) equity shares of Rs.10 (Rupees Ten) each.

## 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. 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.ixindia.com](http://www.ixindia.com) and the Annual Report on CSR as required pursuant to Section 135 of the Companies Act, 2013 is appended as **Annexure 11** 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 lightning 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

Technology is a key component of your business operations and is crucial to the success of exchange. Your company's strategic vision is to leverage state of the art technologies to create an intuitive, secure, and efficient energy marketplace with customer centricity at the core of every feature. Your company continues to enhance customer experience by releasing new features from time to time which enable greater liquidity and provide optimized trading options.

In financial year 2019-20, we improved on our new application to optimize power procurement bid creation like Smart Power Procurement (SPP). The Term-ahead Market last tradable day was relaxed to T+10, thereby giving any day anytime contract to market participants. Besides the hourly contracts a 15 min product was also introduced. In order to improve ease of bidding for members we automated single volume limit across all market segments and provided a provision for auto carry forward of pending DAM bid to term ahead market.

Your company continues to invest in technology and infrastructure in order to ensure speed, reliability, scalability, and security for the electronic trading platform. In order to minimize any potential hardware related issue, your team proactively upgraded the end of life infrastructure. Your technology platform continues to be secure, stable, and robust supporting increasing transaction volumes smoothly. The exchange continues to have 100% uptime and has not reported any security incidence, which reflects robust development practices with security first. Your team recognizes the challenges of Cyber Security and has also incorporated extensive internal audits. Your team realizes the security challenges with remote working and have implemented policies, processes, and tools for addressing the same.

Your company is progressing towards an automated digital experience not only exchange but also for internal processes. In line with last year's objective several initiatives were completed to increase efficiency and productivity by automating internal process. Finance processes are increasingly leveraging SAP for automating procurement and budgeting processes. to be automated using SAP. HR processes like Performance management and talent management were also automated by using proven third party software. In order to improve decision making process a data warehouse system was plugged to analytics tool for internal reporting purpose.

## 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	Rs. 268.33 lakh (including dividend pay-out of Rs. 182.06 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 SEBI (LODR) (Amendment) Regulations 2018, the Board has an 'Enterprise Risk Management Committee' ('ERMC') to review and analyse various internal and external risks 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 detail please refer Management Discussion and Analysis of this Report.

## 24. Whistle Blower & Anti-Fraud Policy

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour.

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 SEBI (LODR) Regulations, 2015.

### 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:

[Click here to view](#)

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 financial year 2019-20, 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 by the shareholders as Statutory Auditors of the Company for a term of 5 (five) consecutive years, at the 13th Annual General Meeting of the Company held on September 18, 2019.

The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away with by the Companies (Amendment) Act, 2017 with effect from 7th May 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

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 2020 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 (Firm Registration No. L2018DE004900), New Delhi, as Secretarial Auditor of the Company to conduct the Secretarial Audit for Financial Year 2019-20.

The Secretarial Audit report for the financial year March 31, 2020 in Form No. MR-3 is annexed as **Annexure 12** 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. The Report states that as per the Chapter VIII of the Companies Act, the Company has complied with all the provision related to interim dividend and made payment within the time limit except dispatch of Dividend demand drafts, amounting to Rs. 11.26 Lakh constituting 0.15% of the total Interim Dividend, to those shareholders whose bank account details were not

registered with the Company due to lockdown imposed by the government with effect from 22.03.2020. However, the Company ensured that aforesaid dividend demand draft were distributed to all the respective shareholders once the lockdown was lifted and normalcy was restored.

Secondly, it is also stated that the Company has complied with all the Rules, Regulations, Guidelines, and circulars issued by the SEBI except with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e. the composition of the Board of Directors, there was small un-intentional delay of 28 days from August 22, 2019 to September 18, 2019 in ensuring compliance with Regulation 17(1) of the SEBI (LODR) Regulations, 2015 due to transition phase.

### 29. Secretarial Standard Disclosure

During the financial year 2019-20, 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 [Click here to view](#)

### 31. Human Resource Development

Your Company has set ambitious growth targets, IEX also endeavours to become a world class company. To achieve this, the company is undergoing a transformation that encompasses both culture and talent.

Your Company is working to create an open and transparent workplace that places adequate emphasis on learning and strong employee connects. 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.

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.

### 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 financial year 2019-20. A declaration to this effect signed by the Managing Director & CEO of the Company is included in this Annual Report.

In terms of SEBI (LODR) Regulations, 2015 the CEO & CFO certificate of the financial year 2019-20 and Declaration by CEO 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 (Firm Registration No. L2018DE004900) in Practice, Delhi 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 financial year 2019-20, the Company has not received any complaint pertaining to sexual harassment and hence no complaint is outstanding as on March 31, 2020.

### 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. 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**

Sd/-

**Satyanarayan Goel**  
Non-Executive Chairman  
DIN: 02294069

Place : Noida  
Date : 29 July 2020

## Annexure 1

### Dividend Distribution Policy

This Policy will regulate the process of dividend declaration and its pay-out by the Company in accordance with the provisions of Companies Act, 2013 read with the applicable Rules framed thereunder, as may be in force for the time being ("Companies Act").

#### Preamble

Dividend is the payment made by a Company to its shareholders, usually in the form of distribution of its profits. The profits earned by the Company can either be retained in business, and used for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This Policy aims to reconcile between all these divergent needs. The dividend pay-out of a Company is driven by several factors.

The objective of our policy is to ensure a balance between these apparently conflicting and divergent approaches and ensure that while the Company recommends a regular dividend income for the shareholders, it also ensures the long-term capital appreciation for all its stakeholders. The Company would seek to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes.

The Board of Directors will refer to the policy while declaring/ recommending dividends on behalf of the Company. Through this policy, the Company would endeavour to maintain a consistent approach to dividend pay-out plans. The Company believes that it operates in the fast growing on-line power trading segment which is expected to witness new developments and offers investment opportunities, therefore the retention of surplus funds for future growth will equally be important as that of distribution of surplus by way of dividend to shareholders. However, considering the consistent and impressive generation of profits year on year, there is a need to provide greater clarity on the dividend pay-out philosophy of the Company.

#### The following financial parameters shall be considered while declaring dividend

- Financial Performance and Profitability;
- Liquidity;
- Financial metrics (i.e. Financial Ratios);
- Retained earnings;
- Capital commitments going forward.

#### Utilisation of retained earnings

Where the Company predicts, based on appropriate analysis, that the Company can put retained earnings to

better use and increase the earnings substantially or has the ability to increase earnings at a higher than market rate, the Board may utilize the retain earnings for the following purposes:

- To Secure a durable competitive advantage in the Power market;
- To invest in research and development of the products/ contracts in Power, Energy & related sectors;
- To expand business by potential acquisition opportunities, as permissible by law;
- To invest in technology / modernisation plan so as to avoid technological obsolescence risks;
- To consider buy back of shares;
- To expand capacity / facilities utilising internal accruals to capitalize upon new opportunities in view of regulatory changes;
- Such other purposes, as the Board may think appropriate from time to time to maintain / enhance its competitive advantage.

#### Factors (internal and external) to be considered while declaring Dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Board of Directors will endeavour to take a decision with an objective to enhance shareholder's wealth and market value of the shares. However, the decision regarding pay-out is subject to several factors and hence, an optimal balance needs to be arrived at considering the interest of shareholders and that of the Company.

The dividend pay-out decision of any company depends upon certain external and internal factors.

#### External Factors

##### State of Economy

In case of uncertain or recessionary economic and business conditions, Board will endeavor to retain larger part of profits to build up reserves to absorb future shocks.

##### Capital Markets

When the markets are favourable, dividend pay-out can be liberal. However, in case of unfavourable market conditions, the Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

##### Statutory Restrictions

The Board will keep in mind the restrictions imposed by Companies Act with regard to declaration of dividend.

#### Internal Factors

Apart from the various external factors aforementioned, the Board will take into account various internal factors while declaring dividend, which inter alia will include

- Profits earned during the year;
- Present & future capital requirements of the existing businesses;
- Brand/business acquisitions;
- Expansion/modernization of existing businesses;

- Additional investments in subsidiaries/associates of the Company;
- Fresh investments into external businesses;
- Any other factor as deemed fit by the Board.

### Category of Dividends

The Companies Act provides for two forms of Dividend-Final & Interim. The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in the general meeting of the Company. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit.

### Final Dividend

The Final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the payment of Final Dividend to the shareholders in a general meeting. The declaration of Final dividend shall be included in the ordinary business items that are required to be transacted at the AGM.

### Process for approval of Payment of Final Dividend

Board to recommend quantum of final dividend payable to shareholder in its meeting in line with this Policy, based on the profits arrived at as per the audited financial statements. Shareholders to approve in AGM - once in a financial year;

### Interim Dividend

This dividend can be declared by the Board of Directors one or more times in a financial year as may be deemed fit by it. The Board of Directors of the Company would declare an interim dividend, as and when considered appropriate, in line with this policy. Normally, the Board could consider declaring an interim dividend after finalization of quarterly (or half yearly) financial accounts.

### Declaration of Dividend

Subject to the provisions of Section 123 (reproduced below) of the Companies Act dividend shall be declared or paid only out of:

- Current financial year's profit after (a) providing for depreciation in accordance with law and (b) transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion, or
- The profits for any previous financial year(s) (a after providing for depreciation in accordance with law; (b) remaining undistributed; or
- Out of (i) and (ii) both.

### Dividend Distribution Range

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the shareholders, in the form of dividend. As explained

in the earlier part of this Policy, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors, the Board will endeavour to maintain a dividend pay-out (interim, if any, and final, put together) of about 50 per cent of profits after tax (PAT) every financial year on a standalone financials. However, the Board may amend the pay-out range, whenever considered appropriate by it, keeping in mind the aforesaid factors having a bearing on the dividend pay-out decision.

The Board may, after taking into consideration of the matters such as the financial position, investments plans economic conditions and liquidity, declare or recommending dividend.

Circumstances under which shareholders of the Company may not expect dividend

The Board of Directors of the Company may abstain from declaring any dividend / lower percentage of dividend in a particular financial year, if they are of the view that the retained earnings / funds through internal accruals can be better utilised for the following purposes:

- a. Expansion / modernisation of the existing business operations;
- b. Seeking inorganic growth through acquisitions opportunities, within and outside India;
- c. Investment in Subsidiary and Associate Companies;
- d. Embark upon new product / line of business;
- e. Buyback of shares etc.;
- f. Such other purposes, as the Board may think appropriate from time to time to maintain / enhance its competitive advantage.

In case the Board of Directors abstains from declaring dividend, a justification thereof shall be provided to the shareholders in the Directors Report.

### Review

This Policy is subject to review / revision by the Board of Directors whenever felt necessary.

## Annexure 2

## 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	Not Applicable
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	1000.00
6.	Reserves & Surplus	Nil
7.	Total Assets	919.00
8.	Total Liabilities	919.00
9.	Investments	504.00
10.	Turnover	10.00
11.	Profit before Taxation	(216.70)
12.	Provision for Taxation (net)	3.12
13.	Profit after Taxation	(219.82)
14.	Proposed Dividend	-
15.	% of shareholding	100.00

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

For and on behalf of the Board of Directors

**Indian Energy Exchange Limited**

Sd/-

**Satyanarayan Goel**

DIN: 02294069

Non-Executive Chairman

Sd/-

**Rajiv Srivastava**

DIN: 03568897

Managing Director &amp; CEO

Sd/-

**Vineet Harlalka**

Chief Financial Officer, Company Secretary &amp; Compliance Officer

Place : Noida  
Date : 29 July 2020

## Annexure 3

### 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	NA
(b)	Nature of contracts/ arrangements/ transactions	NA
(c)	Duration of the contracts/ arrangements/ transactions	NA
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
(e)	Justification for entering into such contracts or arrangements or transactions	NA
(f)	Date(s) of approval by the Board	NA
(g)	Amount paid as advances, if any:	NA
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NA

#### 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	NA
(b)	Nature of contracts/ arrangements/ transactions	NA
(c)	Duration of the contracts/ arrangements/ transactions	NA
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
(e)	Date(s) of approval by the Board, if any	NA
(f)	Amount paid as advances, if any	NA

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

Sd/-

**Satyanarayan Goel**

Non-Executive Chairman  
DIN: 02294069

Place : Noida  
Date : 29 July 2020



## Annexure 4

# 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 5

# 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

- Board' shall mean Board of Directors of Indian Energy Exchange Limited.
- 'Independent Director' shall mean a director referred to in Section 149 (6) of the Companies Act, 2013.
- 'Key Managerial Personnel', in relation to a company, means key managerial personnel as defined under the Companies Act, 2013 & includes:
  - v. The Chief Executive Officer or the managing director or the manager;
  - vi. The company secretary;
  - vii. The whole-time director;
  - viii. The Chief Financial Officer;
  - ix. 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
  - x. Such other officer as may be prescribed.
- '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.
- 'Other employees' means all employees other than the Directors and KMPs.
- 'Policy or This Policy' means, "Nomination and Remuneration Policy."
- '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.

- "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

### 5.1.1. 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.

### 5.1.2. 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.

### 5.1.3. 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.

### 5.1.4. 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.

#### **5.1.5. 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 6

### 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 in their separate meeting held on December 11, 2019, 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**

Non-Executive Chairman

DIN: 02294069

Place : Noida

Date : 29 July 2020

## 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

Sr.	Name of the employee	Age	Qualification	Designation	Total Remuneration (Rs. 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	56	MBA, B.E	Director (Non-Board) (Strategy & Regulatory Affairs)	147.23	32	12-Mar-07	Chief Manager, Power Grid Corporation of India Limited
2	Vineet Harlalka	46	CA,CS	Chief Financial Officer, Company Secretary & Compliance Officer	94.79	20	16-Jan-10	New Holland Fiat (India) Private Limited, Senior Manager Finance & Co. Secretary
3	Rohit Bajaj	48	PGDBM, B.E	Senior Vice President (Business Development)	79.19	26	12-May-14	National Energy Trading and Services Limited, Head of Business
4	Amit Kumar	42	MBA, B. Tech	Senior Vice President (Market Operations & New Product Initiatives)	75.14	18	15-Nov-18	Limeroad as Senior Director – Operations and Product Management
5	Samir Prakash	50	Law Graduate, PG in Industrial Relations & Personnel Management	Senior Vice President (Human Resources & Administration)	57.71	29	17-Dec-18	SRK Tele Energy, Director-HR
6	Prasanna Rao	48	MBA, B.COM	Vice President (Strategy)	66.51	27	01-Apr-10	Multi Commodity Exchange of India Limited, Senior Manager
7	Shruti Bhatia	46	M.Sc, B.SC	Vice President (Corporate Communications)	63.32	23	09-Jan-13	Vestas Wind Technology India Private Limited, General Manager
8	Indranil Chatterjee	43	MBA,B.E	Vice President – Risk, Alliances & Strategic Diversification	48.23	19	20-Dec-16	Indus Towers Limited, Deputy General Manager
9	Vaibhav Pramod Aggarwal	47	B.Com	Vice President (Exchange Technology)	65.17	15	23-May-17	63 Moons, Vice-President

Sr.	Name of the employee	Age	Qualification	Designation	Total Remuneration (Rs. in lakh)	Approx. experience (in years)	Date of commencement of employment	Last Employment
1	Satyanarayan Goel [1]	65	MBA, B.TECH	Managing Director and Chief Executive Officer	149.40	41	21-Jan-14	PTC India Limited, Director (Marketing & Operations)
2	Rajiv Srivastava [2]	55	Bachelor's degree in Mechanical Engineering, Specialization in international business	Managing Director and Chief Executive Officer	304.58	34.6	03-June-19	HP Inc. Microsoft, HCL Hewlett-Packard Ltd and Escorts Yamaha Motorcycle Ltd
3	Akhilesh Awasthy [3]	56	ICWAI, ME, BE	Director (Market Operations)	101.51	33	01-Sep-07	Madhya Pradesh Electricity Board, Joint Director
4	Sangh Suman Gautam [4]	43	Masters of Science, Bachelor in Engineering	Chief Technology Officer	54.89	20	02-Aug-19	HT Media, Amazon, LinkedIn, Guavus
5	Deepak Mehta [5]	47	BE (Mechanical), MBA (Marketing)	Senior Vice President - Business Development - Gas Business	27.16	20	15-Jan-20	Multi Commodity Exchange of India Limited, Mahanagar Gas Limited

[1] Mr. Satyanarayan Goel was the MD & CEO of the Company till July 20, 2019. After completion of his employment, he was appointed as Non-Executive Chairman of Board with effect from July 21, 2019

[2] Mr. Rajiv Srivastava was appointed as Additional Director designated as Whole-time Director with effect from June 3, 2019 after that with effect from July 21, 2019 upto June 2, 2024 (both days inclusive) was appointed as Managing Director & CEO of the Company

[3] Akhilesh Awasthy has resigned from the Company w.e.f July 5, 2019

[4] Sangh Suman Gautam joined the company w.e.f. August 02, 2019

[5] Deepak Mehta joined the company w.e.f. January 15, 2020; the related cost was recovered from the IGX

Notes:

Remuneration includes salary and reimbursement and further the gratuity paid to the employees who resigned during the year.

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, 2020, 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, 2020 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**

Non-Executive Chairman  
DIN: 02294069

Place : Noida  
Date : 29 July 2020

## Annexure 8

### 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 2019-20	MD &CEO - 35.73% [1]
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	MD & CEO - NA [1] CFO & Company Secretary - 8.0% Sr. VP - Business Development - 24.14% [2] Sr. VP - Market Operation & Product Head - 8.0% [3] Sr. VP - Human Resource & Admin - 8.0% [3] Director (Non Board) Strategy & Regulatory Affairs - 7.0 % VP -Corp communication -7.0 % VP- Risk, Alliance & Strategic Development - 7.0 %
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 14.76%. 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 157 employees as on March 31, 2020
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 10.73% as compared to NA 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.

#### Notes

[1] MD & CEO joined during the year w.e.f. June 3, 2019. His remuneration is not comparable for the purpose of calculating aforesaid average increase in remuneration.

[2] Additional Increment was given considering he was given role and responsibility of heading the Business Development Function.

[3] The given percentage increase was prorated with respect to their date of joining.

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

Sd/-

**Satyanarayan Goel**

Non-Executive Chairman  
DIN: 02294069

Place : Noida  
Date : 29 July 2020



## Annexure 9

## Disclosure under SEBI (share based employee benefits) regulations, 2014 for the financial year ended 31 March 2020

## 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, 60,65,720 shares of Rs. 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 border="1"> <thead> <tr> <th colspan="2">Details of Options Granted</th> <th>No. of options granted#</th> </tr> </thead> <tbody> <tr> <td colspan="2">options granted upto March 31, 2019</td> <td>66,49,000</td> </tr> <tr> <td colspan="2">options granted during financial year 2019-2020</td> <td>1,00,000</td> </tr> <tr> <td colspan="2">total options granted by the company upto March 31, 2020</td> <td>67,49,000</td> </tr> </tbody> </table> <p>#This include the lapsed options which are regranted (representing figures post-subdivision adjustment of equity shares)</p>	Details of Options Granted		No. of options granted#	options granted upto March 31, 2019		66,49,000	options granted during financial year 2019-2020		1,00,000	total options granted by the company upto March 31, 2020		67,49,000																																												
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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 border="1"> <thead> <tr> <th>Sr. No.</th> <th>No. of Options</th> <th>Granted on</th> <th>Exercise Price Per Option (in Rs.)*</th> </tr> </thead> <tbody> <tr> <td colspan="4">A. Grants of Equity Shares with face value of Rs. 10 each share</td> </tr> <tr> <td>1.</td> <td>3,07,100</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>2,06,100</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 Rs. 10/- each to face value of Re.1/- each with effect from the record date i.e. October 22, 2018</td> </tr> <tr> <td>9.</td> <td>1,00,000</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>1,00,000</td> <td>August 5, 2019</td> <td>142/-</td> </tr> </tbody> </table>	Sr. No.	No. of Options	Granted on	Exercise Price Per Option (in Rs.)*	A. Grants of Equity Shares with face value of Rs. 10 each share				1.	3,07,100	July 08, 2010	10/-	2.	17,600	September 07, 2010	10/-	3.	2,06,100	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 Rs. 10/- each to face value of Re.1/- each with effect from the record date i.e. October 22, 2018				9.	1,00,000	November 15, 2018	160/-	10.	50,000	December 18, 2018	166/-	11.	1,00,000	August 5, 2019	142/-
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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, 2020 with the following vesting schedule:</p> <table border="1"> <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</td> <td>34</td> <td>12 months from the date of vesting</td> </tr> <tr> <td colspan="4">#vested on August 21, 2018</td> </tr> <tr> <td colspan="4">## vested on July 22, 2019</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</td> <td>34</td> <td>12 months from the date of vesting</td> </tr> <tr> <td colspan="4">*vested on February 11, 2019</td> </tr> <tr> <td colspan="4">** vested on January 30, 2020 &amp; February 26, 2020</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	34	12 months from the date of vesting	#vested on August 21, 2018				## vested on July 22, 2019				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	34	12 months from the date of vesting	*vested on February 11, 2019				** vested on January 30, 2020 & February 26, 2020				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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7.	Total number of options in force/ outstanding at the beginning of financial year 2019-20	4,68,900																																																																						
8.	Options vested during the year	1,35,650																																																																						
9.	Options exercised during the year	1,35,650																																																																						
10.	Total number of shares arising as a result of exercise of option during the year	1,35,650																																																																						
11.	Total number of options lapsed during the year	23,450																																																																						
12.	Variations in the terms of options during the year	No Variation in terms of options, except the options terms revised to align with sub-division of equity shares.																																																																						
13.	Money realized on exercise of options during the year	Rs. 101.74 Lakh																																																																						
14.	Total number of options in force/ outstanding at the end of financial year 2019-20	4,09,800																																																																						
15.	Number of option exercisable at the end of financial year 2019-20	54,900																																																																						
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, 2020																																																																						
	Employees who have received a grant in any one year of option amounting to 5% or more of options granted during that year.	Nil																																																																						

Sl. No.	Particulars	Details										
	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	Rs. 5.96										
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:	<p>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 Rs. Nil. The estimated fair 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 10, 10, 51, 148, 148, 555, 647 and 647 respectively.</p> <p>The weighted average fair values have been determined using the Black Scholes Formula considering the following parameters</p>										
	Date of Grant	08-Jul 2010	07-Sep 2010	16-Dec 2011	21-Jan 2014	24-Jun 2014	15-Apr 2017	19-Jun 2017	16-Aug 2017	15-Nov 2018	18-Dec 2018	05-Aug 2019
	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	<p>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.</p>										
	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
	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	Grant Date	Weighted average exercise prices of Options (Rs.)				Weighted average fair value of options (Rs.)					
		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					

Note: The face value of the equity share of Rs. 10/- each have been sub-divided into ten equity shares of Rs. 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)	Present Trustee of the trust 1. Mr. Rajesh Kumar Mediratta 2. Mr. Prasanna Rao 3. Mr. Samir Prakash (admitted w.e.f. September 06, 2019)
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 01-04-2019)	13,67,220
2	Number of shares acquired during the year through (i) primary issuance (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	Nil
3	Number of shares transferred to the employees / sold along with the purpose Thereof	1,35,650
4	Number of shares held at the end of the year (as at 31-03-2020)	12,31,570

Note: The face value of the equity share of Rs. 10/- each have been sub-divided into ten equity shares of Rs. 1/- each with effect from the record date i.e. October 22, 2018. Accordingly, the number of shares has been adjusted.

### (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**

Non-Executive Chairman

DIN: 02294069

Place : Noida

Date : 29 July 2020

Person-wise details of options granted to Directors/Key Managerial Personnel/Senior Managerial Personnel under ESOP 2010 as at March 31, 2020

Name	Designation	Options Granted On 05-Aug-19	Exercise Price (In Rs.)	Options Granted On 18-December-18	Exercise Price (In Rs.)	Options Granted On 15-November-18	Exercise Price (In Rs.)	Options Granted On 16-August-17	Exercise Price (In Rs.)	Options Granted On 18-June-17	Exercise Price (In Rs.)	Options Granted On 15-April-17	Exercise Price (In Rs.)	Options Granted On 21-Jan-14	Exercise Price (In Rs.)	Options Granted On 16-Dec-11	Exercise Price (In Rs.)	Options Granted On 8-Jul-10	Exercise Price (In Rs.)
Mr. S.N Goel	Non-Executive Chairman of Board	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	4,50,000	15	-	N.A.	-	N.A.
Mr. Rajesh Kumar Mediratta	Director (Non-Board) Strategy & Regulatory Affairs	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	2,00,000	5.30	3,00,000	1
Mr. Vineet Harilalka	Chief Financial Officer, Company Secretary & Compliance Officer	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	1,00,000	5.30	1,00,000	1
Mr. Akhilesh Awasthy##	Director - Market Operation	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	2,00,000	5.30	3,00,000	1
Mr. Prasanna Rao	Vice President – Strategy	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	1,00,000	5.30	1,00,000	1
Mr. Sanjay Mehrotra*	Vice President - Investor Relations	-	N.A.	-	N.A.	-	N.A.	-	N.A.	1,00,000	53.50	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Dr. Pareshnath Paul#	Chief Technology Officer	-	N.A.	-	N.A.	-	N.A.	-	N.A.	1,00,000	75	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Vaibhav Aggarwal	Vice President - Exchange Technology	-	N.A.	-	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.	-	N.A.	50,000	75	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Indranil Chatterjee	Vice President- Risk, Alliances & Strategic Diversification	-	N.A.	-	N.A.	-	N.A.	30,000	75	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Rohit Bajaj	Senior Vice President - Business Development	-	N.A.	-	N.A.	-	N.A.	1,00,000	75	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Ms. Shruti Bhatia	Vice President - Corporate Communication	-	N.A.	-	N.A.	-	N.A.	60,000	75	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Amit Kumar	Sr. Vice President- (Market operations & New Product Initiatives)	-	N.A.	-	N.A.	1,00,000	160	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Samir Prakash	Sr. Vice President- Human Resources & Administration	-	N.A.	50,000	166	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.
Mr. Sangh Surman Gautam	Chief Technology Officer	1,00,000	142	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.	-	N.A.
<b>TOTAL</b>		<b>1,00,000</b>		<b>50,000</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>1,90,000</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>4,50,000</b>	<b>5,00,000</b>	<b>5,00,000</b>	<b>7,00,000</b>		

\*Resigned during the financial year 2017-18 #Resigned during the financial year 2018-19 ##Resigned during the financial year 2019-20

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

**Satyanarayan Goel**  
 Non-Executive Chairman  
 DIN: 02294069

Place : Noida

Date : 29 July 2020

## Annexure 10

### Disclosure Pursuant to Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 for the financial year ended 31 March 2020

#### IEX Restricted Stock Units (RSUs) 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:

S.No.	Particulars	Details												
1	Date of Shareholders' Approval	September 18, 2019												
2	Total Number of Restricted Stock Units approved under the IEX RSU Plan 2019	6,00,000												
3	Vesting Conditions	<p>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.</p> <p>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.</p> <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.												
5	Exercise Price per RSU	<table border="1"> <thead> <tr> <th>Sr. No</th> <th>Date of Grant</th> <th>No. of Options</th> <th>Exercise Price</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Oct 01, 2019</td> <td>2,00,000</td> <td>Rs. 1/-</td> </tr> <tr> <td>2.</td> <td>Oct 01, 2019</td> <td>3,60,000</td> <td>Rs. 1/-</td> </tr> </tbody> </table>	Sr. No	Date of Grant	No. of Options	Exercise Price	1.	Oct 01, 2019	2,00,000	Rs. 1/-	2.	Oct 01, 2019	3,60,000	Rs. 1/-
Sr. No	Date of Grant	No. of Options	Exercise Price											
1.	Oct 01, 2019	2,00,000	Rs. 1/-											
2.	Oct 01, 2019	3,60,000	Rs. 1/-											

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. The following grant were subsisting as at March 31, 2020 with the following vesting schedule-																																			
		<table border="1"> <thead> <tr> <th>Date of Grant</th> <th>No. of Options</th> <th>Vesting Months</th> <th>Vest %</th> <th>Maximum period of exercise</th> </tr> </thead> <tbody> <tr> <td>Oct. 01, 2019</td> <td>1,00,000</td> <td>21</td> <td>100</td> <td>12 months from vesting date</td> </tr> <tr> <td>Oct. 01, 2019</td> <td>1,00,000</td> <td>33</td> <td>100</td> <td>12 months from vesting date</td> </tr> <tr> <td>Oct. 01, 2019</td> <td>90,000</td> <td>21</td> <td>100</td> <td>12 months from vesting date</td> </tr> <tr> <td>Oct. 01, 2019</td> <td>90,000</td> <td>33</td> <td>100</td> <td>12 months from vesting date</td> </tr> <tr> <td>Oct. 01, 2019</td> <td>90,000</td> <td>45</td> <td>100</td> <td>12 months from vesting date</td> </tr> <tr> <td>Oct. 01, 2019</td> <td>90,000</td> <td>57</td> <td>100</td> <td>12 months from vesting date</td> </tr> </tbody> </table>	Date of Grant	No. of Options	Vesting Months	Vest %	Maximum period of exercise	Oct. 01, 2019	1,00,000	21	100	12 months from vesting date	Oct. 01, 2019	1,00,000	33	100	12 months from vesting date	Oct. 01, 2019	90,000	21	100	12 months from vesting date	Oct. 01, 2019	90,000	33	100	12 months from vesting date	Oct. 01, 2019	90,000	45	100	12 months from vesting date	Oct. 01, 2019	90,000	57	100	12 months from vesting date
Date of Grant	No. of Options	Vesting Months	Vest %	Maximum period of exercise																																	
Oct. 01, 2019	1,00,000	21	100	12 months from vesting date																																	
Oct. 01, 2019	1,00,000	33	100	12 months from vesting date																																	
Oct. 01, 2019	90,000	21	100	12 months from vesting date																																	
Oct. 01, 2019	90,000	33	100	12 months from vesting date																																	
Oct. 01, 2019	90,000	45	100	12 months from vesting date																																	
Oct. 01, 2019	90,000	57	100	12 months from vesting date																																	
		Note- Vesting of aforesaid RSU are subject to completion of conditions specified at the time of grant and will be assessed by the Nomination and Remuneration Committee of the Company at the time of vesting.																																			
7	Source of shares (Primary, Secondary or Combination)	Primary																																			
8	Total number of Restricted Stock Units outstanding at the beginning of the year	Nil																																			
9	Number of Restricted Stock Units granted during the year	5,60,000																																			
10	Number of Restricted Stock Units lapsed and forfeited during the year	Nil																																			
11	No. of RSUs vested during the year	Nil																																			
12	No. of RSUs exercised during the year	Nil																																			
13	Total number of shares arising as a result of exercise of RSUs	Nil																																			
14	Money realized by exercise of RSUs during the year (In Rupees)	Nil																																			
15	Number of Restricted Stock Units outstanding as at the end of the year	5,60,000																																			
16	Total number of RSUs exercisable at the end of the year	Nil																																			
17	Variation of terms of RSUs	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																																			
20	Employee wise details of RSUs granted to Directors/Key Managerial Personnel /Senior Managerial Personnel under this plan	Refer Table - A, Person-wise details of RSUs granted to Directors/Key Managerial Personnel/Senior Managerial Personnel																																			
	a. Employees, who were granted, during any one year, RSUs amounting to 5% or more of RSUs granted during the year:	Mr. Rajiv Srivastava (No. of options granted 5,60,000)																																			
	b. Employees who were granted RSUs, 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.																																			
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.	The Company computes Employee Compensation Cost using the fair value method. 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.																																			
23	Contractual Life for Options outstanding as on 31st March 20 (Years)	2.65 Years																																			
24	Weighted Average exercise price and weighted average fair value of options granted during the year whose Exercise price is less than market price.	Weighted Average exercise price Rs. 1.00/-. Weighted average fair value of options granted Rs. 113.39/-. (No RSUs were exercised during the financial year ended 31 March 2020)																																			

25	<p>A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following information:</p> <p>(a). Weighted-average values of:</p> <ol style="list-style-type: none"> <li>i. Risk-free interest rate</li> <li>ii. Expected RSU Life</li> <li>iii. Expected Volatility</li> <li>iv. Expected Dividends</li> <li>v. The price of the underlying share in market at the time of RSUs grant</li> <li>vi. Exercise price</li> </ol> <p>(b). the method used and the assumptions made to incorporate the effects of expected early exercise;</p> <p>(c). how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and</p> <p>(d). whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.</p>	<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 border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">S. No.</th> <th style="text-align: left;">Values</th> </tr> </thead> <tbody> <tr> <td>i.</td> <td>5.84%</td> </tr> <tr> <td>ii.</td> <td>2.64 Years</td> </tr> <tr> <td>iii.</td> <td>27.09</td> </tr> <tr> <td>iv.</td> <td>2.07%</td> </tr> <tr> <td>v.</td> <td>120.65</td> </tr> <tr> <td>vi.</td> <td>1</td> </tr> </tbody> </table> <p>Basis of Assumptions &amp; Other Features:</p> <ul style="list-style-type: none"> <li>• <b>Volatility:</b> The historical volatility over the expected life has been considered to calculate the fair value.</li> <li>• <b>Risk-free rate of return:</b> The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.</li> <li>• <b>Exercise Price:</b> Exercise Price of each specific grant has been considered.</li> <li>• <b>Time to Maturity:</b> Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.</li> <li>• <b>Expected divided yield:</b> Expected dividend yield has been calculated as an average of dividend. yields for five financial years preceding the date of the grant.</li> </ul>	S. No.	Values	i.	5.84%	ii.	2.64 Years	iii.	27.09	iv.	2.07%	v.	120.65	vi.	1
S. No.	Values															
i.	5.84%															
ii.	2.64 Years															
iii.	27.09															
iv.	2.07%															
v.	120.65															
vi.	1															

**Table A - Person-wise details of RSUs granted to Directors/Key Managerial Personnel/Senior Managerial Personnel under IEX RSU SCHEME 2019 as at March 31, 2020**

Name	Designation	Options Granted On 01-Oct-2019	Exercise Price (in Rs)
Mr. Rajiv Srivastava	Managing Director & CEO	2,00,000*	1
Mr. Rajiv Srivastava	Managing Director & CEO	Maximum 3,60,000 **	1

\*Short Terms RSUs subject to completion of conditions specified in grant letter dated October 1, 2019  
 \*\*Long Term RSUs subject to completion of conditions specified in grant letter dated October 1, 2019

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

Sd/-

Place : Noida  
 Date: 29 July 2020

**Satyanarayan Goel**  
 Non-Executive Chairman  
 DIN: 02294069



## Annexure 11

## Annual CSR Compliance Report financial year 2019-2020

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

1.	A brief outline of the Company's CSR policy, including overview of the projects or programs proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programs.	IEX CSR Policy aims to address issues in the ambit of environmental sustainability, economic empowerment and social development by adopting an integrated, holistic and need-based approach. The focus areas of the Company's CSR Policy are: <ol style="list-style-type: none"> <li>1. Support socio-economic development of underprivileged communities through improved access to livelihoods, sanitation, water, healthcare and education.</li> <li>2. Promote decentralized renewable energy by creating opportunities for access and awareness.</li> <li>3. Endeavour to integrate the cause of women empowerment while designing projects.</li> <li>4. Contribute to relief and rehabilitation measures.</li> <li>5. The complete CSR policy of the Company is available on the website of the Company and can be accessed through the following web link : <a href="#">Click here to view</a></li> </ol>
2.	Composition of the CSR Committee during the year	In accordance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, members of the CSR Committee are: <ol style="list-style-type: none"> <li>a. Prof. K.T. Chacko - Non-executive Independent Director (as the Chairman)</li> <li>b. Ms. Sudha Pillai - Non-executive Independent Director,</li> <li>c. Mr. Satyanarayan Goel - Non-Executive Chairman, and</li> <li>d. Mr. Rajiv Srivastava - Managing Director &amp; CEO</li> </ol>
3.	Average Net Profit of the company for last three financial years.	Rs. 193,64.78 lakh
4.	Prescribed CSR expenditure (two percent of the amount as in item 3 above)	Rs. 387.30 lakh
5.	Details of CSR spent during the financial year. <ol style="list-style-type: none"> <li>(a) Total amount to be spent for the financial year;</li> <li>(b) Amount un-spent, if any;</li> <li>(c) Manner in which the amount spent during financial year.</li> </ol>	<p>Rs. 389.04 lakh</p> <p>Nil</p> <p>Attached in <b>Annexure A</b></p>
6.	In case the company has failed to spend the two percent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.	Not Applicable. Company has met and exceeded the prescribed CSR expenditure.
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.	The CSR Committee re-affirms that the implementation and monitoring of the CSR projects is being done in compliance with objectives outlined in the CSR policy of the Company.

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

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

Sd/-

Sd/-

**Rajiv Srivastava**  
 (Managing Director & CEO)  
 DIN: 03568897

**Prof. K T Chacko**  
 (Chairman, CSR Committee)  
 DIN: 02446168

Place : Noida  
 Date : 29 July 2020

Place : Noida  
 Date : 29 July 2020

## Annexure A

### (Manner in which the CSR amount was spent during financial year ending March 31, 2020)

Sr. No.	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1.Local area/ others- 2.Specify the state /district (Name of the District/s, State/s where Project/ programme was undertaken	Amount outlay (budget) project/ programme wise (Rs. in lakh)	Amount spent on the project/ programme Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads: (Rs. in lakh)	Cumulative spend upto to the reporting period (Rs. in lakh)	Amount spent: Direct/ through implementing agency*
1	Skill development for unemployed and under- privileged urban youth	Livelihood, and vocational skills	1.Local 2.Delhi	29.44	1. 5.89 2. -	5.89	Through implementation agency: Smile Foundation
2	Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art	Promoting Heritage and Culture	1.Local 2.Delhi	335.00	1. 335.00 2. -	335.00	Through implementation agency Sabhayata Foundation
3	Provision of healthcare services to elderly disabled and under-privileged community	Promoting Healthcare including preventive Health	1. Others 2. Madhya Pradesh, Satna district	98.67	1. 8.90 2. -	8.90	Through implementation agency: Helpage India
4	Provisions of mid-day meals to government school children	Eradicating hunger, poverty and malnourishment	1.Others 2. Uttar Pradesh, Mathura district	70.00	1. 10.00 2. -	10.00	Through implementation agency: The Akshaya Patra Foundation
5	Sujalam Sufalam – Buldhana (Implementing watershed management)	Rural Development (Improvement access to water)	1. Others 2. Maharashtra, Buldhana district	57.12	1. 8.57 2. -	8.57	Through implementation agency: Bhartiya Jain Sanghatana
6	Project Management expenses	CSR Consulting	1. Local 2. Others	- 12.17	1. - 2. 2.17	- 2.17	Through implementation agency: Nextgen Project Management Services Pvt. Lt.
	Administrative Expenses (Traveling & other for CSR)#					0.01	
	CSR Capacity Building Expense#					18.5	
	<b>Total</b>					<b>389.04</b>	

#These are part of CSR expenses incurred by the Company during the financial year ending on March 31, 2020

## Annexure 12

## FORM No. MR-3 SECRETARIAL AUDIT REPORT

From April 01, 2019 to March 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Indian Energy Exchange Limited

Unit No. 3, 4, 5 & 6, Fourth Floor,

TDI Centre Plot No. 7, District Centre,

Jasola, New Delhi-110025

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, 2019 to March 31, 2020 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 2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- 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 **(Not applicable)**;
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- vi. Specifically Applicable Laws:
  1. Central Electricity Regulatory Commission (Power Market) Regulations, 2010 (PMR)
- vii. Other Laws applicable to the Company are:
  1. Shops and Commercial Establishments Act, 1958 read with Shops and Commercial Establishments Rules with respect to offices situated at:
    - a. Unit No. 3, 4, 5 & 6, Fourth Floor, TDI Centre Plot No. 7, District Centre, Jasola, New Delhi-110025, India; and

- b. 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. Maternity Benefit Act, 1961 and Rules made thereunder;

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by the Institute of Company Secretaries of India as amended from time to time ; and
2. The Listing Agreement entered into by the Company with Bombay Stock Exchange and National Stock Exchange

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines mentioned above subject to the following facts and observations:

#### **UNDER THE COMPANIES ACT 2013:**

- a. The Company, vide Management Representation letter dated 12.05.2020 and in terms of Section 135 of the Act and Rules made thereunder, was required to spend INR 387.30 Lakh on Corporate Social Responsibility ("CSR") expenses. The total amount spent by the Company on CSR was INR 389.04 Lakh for the Financial Year 2019-20;
- b. As per the Chapter VIII of the Companies Act, the Company has complied with all the provision related to interim dividend and made payment within the time limit except dispatch of Dividend demand drafts, amounting to Rs. 11.26 Lakh constituting 0.15% of the total Interim Dividend, to those shareholders whose bank account details were not registered with the Company due to lockdown imposed by the government with effect from 22.03.2020. However, the Company, vide Management Representation letter dated 12.05.2020, confirms that it will be complied once the lockdown is lifted and normalcy is restored.

#### **UNDER THE LODR:**

The Company has complied with all the Rules, Regulations, Guidelines, and circulars issued by the SEBI except with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e. the composition of the Board of Directors, there was small un-intentional delay of 28 days from August 22, 2019 to September 18, 2019 in ensuring compliance with Regulation 17(1) of the SEBI (LODR) Regulations, 2015 due to transition phase.

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

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors, Independent Directors except during the period from 22.08.2019 to 18.09.2019 and the Independent 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 all 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 and Mumbai.

We further report that during the audit period, the Company has

1. completed buyback of 37,29,729 (Thirty Seven Lakh Twenty Nine Thousand Seven Hundred Twenty Nine only) equity shares of Rs. 1 each on April 11, 2019, out of which 37,29,729 (Thirty Seven Lakh Twenty Nine Thousand Seven Hundred Twenty Nine only) equity shares have been extinguished in electronic segment in NSDL and there were no physical shares tendered in the Buy-back;
2. availed the OD facility for working capital from various Banks and necessary forms regarding charge have been duly filed and registered with the Registrar of Companies; and
3. incorporated a wholly owned subsidiary namely Indian Gas Exchange Limited (IGX) on November 06, 2019 and subscribed 1,00,00,000 (One Crore only) equity shares of INR 10 (Rupees Ten) each.

For MNK and Associates LLP

Company Secretaries

FRN: L2018DE004900

Sd/-

**Mohd. Nazim Khan**  
(Designated Partner)

FCS: 6529, CP: 8245

Place: New Delhi

Date: 16 May 2020

UDIN: F006529B000247286

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 Board of Directors  
Indian Energy Exchange Limited  
Unit No. 3, 4, 5 & 6, Fourth Floor  
TDI Centre Plot No. 7, District Centre  
Jasola, New Delhi- 110025, India

(For the period from April 01, 2019 to March 31, 2020)

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

Sd/-

**Mohd. Nazim Khan**  
(Designated Partner)  
FCS: 6529, CP: 8245  
UDIN: F006529B000247286

Date: 16 May 2020

Place: New Delhi

## Annexure 13

## FORM NO. MGT – 9 EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2020

[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	Unit No. 3-6, Fourth Floor, Plot No. 7, TDI Centre, District Centre, Jasola, New Delhi – 110025, India Tel. No. +91-11-4300 4000; Fax: +91-11-4300 4015 Email id – iexsecretarial@iexindia.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	KFIN TECHNOLOGIES PRIVATE LIMITED (Formerly, Karvy Fintech Pvt. Ltd)) Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad– 500 032, India. Ph: +91 40 6716 1500,, Fax: 040-23001153 Toll Free no.: 1800-345-4001 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	66,110	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
1	Indian Gas Exchange Limited Unit No.3,4,5&6, Fourth Floor, TDI Centre, Plot No. 7, District Centre, Jasola, New Delhi-110075	U74999DL2019PLC357145	Wholly Owned Subsidiary	100%	Section 2 (87)

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

##### i) Category-wise Share Holding: Between March 31, 2019 and March 31, 2020

Category Code	Category Of Shareholder	No. Of Shares Held At The Beginning Of The Year 01/04/2019				No. Of Shares Held At The End Of The Year 31/03/2020				% 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)
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	-	-	-	-	-	-	-	-	-
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	Sub-Total A(1) :	-	-	-	-	-	-	-	-	-
(2)	FOREIGN									
(a)	Individuals (NRIs/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	Sub-Total A(2) :	-	-	-	-	-	-	-	-	-
	<b>Total A=A(1)+A(2)</b>	-	-	-	-	-	-	-	-	-
(B)	PUBLIC SHARE-HOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds / UTI	1,80,07,120	-	1,80,07,120	5.94	3,69,58,115	-	3,69,58,115	12.34	6.40
(b)	Financial Institutions /Banks	3,935	-	3,935	0.00	76,395	-	76,395	0.03	0.02
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	5,33,95,104	-	5,33,95,104	17.61	9,58,25,999	-	9,58,25,999	31.99	14.38
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Institutional Buyers	-	-	-	-	79,36,501	-	79,36,501	2.65	2.65
(i)	Others	2,09,52,160	-	2,09,52,160	6.91	2,14,74,830	-	2,14,74,830	7.17	0.26
	Sub-Total B(1) :	9,23,58,319	-	9,23,58,319	30.45	15,43,35,339	-	1,62,27,1840	54.17	23.72
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	11,52,67,232	0	11,52,67,232	38.01	7,36,86,927	0	7,36,86,927	24.60	-13.41
(b)	Individuals									

	(i) Individuals holding nominal share capital upto Rs.2 lakh	1,49,17,653	3,59,510	1,52,77,163	5.04	1,81,46,680	1,99,510	18,34,6190	6.12	1.09
	(ii) Individuals holding nominal share capital in excess of Rs.2 lakh	21,02,633	-	21,02,633	0.69	5,07,781	-	5,07,781	0.17	-0.52
(c)	Others									
	Clearing Members	9,40,373	-	9,40,373	0.31	1,88,139	-	1,88,139	0.06	-0.25
	Employee Trust	13,67,220	-	13,67,220	0.45	1,23,1570	-	12,31,570	0.41	-0.04
	Foreign Bodies	6,70,23,052	-	6,70,23,052	22.10	3,51,62,455	-	3,51,62,455	11.74	-10.36
	Beneficial Holdings Under MGT-4	25,36,190	-	25,36,190	0.84	25,36,190	-	25,36,190	0.85	0.01
	NBFC	2,20,670	-	2,20,670	0.07	2,01,970	-	2,01,970	0.07	-0.01
	Non Resident Indians	5,89,558	-	5,89,558	0.19	9,19,887	-	9,19,887	0.31	0.11
	NRI Non-Repatriation	1,35,911	-	1,35,911	0.04	3,89,912	-	3,89,912	0.13	-0.09
	Trusts	54,67,919	-	54,67,919	1.80	41,13,650	-	41,13,650	1.37	-0.43
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
	Sub-Total B(2) :	21,05,68,411	3,59,510	21,09,27,921	69.55	13,70,85,161	1,99,510	13,72,84,671	45.83	-23.72
	Total B=B(1)+B(2):	30,29,26,730	3,59,510	30,32,86,240	100.00	29,14,20,500	1,99,510	29,95,56,511	100.00	0.00
	Total (A+B) :	30,29,26,730	3,59,510	30,32,86,240	100.00	29,14,20,500	1,99,510	29,95,56,511	100.00	0.00
(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>30,29,26,730</b>	<b>3,59,510</b>	<b>30,32,86,240</b>	<b>100.00</b>	<b>29,14,20,500</b>	<b>1,99,510</b>	<b>29,95,56,511</b>	<b>100.00</b>	

\*During the year on April 11, 2019 Company extinguished the 37,29,729 Equity shares of FV Rs. 1/- pursuant to Buyback Scheme 2018

## 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	at the beginning of the year 01-Apr-2019		3,03,28,630	10.00			
		12-04-2019	Buyback			-3,25,269	3,00,03,361	10.02
		at the end of the Year 31-Mar-2020					3,00,03,361	10.02
2	TVS Shriram Growth Fund 1B LLP	at the beginning of the Year 01-Apr-2019		4,54,92,930	15.00			
		12-04-2019	Buyback			-4,92,188	4,50,00,742	15.02
		01-11-2019	Sale			-5,68,000	4,44,32,742	14.83
		08-11-2019	Sale			-12,29,911	4,32,02,831	14.42
		15-11-2019	Sale			-1,00,000	4,31,02,831	14.39
		22-11-2019	Sale			-27,746	4,30,75,085	14.38
		29-11-2019	Sale			-37,89,854	3,92,85,231	13.11
		07-02-2020	Sale			-8,32,013	3,84,53,218	12.84
		14-02-2020	Sale			-67,30,601	3,17,22,617	10.59
		21-02-2020	Sale			-4,00,984	3,13,21,633	10.46
		28-02-2020	Sale			-13,18,282	3,00,03,351	10.02
at the end of the Year 31-Mar-2020					3,00,03,351	10.02		

3	Mirae Asset Large Cap Fund	at the beginning of the Year 01-Apr-2019	-	-				
		05-04-2019	Purchase	74,60,683	74,60,683	2.49		
		12-04-2019	Purchase	34,25,000	1,08,85,683	3.63		
		17-05-2019	Purchase	9,34,881	1,18,20,564	3.95		
		24-05-2019	Purchase	12,578	1,18,33,142	3.95		
		31-05-2019	Purchase	85,646	1,19,18,788	3.98		
		07-06-2019	Purchase	51,132	1,19,69,920	4.00		
		21-06-2019	Purchase	61,302	1,20,31,222	4.02		
		28-06-2019	Purchase	84,506	1,21,15,728	4.04		
		19-07-2019	Purchase	98,781	1,22,14,509	4.08		
		09-08-2019	Purchase	1,59,452	1,23,73,961	4.13		
		16-08-2019	Purchase	25,41,361	1,49,15,322	4.98		
		23-08-2019	Purchase	5,82,244	1,54,97,566	5.17		
		20-09-2019	Purchase	8,00,000	1,62,97,566	5.44		
		06-12-2019	Purchase	7,23,054	1,70,20,620	5.68		
		13-12-2019	Purchase	1,61,500	1,71,82,120	5.74		
		20-12-2019	Purchase	10,60,218	1,82,42,338	6.09		
		17-01-2020	Sale	-71,683	1,81,70,655	6.07		
		24-01-2020	Sale	-3,588	1,81,67,067	6.06		
		20-03-2020	Purchase	4,00,000	1,85,67,067	6.20		
		31-03-2020	Purchase	12,00,000	1,97,67,067	6.60		
		<b>at the end of the Year 31-Mar-2020</b>				<b>1,97,67,067</b>	<b>6.60</b>	
		4	Agri Power and Engineering Solutions Private Limited	at the beginning of the Year 01-Apr-2019	1,51,33,980	4.99		
12-04-2019	Buyback			-1,66,585	1,49,67,395	5.00		
16-08-2019	Sale			-48,63,999	1,01,03,396	3.37		
23-08-2019	Sale			-5,85,000	95,18,396	3.18		
13-09-2019	Sale			-95,18,396	-	-		
<b>at the end of the Year 31-Mar-2020</b>				<b>-</b>	<b>-</b>			
5	Smallcap World Fund, Inc	at the beginning of the Year 01-Apr-2019	1,51,03,655	4.98				
		12-04-2019	Buyback	-6,08,826	1,44,94,829	4.84		
		16-08-2019	Sale	-3,04,174	1,41,90,655	4.74		
		<b>at the end of the Year 31-Mar-2020</b>				<b>1,41,90,655</b>	<b>4.74</b>	
6	WF Asian Reconnaissance Fund Limited	at the beginning of the Year 01-Apr-2019	-	-				
		25-10-2019	Purchase	10,026	10,026	0.00		
		22-11-2019	Purchase	12,42,326	12,52,352	0.42		
		29-11-2019	Purchase	8,17,978	20,70,330	0.69		
		06-12-2019	Purchase	40,50,003	61,20,333	2.04		
		20-12-2019	Purchase	2,50,000	63,70,333	2.13		
		28-02-2020	Purchase	17,97,120	81,67,453	2.73		
		20-03-2020	Purchase	53,46,147	1,35,13,600	4.51		
		27/03-2020	Purchase	13,14,000	1,48,27,600	4.95		
		<b>at the end of the Year 31-Mar-2020</b>				<b>1,48,27,600</b>	<b>4.95</b>	

7	Westbridge Crossover Fund, LLC	at the beginning of the Year 01-Apr-2019		1,43,16,002	4.72			
		13-03-2020	Sale			-71,729	1,42,44,273	4.76
		<b>at the end of the Year 31-Mar-2020</b>					<b>1,42,44,273</b>	<b>4.76</b>
8	Rimco (Mauritius) Limited	at the beginning of the Year 01-Apr-2019		1,36,35,750	4.50			
		<b>at the end of the Year 31-Mar-2020</b>					<b>1,36,35,750</b>	<b>4.55</b>
9	Rural Electrification Corporation Ltd	at the beginning of the Year 01-Apr-2019		1,25,00,000	4.12			
		12-04-2019	Buyback			-2,28,789	1,22,71,211	4.10
		<b>at the end of the Year 31-Mar-2020</b>					<b>1,22,71,211</b>	<b>4.10</b>
10	Reliance Capital Trustee Co Ltd-A/C Nippon India	at the beginning of the Year 01-Apr-2019		-	-			
		07-02-2020	Purchase			92,02,616	92,02,616	3.07
		06-03-2020	Purchase			1,78,308	93,80,924	3.13
		13-03-2020	Purchase			8,00,000	1,01,80,924	3.40
		20-03-2020	Purchase			11,07,611	1,12,88,535	3.77
		27-03-2020	Purchase			37,775	1,13,26,310	3.78
<b>at the end of the Year 31-Mar-2020</b>						<b>1,13,26,310</b>	<b>3.78</b>	
11	Siguler Guff Njdm Investment Holdings Ltd	at the beginning of the Year 01-Apr-2019		91,64,850	3.02			
		05-04-2019	Sale			-89,64,850	2,00,000	0.07
		12-04-2019	Buyback			-1,00,971	99,029	0.03
		26-04-2019	Sale			-99,029	-	-
		<b>at the end of the Year 31-Mar-2020</b>						<b>-</b>
12	Lightspeed Venture Partners VIII Mauritius	at the beginning of the Year 01-Apr-2019		90,98,590	3.00			
		07-02-2020	Sale			-90,98,590	-	-
		<b>at the end of the Year 31-Mar-2020</b>						<b>-</b>
13	SBI Magnum Multicap Fund	at the beginning of the Year 01-Apr-2019		86,64,051	2.86			
		05-04-2019	Sale			-1,93,591	84,70,460	2.83
		12-04-2019	Sale			-93,251	83,77,209	2.80
		24-05-2019	Sale			-12,09,743	71,67,466	2.39
		31-05-2019	Purchase			12,22,442	83,89,908	2.80
		19-07-2019	Sale			-78,000	83,11,908	2.77
		23-08-2019	Sale			-1,04,244	82,07,664	2.74
		30-08-2019	Sale			-3,46,238	78,61,426	2.62
		13-09-2019	Sale			-14,36,300	64,25,126	2.14
		20-09-2019	Sale			-64,25,126	-	-
<b>at the end of the Year 31-Mar-2020</b>						<b>-</b>	<b>-</b>	

14	India Business Excellence Fund IIA	at the beginning of the Year 01-Apr-2019	81,25,000	2.68		
		24-01-2020	Sale	-3,32,222	77,92,778	2.60
		31-01-2020	Sale	-33,752	77,59,026	2.59
		07-02-2020	Sale	-93,915	76,65,111	2.56
		14-02-2020	Sale	-1,97,249	74,67,862	2.49
		21-02-2020	Sale	-14,430	74,53,432	2.49
		28-02-2020	Sale	-1,71,000	72,82,432	2.43
		<b>at the end of the Year 31-Mar-2020</b>			<b>72,82,432</b>	<b>2.43</b>

\*During the year on April 11, 2019 Company extinguished the 37,29,729 Equity shares of FV Rs. 1/- pursuant to Buyback Scheme 2018

#### v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Mr. Satyanarayan Goel, Non-executive Non-Independent Chairman of the Board #	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*	2,53,786	0.08		-
2	Date wise Increase/Decrease in shareholding during the year:				
	Sale (Buyback) on 12-Apr-2019	-2,935	0.00	2,50,851	0.08
	Sale on 23-Sep-2019	-21,000	-0.01	2,29,851	0.08
	Sale on 24-Sep-2019	-1,000	0.00	2,28,851	0.08
	Sale on 27-Oct-2019	-13,587	0.00	2,15,264	0.07
	Sale on 29-Oct-2019	-33,525	-0.01	1,81,739	0.06
	Sale on 30-Oct-2019	-18,493	-0.01	1,63,246	0.05
	Sale on 31-Oct-2019	-12,616	0.00	1,50,630	0.05
	Sale on 1-Nov-2019	-4,000	0.00	1,46,630	0.05
	Sale on 4-Nov-2019	-1,000	0.00	1,45,630	0.05
	Sale on 5-Nov-2019	-8,678	0.00	1,36,952	0.05
	Sale on 8-Nov-2019	-16,431	-0.01	1,20,521	0.04
	Sale on 11-Nov-2019	-10,516	0.00	1,10,005	0.04
	Sale on 13-Nov-2019	-1,281	0.00	1,08,724	0.04
	Sale on 14-Nov-2019	-9,400	0.00	99,324	0.03
	Sale on 15-Nov-2019	-8,891	0.00	90,433	0.03
	Sale on 18-Nov-2019	-21,000	-0.01	69,433	0.02
	Sale on 19-Nov-2019	-13,649	0.00	55,784	0.02
	Sale on 4-Feb-2020	-6,412	0.00	49,372	0.02
	Sale on 5-Feb-2020	-15,000	-0.01	34,372	0.01
	Sale on 6-Feb-2020	-2,000	0.00	32,372	0.01
	Sale on 10-Feb-2020	-7,000	0.00	25,372	0.01
	Sale on 11-Feb-2020	-6,000	0.00	19,372	0.01
	Sale on 17-Feb-2020	-500	0.00	18,872	0.01
	Sale on 19-Feb-2020	-6,000	0.00	12,872	0.00
	Sale on 24-Feb-2020	-6,000	0.00	6,872	0.00
	Sale on 25-Feb-2020	-1,872	0.00	5,000	0.00
3	At the end of the year			5,000	0.00

#Mr. Satyanarayan Goel (DIN: 02294069) ceased to be Managing Director and Chief Executive Officer of the Company with effect from July 21, 2019. Thereafter he was appointed as the Non-executive Non-Independent Chairman of the Board with effect from July 21, 2019.

\*During the year on April 11, 2019 Company extinguished the 37,29,729 Equity shares of FV Rs. 1/- pursuant to Buyback Scheme 2018

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

\*During the year on April 11, 2019 Company extinguished the 37,29,729 Equity shares of FV Rs. 1/- pursuant to Buyback Scheme 2018

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	-	-	-	-
2	Date wise Increase/Decrease in shareholding during the year:				
	Buy on 30-Sep-2019	4,071	0.00	4,071	0.00
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*	1,99,000	0.07		
2	Date wise Increase/Decrease in shareholding during the year:				
	Sale (Buyback) on 12-Apr-2019	-2,170	0.00	1,96,830	0.06
3	At the end of the year	-	-	1,96,830	0.07

\*During the year on April 11, 2019 Company extinguished the 37,29,729 Equity shares of FV Rs. 1/- pursuant to Buyback Scheme 2018

## V. Indebtedness

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

(Amount in Rs.)

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
Total (i+ ii+ iii)	Nil	Nil	Nil	Nil
<b>Change in Indebtedness during the financial year</b>				
Addition	Nil	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
<b>Indebtedness at the end of the financial year</b>				

Particulars	Secured Loans excluding deposits*	Unsecured Loans	Deposits	Total Indebtedness
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

(Rs. in lakh)

Sl. No.	Particulars of Remuneration	Mr. Satyanarayan Goel	Mr. Rajiv Srivastava	Total Amount*
		(Non Executive Chairman of Board) (1)	Managing Director & CEO (2)	
1	Gross Salary	47.60	194.65	242.25
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961			
	(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	2.45	9.93	12.38
	Reimbursement of expenses			
	Variable Pay & Bonus	72.00		72.00
	Gratuity	16.15		16.15
	Joining Bonus		100.00	100.00
	Leave encashment	11.20		11.20
<b>6</b>	<b>Total (A)</b>	<b>149.40</b>	<b>304.58</b>	<b>453.98</b>
7	Ceiling as per the Act (@ 10% of profits calculated as per Section 198 of the Act)			2,120.37

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

Note (1) Mr. Satyanarayan Goel ceased to be Managing Director and Chief Executive Officer of the Company with effect from July 21, 2019 and appointed as the Non-executive Non-Independent Chairman of the Board with effect from July 21, 2019

Note (2) Mr. Rajiv Srivastava was appointed as Additional Director designated as Whole-time Director with effect from June 3, 2019 after that with effect from July 21, 2019 upto June 2, 2024 (both days inclusive) was appointed as Managing Director & CEO of the Company

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

(Rs. in lakh)

Sl. No.	Particulars of Remuneration	Name of Director's				Total Amount
		Mr. Dinesh Kumar Mehrotra (1)	Prof. Kayyalathu Thomas Chacko	Mr. Tejpreet Singh Chopra	Ms. Sudha Pillai (2)	
(a)	Fee for attending board /committee meetings (excluding GST)	4.20	17.70	6.30	11.70	39.90
(b)	Commission	Nil	Nil	Nil	Nil	Nil
(c)	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>4.20</b>	<b>17.70</b>	<b>6.30</b>	<b>11.70</b>	<b>39.90</b>

Note (1) Mr. Dinesh Kumar Mehrotra (DIN:00142711) ceased to be the Director w.e.f May 22, 2019

Note (2) Ms. Sudha Pillai was appointed as a Additional Independent Non- Executive Director of the Company w.e.f April 26, 2019

**2. Other Non-Executive Directors**

(Rs. in lakh)

Sl. No.	Particulars of Remuneration	Mr. Satyanarayan Goel (1)	Mr. Ajeet Kumar Agarwal* (2)	Total Amount
(a)	Fee for attending board /committee meetings (excluding GST)	12.00	0.90	12.90
(b)	Commission paid	55.60**	Nil	55.60**
(c)	Others, please specify	Nil	Nil	Nil
	<b>Total (2)</b>	<b>67.60</b>	<b>0.90</b>	<b>68.50</b>

(1) Mr. Satyanarayan Goel ceased to be Managing Director and Chief Executive Officer of the Company with effect from July 21, 2019 and appointed as the Non-executive Non-Independent Chairman of the Board with effect from July 21, 2019

(2) Mr. Ajeet Kumar Agarwal (DIN: 02231613), Non-Executive Director as the nominee of REC Limited (formally Rural Electrification Corporation Limited) ceased to be Director of the Company with effect from June 1, 2020.

\*Mr. Ajeet Kumar Agarwal being a Nominee Director of REC Limited, Sitting fees was paid to REC Limited.

\*\* in addition to this he is also eligible for variable commission payable as per the terms of his contract.

<b>Total (B)=(1+2)</b>	<b>108.40</b>
Total Managerial Remuneration excluding sitting fee	55.60
Overall Ceiling as per the Act (@ 1% of profits calculated as per Section 198 of the Act)	212.04

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

(Rs. in lakh)

Sl. No.	Particulars of Remuneration	Mr. Vineet Harlalka	Total Amount*
		CFO ,Company Secretary & Compliance Officer	
1	Gross Salary	66.92	66.92
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961		
	(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	3.60	3.60
	Reimbursement of expenses		
	Variable Pay & Bonus	24.27	24.27
	Leave encashment		
6	Total (C)	94.79	94.79
7	Ceiling as per the Act	N.A.	N.A.

\*This excludes gratuity

### 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		No Penalties, Punishments or Compounding of Offences			
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty		No Penalties, Punishments or Compounding of Offences			
Punishment					
Compounding					
<b>C. Other Officers in default</b>					
Penalty		No Penalties, Punishments or Compounding of Offences			
Punishment					
Compounding					

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

Sd/

**Satyanarayan Goel**  
Non-Executive Chairman

DIN: 02294069

Place: Noida

Date : 29 July 2020



## Annexure 14

# Corporate Governance Report

[Part C of Schedule V of the SEBI (LODR) Regulations, 2015]

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 is in compliance with the requirements stipulated under regulation 17 to 27 read with Schedule V and regulation 46 of SEBI (LODR) Regulations, 2015, as applicable, 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 is a non-executive director hence, one-third of the Board members are Independent Directors as on March 31, 2020.

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, 2020, the Board comprised of 7 (seven) Directors, out of which 3 (three) were Independent Non-Executive Director including 1 (one) Woman Independent Director, 3 (three) were Non-Executive Directors and 1 (one) Managing Director & CEO.

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.

As per the Listing Regulations, top 500 Companies by market capitalisation need to have separate positions for Chairman and Managing Director effective April 2020. The Company has already ensured compliance of this new requirement of separation of position of Chairman and Managing Director.

#### **Composition and Directorship(s) / Committee Membership(s)/Chairmanship(s) as on 31st March, 2020**

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.

The Company has complied with all the Rules, Regulations, Guidelines, and circulars issued by the SEBI. During the year, there was an un-intentional delay of 28 days from August 22, 2019 to September 18, 2019 in ensuring compliance with Regulation 17(1) of the SEBI (LODR) Regulations, 2015 due to transition phase.

#### **B. 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.

During the financial year 2019-20, Nine (9) 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 2, 2019, April 26, 2019, May 24, 2019, July 31, 2019, September 18, 2019, October 24, 2019, January 16, 2020, January 31, 2020 and March 11, 2020 . 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 confirmed 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, 2020 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 September 18, 2019	Directorship(s) in other companies as on March 31, 2020\$	Chairpersonship(s) and Membership(s) of Board Committee in Companies (**) including this company as on March 31, 2020	
			Held	Attended			Chairpersonship	Membership
1	Mr. Dinesh Kumar Mehrotra (DIN: 00142711) [1]	Non-Executive -Independent Director	2	2	NA	8	1	4
2	Mr. S N Goel (DIN:02294069) [2]	Chairman Non- Executive -Non-Independent Director	9	9	Yes	Nil	Nil	Nil
3	Mr. Rajiv Srivastava (DIN: 03568897) [3]	Managing Director & CEO	6	6	Yes	1	Nil	1
4	Prof K T Chacko (DIN: 02446168) [4]	Non-Executive -Independent Director	9	9	Yes	Nil	1	1
5	Mr. Tejpreet Singh Chopra (DIN: 00317683)	Non-Executive -Independent Director	9	7	Yes	8	1	1
6	Ms. Sudha Pillai (DIN: 02263950) [5]	Non-Executive -Independent Director	7	7	Yes	10	2	8
7	Mr. Gautam Dalmia (DIN: 00009758)	Non- Executive -Non-Independent Director	9	8	No	7	Nil	4
8	Mr. Mahendra Singhi (DIN: 00243835) [6]	Non- Executive -Non-Independent Director	9	3	No	1	Nil	1
9	Ms. Renuka Ramnath (DIN: 00147182) [7]	Non- Executive -Non-Independent Director	4	3	No	14	2	2
10	Mr. Gopal Srinivasan (DIN: 00177699) [8]	Non- Executive -Non-Independent Director	7	4	No	15	Nil	2
11	Mr. Ajeet Kumar Agarwal (DIN: 02231613) [9]	Non- Executive -Non-Independent Director	9	1	No	3	Nil	1

[1] Mr. Dinesh Kumar Mehrotra ceased to be the Chairman of Board & Director with effect from May 22, 2019.

[2] Mr. Satyanarayan Goel's term as the Managing Director and Chief Executive Officer of the Company was completed on July 20, 2019. He was appointed as the Non-executive Non-Independent Chairman of the Board with effect from July 21, 2019.

[3] Mr. Rajiv Srivastava was appointed as an Additional Director designated as Whole-time Director with effect from June 3, 2019. Thereafter he was appointed as Managing Director & CEO of the Company with effect from July 21, 2019 upto June 2, 2024 (both days inclusive).

[4] Prof. K T Chacko was re-appointed as a Non-Executive Independent Director of the Company for a second term of 5 (Five) consecutive years with effect from March 30, 2020 upto March 29, 2025 (both days inclusive).

[5] Ms. Sudha Pillai was appointed as a Non-executive and Independent Director of the Company with effect from April 26, 2019.

[6] Mr. Mahendra Singhi resigned as Director with effect from March 13, 2020

[7] Ms. Renuka Ramnath, Non- Executive Director of the Company retired by rotation at the 13th Annual General Meeting held on September 18, 2019 and did not offered herself for re-appointment as a Director. Accordingly, she ceased to be Director of the Company from the conclusion of the 13th Annual General Meeting held on September 18, 2019.

[8] Mr. Gopal Srinivasan resigned as Director with effect from January 30, 2020

[9] Mr. Ajeet Kumar Agarwal ceased to be Director with effect from June 1, 2020

**Note:**

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

\$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

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, 2020 are given below:**

S. No.	Name and DIN of the Director	Directorship(s) in listed entities including this Listed entity as on 31st March, 2020	Names of the listed entities where Person Is Director as on 31st March, 2020	Category of Directorship(s) as on 31st March, 2020
1	Mr. Dinesh Kumar Mehrotra (DIN: 00142711) [1]	3	1. Indian Energy Exchange Limited 2. IndoStar Capital Finance Limited 3. V L S Finance Limited	Chairman Independent Non-Executive Director Director Director
2	Mr. Satyanarayan Goel (DIN:02294069)	1	1. Indian Energy Exchange Limited	Chairman Non- Executive -Non-Independent Director
3	Prof Kayyalathu Thomas Chacko (DIN: 02446168)	1	1. Indian Energy Exchange Limited	Independent Non-Executive Director
4	Mr. Tejpreet Singh Chopra (DIN 00317683)	3	1. Indian Energy Exchange Limited 2. SRF Limited 3. Gujarat Pipavav Port Limited	Independent Non-Executive Director Independent Non-Executive Director Independent Non-Executive Director
5	Ms. Sudha Pillai (DIN: 02263950)	5	Indian Energy Exchange Limited Dalmia Bharat Limited Amber Enterprises India Limited International Travel House limited Jubilant Life Sciences Limited	Independent Non-Executive Director Independent Non-Executive Director Independent Non-Executive Director Independent Non-Executive Director Independent Non-Executive Director
6	Mr. Gautam Dalmia (DIN: 00009758)	3	1. Indian energy exchange Limited 2. Dalmia Bharat Sugar and Industries limited 3. Dalmia Bharat Limited	Non-Executive Director Managing Director Managing Director
7	Mr. Mahendra Singhi (DIN: 00243835) [2]	1	1. Indian energy exchange Limited	Non-Executive Director
8	Ms. Renuka Ramnath (DIN: 00147182) [3]	6	1. Indian energy exchange Limited 2. Tata Communications Limited 3. L&T Technology Services Limited 4. Ultratech Cement Limited 5. Arvind Limited 6. PVR Limited	Non-Executive Director Director Director Director Director Director
9	Mr. Gopal Srinivasan (DIN: 00177699) [4]	4	1. Indian energy exchange limited 2. Sundaram- Clayton Limited 3. TVS Electronics Limited 4. Wonderla Holidays Limited	Non-Executive Director Director Chairman and Director Director
10	Mr. Ajeet Kumar Agarwal (DIN: 02231613) [5]	2	1. Indian Energy Exchange Limited 2. REC Limited	Non- Executive Nominee Director Chairman and Managing Director

[1] Mr. Dinesh Kumar Mehrotra ceased to be the Director w.e.f. May 22, 2019, details in respect of directorship(s) are as per the last declaration received by the Company in this regard.

[2] Mr. Mahendra Singhi resigned as Director w.e.f March 13, 2020, details in respect of directorship(s) are as per the last declaration received by the Company in this regard.

[3] Ms. Renuka Ramnath ceased to be Director of the Company from the conclusion of the 13th Annual General Meeting held on September 18, 2019, details in respect of directorship(s) are as per the last declaration received by the Company in this regard.

[4] Mr. Gopal Srinivasan resigned as Director w.e.f. January 30, 2020, details in respect of directorship(s) are as per the last declaration received by the Company in this regard.

[5] Mr. Ajeet Kumar Agarwal ceased to be Director with effect from June 1, 2020

None of the directors of the Company hold 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 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 (Firm Registration No. L2018DE004900) that none of the Directors on the Board of the Company for the Financial Year ending on March 31, 2020 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 Company issues a formal letter of appointment to independent directors in the manner provided under the Act which, inter-alia, sets out the expectation of the Board from the Directors so appointed, their fiduciary duties and the accompanying liabilities. As per regulation 46(2) of the Listing Regulations, the terms and conditions of appointment of independent directors are placed on the Company's website.

During the year under review, a separate meeting of the Independent Directors was held on December 11, 2019, in Delhi and during the meeting, the Independent Directors reviewed and assessed the following:

1. The performance of Non-Independent Directors and the Board as a whole;
2. The performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;
3. The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary to effectively and reasonably perform their duties;
4. Noted the status of compliance with SEBI letters/circulars and
5. The functioning of the regulatory departments including the adequacy of resources dedicated to regulatory functions;

During the period under review, Mr. Dinesh Kumar Mehrotra, Chairman and Independent Director, of the Company resigned from the Board of the Directors of the Company, with effect from May 22, 2019, due to his personal pre-occupations and the Company received a written confirmation from him stating that there were no other material reasons other than those provided for his resignation.

### 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:-

1. 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.
5. All Directors are required to annually affirm adherence to the Code of Conduct of the Company and Code of Ethics which, inter alia, sets out their role, responsibilities, etc.

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:

[Click here to view](#)

#### F. Board Skills, expertise and competencies

The Board of Directors is collectively responsible for selection of a Member on the Board.

These members bring in the required skills, competence, and expertise to the Board. They are nominated based on well-defined selection criteria set out by the Nomination and Remuneration Committee.

1. The Board Governance, Nomination and Remuneration Committee considers various criteria such as: -
2. Professional qualifications, expertise and experience in specific area of relevance to the Company;
3. Balance of skills and expertise in view of the objectives and activities of the Company;
4. Personal characteristics being in line with the Company's values, such as integrity, honesty, transparency etc.;
5. Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
6. 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:

Sr No.	Competencies/ Skills	Description
1.	Strategy Planning & Policy Development	<p>Identification and assessment of strategic opportunities and threats. Developing effective strategies in the context of the strategic objectives of IEX relevant policies and priorities.</p> <p>Ability to identify key issues and opportunities for IEX and develop appropriate policies to define the parameters within which the organisation should operate</p>
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	<p>Qualifications and experience in accounting and/or finance and the ability to:</p> <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	-	-	√	-	-	√
Mr. Rajiv Srivastava	√	√	-	√	-	-
Prof. Kayyalathu Thomas Chacko	-	-	√	-	√	-
Mr. Tejpreet Singh Chopra	√	-	-	-	-	√
Ms. Sudha Pillai	-	-	√	-	√	-
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. Opinion of the Board

Pursuant to section 149(6) of the Act along with rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations, the Independent Directors have provided an annual confirmation that they meet the criteria of independence, and in terms of Regulation 25(8) of the Listing Regulations, 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.

Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended by MCA Notification dated 22nd October 2019 regarding the requirement relating to the enrolment in the Data Bank created by MCA for IDs, has been received from all the Independent Directors.

## H. 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, 2020 and the outstanding stock options along with the shareholding as at March 31, 2020 is as below:

(Rs. in lakh)			
Particulars	Mr. Satyanarayan Goel, Managing Director & CEO [1]	Mr. Rajiv Srivastava, Managing Director & CEO [2]	Total amount
Remuneration			
Fixed Component:			
Salary and allowances	47.60	194.65	242.25
Monetary value of perquisites			
Retiral Benefits –PF	2.45	9.93	12.38
Variable Component:			
Bonus/Incentive/ Variable pay	72.00	100.00	172.00
<b>Total</b>	<b>122.05</b>	<b>304.58</b>	<b>426.63</b>
Leave Encashment	11.20	NIL	11.20
Gratuity	16.15	NIL	16.15
Sub Total	149.40	NIL	149.40
Commission	NIL	NIL	NIL
<b>Grand total</b>	<b>149.40</b>	<b>304.58</b>	<b>453.98</b>
Outstanding Stock options (ESOP 2010/IEX RSU SCHEME 2019) (in Nos.) as at March 31,2020	NIL	NIL	
Shareholding as at March 31, 2020 (in Nos.)	5,000	NIL	

[1] Mr. Satyanarayan was the Managing Director and Chief Executive Officer of the Company till July 20, 2019, hence the remuneration paid as MD & CEO is shown for the period April 1, 2019 till July 20, 2019.

[2] Mr. Rajiv Srivastava was appointed as Additional Director designated as Whole-time Director with effect from June 3, 2019. Thereafter he was appointed as Managing Director & CEO of the Company with effect from July 21, 2019 upto June 2, 2024 (both days inclusive).



**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, 2020, outstanding stock options and their shareholding as at March 31, 2020 is as below**

(Rs. in lakh)

Name of the Director	Sitting fee (Rs. in lakh)		Commission	Outstanding Stock options (ESOP 2010)/IEX RSU Scheme 2019 (in Nos.)	Shareholding in the Company as at March 31, 2020 (in Nos.)
	Board Meetings	Committee Meetings			
Mr. Dinesh Kumar Mehrotra [1]	1.80	2.40	-	Nil	Nil
Mr. Satyanarayan Goel [2]	5.40	6.60	55.60**	Nil	5,000
Prof. Kayyalathu Thomas Chacko	8.10	9.60	-	Nil	Nil
Mr. Tejpreet Singh Chopra	6.30	Nil	-	Nil	4,071
Ms. Sudha Pillai [3]	6.30	5.40	-	Nil	Nil
Mr. Gautam Dalmia	Nil	Nil	-	Nil	3,000
Mr. Mahendra Singhi [4]	Nil	Nil	-	Nil	Nil
Ms. Renuka Ramnath [5]	Nil	Nil	-	Nil	Nil
Mr. Gopal Srinivasan[6]	Nil	Nil	-	Nil	Nil
Mr. Ajeet Kumar Agarwal [7] & [8]	0.90	Nil	-	Nil	Nil

[1] Mr. Dinesh Kumar Mehrotra resigned on May 22, 2019

[2] Mr. Satyanarayan Goel after completion of his term as Managing Director and Chief Executive Officer of the Company was appointed as the Non-executive Non-Independent Chairman of the Board with effect from July 21, 2019.

[3] Ms. Sudha Pillai was appointed as a Non-executive and Independent Director of the Company w.e.f April 26, 2019.

[4] Mr. Mahendra Singhi resigned on March 13, 2020

[5] Ms. Renuka Ramnath ceased to be Director from the conclusion of the 13th Annual General Meeting held on September 18, 2019.

[6] Mr. Gopal Srinivasan resigned on January 30, 2020

[7] Sitting fees towards attendance of meetings by Mr. Ajeet Kumar Agarwal were paid to REC LTD, organization in which he was employed, as per instructions received by the Company to this effect.

[8] Mr. Ajeet Kumar Agarwal ceased to be Director with effect from June 1, 2020

\*\* in addition to this he is also eligible for variable commission payable as per the terms of his contract.

There were no pecuniary relationships or transactions between the Non-Executive Directors and the Company during financial year 2019-20, except for sitting fees paid to the Non-Executive Directors and commission paid to Mr. S N Goel.

ESOP details are more particularly mentioned in **Annexure 9** to the Directors' Report and Note 38 of the Notes to Standalone Financial Statement for the year ended 31 March 2020.

During financial year 2019-20, the Non-Executive Directors were entitled to sitting fees of Rs. 90,000/- per meeting for attending the Meetings of the Board and Rs. 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, your Board has constituted a competent Audit Committee consisting of majority of Independent Directors as its members.

**As on March 31, 2020, the members of the Audit Committee were**

- Ms. Sudha Pillai (Chairperson) – Non-Executive -Independent Director (admitted w.e.f May 24, 2019)
- Prof. K.T. Chacko – Non-Executive -Independent Director,
- Mr. Gautam Dalmia– Non- Executive -Non-Independent Director (admitted w.e.f March 19, 2020)

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. 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 (LODR) Regulations, 2015.

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 2019-20, 4 (Four) 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 April 26, 2019, July 31, 2019, October 24, 2019, and January 30, 2020.

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) [1]	Non-Executive -Independent Director	3	3
Prof. Kayyalathu Thomas Chacko	Non-Executive -Independent Director	4	4
Mr. Gautam Dalmia [2]	Non- Executive -Non-Independent Director	NA	NA
Mr. Mahendra Singhi [3]	Non- Executive -Non-Independent Director	4	1
Mr. Dinesh Kumar Mehrotra (Chairman) [4]	Non-Executive -Independent Director	1	1

[1] Ms. Sudha Pillai was admitted as Chairperson of the Audit Committee w.e.f May 24, 2019

[2] Mr. Gautam Dalmia was admitted as Member of the Audit Committee w.e.f March 19, 2020

[3] Mr. Mahendra Singhi ceased to be Director and Member of the Audit Committee w.e.f March 13, 2020

[4] Mr. Dinesh Kumar Mehrotra ceased to be Director and Chairman of the Audit Committee w.e.f May 22, 2019

#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:

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.

As required under Section 178 of the Companies Act, 2013 (the 'Act') and as per Regulation 19 of SEBI (LODR) Regulations, 2015 your Company has a competent NRC consisting of 50% of Independent Directors as its members.

As on March 31, 2020, the members of NRC were

- Prof. K.T. Chacko– Non-Executive Independent Director (as the Chairman),
- Ms. Sudha Pillai –Non-Executive Independent Director, (admitted w.e.f May 24, 2019)
- Mr. Gautam Dalmia– Non- Executive -Non-Independent Director (admitted w.e.f March 19, 2020)

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. Terms of Reference:

The Terms of Reference of the NRC are in conformity with Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

### B. Composition and attendance:

During the financial year 2019-20, 3 (Three) meetings of the NRC were held. The said meetings were held on April 26, 2019, July 31, 2019 and January 7, 2020. The constitution and the number of meetings attended with respect to the NRC are as under:

Member	Category	No. of Meetings Held#	No. of Meetings Attended
Prof. Kayyalathu Thomas Chacko (Chairman)	Non-Executive -Independent Director	3	3
Ms. Sudha Pillai [1]	Non-Executive -Independent Director	2	2
Mr. Gautam Dalmia [2]	Non- Executive -Non-Independent Director	NA	NA
Mr. Mahendra Singhi [3]	Non- Executive -Non-Independent Director	3	2
Mr. Dinesh Kumar Mehrotra [4]	Non-Executive -Independent Director	1	1
Ms. Renuka Ramnath [5]	Non- Executive -Non-Independent Director	2	1

[1] Ms. Sudha Pillai was admitted as Member of NRC w.e.f May 24, 2019

[2] Mr. Gautam Dalmia was admitted as Member of NRC w.e.f March 19, 2020

[3] Mr. Mahendra Singhi ceased to be Director and Member of the NRC w.e.f March 13, 2020

[4] Mr. Dinesh Kumar Mehrotra ceased to be Director and Member of the NRC w.e.f May 22, 2019

[5] Ms. Renuka Ramnath ceased to be Director and Member of the NRC w.e.f September 18, 2019

#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.

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 6** of the Board Report.

### III. Stakeholders Relationship Committee:

The role of Stakeholders' Relationship Committee (SRC) includes resolving the grievances of shareholders, ensuring expeditious share transfer process in line with the proceedings of the Share Transfer Committee, evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company.

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. Terms of reference:

The Terms of Reference of the Stakeholders Relationship Committee are in conformity with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015.

### B. Composition and attendance:

As on March 31, 2020, the members of the Stakeholders Relationship Committee were:

- Prof. KT Chacko Non-executive Independent Director (as the Chairman),
- Mr. Rajiv Srivastava, Managing Director & CEO (admitted w.e.f June 03, 2019)
- Mr. Gautam Dalmia- Non- Executive -Non-Independent Director (admitted w.e.f March 19, 2020)

During the financial year 2019-20, 1 (One) meeting of the Stakeholders Relationship Committee was held. The said meeting was held on January 28, 2020. The constitution and the number of meetings attended with respect to the Stakeholders Relationship Committee are as under:

Member	Category	No. of Meetings Held#	No. of Meetings Attended
Prof. Kayyalathu Thomas Chacko (Chairman)	Non-Executive -Independent Director	1	1
Mr. Rajiv Srivastava [1]	Managing Director & CEO	1	1
Mr. Gautam Dalmia [2]	Non- Executive -Non-Independent Director	NA	NA
Mr. Gopal Srinivasan [3]	Non- Executive -Non-Independent Director	1	Nil
Mr. Satyanarayan Goel [4]	Non- Executive -Non-Independent Director	NA	NA

[1] Mr. Rajiv Srivastava admitted as Member of SRC w.e.f June 03, 2019

[2] Mr. Gautam Dalmia admitted as Member of SRC w.e.f March 19, 2020

[3] Mr. Gopal Srinivasan ceased to be Director and Member of the SRC w.e.f January 30, 2020

[4] Mr. Satyanarayan Goel ceased to be Member of the SRC w.e.f June 03, 2019

#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.

Name of Compliance Officer :

**Vineet Harlalka**

Designation:

**CFO, Company Secretary & Compliance Officer**

Email : **compliance@iexindia.com**

Tel : **+91-11-43004000**

The Company Secretary & Compliance Officer can be reached at the registered & 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 2019-2020 (From 1st April 2019 to 31st of March, 2020)	4
Number of complaints resolved during the 2019-2020 (From 1st April 2019 to 31st of March, 2020)	4
Number of complaints not solved to the satisfaction of the shareholders during the year 2019-2020 (From 1st April 2019 to 31st of March, 2020)	Nil
Number of pending complaints on 31st of March, 2020	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 (Formerly, Karvy Fintech Private Limited), and no complaints remained pending to be attended as on March 31, 2020.

#### IV. Corporate Social Responsibility Committee (CSR)

The role of CSR Committee includes formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities of the Company, reviewing the performance of Company in the area of 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, 2020, the members of the CSR Committee were

- Prof. K.T. Chacko- Non-Executive -Independent Director (as the Chairman),
- Ms. Sudha Pillai- Non-Executive -Independent Director, (admitted w.e.f June 03, 2019)
- Mr. Satyanarayan Goel- Non- Executive -Non-Independent Director and
- Mr. Rajiv Srivastava - Managing Director & CEO. (admitted w.e.f June 03, 2019)

##### A. Terms of reference:

The Terms of Reference of the Corporate Social Responsibility Committee are in conformity with Section 135 of the Companies Act, 2013.

##### B. Composition and attendance

The CSR Committee met 3 (three) times during the year 2019-2020. The said meetings were held on following dates: April 25, 2019, May 6, 2019 and November 20, 2019.

Member	Category	No. of Meetings Held#	No. of Meetings Attended
Prof. Kayyalathu Thomas Chacko (Chairman)	Non-Executive -Independent Director	3	3
Ms. Sudha Pillai [1]	Non-Executive -Independent Director	1	1
Mr. Satyanarayan Goel	Non- Executive -Non-Independent Director	3	3
Mr. Rajiv Srivastava [2]	Managing Director & CEO	1	1
Ms. Renuka Ramnath [3]	Non- Executive -Non-Independent Director	2	Nil

[1] Ms. Sudha Pillai admitted as Member of CSR Committee w.e.f June 03, 2019

[2] Mr. Rajiv Srivastava admitted as Member of CSR Committee w.e.f June 03, 2019

[3] Ms. Renuka Ramnath ceased to be Director and Member of the CSR Committee w.e.f September 18, 2019

#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)

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.

Your Company has a competent ERMC as per Regulation-21 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015.

As on March 31, 2020, the members of the ERMC were

- **Prof. K.T. Chacko**– Non-Executive -Independent Director (as the Chairman),
- **Mr. Satyanarayan Goel**- Non- Executive -Non-Independent Director and
- **Mr. Rajiv Srivastava** - Managing Director & CEO. (admitted w.e.f June 03, 2019)
- **Mr. Gautam Dalmia**– Non- Executive -Non-Independent Director (admitted w.e.f June 03, 2019)

### A. 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 which includes to Oversee, Monitor and Review the Risk Management plan of the Company and performs the other functions which specifically includes Cyber Security.

### B. Composition and attendance

The ERMC Committee met 3 (three) times during the year 2019-2020. The said meetings were held on following dates: April 25, 2019, July 24,2019 and November 20, 2019.

Member	Category	No. of Meeting Held#	No. of Meetings Attended
Prof. Kayyalathu Thomas Chacko (Chairman)	Non-Executive -Independent Director	3	3
Mr. Satyanarayan Goel	Non- Executive -Non-Independent Director	3	3
Mr. Rajiv Srivastava [1]	Managing Director & CEO	2	2
Mr. Gautam Dalmia [2]	Non- Executive -Non-Independent Director	2	Nil
Mr. Mahendra Singhi [3]	Non- Executive -Non-Independent Director	3	1

[1] Mr. Rajiv Srivastava admitted as Member of ERMC w.e.f June 03, 2019

[2] Mr. Gautam Dalmia admitted as Member of ERMC w.e.f June 03, 2019

[3] Mr. Mahendra Singhi ceased to be Director and Member of the ERMC w.e.f March 13, 2020

#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.

## 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, 2020, the Committee comprises following members:

- Mr. Tejpreet Singh Chopra- Chairman
- Mr. Gautam Dalmia
- Mr. Satyanarayan Goel
- Mr. Rajiv Srivastava

### 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, 2020, the committee comprises following members:

- Mr. Tejpreet Singh Chopra - Chairman
- Mr. Gautam Dalmia
- Mr. Rajiv Srivastava

### 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, 2020, the Committee comprises following members:

- Mr. Satyanarayan Goel
- Mr. Rajiv Srivastava
- Mr. Ajeet Kumar Agarwal (ceased to be Director & Member with effect from June 1, 2020)
- Mr. Gautam Dalmia (appointed wef July 20, 2020)

### 4. Buyback Committee:

The said Committee is authorized to take decision for activities relating to Buyback. As on March 31, 2020, the committee comprises following members:

- Mr. Gautam Dalmia (Chairman)
- Mr. Satyanarayan Goel

## 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, 2020, the Committee comprises following members:

- Prof. Kayyalathu Thomas Chacko (Chairman)
- Mr. Satyanarayan Goel
- Mr. Rajesh Kumar Mediratta
- Mr. Rajiv Srivastava
- 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, 2020, the Committee comprises following members:

- Ms. Sudha Pillai (Chairperson)
- Mr. Satyanarayan Goel
- Mr. Rajiv Srivastava
- 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, 2020, the Committee comprises following members:

- Prof. Kayyalathu Thomas Chacko (Chairman)
- Mr. Satyanarayan Goel
- Mr. Rajesh Kumar Mediratta
- Mr. Rajiv Srivastava
- 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. Shubra Mendiratta
- Ms. Divya Chawla

### 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. Rajiv Srivastava (Chairman)
- 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 (Chairman)
- 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
- Mr. Rajiv Srivastava

## 4. 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
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
2016-17 (11th)	25-07-2017	02:00 P.M	Fourth floor, TDI Centre, District Centre, Jasola, New Delhi - 110025

### B. Particulars of the Special Resolution passed in the last three AGMs:

Date	Particulars
18-09-2019	<ol style="list-style-type: none"> <li>1. Ratification of appointment of Mr. Satyanarayan Goel as Managing Director and CEO of the Company</li> <li>2. Approval for appointment of Mr. Rajiv Srivastava as the Director of the Company</li> <li>3. Ratification of appointment of Mr. Rajiv Srivastava as Wholtime Director and Managing Director &amp; CEO</li> <li>4. Approval for Indian Energy Exchange Limited 'Restricted Stock Unit Scheme 2019'</li> <li>5. Approval for payment of remuneration in the form of commission to Mr. Satyanarayan Goel, Non-Executive Chairman (DIN: 02294069) of the Board.</li> </ol>
18-09-2018	<ol style="list-style-type: none"> <li>1. Re-classification of Authorised Share Capital of the Company.</li> <li>2. Sub-Division of Share Capital into smaller amount.</li> <li>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.</li> <li>4. Ratification of pre-IPO Stock Option Scheme.</li> </ol>

Date	Particulars
25-07-2017	1. Approval of Appointment of Mr. Gopal Srinivasan as the Director of the Company
	2. Approval of Appointment of Mr. Mahendra Singhi as the Director of the Company

### 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, based on the recommendation of Nomination and Remuneration Committee, the Board of the Company at its meeting held on January 31, 2020, approved the re-appointment of Prof. Kayyalathu Thomas Chacko as Non-Executive Independent Director of the Company for a second term of consecutive 5 (five) years from March 30, 2020 upto March 29, 2025, subject to approval of the Members of the Company.

The Members of the Company approved the aforesaid appointment vide special resolution passed by way of postal ballot/e-voting dated March 24, 2020.

Pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the consent of the members by way of Special Resolution, was also obtained by way of Postal Ballot for continuation of his Directorship on attaining the age of seventy-five years.

#### ii. Details of Voting Pattern:

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	123	15,12,52,528	99.5492
Physical Postal Ballot	4	197	0.0001
<b>Total</b>	<b>127</b>	<b>15,12,52,725</b>	<b>99.5493</b>

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	7	6,84,631	0.4506
Physical Postal Ballot	-	-	-
<b>Total</b>	<b>7</b>	<b>6,84,631</b>	<b>0.4506</b>

Invalid/abstained votes/Less Voted:

Particulars	Number of members voted	Number of votes cast by them (Shares)
Remote E-voting	2	128
Physical Postal Ballot	-	-
<b>Total</b>	<b>2</b>	<b>128</b>

#### iii. Person who conducted the Postal Ballot Exercise:

Mohd. Nazim Khan, Practicing Company Secretary (FCS No. 6529, CP No. 8245) Designated Partner of M/s MNK and Associates LLP, Company Secretaries (Firm Registration No. L2018DE004900), 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 is 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. The Shareholders are provided the facility to vote either by physical ballot or through e-voting. The postal ballot notice is sent to shareholders in



electronic form to the email addresses registered with the depository (in case of electronic shareholding)/the Company's Registrar and Share Transfer Agent (in case of physical shareholding). For shareholders whose email IDs are not registered, physical copies of the postal ballot notice are sent by permitted mode along with a postage prepaid self-addressed business reply envelope. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

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. Alternatively, shareholders may exercise their votes through physical ballot by sending duly completed and signed forms so as to reach the scrutinizer before a specified date and time. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by postal ballot are announced by the Chairman or any Director of the Company 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 receipt of duly completed postal ballot forms or e-voting.

## 5. MEANS OF COMMUNICATION: -

We have established procedures to disseminate, in a planned manner, relevant information to our large.

### Calendar of financial year ended 31st March 2020

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 2020 were held on the following dates:

Particulars	Date
Quarter ended 30th June 2019	July 31, 2019
Quarter/half-year ended 30th September 2019	October 24, 2019
Quarter/ nine months ended 31st December 2019	January 31, 2020
Quarter/ year ended 31st March 2020	May 14, 2020

**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 our 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 [www.ixindia.com](http://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).

## 6. GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting to be held on	Friday, 28, August, 2020 through VC/OAVM mode
2. Financial year	April 1, 2019 to March 31, 2020
3. Book Closure date	Saturday, 22, August 2020 to Friday, 28, August, 2020 (both days inclusive)
4. Dividend payment date	Not Applicable

		The equity shares of the Company are listed on the following Stock Exchanges:
5.	Name and Address of Stock Exchange(s) at which the Equity Shares are listed	<ol style="list-style-type: none"> <li>1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001</li> <li>2. National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051</li> </ol> Note: Annual Listing fees for the financial year 2020-2021 have been duly paid to the above Stock Exchanges.
6.	Stock Market Code:	BSE Scrip Code: 540750 NSE Symbol: IEX KFIN TECHNOLOGIES PRIVATE LIMITED (Formerly, Karvy Fintech Private Limited) Corporate Registry, Selenium, Tower- B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500 032, India. Toll Free No : 18003454001 Email: einward.ris@kfintech.com Website: www.karisma.kfintech.com
7.	Registrar & Transfer Agents	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. Shares sent in physical form are generally registered and returned within a period of 15 days from the date of lodgement, provided the documents are in order in all respects.
8.	Share Transfer system	
9.	Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity	As at March 31, 2020, 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	Unit no. 3,4,5 & 6, fourth floor TDI Centre, Plot No. 7, Jasola, New Delhi- 110025 Registered & Corporate office: Indian Energy Exchange Limited (IEX)
12.	Address for Correspondence	Unit no. 3,4,5 & 6, fourth floor TDI Centre, plot no. 7, Jasola, New Delhi- 110025 Tel: +91-11-4300 400 Fax: +91-11-4300 4015
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

## 7. 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 Rs. Lakh Unpaid as on March 31, 2020	Shares & unpaid/unclaimed dividend liable to be transferred to the IEPF and due dates.
2017-18	Final	18-09-2018	1,385	28,104	6.18	Unclaimed Dividend Rs. 6.18 Lakh Proposed Due Date of transfer to IEPF- 18-09-2025
2019-20	Interim	11-03-2020	1,777	4,50,616	11.26	Unclaimed Dividend Rs. 11.26 Lakh Proposed due date of transfer to IEPF 10-03-2027

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:

[Click here to view](#)

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.

## 8. 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 37 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: [Click here to view](#)

### 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.

During the year ended March 31, 2020, there were 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 Rs. 1.40 lakh each on the Company due to non-compliance with SEBI LODR Regulations. Your Company made submission/ representation to the both stock exchanges detailing the reasons for non-compliance. Post Company's representation the NSE waived off the penalty amount and same has been refunded, however the BSE is yet to respond on the Company's request.

### 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 [Click here to view](#)

### 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 on the website of the Company and can be accessed through the following web link [Click here to view](#)

## 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 all non-mandatory requirements and discretionary requirements as per Schedule II Part E of the SEBI Listing Regulations.

### a. The Board

As on date, the positions of the Chairman and the CEO are separate. Chairperson's office is maintained at Company's expense and all reimbursements are allowed to the Chairperson in performance of his duties.

### b. 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.

### c. Modified opinion(s) in the audit report

The Company's financial statement for the year 2019-20 does not contain any audit qualification. The Company's audited financial statements are accompanied with unmodified opinion from the Statutory Auditor of the Company.

### d. 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, Company Secretaries (Firm Registration No. L2018DE004900), 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 Managing Director & CEO 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 lacs (Rs.)
For audit	26.00
For reimbursement of expenses	4.18
For other services	16.50
<b>Total</b>	<b>46.68</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.ixindia.com](http://www.ixindia.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, 2020 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 [Click here to view](#)

**N. Details of Demat / Unclaimed Suspense Account:**

There were no shares lying in the suspense account as on March 31, 2020 (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 (Formerly, Karvy Fintech 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, 2020 is given below:

Category	No. of shareholders	% of Shareholders	Total Shares	% of Equity
PHYSICAL	3	0.004	1,99,510	0.07
DEMAT				
- NSDL	37,772	54.540	27,93,45,715	93.25
- CDSL	31,480	45.455	2,00,11,286	6.68
Sub-total	69,252	99.996	29,93,57,001	99.93
<b>Total:</b>	<b>69,255</b>	<b>100.000</b>	<b>29,95,56,511</b>	<b>100.00</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:**

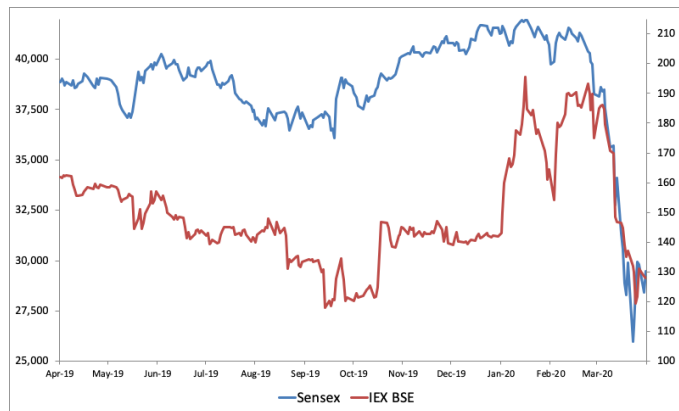
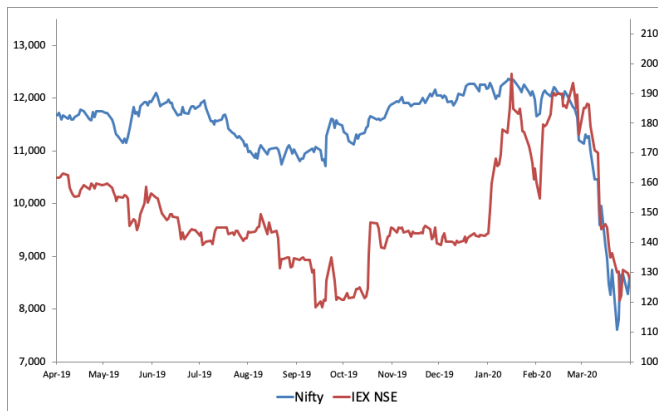
High, low during each month and trading volumes of the Company's Equity shares during the last financial year at NSE & BSE are given below:

Period	NSE			BSE		
	Month's High in Rs.	Month's Low in Rs.	No. of shares traded during the month	Month's High in Rs.	Month's Low in Rs.	No. of shares traded during the month
Apr-2019	163.25	155.25	1,08,12,720	162.60	155.60	80,12,352
May-2019	159.85	144.20	40,27,928	159.00	144.50	9,25,090
June-2019	154.95	141.15	11,49,808	155.60	141.10	8,69,316
July-2019	145.10	139.05	31,81,504	145.20	139.25	14,72,399
August-2019	149.40	131.40	72,09,033	148.00	131.15	21,82,070
September-2019	135.00	118.15	2,24,75,933	134.55	118.10	2,28,68,640
October-2019	146.65	120.85	54,48,850	146.75	120.35	7,09,009
November-2019	145.50	139.85	1,27,72,267	147.00	139.80	46,72,439
December-2019	143.00	139.05	47,86,017	143.50	139.20	1,25,290
January-2020	196.45	143.10	1,06,91,126	195.60	143.15	9,77,060
February-2020	193.55	154.80	2,71,30,291	193.35	154.25	51,51,751
March-2020	186.40	120.60	1,95,67,002	186.25	119.45	20,51,125

\*During the year on April 11, 2019 Company extinguished the 37,29,729 Equity shares of FV Rs. 1/- pursuant to Buyback Scheme 2018

**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, 2020**

S. No	Category	No. of holders	% of holders	No. of Shares	% Equity
1	upto 1-5,000	68,543	98.97	1,11,46,068	3.72
2	5,001 - 10,000	302	0.44	21,79,049	0.73
3	10,001 -20,000	157	0.23	22,22,007	0.74
4	20,001 -30,000	66	0.10	16,44,376	0.55
5	30,001 -40,000	18	0.03	6,26,223	0.21
6	40,001 -50,000	13	0.02	5,78,746	0.19
7	50,001 - 1,00,000	43	0.06	30,04,128	1.00
8	1,00,001 & ABOVE	113	0.16	27,81,55,914	92.86
<b>Total:</b>		<b>69,255</b>	<b>100.00</b>	<b>29,95,56,511</b>	<b>100.00</b>

**INDIAN ENERGY EXCHANGE LIMITED****Consolidated Shareholding Pattern As on March 31, 2020**

S. No	Category	Total Shares	% To Equity
1	Foreign Portfolio - Corp	9,58,22,149	31.99
2	Bodies Corporates	7,36,86,927	24.60
3	Mutual Funds	3,69,58,115	12.34
4	Foreign Corporate Bodies	3,51,62,455	11.74
5	Alternative Investment Fund	2,14,74,830	7.17
6	Resident Individuals	1,82,96,319	6.11
7	QUALIFIED INSTITUTIONAL BUYER	79,36,501	2.65
8	Trusts	41,13,650	1.37
9	Beneficial Holdings Under Mgt-4	25,36,190	0.85
10	Employee Trusts	12,31,570	0.41
11	Non Resident Indians	9,19,887	0.31
12	H U F	5,57,652	0.19
13	Non Resident Indian Non Repatriable	3,89,912	0.13
14	Nbfc	2,01,970	0.07
15	Clearing Members	1,88,139	0.06
16	Indian Financial Institutions	76,305	0.03
17	Foreign Portfolio Investors	3,850	0.00
18	Banks	90	0.00
<b>TOTAL</b>		<b>29,95,56,511</b>	<b>100.00</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**  
Fourth Floor, TDI Centre  
District Centre, Jasola  
New Delhi-110 025

We, Rajiv Srivastava, Chief Executive Officer 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, 2020 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 2019-20, 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/-  
**Rajiv Srivastava**  
Managing Director & Chief Executive Officer  
Place: Noida  
Date: 12 May 2020

Sd/-  
**Vineet Harlalka**  
Chief Financial Officer & Company Secretary  
Place: Noida  
Date: 12 May 2020

### 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, 2020.

Sd/-

Place : Noida  
Date : 29 April 2020

**Rajiv Srivastava**  
Managing Director & Chief Executive Officer



## Annexure 16

# Certificate of Compliance with the Corporate Governance

To

The Members of

**Indian Energy Exchange Limited**

Unit No. 3, 4, 5 & 6, Fourth Floor

TDI Centre Plot No. 7,

District Centre, Jasola,

New Delhi 110025, India

We have examined the compliance of conditions of Corporate Governance by Indian Energy Exchange Limited (the Company), for the year ended March 31, 2020 as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI (LODR) Regulations, 2015 (the Listing 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. However, for a small period of 28 days i.e. from August 22, 2019 to September 18, 2019, wherein due to a transition phase in the Company, it was unable to comply with the Board composition requirements as stipulated in Regulation 17(1) of the Listing Regulations, due to reasons beyond control.

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.

For MNK and Associates LLP  
Company Secretaries  
FRN: L2018DE004900

Sd/-

**Mohd. Nazim Khan**  
(Designated Partner)  
Company Secretaries  
FCS: 6529, CP: 8245  
UDIN: F006529B000328576

Place: Delhi

Date: 09 June 2020

## 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 of

**M/s Indian Energy Exchange Limited**

Unit No. 3, 4, 5 & 6, Fourth Floor, TDI Centre Plot No. 7,

District Centre, Jasola New Delhi South Delhi -110025

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, 2020 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.	Rajiv Srivastava	03568897	03/06/2019
3.	Thomas Chacko Kayyalathu	02446168	21/05/2012
4.	Tejpreet Singh Chopra	00317683	05/03/2019
5.	Sudha Pillai	02263950	26/04/2019
6.	Gautam Dalmia	00009758	20/12/2018
7.	Ajeet Kumar Agarwal*	02231613	22/08/2012

\*Mr. Ajeet Kumar Agarwal ceased to be Director of the Company w.e.f. June 01, 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.

For MNK and Associates LLP  
Company Secretaries  
FRN: L2018DE004900

Sd/-

**Mohd. Nazim Khan**

(Designated Partner)

Company Secretary

FCS: 6529, CP: 8245

UDIN: F006529B00032850

Place: Delhi

Date: 09 June 2020

# Business Responsibility Report (FY 2019-20)

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

## Section A:

### General Information about the Company

Particulars	Details		
Corporate Identification Number (CIN) of the Company	L74999DL2007PLC277039		
Name of the Company	Indian Energy Exchange Limited		
Registered Address	Unit No. 3, 4, 5 & 6, Fourth Floor, TDI Centre Plot No. 7, District Centre, Jasola, New Delhi-110025 India		
Website	www.iexindia.com		
Email Id.	iexsecretarial@iexindia.com		
Fiscal year reported	2019-20		
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		
List three key products/services that the Company manufactures/provides (as in balance sheet)	The Company is engaged in the business of Power Exchange and provide following services-  The Company enables trading and price discovery of electricity and related products with risk management for participants of the electricity market.		
Total number of locations where business activity is undertaken by the Company:			
(a) Number of International Locations (Provide details of major 5)	Not Applicable, the Company serves only in India.		
(b) Number of National Locations:	Two <b>Registered &amp; Corporate Office</b> Unit No. 3, 4, 5 & 6, Fourth Floor, TDI Centre Plot No. 7, District Centre, Jasola, New Delhi-110025 India <b>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 400059		
Markets served by the Company			
Local	State	National	International
√	√	√	X

**Section B:****Financial Details of The Company (as per the Financial Statement for the FY 2019-20)**

Particulars	Details
Paid up Capital (Rs. lakh)	2,995.56
Total Turnover (Rs. lakh)	29,715.22
Total profit after taxes (Rs. lakh)	17,791.61
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.01%

List of activities in which expenditure in 4 above has been incurred:-

- Protection of National Heritage, Art and Culture)
- Eradicating hunger, poverty and malnourishment
- Promoting education
- Employment enhancing vocational skills
- Promoting Renewable electricity generation
- Others

**Section C:****Other Details****1. Does the Company have any Subsidiary Company/Companies:**

Yes (for details of subsidiary please refer to **Annexure 2** (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 the implementation of the BR policy/policies:

DIN	03568897
Name	Mr. Rajiv Srivastava
Designation	MD & CEO

**a. Details of the BR head**

DIN Number	03568897
Name	Mr. Rajiv Srivastava
Designation	MD & CEO
Telephone Number	011-43004000
Email ID	Rajiv.Srivastava@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)

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...\$	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being 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 being 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

\$ 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. Rajiv Srivastava , MD & CEO, 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](#)

Rules, Business Rules & Bye laws of the Company

[Rules](#) [Business Rules](#) [Bye laws](#)

[Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Prohibition of Insider Trading](#)

[Whistle Blower Anti-Fraud Policy](#)

[Policy Disclosure of Material Events and Information](#)

[Corporate Social Responsibility Policy](#)

[Guidelines for Policy Advocacy](#)

b. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

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									
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)									

Not Applicable

### 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 Fiscal year 2019-20, 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*	04	04	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, 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 and term ahead market including Intra Day, Day-Ahead Contingency, Daily, and 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. 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



electricity generated from renewable resources, in accordance with the regulations issued by the CERC. This contract made it possible for members 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.

The Market provides a competitive platform to obligated entities like distribution utilities, C&I consumers, captive consumers to meet their Renewable Power Purchase Obligation (RPO) by purchasing green attributes in the form of RE certificates. Further, the market has greatly facilitated the development of renewable energy capacity in the country.

### c. Energy Saving Certificates (ESCerts)

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 20-21

### 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), Term Ahead Market Segment (TAM), Renewable Energy Certificate (REC), Energy Saving Certificates (ESCerts) and Real time markets 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 and 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, 2020 – 157 (as mentioned in Director report **Annexure 8**) (including Trainees & Probationary employees)

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

As at March 31, 2020 – 11 (Eleven)

3. Please indicate the Number of permanent women employees.

As at March 31, 2020 – 22 (Twenty Two)

4. Please indicate the Number of permanent employees with disabilities

As at March 31, 2020 – 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 labor, forced labor, involuntary labor, 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 labor/forced labor/involuntary labor	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: 64%
- j. Permanent Women Employees: 91%
- k. Casual/Temporary/Contractual Employees: 8.3%
- l. 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.

- a. Promoting of Renewable Energy Certificates (RECs).
- b. Disposal of E-waste of the Company IT assets in an environment-friendly manner through government certified agency.
- c. Digitization: IEX promotes digitization initiatives, these initiatives help to save paper.
- d. 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:

- APEX (Association of Power Exchanges- an association of power exchanges worldwide)
- FICCI
- CII
- ASSOCHAM
- PHD Chambers of Commerce
- 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 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, etc.

In fiscal year 2019-20, the Exchange implemented several CSR interventions with support from the credible NGO partners who are duly recognized by the Government of India. The implemented programs were in areas of education, nutrition, better learning, energy access through decentralized renewable energy applications, healthcare, livelihood, skill development, restoration, protection, conservation and promotion of national heritage, art and culture, etc. spanning across 4 States of the country including, Delhi-NCR, Uttar Pradesh, Maharashtra, Madhya Pradesh covering 16 Districts and impacting lives of about 20,000+ direct beneficiaries.

Restoration, protection, conservation and promotion of national heritage, art and culture as well as energy research and analytics remained the mainstay of the CSR interventions in fiscal year 2019-20 besides other interventions related to education, healthcare and skill development and employment for urban underprivileged youth.

Through its CSR activities, the Exchange supported Sabhayata Foundation to develop Visitor Center at Red Fort in an old British barrack dated 19th century 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.

The Exchange continued to support the provision of nutritious mid-day meals for children in 7,000 Primary Government School Children in Mathura, Uttar Pradesh in collaboration with Akshaya Patra Foundation for the third consecutive year.

To promote skill development and empowering urban youth, the Exchange supported a program for skilling of 280 urban under-privileged youth in NCR Region in partnership with SMILE Foundation.

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.

Towards supporting a drought-free Maharashtra, the

Exchange supported Bharatiya Jain Sanghatana (BJS) in building draught free Buldhana District, Maharashtra covering 13 blocks and 482 villages in the district

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/> operational since September'18 and provides meaningful data analytics through visualization tools such as System dashboard, Power Market dashboard, and Energy balance dashboard as well as 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, 2020.

CSR Project or activity identified	Cumulative expenditure up to the reporting period (in Rs. lakh)
Visitor Centre at Red Fort, Delhi through Sabhayata Foundaton	335
Skill development Centres (STeP) for unemployed and under- privileged urban youth at Malviya Nagar and Samaypur Badli, Delhi - through Smile Foundation	5.89

Provision of healthcare services to elderly disabled and under-privileged community - through Helpage India at Madhya Pradesh, Satna district	8.90
Provisions of mid-day meals to primary government school children - through The Akshaya Patra Foundation at Uttar Pradesh, Mathura district	10.00
Sujalam Sufalam - Buldhana (Implementing watershed management) - through Bhartiya Jain Sanghatana	8.57
Energy Analytics Lab - through Indian Institute of Technology, Kanpur	Nil
CSR Consulting	2.17
<b>Total</b>	<b>370.53</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 280 urban youth in NCR several are successfully employed in commercial malls and retail establishments; the mobile healthcare unit in Bihar and Madhya Pradesh have been providing timely and regular healthcare needs of elderly, women and community at large across 32 Villages in Madhya Pradesh. the mid-day meals program for 7,000 primary Government School

Children in Mathura, Uttar Pradesh for over last three years has successfully increased school enrolment as well as attendance and better learning in the schools.

## 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 surveys.

# 03

## | Financial Statement



# Standalone Financial Statements

## INDEPENDENT AUDITOR'S 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 2020, 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 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year then ended on that date.

#### Description of Key Audit Matter

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 20 to the Standalone Financial Statements

Key audit matter	How the matter was addressed in our audit
<p>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.</p> <p>The 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 byelaws of the 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>

#### 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.



## 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 auditor's 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 financial statements made by the Management and Board of Directors.
- 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 auditor's 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:
  - i. 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;
  - ii. 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;
  - iii. 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;
  - iv. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
  - v. On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act; and
  - vi. 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 Auditor's 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 2020 on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - 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 2020.

- 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/-  
**Ashwin Bakshi**  
Partner  
Membership No. 506777  
UDIN: 20506777AAAAAU2723

Place: New Delhi  
Date: 14 May 2020

## Annexure A referred to in our Independent Auditor's report to the members of Indian Energy Exchange Limited on the standalone financial statements for the year ended 31 March 2020

- 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 2020 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 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 give 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/-

**Ashwin Bakshi**

Partner

Membership No. 506777  
UDIN: 20506777AAAAAU2723

Place: New Delhi  
Date: 14 May 2020

## Annexure B to the Independent Auditor's report on the standalone financial statements of Indian Energy Exchange Limited for the year ended 31 March 2020.

### 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 2020 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 2020, 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 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").

#### Auditor's 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 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 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to 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/-  
**Ashwin Bakshi**  
Partner  
Membership No. 506777  
UDIN: 20506777AAAAAU2723

Place: New Delhi  
Date: 14 May 2020

## STANDALONE BALANCE SHEET

as at 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4 a	2,178.25	716.42
Capital work-in progress	4 a	2.55	35.00
Other intangible assets	4 b	9,717.91	10,420.90
Intangible assets under development	4 b	96.01	89.90
<b>Financial Assets</b>			
Investments	5	20,674.94	20,221.87
Loans	6	46.08	170.88
Other financial assets- bank deposits	7	202.50	-
Non-current tax assets (net)	9	20.88	98.84
Other non-current assets	10	39.19	63.81
<b>Total non-current assets</b>		<b>32,978.31</b>	<b>31,817.62</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	11	30,678.12	27,243.52
Trade receivables	12	18.54	4,588.65
Cash and cash equivalent	13	1,247.65	5,081.51
Other Bank balance	13A.	1,478.24	1,680.02
Loans	6	207.31	3.24
Other financial assets- Other recoverable	7	33.57	13.12
Other current assets	10	169.15	128.53
<b>Total current assets</b>		<b>33,832.58</b>	<b>38,738.59</b>
<b>TOTAL ASSETS</b>		<b>66,810.89</b>	<b>70,556.21</b>
<b>Equity And Liabilities</b>			
<b>Equity</b>			
Equity share capital	14	2,983.24	3,019.19
Other equity	15	36,031.74	34,007.71
<b>Total equity</b>		<b>39,014.98</b>	<b>37,026.90</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Other financial liabilities	16	1,361.19	171.60
Provisions	17	570.88	365.23
Deferred tax liabilities (net)	8	2,441.57	2,441.28
Other non-current liabilities	18	17.57	16.90
<b>Total non-current liabilities</b>		<b>4,391.21</b>	<b>2,995.01</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	19		
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		7,555.24	13,382.63
Other financial liabilities	16	13,941.72	15,355.67
Current tax liabilities (net)	9	264.53	272.63
Provisions	17	8.93	35.74
Other current liabilities	18	1,634.28	1,487.63
<b>Total current liabilities</b>		<b>23,404.70</b>	<b>30,534.30</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>66,810.89</b>	<b>70,556.21</b>
Significant accounting policies	3		

The accompanying notes referred to form an integral part of these Ind AS 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/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

UDIN: 20506777AAAAAU2723

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

Sd/-

**S. N. Goel**

Chairman

DIN-02294069

Sd/-

**Rajiv Srivastava**

Managing Director & CEO

DIN-03568897

Sd/-

**Vineet Harlalka**

Chief Financial Officer & Company Secretary

Place : New Delhi

Date : 14 May 2020

Place : Noida

Date : 14 May 2020

**STANDALONE STATEMENT OF PROFIT AND LOSS**

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Revenue</b>			
Revenue from operations	20	25,703.11	25,407.68
Other income	21	4,012.11	4,008.18
<b>Total revenue</b>		<b>29,715.22</b>	<b>29,415.86</b>
<b>Expenses</b>			
Employee benefits	22	3,252.57	2,483.19
Finance costs	23	156.56	73.42
Depreciation and amortisation	24	1,524.24	1,042.41
Other expenses	25	2,003.22	2,642.34
<b>Total expenses</b>		<b>6,936.59</b>	<b>6,241.36</b>
<b>Profit before tax</b>		<b>22,778.63</b>	<b>23,174.50</b>
<b>Tax expense</b>			
Current tax		4,957.95	5,727.69
Current tax for earlier periods		15.30	(36.50)
Deferred tax charge	8	13.77	979.64
<b>Total income tax expense</b>		<b>4,987.02</b>	<b>6,670.83</b>
<b>Profit for the year (A)</b>		<b>17,791.61</b>	<b>16,503.67</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	28	(53.61)	(20.14)
- Income tax relating to above		13.49	5.87
<b>Other comprehensive income for the year, net of income tax (B)</b>		<b>(40.12)</b>	<b>(14.27)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>17,751.49</b>	<b>16,489.40</b>
<b>Earnings per equity share [face value Rs. 1/- per share] (refer to note 14 (a))</b>			
Basic (Rs.)	27	5.96	5.47
Diluted (Rs.)		5.96	5.46
Significant accounting policies	3		

The accompanying notes referred to form an integral part of these Ind AS 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/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

UDIN: 20506777AAAAAU2723

Place : New Delhi

Date : 14 May 2020

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

Sd/-

**S. N. Goel**

Chairman

DIN-02294069

Sd/-

**Rajiv Srivastava**

Managing Director &amp; CEO

DIN-03568897

Sd/-

**Vineet Harlalka**

Chief Financial Officer &amp; Company Secretary

Place : Noida

Date : 14 May 2020

## STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>A. Cash flows from operating activities</b>		
Profit before tax	22,778.63	23,174.50
Adjustments for:		
Depreciation and amortisation	1,524.24	1,042.41
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	21.02	18.87
Interest expenses on overdraft, lease liability and others	135.54	3.70
Amortisation of deferred rent on security deposit	5.02	16.24
Property, plant and equipment ('PPE') written off / loss on sale of PPE	1.85	7.14
Employee stock option scheme expense	46.70	25.10
Interest income from bank deposits	(124.26)	(268.34)
Interest income from financial assets at amortised cost	(33.06)	(14.99)
Amortisation of deferred settlement guarantee fund	(21.88)	(19.64)
Mark-to-market gain on investments and net gain on sale of investments	(2,490.58)	(1,933.09)
Net gain on sale of investments	(1,256.60)	(1,693.80)
Other interest income	(29.58)	(29.58)
Operating profit before working capital changes	20,557.02	20,328.52
Adjustments for:		
(Increase)/decrease in trade receivables	4,570.11	(4,567.06)
(Increase)/ decrease in loans, other financial assets and other assets	(150.55)	250.41
Increase/ (decrease) in trade payables, other financial liabilities, provisions and other liabilities	(7,285.81)	3,773.62
Cash generated from operating activities	17,690.77	19,785.49
Income tax paid	(4,903.31)	(5,958.57)
<b>Net cash generated from operating activities</b>	<b>12,787.46</b>	<b>13,826.92</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, plant and equipment and other intangible assets	(490.44)	(359.76)
Maturity/( investment) of / (in) of bank deposits including unpaid dividend (net)	(4.11)	4,116.15
Inflow/ (outflow) from sale / (purchase) of investments (net)	(139.16)	(10,732.77)
Interest received on bank deposits	127.65	598.24
Interest income from investments	29.58	166.11
<b>Net cash flow from/ (used in) investing activities</b>	<b>(476.48)</b>	<b>(6,212.03)</b>
<b>C. Cash flows from financing activities</b>		
Interest expenses on overdraft, lease liability and others	(84.04)	(3.70)
Principal repayment of lease liability	(250.70)	-
Proceeds from profit earned by ESOP trust on exercise of stock option by the employees	88.38	168.63
Proceeds from issue of shares on exercise of stock option	1.36	3.19
Dividend paid (net of dividend received by ESOP trust)	(7,460.12)	(6,640.30)
Amount paid for buyback	(6,900.00)	-
Corporate dividend tax paid	(1,539.72)	(1,371.51)
<b>Net cash used in financing activities</b>	<b>(16,144.84)</b>	<b>(7,843.69)</b>
<b>D. Net (decrease) / increase in cash and cash equivalents during the year (A+B+C)</b>	<b>(3,833.86)</b>	<b>(228.80)</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>5,081.51</b>	<b>5,310.31</b>
<b>F. Cash and cash equivalents as at the end of the year (D+E)</b>	<b>1,247.65</b>	<b>5,081.51</b>



## STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### Notes-

(i) Cash and cash equivalents consists of the following

Cash and cash equivalents as at the end of the year	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance with banks		
In current accounts	389.12	3,336.07
In settlement accounts	858.53	1,745.44
	<b>1,247.65</b>	<b>5,081.51</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 period an amount of Rs. 389.04 (31 March 2019: Rs. 348.53) 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 Ind AS 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/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

UDIN: 20506777AAAAAU2723

Place : New Delhi

Date : 14 May 2020

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

Sd/-

**S. N. Goel**

Chairman

DIN-02294069

Sd/-

**Vineet Harlalka**

Chief Financial Officer & Company Secretary

Place : Noida

Date : 14 May 2020

Sd/-

**Rajiv Srivastava**

Managing Director & CEO

DIN-03568897

## STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### (A) Equity share capital

Particulars	Note No.	Number of shares	Amount
<b>Opening as at 01 April 2018</b>		<b>3,01,59,992</b>	<b>3,016.00</b>
Add: Increase due to sub-division of equity shares	14 (a)	27,14,39,928	-
Add: Equity stock option exercised during the year	14 (g)	3,19,100	3.19
<b>Balance as at 31 March 2019</b>		<b>30,19,19,020</b>	<b>3,019.19</b>
Add: Equity stock option exercised during the year	14 (g)	1,35,650	1.35
Less: Decrease due to buyback of equity shares	14 (e)	(37,29,729)	(37.30)
<b>Balance as at 31 March 2020</b>		<b>29,83,24,941</b>	<b>2,983.24</b>

### (B) Other equity

Particulars	Note No.	Securities premium	General reserve	Retained earnings	Employee stock options outstanding account	ESOP Trust reserve #	Capital redemption reserve	Total
<b>Opening as at 01 April 2018</b>		<b>3,196.94</b>	<b>3,018.72</b>	<b>18,698.22</b>	<b>19.62</b>	<b>422.89</b>	<b>-</b>	<b>25,356.39</b>
Profit for the year		-	-	16,503.67	-	-	-	16,503.67
Re-measurement gain/(loss) on defined benefit obligations (net of tax)		-	-	(14.27)	-	-	-	(14.27)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>16,489.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,489.40</b>
<b>Transactions with owners in their capacity as owners:</b>								
Employee stock options expense	15 (c)	-	-	-	25.10	-	-	25.10
Profit/loss on issue of shares to employees#	15 (e)	-	-	-	-	148.64	-	148.64
Final dividend paid on equity shares #	15 (d)	-	-	(6,672.30)	-	-	-	(6,672.30)
Dividend on shares held by ESOP Trust	15 (e)	-	-	-	-	31.99	-	31.99
Dividend distribution tax on dividend on equity shares	15 (d)	-	-	(1,371.51)	-	-	-	(1,371.51)
Transfer to ESOP trust reserve #	15 (e)	-	-	(29.50)	-	29.50	-	-
<b>Balance as at 31 March 2019</b>		<b>3,196.94</b>	<b>3,018.72</b>	<b>27,114.31</b>	<b>44.72</b>	<b>633.02</b>	<b>-</b>	<b>34,007.71</b>
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>-</b>	<b>-</b>	<b>17,751.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,751.49</b>

## STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Note No.	Securities premium	General reserve	Retained earnings	Employee stock options outstanding account	ESOP Trust reserve #	Capital redemption reserve	Total
<b>Transactions with owners in their capacity as owners:</b>								
Employee stock options expense	15 (c)	-	-	-	46.70	-	-	46.70
Profit/ Loss on issue of shares to employees #	15 (e)	-	-	-	-	88.38	-	88.38
Interim dividend paid on equity shares	15 (d)	-	-	(7,488.91)	-	-	-	(7,488.91)
Dividend on shares held by ESOP Trust	15 (e)	-	-	-	-	28.79	-	28.79
Dividend distribution tax on dividend on equity shares	15 (d)	-	-	(1,539.72)	-	-	-	(1,539.72)
Transfer to ESOP trust reserve #	15 (e)	-	-	(36.59)	-	36.59	-	-
Buy back of equity shares	15 (a) (b)(d)	(3,196.94)	(3,018.72)	(647.04)	-	-	-	(6,862.70)
Transfer to capital redemption reserve	15 (d)	-	-	(37.30)	-	-	37.30	-
<b>Balance as at 31 March 2020</b>		-	-	<b>35,116.23</b>	<b>91.43</b>	<b>786.78</b>	<b>37.30</b>	<b>36,031.74</b>

# 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 Ind AS 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/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

UDIN: 20506777AAAAAU2723

Place : New Delhi

Date : 14 May 2020

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

Sd/-

**S. N. Goel**

Chairman

DIN-02294069

Sd/-

**Rajiv Srivastava**

Managing Director & CEO

DIN-03568897

Sd/-

**Vineet Harlalka**

Chief Financial Officer & Company Secretary

Place : Noida

Date : 14 May 2020

## 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 Unit No. 3,4,5 and 6, Fourth Floor, TDI Centre Plot No 7, District Centre, Jasola, New Delhi-110025.

The IEX 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 (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 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 Consolidation

- These 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 the financial statements.

#### 2.3 Functional and presentation currency

These 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 (upto 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 atleast 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.

#### 2.5 Use of estimates and judgements

In preparing these 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 recognised 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 2020 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 that 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.

- Recognition of deferred tax assets/ (liabilities) – note 8
- Provision for employee benefits - note 17 & note 28

#### 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

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 categorised 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 categorised 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 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 cost of items of property, plant and equipment over their estimated useful lives using the straight-line method, and is generally recognised 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:

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

Category of assets	Estimated useful life of assets	Useful life as per schedule II
Furniture and Fixtures	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.

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 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

Amortisation is computed to write off the cost of intangible assets less their estimated residual value over their estimated useful lives using the straight-line method, and is included in amortisation in Statement of Profit and Loss.

Software license is amortised over fifteen years and Computer software are amortised over six years considering their related useful lives.

Amortisation 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 months or less, which are subject to an insignificant risk of changes in value

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 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, 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 amortised cost.

Investments in equity shares in subsidiary are carried at cost

#### 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:

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

- 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:

- 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 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 recognised 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.

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



## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

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 recognised amounts and there is an intention to settle on a net basis or realise 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 recognises 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 is accrued when orders placed on the network are matched, confirmed by Regional Load Dispatch Centre and delivered.

Admission fees and Processing fees charged from a prospective member of the exchange at the time of his joining, is recognised when the membership has been approved by the membership committee.

Annual subscription fee, in the year when the member/ client is registered for the first time, is recognised 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 recognised 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 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

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

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 Holding 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 recognised asset is limited to the total of any unrecognized past service costs. Any actuarial gains or losses are recognised 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.

### 3.8.5 Share based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised 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 recognised 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 recognised 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

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

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 recognised in profit or loss, except exchange differences arising from the translation of equity investments at fair value through OCI (FVOCI), which are recognised in OCI.

### 3.11 Lease

#### 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:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

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.

#### Transition to Ind AS 116

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method on the date of initial application. On 01 April 2019, the Company has recognized, a lease liability measured at present value of the remaining lease payments and Right-to-use (ROU) assets.

The Company has taken office premises under lease arrangements. The lease period for various

office premises taken under non-cancellable lease agreement vary with different lock-in-period.

### 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.

Minimum Alternative Tax (MAT) under the provisions of Income Tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as deferred tax assets only to the extent it is probable that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognized as deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### 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 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 Company's 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### Note 4a. Property, plant and equipment and Capital work-in-progress

Assets	Leasehold improvements	Right of Use assets	Office equipment	Electrical equipment	Computer hardware/equipment	Furniture and fixtures	Vehicles	Total	Capital work-in-progress
<b>Year ended 31 March 2020</b>									
<b>Gross Carrying amount</b>									
Opening gross carrying amount	260.99	1,130.33	71.74	131.48	440.12	65.95	185.24	2,285.84	35.00
Additions	-	1,239.10	16.69	-	375.83	2.63	106.33	1,740.58	2.55
Deductions/ adjustments	-	716.47	8.55	-	11.80	1.31	43.59	781.72	-
Transfers	-	-	-	-	-	-	-	-	35.00
<b>Closing gross carrying amount</b>	<b>260.99</b>	<b>1,652.96</b>	<b>79.89</b>	<b>131.48</b>	<b>804.15</b>	<b>67.27</b>	<b>247.98</b>	<b>3,244.71</b>	<b>2.55</b>
<b>Accumulated Depreciation</b>									
Opening accumulated depreciation	96.10	-	37.13	50.24	178.12	19.51	58.00	439.10	-
Depreciation charge during the year	98.47	321.75	16.39	36.73	133.06	20.99	48.45	675.84	-
Disposals/ adjustments	-	-	7.59	-	10.76	0.60	29.53	48.48	-
<b>Closing accumulated depreciation</b>	<b>194.57</b>	<b>321.75</b>	<b>45.93</b>	<b>86.97</b>	<b>300.42</b>	<b>39.90</b>	<b>76.92</b>	<b>1,066.46</b>	<b>-</b>
<b>Net carrying amount</b>	<b>66.42</b>	<b>1,331.21</b>	<b>33.95</b>	<b>44.51</b>	<b>503.73</b>	<b>27.37</b>	<b>171.06</b>	<b>2,178.25</b>	<b>2.55</b>

Assets	Leasehold improvements	Right of Use assets	Office equipment	Electrical Equipment	Computer hardware/equipment	Furniture and fixtures	Vehicles	Total	Capital work-in-progress
<b>Year ended 31 March 2019</b>									
<b>Gross Carrying amount</b>									
Opening gross carrying amount	260.99	-	65.99	133.79	365.25	65.03	150.08	1,041.13	28.77
Additions	-	-	18.23	0.02	143.05	0.92	57.13	219.35	52.21
Deductions/ adjustments	-	-	12.48	2.33	68.18	-	21.97	104.96	-
Transfers	-	-	-	-	-	-	-	-	45.98
<b>Closing gross carrying amount</b>	<b>260.99</b>	<b>-</b>	<b>71.74</b>	<b>131.48</b>	<b>440.12</b>	<b>65.95</b>	<b>185.24</b>	<b>1,155.52</b>	<b>35.00</b>
<b>Accumulated Depreciation</b>									
Opening accumulated depreciation	57.84	-	28.38	32.86	154.62	12.12	32.39	318.21	-
Depreciation charge during the year	38.26	-	16.41	19.71	88.50	7.39	36.15	206.42	-
Disposals/ adjustments	-	-	7.66	2.33	65.00	-	10.54	85.53	-
<b>Closing accumulated depreciation</b>	<b>96.10</b>	<b>-</b>	<b>37.13</b>	<b>50.24</b>	<b>178.12</b>	<b>19.51</b>	<b>58.00</b>	<b>439.10</b>	<b>-</b>
<b>Net carrying amount</b>	<b>164.89</b>	<b>-</b>	<b>34.61</b>	<b>81.24</b>	<b>262.00</b>	<b>46.44</b>	<b>127.24</b>	<b>716.42</b>	<b>35.00</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 4 b. Other intangible assets and intangibles under development

Assets	Computer Software	Software License	Total	Intangible assets under development
<b>Year ended 31 March 2020</b>				
<b>Gross Carrying amount</b>				
Opening gross carrying amount	725.45	11,543.00	12,268.45	89.90
Additions	145.41	-	145.41	89.94
Deductions/ Adjustments	-	-	-	-
Transfers	-	-	-	83.83
<b>Closing gross carrying amount</b>	<b>870.86</b>	<b>11,543.00</b>	<b>12,413.86</b>	<b>96.01</b>
<b>Amortisation</b>				
Opening accumulated amortisation	441.29	1,406.26	1,847.55	-
Amortisation charge during the year	74.92	773.48	848.40	-
Disposals/ Adjustments	-	-	-	-
<b>Closing accumulated amortisation</b>	<b>516.21</b>	<b>2,179.74</b>	<b>2,695.95</b>	<b>-</b>
<b>Net Carrying amount</b>	<b>354.65</b>	<b>9,363.26</b>	<b>9,717.91</b>	<b>96.01</b>

Assets	Computer Software	Software License	Total	Intangible assets under development
<b>Year ended 31 March 2019</b>				
<b>Gross Carrying amount</b>				
Opening gross carrying amount	645.67	11,543.00	12,188.67	24.27
Additions	80.87	-	80.87	141.63
Deductions/ Adjustments	1.09	-	1.09	-
Transfers	-	-	-	76.00
<b>Closing gross carrying amount</b>	<b>725.45</b>	<b>11,543.00</b>	<b>12,268.45</b>	<b>89.90</b>
<b>Amortisation</b>				
Opening accumulated amortisation	375.94	636.72	1,012.66	-
Amortisation charge during the year	66.44	769.54	835.98	-
Disposals/ Adjustments	1.09	-	1.09	-
<b>Closing accumulated amortisation</b>	<b>441.29</b>	<b>1,406.26</b>	<b>1,847.55</b>	<b>-</b>
<b>Net Carrying amount</b>	<b>284.16</b>	<b>10,136.74</b>	<b>10,420.90</b>	<b>89.90</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 5. Investment

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Non-current investments</b>		
<b>Investments in Equity of Subsidiary Company (Refer Note No. 5.1)</b>		
Equity Instruments (Unquoted ) at Cost	1,000.00	-
1,00,00,000 (31 March, 2019: Nil) Shares of Rs. 10 each fully Paid up in Subsidiary (Indian Gas Exchange Limited)		
<b>Investments measured at amortised cost</b>		
<b>Bonds (Quoted )</b>		
7.11% Tax Free Bonds Power Finance Corporation Ltd.		
5,134 (31 March, 2019: 5,134) units of face value of Rs. 1,000 each.	52.98	52.98
7.04% Tax Free Bonds Housing and Urban Development Corporation Ltd.		
15,058 (31 March, 2019: 15,058) units of face value of Rs. 1,000 each.	153.69	153.69
7.04% Tax Free Bonds Indian Railway Finance Corporation Ltd.		
11,757 (31 March, 2019: 11,757) units of face value of Rs. 1,000 each.	121.38	121.38
7.04% Tax Free Bonds National Bank for Agriculture and Rural Development		
10,020 (31 March, 2019: 10,020) units of face value of Rs. 1,000 each.	100.33	100.33
<b>Investments measured at fair value through profit and loss</b>		
<b>Market Linked Debentures (MLD) (quoted)</b>		
ECL Finance Ltd	-	1,574.84
Nil (31 March, 2019: 1,320) units of face value of Rs. 1,00,000 each.		
Aditya Birla Finance Ltd		
Nil (31 March, 2019: 49) units of face value of Rs. 10,00,000 each.	-	497.21
<b>Mutual funds (quoted)</b>		
HDFC FMP 1143D March 2018 (1) - Direct - Growth -Series -39*		
1,20,00,000 (31 March, 2019: 1,20,00,000) units of face value of Rs. 10 each.	1,417.23	1,298.45
Aditya Birla Sun Life Fixed Term Plan - Series PJ (1135 Days) -Direct Growth*		
1,20,00,000 (31 March, 2019: 1,20,00,000) units of face value of Rs. 10 each.	1,417.11	1,298.59
UTI-Fixed Term Income Fund Series XXVIII–XII (1154 Days) -Direct Growth Plan*		
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each.	1,180.73	1,081.87
ICICI Prudential Fixed Maturity Plan Series 82 - 1175 Days Plan Q Direct Plan Cumulative*		
1,00,00,000 (31 March, 2019: 1,00,00,000 ) units of face value of Rs. 10 each.	1,180.72	1,082.00
SBI Debt Fund Series - C - 12 (1122 Days) - Direct Growth*		
1,00,00,000 (31 March, 2019: 1,00,00,000 ) units of face value of Rs. 10 each.	1,156.78	1,077.18
IDFC Fixed Term Plan Series 142 Direct Plan -Growth (1139 Days)*		
1,00,00,000 (31 March, 2019: 1,00,00,000 ) units of face value of Rs. 10 each.	1,177.93	1,080.52
Nippon India Fixed Horizon Fund-XXXVIII-Series 07-Direct Growth Plan formerly known as Reliance Fixed Horizon Fund-XXXVIII-Series 07-Direct Growth Plan		
2,00,00,000 (31 March, 2019: 2,00,00,000) units of face value of Rs. 10 each.	2,296.76	2,126.88
SBI Debt Fund Series C-21 (1100 Days) - Direct Growth		
2,00,00,000 (31 March, 2019: 2,00,00,000) units of face value of Rs. 10 each.	2,292.10	2,124.28
IDFC Fixed Term Plan Series 161 -Direct Plan - Growth (1098 Days)		
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each.	1,158.71	1,060.86
HDFC FMP 1122 D August 2018 (1)-Direct - Growth - Series 42		

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 5. Investments (Contd..)

Particulars	As at 31 March 2020	As at 31 March 2019
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each. ICICI Prudential Fixed Maturity Plan Series 84 - 1101 Days Plan A-Direct Plan Cumulative	1,162.42	1,064.54
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each. ICICI Prudential Fixed Maturity Plan Series 83 - 1101 Days Plan Z-Direct Plan Cumulative	1,162.12	1,064.51
50,00,000 (31 March, 2019: 50,00,000) units of face value of Rs. 10 each. TATA Fixed Maturity Plan Series 55 Scheme I - Direct Plan - Growth	581.76	531.80
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each. HDFC FMP 1166D MAY 2017 (1) - Direct - Growth - Series-38	1,165.67	1,066.22
Nil (31 March, 2019: 2,00,000) units of face value of Rs. 10 each. HDFC FMP 1134D May 2018 (1) - Direct - Growth - Series-40	-	23.03
1,70,000 (31 March, 2019: 1,70,000) units of face value of Rs. 10 each. HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44	20.20	18.49
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each. Axis Fixed Term Plan - Series 102 (1133 Days) Direct Growth	1,114.83	1,013.71
50,00,000 (31 March, 2019: 50,00,000) units of face value of Rs. 10 each. HDFC FMP 1165D April 2017 (1) - Direct - Growth - Series-38	556.08	506.10
Nil (31 March, 2019: 1,30,000) units of face value of Rs. 10 each. HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44	-	14.90
14,50,000 (31 March, 2019: 14,50,000) units of face value of Rs. 10 each. HDFC FMP 1133D July 2018 (1) - Direct - Growth - Series 41	161.65	146.99
3,80,000 (31 March, 2019: 3,80,000) units of face value of Rs. 10 each.	43.76	40.52
<b>Total</b>	<b>20,674.94</b>	<b>20,221.87</b>
Aggregate value of quoted investments in bonds	428.38	428.38
Market value of quoted investments in bonds	471.39	430.90
Aggregate market value of quoted investments in mutual funds and MLD	19,246.56	19,793.49
Aggregate value of unquoted investments	1,000.00	-
5.1 The Company has elected for account for investment in subsidiary at cost in accordance with Ind AS 27		
*Investments includes Rs. 6,400 (cost) [(31 March 2019: Rs. 6,400) (cost)] under lien with banks for overdraft facilities.		



## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 6. Loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
<b>Unsecured, considered good, unless otherwise stated</b>				
Security deposits	46.08	206.88	170.88	1.74
Loans and advances to employees	-	0.43	-	1.50
<b>Total</b>	<b>46.08</b>	<b>207.31</b>	<b>170.88</b>	<b>3.24</b>

### 7. Other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
<b>Unsecured, considered good, unless otherwise stated</b>				
Bank deposits due for maturity after twelve months from the reporting date (refer note 13A)	202.50	-	-	-
Other recoverable	-	4.12	-	-
Other advances	-	29.45	-	13.12
<b>Total</b>	<b>202.50</b>	<b>33.57</b>	<b>-</b>	<b>13.12</b>

### 8. Deferred tax assets/ (Deferred tax liabilities) (net)

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Deferred tax assets rising on timing differences on account of:</b>		
Provisions for employee benefits	132.44	140.06
Fair valuation of financial assets/ liabilities	41.13	4.05
<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.	(1,732.80)	(2,114.08)
Investments at fair value through profit or loss	(882.34)	(471.31)
<b>Total</b>	<b>(2,441.57)</b>	<b>(2,441.28)</b>

### Movement in deferred tax assets/(liabilities)

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)	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	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

(All amounts in Rupees lakhs, unless otherwise stated)

### 8. Deferred tax assets/ (Deferred tax liabilities) (net) (Contd..)

As at 31 March 2019

Particulars	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2019
<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.	(1,410.17)	(703.91)	-	(2,114.08)
Investments at fair value through profit or loss	(151.54)	(319.77)	-	(471.31)
<b>Less: Deferred tax assets</b>				
Provisions for employee benefits	90.89	43.30	5.87	140.06
Fair valuation of financial assets/ liabilities (including impact on Right of Use and Lease liability)	3.31	0.74	-	4.05
<b>Deferred tax assets/(liabilities)</b>	<b>(1,467.51)</b>	<b>(979.64)</b>	<b>5.87</b>	<b>(2,441.28)</b>

### 9. Non-current tax assets (net) / Current tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current tax assets (net)	20.88	98.84
Current tax liabilities(net)	264.53	272.63

### 10. Other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Prepaid expenses	11.50	112.19	13.43	81.13
Balance with government authorities	-	50.40	-	30.43
Deferred rent	27.69	6.56	50.38	16.97
<b>Total</b>	<b>39.19</b>	<b>169.15</b>	<b>63.81</b>	<b>128.53</b>

### 11. Current investments

Particulars	As at 31 March 2020	As at 31 March 2019
<b>A) Investments measured at fair value through profit and loss</b>		
<b>Mutual funds Quoted</b>		
HDFC FMP 1132D February 2016 (1) - Direct - Growth -Series-35 Nil (31 March, 2019: 1,70,000) units of face value of Rs. 10 each.	-	21.69
HDFC FMP 1155D February 2016 (1) - Direct - Growth -Series-35 Nil (31 March, 2019: 1,60,000) units of face value of Rs. 10 each.	-	20.48
HDFC FMP 1183D January 2016 (1) - Direct - Growth -Series-35 Nil (31 March, 2019: 1,60,000) units of face value of Rs. 10 each.	-	20.55
HDFC FMP 1166D MAY 2017 (1) - Direct - Growth - Series-38 2,00,000 (31 March, 2019: Nil) units of face value of Rs. 10 each.	25.18	-
HDFC FMP 1165D April 2017 (1) - Direct - Growth - Series-38 1,30,000 (31 March, 2019: Nil ) units of face value of Rs. 10 each.	16.06	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 11. Current investments (Contd..)

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Market Linked Debentures (MLD) (quoted)</b>		
Aditya Birla Finance Ltd	538.07	-
49 (31 March, 2019: Nil) units of face value of Rs. 10,00,000 each.		
<b>Unquoted</b>		
IDFC Arbitrage Fund - Growth - (Direct Plan)	1,727.19	1,066.70
67,12,539.828 (31 March, 2019:44,24,857.077) units of face value of Rs. 10 each.		
Aditya Birla Sun Life Arbitrage Fund - Growth-Direct Plan	2,653.72	-
1,26,80,893.801 (31 March, 2019:Nil) units of face value of Rs. 10 each.		
ICICI Prudential Equity Arbitrage Fund - Direct Plan-Growth	2,652.15	532.42
98,29,284.978 (31 March, 2019:21,08,725.908) units of face value of Rs. 10 each.		
Kotak Equity Arbitrage Fund - Direct Plan-Growth	1,535.99	2,131.51
52,83,957.955 (31 March, 2019:78,35,586.706) units of face value of Rs. 10 each.		
Axis Arbitrage Fund - Direct Growth	2,101.25	-
1,41,42,138.304 (31 March, 2019:Nil) units of face value of Rs. 10 each.		
HDFC Money Market Fund - Direct Plan - Growth Option	1,006.57	-
23,853.263 (31 March, 2019:Nil) units of face value of Rs. 1000 each.		
Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan	1,006.13	-
3,71,373.491 (31 March, 2019:Nil) units of face value of Rs. 100 each.		
Aditya Birla Sun Life Floating Rate Fund - Growth-Direct Plan	2,211.03	-
8,76,364.154 (31 March, 2019:Nil) units of face value of Rs. 100 each.		
ICICI Prudential Liquid Fund-Direct Growth	1,304.12	-
4,43,909.551 (31 March, 2019:Nil) units of face value of Rs. 100 each.		
Axis Liquid Fund -Direct Growth- CFDG	2,104.82	2,240.83
95,485.266 (31 March, 2019: 1,08,068.728) units of face value of Rs. 1,000 each.		
Aditya Birla Sun Life Savings Fund - Growth-Direct Plan	3,030.60	2,810.80
7,56,083.591 (31 March, 2019: 7,56,083.591) units of face value of Rs. 100 each.		
Axis Treasury Advantage Fund - Direct Growth	2,212.97	-
95,175.396 (31 March, 2019: Nil) units of face value of Rs. 1000 each.		
Axis Banking & PSU Debt Fund - Direct Growth	1,206.14	-
62,140.321 (31 March, 2019: Nil) units of face value of Rs. 1000 each.		
ICICI Prudential Savings Fund - Direct Plan - Growth (formerly ICICI Prudential Mutual Fund- Flexible Income Plan)	1,331.90	1,232.27
3,41,190.123 (31 March, 2019: 3,41,190.123) units of face value of Rs. 100 each.		
UTI Ultra Short Term Fund - Direct Growth Plan	1,147.53	1,113.21
35,467.516 (31 March, 2019: 35,467.516) units of face value of Rs. 1,000 each.		
UTI Liquid Cash Plan- Direct Growth Plan	-	4,313.82
Nil (31 March, 2019: 1,40,940.484) units of face value of Rs. 1,000 each.		
Kotak Liquid Direct Plan Growth	1,800.69	4,503.72
44,850.522 (31 March, 2019: 1,19,009.842) units of face value of Rs. 1000 each.		
SBI Liquid Fund- Direct Growth	337.62	1,457.51
10,859.366 (31 March, 2019: 49,768.813) units of face value of Rs. 1000 each.		
Tata Liquid Fund Direct Plan - Growth (formerly Tata money market fund)	251.56	4,406.69
8,032.003 (31 March, 2019: 1,49,661.563) units of face value of Rs. 1000 each.		

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 11. Current investments (Contd..)

Particulars	As at 31 March 2020	As at 31 March 2019
IDBI Liquid Fund- Direct Plan - Growth Nil (31 March, 2019: 52,891.265) units of face value of Rs. 1000 each.	-	1,059.41
HDFC Arbitrage Fund - Wholesale Plan - Growth - Direct Plan 27,97,726.326 (31 March, 2019: Nil) units of face value of Rs. 10 each.	416.44	-
HDFC Liquid Fund- Direct Plan - Growth Option 1,545.956 (31 March, 2019: 8,479.628) units of face value of Rs. 1000 each.	60.39	311.91
<b>Total</b>	<b>30,678.12</b>	<b>27,243.52</b>
Aggregate market value of quoted investments	579.31	62.72
Aggregate value of unquoted investments	30,098.81	27,180.80

### 12. Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
Trade receivables		
Secured, considered good	18.54	4,588.65
<b>Total</b>	<b>18.54</b>	<b>4,588.65</b>

### 13. Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks		
- in current accounts	389.12	3,336.07
- in settlement accounts	858.53	1,745.44
<b>Total</b>	<b>1,247.65</b>	<b>5,081.51</b>

### 13A. Other Bank balance

Particulars	As at 31 March 2020	As at 31 March 2019
Bank deposits having maturity of more than three months but less than twelve months from the reporting date*	1,460.79	1,673.71
<b>In earmarked accounts</b>		
-Current Accounts (unpaid dividend)#	17.45	6.31
<b>Total</b>	<b>1,478.24</b>	<b>1,680.02</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"	1,460.79	1,673.71
Fixed Deposits due to mature after 12 months of reporting date included under "Other financial assets"	202.50	-
<b>Total</b>	<b>1,663.29</b>	<b>1,673.71</b>

\*Bank deposits includes Rs. 200 (31 March 2019: Rs. 400) under lien with banks for overdraft facilities.

#The above mentioned bank balances are restricted bank balances which are to be used for specified purposes.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 14 Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Authorised equity share capital *</b>		
40,25,00,000 Equity shares of face value of Rs.1 each (31 March 2019: 40,25,00,000 Equity shares of face value of Rs.1 each )	4,025.00	4,025.00
	4,025.00	4,025.00
<b>Issued, subscribed and fully paid up equity share capital *</b>		
30,32,86,240 Equity shares of face value of Rs.1 each (31 March 2019: 30,32,86,240 Equity shares of face value of Rs.1 each )	3,032.86	3,032.86
Less: 12,31,570 Equity shares of face value of Rs 1 each (31 March 2019: 13,67,220 Equity shares of face value of Rs 1 each) held by IEX ESOP Trust	(12.32)	(13.67)
Less: 37,29,729 Equity shares of face value of Rs 1 each extinguished due to buyback	(37.30)	-
	<b>2,983.24</b>	<b>3,019.19</b>

\* Refer to Note 14 (a)

- a) 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 Rs. 1 each, thereby keeping the paid share capital intact. The record date for the said corporate action was 22 October 2018.

- b) Movements in equity share capital outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
Outstanding at the beginning of the year (31 March 2019: Rs. 1 each, 31 March 2018 : Rs. 10 each)	30,19,19,020	3,019.19	3,01,59,992	3,016.00
Add : Increase due to sub-division of equity shares (Refer to Note 14 (a))	-	-	27,14,39,928	-
Add: Option vested and exercised during the year (refer note 14 (g))	1,35,650	1.35	3,19,100	3.19
Less: 37,29,729 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 (31 March 2020: Rs. 1 each, 31 March 2019 : Rs. 1 each)</b>	<b>29,83,24,941</b>	<b>2,983.24</b>	<b>30,19,19,020</b>	<b>3,019.19</b>

- c) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity share. The par value of the shares issued was 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 11 March 2020. The same has been paid before the year-end.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 14 Equity share capital (Contd..)

d) Details of shareholders holding more than 5% shares in the Company:

Particulars	31 March 2020		31 March 2019	
	No. of shares	% holding	No. of shares	% holding
<b>Equity shares of Rs. 1 each, fully paid up held by:</b>				
TVS Shriram Growth Fund 1B LLP	3,00,03,351	10.02	4,54,92,930	15.00
Dalmia Power Limited	3,00,03,361	10.02	3,03,28,630	10.00

e) 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 4 years immediately preceding the reporting date. However, the Company has on 10 April 2019 completed the buyback of 37,29,729 fully paid-up equity shares of Rs.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. The buyback was carried out through the 'Tender Offer' route as prescribed under the Buyback Regulations which was approved through the Postal Ballot on 29 January 2019.

f) Employee stock options

Terms attached to stock options granted to employees are described in Note 38 regarding employee share based payments issued under the Employee Stock Option Scheme 2010.

During the year ended 31 March 2020, 1,35,650 options (each option entitle the holder to get one equity share of Rs. 1 each) were exercised

g) from the options granted earlier, by the employees. Further during the year 1,00,000 ESOPs (each option entitle the holder to get one equity share of Rs. 1each) were granted to the employees of the Company.

### 15. Other equity

Particulars	As at 31 March 2020	As at 31 March 2019
Securities premium account	-	3,196.94
General reserves	-	3,018.72
Employee stock options outstanding account	92.42	44.72
Retained earnings	35,116.24	27,114.31
ESOP trust reserve	786.78	633.02
Capital redemption reserve	37.30	-
<b>Total</b>	<b>36,031.74</b>	<b>34,007.71</b>
	<b>For the year ended 31 March 2020</b>	<b>For the year ended 31 March 2019</b>
<b>(a) Securities premium account</b>		
Opening balance	3,196.94	3,196.94
Less: Utilised during the year for buyback	(3,196.94)	-
<b>Closing balance</b>	<b>-</b>	<b>3,196.94</b>
<b>(b) General reserve</b>		
Opening balance	3,018.72	3,018.72
Less: Utilised during the year for buyback	(3,018.72)	-
<b>Closing balance</b>	<b>-</b>	<b>3,018.72</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 15. Other equity (Contd..)

	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>(c) Employee stock options outstanding account</b>		
Opening balance	44.72	19.62
Add: employee stock option expense (refer note 38)	46.70	25.10
<b>Closing balance</b>	<b>92.42</b>	<b>44.72</b>
<b>(d) Retained earnings</b>		
Opening balance	27,114.31	18,698.22
Add: Profit for the year	17,791.61	16,503.67
Add: Re-measurement gain/(loss) on defined benefit obligations (net of tax) (Refer note 28)	(40.12)	(14.27)
Less: Final equity dividend paid (Refer note 15 (g)) *	-	(6,672.30)
Dividend distribution tax paid on equity dividend	-	(1,371.51)
Interim dividend on Equity Shares (Refer note 15 (g)) *	(7,488.91)	-
Interim dividend distribution tax paid on equity dividend	(1,539.72)	-
Transfer to ESOP trust reserve	(36.59)	(29.50)
Utilised during the year for buyback	(647.04)	-
Adjustment on account of transfer to capital redemption reserve	(37.30)	-
<b>Closing balance</b>	<b>35,116.24</b>	<b>27,114.31</b>
* includes dividend paid on shares held by ESOP trust		
<b>(e) ESOP Trust reserve</b>		
Opening balance	633.02	422.89
Add: Addition during the year	36.59	29.50
Add: Profit earned on sale of shares to employees by ESOP Trust	88.38	148.64
Add: Dividend on shares held by the ESOP Trust from retained earnings	28.79	31.99
<b>Closing balance</b>	<b>786.78</b>	<b>633.02</b>
<b>(f) Capital redemption reserve</b>		
Opening balance	-	-
Add: Adjustment on account of buyback of equity shares	37.30	-
<b>Closing balance</b>	<b>37.30</b>	<b>-</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 40 for further details of this plans.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 15. Other equity (Contd..)

#### 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. 37

#### (g) Following dividend has been declared and paid by the Company

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>(i) Equity shares</b>		
Final dividend for the year ended 31 March 2019 of Rs. Nil (31 March 2018 is Rs. 2.20 per share)	-	6,672.30
Interim Dividend for the year ended 31 March 2020 of Rs. 2.50 (31 March 2019 is Rs. Nil per share)	7,488.91	-

### 16. Other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Deposits towards settlement guarantee fund	171.50	11,517.93	158.59	13,288.14
Deposit from employees	20.07	1.39	13.01	5.64
Creditors for capital goods	-	117.55	-	1.67
Unpaid dividends	-	17.45	-	6.31
Other liabilities	-	70.01	-	0.01
Employee related payables	-	396.05	-	453.90
Deposit from clearing and settlement bankers	-	1,600.00	-	1,600.00
Lease liability	1,169.62	221.34	-	-
<b>Total</b>	<b>1,361.19</b>	<b>13,941.72</b>	<b>171.60</b>	<b>15,355.67</b>

### 17. Provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Provision for employee benefits (Refer Note 28)				
Gratuity	317.88	2.94	214.78	19.66
Compensated absences	253.00	5.99	150.45	16.08
<b>Total</b>	<b>570.88</b>	<b>8.93</b>	<b>365.23</b>	<b>35.74</b>



## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 18. Other liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Deferred income settlement guarantee fund	17.57	21.56	16.90	17.99
Unamortised subscription fee income	-	918.78	-	878.43
Other advances	-	142.83	-	13.30
Statutory dues payables	-	551.11	-	577.91
<b>Total</b>	<b>17.57</b>	<b>1,634.28</b>	<b>16.90</b>	<b>1,487.63</b>

### 19. Trade Payables

Particulars	As at 31 March 2020	As at 31 March 2019
Due to micro and small enterprises *	-	-
Due to others	7,555.24	12,288.71
Liability towards congestion revenue	-	1,093.92
<b>Total</b>	<b>7,555.24</b>	<b>13,382.63</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 2020 and 31 March 2019.

### 20. Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Sale of services</b>		
Transaction fees	23,833.42	23,452.12
Annual subscription fees	1,810.81	1,864.42
Admission, processing and transfer fees	37.00	71.50
	<b>25,681.23</b>	<b>25,388.04</b>
<b>Other operating revenues</b>		
Amortisation of deferred settlement guarantee fund	21.88	19.64
<b>Total</b>	<b>25,703.11</b>	<b>25,407.68</b>

### 21. Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income from bank deposits	124.26	268.34
Interest income from financial assets at amortised cost (security deposits)	33.06	14.99
Other interest income	29.58	29.58
Net gain on sale of investments	1,256.60	1,693.80
Fair value gain on investments	2,490.58	1,933.09
Miscellaneous income	78.03	68.38
<b>Total</b>	<b>4,012.11</b>	<b>4,008.18</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 22. Employee benefits expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus	2,805.67	2,184.12
Contribution to provident funds	96.02	72.52
Gratuity	85.67	53.43
Compensated absences	112.27	58.43
Employee stock options expense (refer to note no 38)	46.70	25.10
Staff welfare expense	106.24	89.59
<b>Total</b>	<b>3,252.57</b>	<b>2,483.19</b>

### 23. Finance Costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	21.02	18.87
Interest		
- on bank overdraft	3.78	3.70
- on members security guarantee fund	80.18	50.85
- on lease liability	51.57	-
- on others	0.01	-
<b>Total</b>	<b>156.56</b>	<b>73.42</b>

### 24. Depreciation and amortisation

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation of property, plant and equipment	675.84	206.42
Amortisation of intangible assets	848.40	835.99
<b>Total</b>	<b>1,524.24</b>	<b>1,042.41</b>

### 25. Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Rent	102.90	355.87
Technology	322.17	269.29
Business promotion/ development	117.09	90.08
Training and coaching	21.91	88.29
Legal and professional *	367.62	854.37
Travelling and conveyance	154.19	119.99
Advertisement	68.01	29.17
Insurance	10.82	10.16
Communication	82.01	71.22
CERC regulatory fee	53.00	57.00
Printing and stationery	19.95	27.58
Directors sitting fees	52.80	37.50
Repairs and maintenance - building	85.02	86.31
Repairs and maintenance - others	17.88	11.82
Electricity	50.29	46.32
Loss on sale of property, plant and equipment ('PPE')/PPE written off	1.85	7.14
Contribution towards corporate social responsibility	389.04	348.53
Miscellaneous	86.67	131.70
<b>Total</b>	<b>2,003.22</b>	<b>2,642.34</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>a) Details in respect of payment to auditors:</b>		
* Include payment to auditors as follows :		
-Audit fee	18.00	18.00
-Other services	16.50	16.50
-Reimbursement of expenses	3.88	2.85
<b>Total</b>	<b>38.38</b>	<b>37.35</b>

### 26. 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. It also explains significant estimates made in relation to the company's tax positions.

#### i) Income tax recognised in Statement of Profit and Loss

	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Current tax expense</b>		
Current tax	4,957.95	5,727.69
Current tax for earlier years	15.30	(36.50)
<b>Total current tax expense</b>	<b>4,973.25</b>	<b>5,691.19</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	13.77	979.64
	13.77	979.64
<b>Total income tax expense</b>	<b>4,987.02</b>	<b>6,670.83</b>

#### ii) Income tax recognised in other comprehensive income

	31 March 2020			31 March 2019		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Remeasurement of defined benefit plans	(53.61)	13.49	(40.12)	(20.14)	5.87	(14.27)
	(53.61)	13.49	(40.12)	(20.14)	5.87	(14.27)

#### iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	31 March 2020	31 March 2019
Profit before income tax expense	22,778.63	23,174.50
Enacted tax rates in India	25.17%	29.12%
Computed expected tax (expenses)/credit	5,733.38	6,748.41
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible tax expenses	109.67	51.09
Tax-exempt income	(7.44)	(8.61)
Deferred Tax - Opening	(588.86)	-
Others	(259.73)	(120.06)
<b>Income tax expense</b>	<b>4,987.02</b>	<b>6,670.83</b>

### 27. 'Earnings per Share (' EPS ')

#### (a) Basic and diluted earnings per share (in Rs.)

	31 March 2020	31 March 2019
Basic earnings per share	5.96	5.47
Diluted earnings per share	5.96	5.46
Nominal value per share	1.00	1.00

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 27. Earnings per Share ('EPS') (Contd..)

#### (b) Profit attributable to equity shareholders (used as numerator)

	31 March 2020	31 March 2019
Profit attributable to equity holders	17,791.61	16,503.67

#### (c) Weighted average number of equity shares (used as denominator) (in Nos.)

	31 March 2020	31 March 2019
Opening balance of issued equity shares	30,19,19,020	30,15,99,920
Weighted average number of equity shares outstanding at the end of year for calculation of Basic earnings per share	29,83,33,735	30,17,05,690
Add: Number of potential equity shares in respect of stock option	63,817	2,92,703
Weighted average number of equity shares for calculation of diluted earnings per share	29,83,97,552	30,19,98,393

### 28. 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. 96.02 (31 March 2019 Rs. 72.52) .

#### (ii) Defined benefit plans:

##### A. 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:

	As at 31 March 2020	As at 31 March 2019
<b>a) Net defined benefit liability:</b>		
Gratuity (unfunded)	320.82	234.44
	<b>320.82</b>	<b>234.44</b>
<b>b) Classification of defined benefit liability in current and non-current:</b>		
Non-current	317.88	214.78
Current	2.94	19.66
<b>c) Reconciliation of present value of defined benefit obligation:</b>		
	Defined benefit obligation	
	31 March 2020	31 March 2019
Balance at the beginning of the year	234.44	168.08
Benefits paid	(52.90)	(7.21)
Current service cost	67.71	40.47
Interest cost	17.96	12.96
Actuarial (gain)/ loss recognised in other comprehensive income		
-Demographic assumptions	-	-
-Financial assumptions	71.87	27.18
-Experience adjustment	(18.26)	(7.04)
<b>Balance at the end of the year</b>	<b>320.82</b>	<b>234.44</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 28. Employee benefits (Contd..)

d) Expense recognised in profit or loss:		
	31 March 2020	31 March 2019
Current service cost	67.71	40.47
Interest Cost	17.96	12.96
	85.67	53.43

e) Remeasurement recognised in other comprehensive income:		
	31 March 2020	31 March 2019
Actuarial (gain)/ loss on defined benefit obligation	53.61	20.14
	53.61	20.14

### f) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	31 March 2020	31 March 2019
Discount rate	6.82%	7.66%
Salary escalation rate	10.00%	9.00%
Retirement age (years)	60	60
Mortality rates inclusive of provision for disability	IALM(2012-14)	IALM(2006-08)
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.

	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(23.32)	25.78	(13.88)	15.27
Salary escalation rate (0.5% movement)	24.87	(22.78)	15.00	(13.78)

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 not calculated.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior years.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 28. Employee benefits (Contd..)

#### 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

	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at 31 March 2020	2.94	4.89	49.90	263.08	320.81
As at 31 March 2019	19.66	3.37	10.86	200.55	234.44

Expected contributions to post-employment benefit plans for the year ending 31 March 2020 are Rs. 114.33 (31 March 2019: Rs. 64.30).

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.93 years (31 March 2019: 19.77 years).

##### (iii) Other long term employee benefit plans

Other long term employee benefit plans comprises of compensated absences.

The Company operates compensated absences plan (earned leaves), where in every employee is entitled to the benefit equivalent to 21 days salary for every completed year of service which is subject to maximum of 60 days accumulation of leaves. The same is payable during early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

The Company also recognises sick leave provision, where in every employee is entitled to the benefit equivalent to 10 days salary for every completed year of service which is subject to maximum of 60 days accumulation of leaves. The salary for calculation of earned leave & sick leaves are last drawn basic salary.

The amount of the provision of Rs. 6.00 (31 March 2019: Rs. 16.08) is presented as current liability and Rs 253 (31 March 2019 : Rs.150.45) is presented as non current liability as per the actuarial report.

### 29. Leases

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning 1 April 2019 and applied the standard to its leases and has adopted modified retrospective approach in accordance with the standard, with the cumulative effect of initially applying the Standard, recognized on the date of initial application (1 April 2019). Accordingly, the Company has not restated comparative information.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

The Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on April 1, 2019 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset of Rs. 1,130 and a lease liability of Rs. 1,067. During the quarter ended 31 December 2019, management based on its future plan re-estimated the lease terms for certain premises and has adjusted the resultant impact thereof in these financial statements.

The weighted average incremental borrowing rate of 10% has been applied to lease liabilities recognized in the balance sheet at the date of initial application. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right of use asset, and finance cost for interest accrued on lease liability.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 30. Contingent liabilities and commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 56.61 (previous year Rs. 65.40).

### 31. Provisions and contingent liabilities

- 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. The total provision in the financial statements in respect of these cases is Rs. 37 (previous year: Rs. 22). Further, the Company has created an additional provision of Rs. 44 (previous year: Rs. 43) in respect of certain other assessment years where there is presently no litigation. 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 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.
- During the previous year, 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.
- 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.

### 32. Corporate social responsibility

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 2020

- Gross amount required to be spent by the Company during the year was Rs. 387.30
- Amount spent 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>

#### 31 March 2019

- Gross amount required to be spent by the Company during the year was Rs. 343.55
- Amount spent during the year on

Particulars	In cash	Yet to be paid	Total
Construction/acquisition of any assets	-	-	-
On purpose other than (i) above	348.53	-	348.53
<b>Total</b>	<b>348.53</b>	<b>-</b>	<b>348.53</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 33. 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 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
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>						
Investments						
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	-	-	-
Other Bank balances*	-	1,478.24	1,478.24	-	-	-
Other financial assets-others recoverable*	-	33.57	33.57	-	-	-
	<b>49,924.68</b>	<b>4,662.27</b>	<b>54,586.95</b>	<b>-</b>	<b>49,924.69</b>	<b>1,474.46</b>
<b>Financial liabilities</b>						
<b>Non-current</b>						
Other financial liabilities						
-Settlement guarantee fund #	-	171.50	171.50	-	-	171.50
-Deposits from employees	-	20.07	20.07	-	-	20.07
-Lease liability	1,169.62	-	1,169.62	-	-	1,169.62
<b>Current</b>						
Trade payables*	-	7,555.24	7,555.24	-	-	-
Other financial liabilities						
-Settlement guarantee fund #	-	11,517.93	11,517.93	-	-	11,517.93
-Others (excluding settlement guarantee fund)*	-	2,423.79	2,423.79	-	-	-
	<b>1,169.62</b>	<b>21,688.53</b>	<b>22,858.15</b>	<b>-</b>	<b>-</b>	<b>12,879.12</b>



## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 33. Fair Value Measurements (Contd..)

As at 31 March 2019

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	2,072.05	-	2,072.05	-	2,072.05	-
Loans (security deposits)#	17,721.44	-	17,721.44	-	17,721.44	-
Bank deposits*	-	170.88	170.88	-	-	170.88
<b>Current</b>						
Investments						
- Mutual funds	27,243.52	-	27,243.52	-	27,243.52	-
Trade receivables*	-	4,588.65	4,588.65	-	-	-
Loans (current security deposit and advances to employees)*	-	3.24	3.24	-	-	-
Cash and cash equivalents*	-	5,081.51	5,081.51	-	-	-
Bank balances other than cash and cash equivalent*	-	1,680.02	1,680.02	-	-	-
Other financial assets-others recoverable*	-	13.12	13.12	-	-	-
	47,037.01	11,965.80	59,002.81	-	47,037.01	599.26
<b>Financial liabilities</b>						
<b>Non-current</b>						
Other financial liabilities						
-Settlement guarantee fund #	-	158.59	158.59	-	-	158.59
-Deposits from employees	-	13.01	13.01	-	-	-
<b>Current</b>						
Trade payables*	-	13,382.63	13,382.63	-	-	-
Other financial liabilities						
- Settlement guarantee fund #	-	13,288.14	13,288.14	-	-	13,288.14
-Others (excluding settlement guarantee fund)*	-	2,067.53	2,067.53	-	-	-
	-	28,909.90	28,909.90	-	-	13,446.73

\*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:

- the use of quoted market prices for quoted mutual funds and market linked debentures
- the use of NAV for unquoted mutual funds
- the fair value of the remaining financial instruments are discounted at appropriate discounting rate

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 34. 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 risks on cash and cash equivalents and bank deposits is limited as the Company 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 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.

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 2020	31 March 2019
<b>Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b>		
Investments (Non current and current)	51,353.06	47,465.39
Non-current loans	46.08	170.88
Other non-current financial assets - bank deposits	202.50	-
Cash and cash equivalents	1,247.65	5,081.51
Other Bank balance	1,478.24	1,680.02
Current loans	207.31	3.24
Other current financial assets - other recoverable	33.57	13.12
	<b>54,568.41</b>	<b>54,414.16</b>
<b>Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)</b>		
Trade receivables	18.54	4,588.65

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 34. Financial Risk Management (Contd..)

#### (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 2020	-	13.80	-	-	-	4.74	18.54
Gross carrying amount as 31 March 2019	-	4,583.23	-	-	-	5.42	4,588.65

#### 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 2020	31 March 2019
<b>Floating-rate borrowings</b>		
Overdraft facilities from banks*	5,180.00	5,360.00
<b>Total</b>	<b>5,180.00</b>	<b>5,360.00</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 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

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 34. Financial Risk Management (Contd..)

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	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>22,858.15</b>	<b>21,277.65</b>	<b>353.02</b>	<b>378.51</b>	<b>1,055.53</b>	<b>271.44</b>	<b>23,336.15</b>

#### 31 March 2019

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	13,382.63	13,382.63	-	-	-	-	13,382.63
Deposits towards settlement guarantee fund- Non current	158.59	-	-	92.50	100.00	-	192.50
Deposits towards settlement guarantee fund- Current	13,288.14	13,240.16	50.00	-	-	-	13,290.16
Deposit from employees- Non Current	13.01	-	-	-	13.01	-	13.01
Deposit from employees- Current	5.64	4.25	1.39	-	-	-	5.64
Employee related payables	453.90	453.90	-	-	-	-	453.90
Deposit from clearing and settlement bankers	1,600.00	1,600.00	-	-	-	-	1,600.00
Creditors for capital goods	1.67	1.67	-	-	-	-	1.67
Advance from customers	-	-	-	-	-	-	-
Unpaid dividend	6.31	6.31	-	-	-	-	6.31
Other liabilities	0.01	0.01	-	-	-	-	0.01
	<b>28,909.90</b>	<b>28,688.93</b>	<b>51.39</b>	<b>92.50</b>	<b>113.01</b>	<b>-</b>	<b>28,945.83</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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 34. Financial Risk Management (Contd..)

#### 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 2020	31 March 2019
<b>Financial Assets</b>		
Investments in bonds	428.38	428.38
Bank deposits	1,663.29	1,673.71
	<b>2,091.67</b>	<b>2,102.09</b>

#### 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.

### 35. 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, Instruments entirely equity in nature and other equity comprises securities premium, retained earnings etc.

Particulars	As at 31 March 2020	As at 31 March 2019
Adjusted net debt	27,795.91	33,529.31
Less : Cash and cash equivalent and Other bank balance	2,928.39	6,761.53
<b>Adjusted net debt (A)</b>	<b>24,867.52</b>	<b>26,767.78</b>
<b>Adjusted equity (B)</b>	<b>39,014.98</b>	<b>37,026.90</b>
<b>Adjusted net debt to adjusted equity ratio (A/B)</b>	<b>63.74%</b>	<b>72.29%</b>

### 36. 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.

### 37. Related Party Disclosures

#### a) List of Related parties:

##### i) Key Managerial Personnel (KMP):

Name	Relationship
Rajiv Srivastava (till 20.07.2019)	Whole Time Director
Rajiv Srivastava (w.e.f. 21.07.2019)	Managing director & CEO
Satyanarayan Goel (till 20.07.2019)	Managing director & CEO
Satyanarayan Goel (w.e.f. 21.07.2019)	Non-executive director
Dinesh Kumar Mehrotra	Independent director
Tejpreet Singh Chopra	Independent director
Sudha Pillai (w.e.f. 26.04.2019)	Independent director
Kayyalathu Thomas Chacko	Independent director
Ajeet Kumar Agarwal (REC representative )	Non-executive director (Nominee)

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### ii) Wholly Owned Subsidiary Company

Indian Gas Exchange Limited	Wholly Owned Subsidiary Company
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#### b) Transactions with the related parties are as follows:

Transactions during the year	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>i. Compensation to Key managerial personnel ( S.N. Goel) - MD &amp; CEO</b>		
Salary, wages and bonus	71.92	236.77
Gratuity and leave encashment	27.36	-
Share based payment	-	1.54
Perquisites	0.13	-
<b>Compensation to Key managerial personnel ( S.N. Goel) - Non-executive director</b>		
Commission (including provision of Rs. 70 lakh towards variable commission)	125.32	-
Sitting fees	12.00	-
<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 #	317.88	-
Perquisites	0.30	-
<b>iii Sitting fees</b>		
Tejpreet Singh Chopra	6.30	-
Sudha Pillai	11.70	-
Dinesh Kumar Mehrotra	4.20	15.00
K.T.Chacko	17.70	17.10
Vallabh Bhanshali	-	2.70
Ajeet Kumar Agarwal (REC representative )	0.90	2.70
<b>iv Transaction with Subsidiary Company (Indian Gas Exchange Limited)</b>		
Investment in Equity shares	1,000.00	-
Reimbursement of revenue expenses	137.68	-
Reimbursement of capital expenses	21.37	-

# Does not include gratuity and compensated absences since these are determined for the Company as whole.

#### c) Outstanding balances with related parties are as follows:

Particulars	31 March 2020	31 March 2019
<b>Payable to key management personnel</b>		
Rajiv Srivastava	61.59	-
Satyanarayan Goel	91.87*	72.00
<b>Recoverable from Subsidiary Company</b>		
Indian Gas Exchange Limited	4.12	-

\* including provision of Rs. 70 lakh towards variable commission.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 38 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 6,06,572 number of equity shares of Rs. 10 each ( post sub division equivalent to 60,65,720 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 Rs. 1 each, thereby all the numbers have been reinstated. Out of total shares allotted to IEX ESOP Trust, ESOP Trust has granted 52,43,950 (net of 15,05,050 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: B85

S.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

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 38 Share based payment arrangements: (Contd..)

S.No	Grant Date	No. of Options	Exercise Price	Vesting Conditions	Vesting Period	Contractual period
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	5/08/2019**	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	2.12
24-Jun-14	Black Scholes option pricing model	5.89
17-Apr-17	Black Scholes option pricing model	Nil
19-Jun-17	Black Scholes option pricing model	7.53
16-Aug-17	Black Scholes option pricing model	8.37
<b>Pre-sub division</b>		
15-Nov-18	Black Scholes option pricing model	41.90
18-Dec-18	Black Scholes option pricing model	42.57
5-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**	159	160	24.25%	2.5 to 4.51 years	Based on dividend declared prior to the date of grant	7.45%
18/12/2018**	165	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%



## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 38 Share based payment arrangements: (Contd..)

\* 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 2020	For the year ended 31 March 2019
Employee stock option expenses	46.70	25.10
<b>Total</b>	<b>46.70</b>	<b>25.10</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 2020**		31 March 2019**	
	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	3,18,900	75.00	6,41,000	75.00
	1,00,000	160.00	1,12,500	15.00
	50,000	166.00	-	-
<b>Exercisable at the beginning of the year</b>	-	-	-	-
Add: Options granted during the year			1,00,000	160.00
	1,00,000	142.00	50,000	166.00
Less: Options forfeited and expired during the year	23,450	75.00	1,15,500	75.00
Less: Options vested and exercised during the year	1,35,650	75.00	1,12,500	15.00
			2,06,600	75.00
Options outstanding as at the year end	1,49,900	75.00	3,18,900	75.00
	70,000	160.00	1,00,000	160.00
	35,000	166.00	50,000	166.00
	1,00,000	142.00	-	-
Exercisable at the end of the year	9,900	75.00		
	30,000	160.00		
	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 2020 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 2019: 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 2.67 years (31 March 2019: 3.05 years).

The weighted average share price at the date of exercise for share options exercised in 2019-20 was Rs. 75 for 1,35,650 shares of Rs. 1 each (2018-19: Rs. 53.85 for 3,19,100 shares of Rs. 1 each).

## NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

39. 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. 11,689.42 (previous year Rs. 13,446.73) and same has been disclosed under note 16 - Other current financial liabilities i.e. Rs. 11,517.93 (previous year Rs. 13,288.14) under Deposits towards Settlement Guarantee Fund and note 16 - Other non current financial liabilities - Deposits towards Settlement Guarantee Fund i.e. Rs. 171.50 (previous year Rs. 158.59). 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. 905.00 (previous year Rs. 755.00) which does not form part of the Balance Sheet.
40. 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/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

UDIN: 20506777AAAAAU2723

Place : New Delhi

Date : 14 May 2020

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

Sd/-

**S. N. Goel**

Chairman

DIN-02294069

Sd/-

**Vineet Harlalka**

Chief Financial Officer & Company Secretary

Place : Noida

Date : 14 May 2020

Sd/-

**Rajiv Srivastava**

Managing Director & CEO

DIN-03568897

# Consolidated Financial Statements

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Indian Energy Exchange Limited

### Report on the Audit of the 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 2020, 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 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 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended.

#### Description of Key Audit Matter

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 20 to the Consolidated Financial Statements

Key audit matter	How the matter was addressed in our audit
<p>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.</p> <p>The 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 byelaws of the 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>

#### 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, its associates, joint ventures and joint operations 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 along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, 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.

## INDEPENDENT AUDITOR'S 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 auditor's report thereon. The Holding Company's annual report is expected to be made available to us 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 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' 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 including its associates and joint ventures and joint operations 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 and of its associates and joint ventures and joint operations 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

## INDEPENDENT AUDITOR'S REPORT

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 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 and its subsidiary company as on 31 March 2020 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 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - 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:

## INDEPENDENT AUDITOR'S REPORT

- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group. Refer Note 31 to the consolidated financial statements.
- b. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company during the year ended 31 March 2020.
- d. 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 financial statements since they do not pertain to the financial year ended 31 March 2020.
- 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/-  
**Ashwin Bakshi**  
Partner  
Membership No. 506777  
UDIN: 20506777AAAAAX8808

Place: New Delhi  
Date: 14 May 2020

## INDEPENDENT AUDITOR'S REPORT

### Annexure A to the Independent Auditor's report on the consolidated financial statements Indian Energy Exchange Limited for the year ended 31 March 2020

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 2020, 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 are its subsidiary company, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are 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 2020, 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 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

## INDEPENDENT AUDITOR'S REPORT

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 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.

Place: New Delhi  
Date: 14 May 2020

### **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/-  
**Ashwin Bakshi**  
Partner  
Membership No. 506777  
UDIN: 20506777AAAAAX8808



## CONSOLIDATED BALANCE SHEET

As at 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	4 a	2,180.37	716.42
Capital work-in progress	4 a	2.55	35.00
Other intangible assets	4 b	9,717.91	10,420.90
Intangible assets under development	4 b	380.64	89.90
Financial Assets			
Investments	5	19,674.94	20,221.87
Loans	6	46.08	170.88
Other financial assets- bank deposits	7	202.50	-
Non-current tax assets (net)	9	21.16	98.84
Other non-current assets	10	39.19	63.81
<b>Total non-current assets</b>		<b>32,265.34</b>	<b>31,817.62</b>
Current assets			
Financial assets			
Investments	11	31,182.12	27,243.52
Trade receivables	12	18.54	4,588.65
Cash and cash equivalent	13	1,285.88	5,081.51
Other Bank balance	13A.	1,478.24	1,680.02
Loans	6	208.16	3.24
Other financial assets- Other recoverable	7	29.79	13.12
Other current assets	10	257.70	128.53
<b>Total current assets</b>		<b>34,460.43</b>	<b>38,738.59</b>
<b>Total Assets</b>		<b>66,725.77</b>	<b>70,556.21</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
Equity share capital	14	2,983.24	3,019.19
Other equity	15	35,811.92	34,007.71
<b>Total equity</b>		<b>38,795.16</b>	<b>37,026.90</b>
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	16	1,361.19	171.60
Provisions	17	570.88	365.23
Deferred tax liabilities (net)	8	2,442.97	2,441.28
Other non-current liabilities	18	17.57	16.90
<b>Total non-current liabilities</b>		<b>4,392.61</b>	<b>2,995.01</b>
Current liabilities			
Financial liabilities			
Trade payables	19		
(a) total outstanding dues of micro enterprises and small enterprises			
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		7,657.25	13,382.63
Other financial liabilities	16	13,941.72	15,355.67
Current tax liabilities (net)	9	264.53	272.63
Provisions	17	8.93	35.74
Other current liabilities	18	1,665.57	1,487.63
<b>Total current liabilities</b>		<b>23,538.00</b>	<b>30,534.30</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>66,725.77</b>	<b>70,556.21</b>

Significant accounting policies 3  
 The accompanying notes referred to form an integral part of these Ind AS 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/-  
 Ashwin Bakshi  
 Partner  
 Membership No.: 506777  
 UDIN: 20506777AAAAAX8808

Place : New Delhi  
 Date : 14 May 2020

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

Sd/-  
 S. N. Goel  
 Chairman  
 DIN-02294069

Sd/-  
 Rajiv Srivastava  
 Managing Director & CEO  
 DIN-03568897

Sd/-  
 Vineet Harlalka  
 Chief Financial Officer & Company Secretary

Place : Noida  
 Date : 14 May 2020

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Revenue</b>			
Revenue from operations	20	25,713.11	25,407.68
Other income	21	4,026.95	4,008.18
<b>Total revenue</b>		<b>29,740.06</b>	<b>29,415.86</b>
<b>Expenses</b>			
Employee benefits	22	3,323.14	2,483.19
Finance costs	23	156.56	73.42
Depreciation and amortisation	24	1,524.29	1,042.41
Other expenses	25	2,174.14	2,642.34
<b>Total expenses</b>		<b>7,178.13</b>	<b>6,241.36</b>
<b>Profit before tax</b>		<b>22,561.93</b>	<b>23,174.50</b>
<b>Tax expense</b>	<b>26</b>		
Current tax		4,959.67	5,727.69
Current tax for earlier periods		15.30	(36.50)
Deferred tax charge	8	15.17	979.64
<b>Total income tax expense</b>		<b>4,990.14</b>	<b>6,670.83</b>
<b>Profit for the year (A)</b>		<b>17,571.79</b>	<b>16,503.67</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	28	(53.61)	(20.14)
- Income tax relating to above		13.49	5.87
<b>Other comprehensive income for the year, net of income tax (B)</b>		<b>(40.12)</b>	<b>(14.27)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>17,531.67</b>	<b>16,489.40</b>
<b>Earnings per equity share [face value Rs. 1/- per share] (refer to note 14 (a))</b>	<b>27</b>		
Basic (Rs.)		5.89	5.47
Diluted (Rs.)		5.89	5.46
Significant accounting policies	3		

The accompanying notes referred to form an integral part of these Ind AS 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/-

**Ashwin Bakshi**

Partner  
Membership No.: 506777  
UDIN: 20506777AAAAAX8808

Place : New Delhi  
Date : 14 May 2020

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

Sd/-

**S. N. Goel**

Chairman  
DIN-02294069

Sd/-

**Vineet Harlalka**

Chief Financial Officer & Company Secretary

Place : Noida  
Date : 14 May 2020

Sd/-

**Rajiv Srivastava**

Managing Director & CEO  
DIN-03568897

## CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>A. Cash flows from operating activities</b>		
Profit before tax	22,561.93	23,174.50
Adjustments for:		
Depreciation and amortisation	1,524.29	1,042.41
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	21.02	18.87
Interest expenses on overdraft, lease liability and others	135.54	3.70
Amortisation of deferred rent on security deposit	5.00	16.24
Property, plant and equipment ('PPE') written off / loss on sale of PPE	1.85	7.14
Employee stock option scheme expense	46.70	25.10
Interest income from bank deposits	(124.26)	(268.34)
Interest income from financial assets at amortised cost	(33.06)	(14.99)
Amortisation of deferred settlement guarantee fund	(21.88)	(19.64)
Mark-to-market gain on investments and net gain on sale of investments	(2,498.60)	(1,933.09)
Net gain on sale of investments	(1,263.42)	(1,693.80)
Other interest income	(29.58)	(29.58)
<b>Operating profit before working capital changes</b>	<b>20,325.53</b>	<b>20,328.52</b>
Adjustments for:		
(Increase)/decrease in trade receivables	4,570.11	(4,567.06)
(Increase)/ decrease in loans, other financial assets and other assets	(236.17)	250.41
Increase/ (decrease) in trade payables, other financial liabilities, provisions and other liabilities	(7,152.50)	3,773.62
<b>Cash generated from operating activities</b>	<b>17,506.97</b>	<b>19,785.49</b>
Income tax paid	(4,905.31)	(5,958.57)
<b>Net cash generated from operating activities</b>	<b>12,601.66</b>	<b>13,826.92</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, plant and equipment and other intangible assets	(777.24)	(359.76)
Maturity/( investment) of / (in) of bank deposits including unpaid dividend (net)	(4.11)	4,116.15
Inflow/ (outflow) from sale / (purchase) of investments (net)	371.68	(10,732.77)
Interest received on bank deposits	127.65	598.24
Interest income from investments	29.58	166.11
<b>Net cash flow from/ (used in) investing activities</b>	<b>(252.44)</b>	<b>(6,212.03)</b>
<b>C. Cash flows from financing activities</b>		
Interest expenses on overdraft, lease liability and others	(84.04)	(3.70)
Principal repayment of lease liability	(250.70)	-
Proceeds from profit earned by ESOP trust on exercise of stock option by the employees	88.38	168.63
Proceeds from issue of shares on exercise of stock option	1.36	3.19
Dividend paid (net of dividend received by ESOP trust)	(7,460.12)	(6,640.30)
Amount paid for buyback	(6,900.00)	-
Corporate dividend tax paid	(1,539.72)	(1,371.51)
<b>Net cash used in financing activities</b>	<b>(16,144.84)</b>	<b>(7,843.69)</b>
<b>D. Net (decrease) / increase in cash and cash equivalents during the year (A+B+C)</b>	<b>(3,795.63)</b>	<b>(228.80)</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>5,081.51</b>	<b>5,310.31</b>
<b>F. Cash and cash equivalents as at the end of the year (D+E)</b>	<b>1,285.88</b>	<b>5,081.51</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2020	For the year ended 31 March 2019
<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	427.35	3,336.07
In settlement accounts	858.53	1,745.44
	<b>1,285.88</b>	<b>5,081.51</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 period an amount of Rs. 389.04 (31 March 2019: Rs. 348.53 ) 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 Ind AS 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/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

UDIN: 20506777AAAAAX8808

Place : New Delhi

Date : 14 May 2020

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

Sd/-

**S. N. Goel**

Chairman

DIN-02294069

Sd/-

**Vineet Harlalka**

Chief Financial Officer & Company Secretary

Place : Noida

Date : 14 May 2020

Sd/-

**Rajiv Srivastava**

Managing Director & CEO

DIN-03568897

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2020. (All amounts in Rupees lakhs, unless otherwise stated)

### (A) Equity share capital

Particulars	Note No.	Number of shares	Amount
Opening as at 01 April 2018		3,01,59,992	3,016.00
Add: Increase due to sub-division of equity shares	14 (a)	27,14,39,928	-
Add: Equity stock option exercised during the year	14 (g)	3,19,100	3.19
Balance as at 31 March 2019		30,19,19,020	3,019.19
Add: Equity stock option exercised during the year	14 (g)	1,35,650	1.35
Less: Decrease due to buyback of equity shares	14 (e)	(37,29,729)	(37.30)
Balance as at 31 March 2020		29,83,24,941	2,983.24

### (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 2018		3,196.94	3,018.72	18,698.22	19.62	422.89	-	25,356.39
Profit for the year		-	-	16,503.67	-	-	-	16,503.67
Re-measurement gain/(loss) on defined benefit obligations (net of tax)		-	-	(14.27)	-	-	-	(14.27)
Total comprehensive income for the year		-	-	16,489.40	-	-	-	16,489.40

### Transactions with owners in their capacity as owners:

Employee stock options expense	15 (c)	-	-	-	25.10	-	-	25.10
Profit/loss on issue of shares to employees#	15 (e)	-	-	-	-	148.64	-	148.64
Final dividend paid on equity shares #	15 (d)	-	-	(6,672.30)	-	-	-	(6,672.30)
Dividend on shares held by ESOP Trust	15 (e)	-	-	-	-	31.99	-	31.99
Dividend distribution tax on dividend on equity shares	15 (d)	-	-	(1,371.51)	-	-	-	(1,371.51)
Transfer to ESOP trust reserve #	15 (e)	-	-	(29.50)	-	29.50	-	-
Balance as at 31 March 2019		3,196.94	3,018.72	27,114.31	44.72	633.02	-	34,007.71
Profit for the year		-	-	17,571.79	-	-	-	17,571.79
Re-measurement gain/(loss) on defined benefit obligations (net of tax)		-	-	(40.12)	-	-	-	(40.12)
Total comprehensive income for the year		-	-	17,531.67	-	-	-	17,531.67

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### (B) other equity...(cont...)

Transactions with owners in their capacity as owners:								
Particulars	Note No.	Securities premium	General reserve	Retained earnings	Employee stock options outstanding account	ESOP Trust reserve #	Capital redemption reserve	Total
Employee stock options expense	15 (c)	-	-	-	46.70	-	-	46.70
Profit/ Loss on issue of shares to employees #	15 (e)	-	-	-	-	88.38	-	88.38
Interim dividend paid on equity shares	15 (d)	-	-	(7,488.91)	-	-	-	(7,488.91)
Dividend on shares held by ESOP Trust	15 (e)	-	-	-	-	28.79	-	28.79
Dividend distribution tax on dividend on equity shares	15 (d)	-	-	(1,539.72)	-	-	-	(1,539.72)
Transfer to ESOP trust reserve #	15 (e)	-	-	(36.59)	-	36.59	-	-
Buy back of equity shares	15 (a) (b)(d)	(3,196.94)	(3,018.72)	(647.04)	-	-	-	(6,862.70)
Transfer to capital redemption reserve	15 (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>

# 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 Ind AS 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/-

Ashwin Bakshi

Partner

Membership No.: 506777

UDIN: 20506777AAAAAX8808

Place : New Delhi

Date : 14 May 2020

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

Sd/-

S. N. Goel

Chairman

DIN-02294069

Sd/-

Rajiv Srivastava

Managing Director & CEO

DIN-03568897

Sd/-

Vineet Harlalka

Chief Financial Officer & Company Secretary

Place : Noida

Date : 14 May 2020

## 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 Unit No. 3,4,5 and 6, Fourth Floor, TDI Centre Plot No 7, District Centre, Jasola, New Delhi-110025.

The IEX 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 (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 Holding Company were listed on BSE Limited ('BSE') and National Stock Exchange ('NSE') with effect from 23 October 2017.

On 6 November 2019 the Indian Gas Exchange Limited ("IGX" or "the subsidiary") was incorporated as a wholly owned subsidiary of IEX.

IGX is India's first automated national level trading platform to promote and sustain an efficient and robust gas market and to foster gas trading in the country. The platform 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.

### 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, 2020.

- 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.

#### 2.3 Basis of measurement

These 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 the financial statements.

#### 2.4 Functional and presentation currency

These 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 (upto 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 atleast 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 2.6 Figures for the corresponding period

Since IGX was incorporated in the current year, the corresponding figures as at and for the year ended 31 March 2019 as disclosed in these financial statements comprise only the standalone financial statements of IEX as at and for the year ended 31 March 2019.

### 2.7 Use of estimates and judgements

In preparing these 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 recognised 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 2020 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.

- Recognition of deferred tax assets/ (liabilities) – note 8
- Provision for employee benefits - note 17 & note 28

### 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.

Fair values are categorised 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 categorised 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.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

### 3.1.4 Depreciation

Depreciation is calculated on cost of items of property, plant and equipment over their estimated useful lives using the straight-line method, and is generally recognised 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	10 Years	10 Years
Office Equipment		
Mobile Phones	2 Years	5 Years
Others	5 Years	5 Years
Computers		
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.

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

Amortisation is computed to write off the cost of intangible assets less their estimated residual value over their estimated useful lives using the straight-line method and is included in amortisation in Statement of Profit and Loss.

Software license is amortised over fifteen years and Computer software are amortised over six years considering their related

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

useful lives.

Amortisation 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 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 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 amortised 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 Company'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 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 Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Rupees lakhs, unless otherwise stated)

- 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 recognised 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.

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 recognised amounts and there is an intention to settle on a net basis or realise 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

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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 Group recognises 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 is accrued when orders placed on the network are matched, confirmed by Regional Load Dispatch Centre and delivered.

Admission fees and Processing fees charged from a prospective member of the exchange at the time of his joining, is recognised when the membership has been approved by the membership committee.

Annual subscription fee, in the year when the member/client is registered for the first time, is recognised 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 recognised 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 Holding 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 Holding Company's liability towards gratuity is in the nature of defined benefit plans.

The Holding 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 Holding 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 Holding Company, the recognised asset is limited to the total of any unrecognized past service costs. Any actuarial gains or losses are recognised in OCI in the period in which they arise.

#### 3.8.4 Other long term employee benefits

Benefits under the Company's compensated absences under the Holding 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

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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 recognised 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 recognised 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 recognised 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 Holding 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 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 recognised in profit or loss, except exchange differences arising from the translation of equity investments at fair value through OCI (FVOCI), which are recognised in OCI.

### 3.11 Lease

#### 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:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- 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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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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 Group 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.

### Transition to Ind AS 116

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method on the date of initial application. On 01 April 2019, the Company has recognized, a lease liability measured at present value of the remaining lease payments and Right-to-use (ROU) assets.

The Group has taken office premises under lease arrangements. The lease period for various office premises taken under non-cancellable lease agreement vary with different lock-in-period.

### 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.

Minimum Alternative Tax (MAT) under the provisions of Income Tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as deferred tax assets only to the extent it is probable that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognized as deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### 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 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 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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

*(All amounts in Rupees lakhs, unless otherwise stated)*

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.

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### 4 a. Property, plant and equipment and Capital work-in-progress

Assets	Leasehold improvements	Right of Use assets	Office equipment	Electrical equipment	Computer hardware/equipment	Furniture and fixtures	Vehicles	Total	Capital work-in-progress
<b>Year ended 31 March 2020</b>									
Gross Carrying amount									
Opening gross carrying amount	260.99	1,130.13	71.74	131.48	440.12	65.95	185.24	2,285.64	35.00
Additions	-	1,239.10	16.69	-	378.00	2.63	106.33	1,742.76	2.55
Deductions/ adjustments	-	716.27	8.55	-	11.80	1.31	43.59	781.52	-
Transfers	-	-	-	-	-	-	-	-	35.00
<b>Closing gross carrying amount</b>	<b>260.99</b>	<b>1,652.96</b>	<b>79.89</b>	<b>131.48</b>	<b>806.32</b>	<b>67.27</b>	<b>247.98</b>	<b>3,246.88</b>	<b>2.55</b>

#### Accumulated Depreciation

Opening accumulated depreciation	96.10	-	37.13	50.24	178.12	19.51	58.00	439.10	-
Depreciation charge during the year	98.47	321.75	16.39	36.73	133.11	20.99	48.45	675.89	-
Disposals/ adjustments	-	-	7.59	-	10.76	0.60	29.53	48.48	-
<b>Closing accumulated depreciation</b>	<b>194.57</b>	<b>321.75</b>	<b>45.93</b>	<b>86.97</b>	<b>300.47</b>	<b>39.90</b>	<b>76.92</b>	<b>1,066.52</b>	<b>-</b>
<b>Net carrying amount</b>	<b>66.42</b>	<b>1,331.21</b>	<b>33.95</b>	<b>44.51</b>	<b>505.85</b>	<b>27.37</b>	<b>171.06</b>	<b>2,180.37</b>	<b>2.55</b>

Assets	Leasehold improvements	Right of Use assets	Office equipment	Electrical Equipment	Computer hardware/equipment	Furniture and fixtures	Vehicles	Total	Capital work-in-progress
<b>Year ended 31 March 2019</b>									
Gross Carrying amount									
Opening gross carrying amount	260.99	-	65.99	133.79	365.25	65.03	150.08	1,041.13	28.77
Additions	-	-	18.23	0.02	143.05	0.92	57.13	219.35	52.21
Deductions/ adjustments	-	-	12.48	2.33	68.18	-	21.97	104.96	-
Transfers	-	-	-	-	-	-	-	-	45.98
<b>Closing gross carrying amount</b>	<b>260.99</b>	<b>-</b>	<b>71.74</b>	<b>131.48</b>	<b>440.12</b>	<b>65.95</b>	<b>185.24</b>	<b>1,155.52</b>	<b>35.00</b>

#### Accumulated Depreciation

Opening accumulated depreciation	57.84	-	28.38	32.86	154.62	12.12	32.39	318.21	-
Depreciation charge during the year	38.26	-	16.41	19.71	88.50	7.39	36.15	206.42	-
Disposals/ adjustments	-	-	7.66	2.33	65.00	-	10.54	85.53	-
<b>Closing accumulated depreciation</b>	<b>96.10</b>	<b>-</b>	<b>37.13</b>	<b>50.24</b>	<b>178.12</b>	<b>19.51</b>	<b>58.00</b>	<b>439.10</b>	<b>-</b>
<b>Net carrying amount</b>	<b>164.89</b>	<b>-</b>	<b>34.61</b>	<b>81.24</b>	<b>262.00</b>	<b>46.44</b>	<b>127.24</b>	<b>716.42</b>	<b>35.00</b>



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### 4 b. Other intangible assets and intangibles under development

Assets	Computer Software	Software License	Total	Intangible assets under development
<i>Year ended 31 March 2020</i>				
<b>Gross Carrying amount</b>				
Opening gross carrying amount	725.45	11,543.00	12,268.45	89.90
Additions	145.41	-	145.41	374.57
Deductions/ Adjustments	-	-	-	-
Transfers	-	-	-	83.83
<b>Closing gross carrying amount</b>	<b>870.86</b>	<b>11,543.00</b>	<b>12,413.86</b>	<b>380.64</b>
<b>Amortisation</b>				
Opening accumulated amortisation	441.29	1,406.26	1,847.55	-
Amortisation charge during the year	74.92	773.48	848.40	-
Disposals/ Adjustments	-	-	-	-
<b>Closing accumulated amortisation</b>	<b>516.21</b>	<b>2,179.74</b>	<b>2,695.95</b>	<b>-</b>
<b>Net Carrying amount</b>	<b>354.65</b>	<b>9,363.26</b>	<b>9,717.91</b>	<b>380.64</b>
<i>Year ended 31 March 2019</i>				
<b>Gross Carrying amount</b>				
Opening gross carrying amount	645.67	11,543.00	12,188.67	24.27
Additions	80.87	-	80.87	141.63
Deductions/ Adjustments	1.09	-	1.09	-
Transfers	-	-	-	76.00
<b>Closing gross carrying amount</b>	<b>725.45</b>	<b>11,543.00</b>	<b>12,268.45</b>	<b>89.90</b>
<b>Amortisation</b>				
Opening accumulated amortisation	375.94	636.72	1,012.66	-
Amortisation charge during the year	66.44	769.54	835.98	-
Disposals/ Adjustments	1.09	-	1.09	-
<b>Closing accumulated amortisation</b>	<b>441.29</b>	<b>1,406.26</b>	<b>1,847.55</b>	<b>-</b>
<b>Net Carrying amount</b>	<b>284.16</b>	<b>10,136.74</b>	<b>10,420.90</b>	<b>89.90</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 5. Investments

Particulars	As at 31 March 2020	As at 31 March 2019
<i>Non-current investments</i>		
<b>Investments measured at amortised cost</b>		
<b>Bonds (Quoted )</b>		
<b>7.11% Tax Free Bonds Power Finance Corporation Ltd.</b>		
5,134 (31 March, 2019: 5,134) units of face value of Rs. 1,000 each.	52.98	52.98
<b>7.04% Tax Free Bonds Housing and Urban Development Corporation Ltd.</b>		
15,058 (31 March, 2019: 15,058) units of face value of Rs. 1,000 each.	153.69	153.69
<b>7.04% Tax Free Bonds Indian Railway Finance Corporation Ltd.</b>		
11,757 (31 March, 2019: 11,757) units of face value of Rs. 1,000 each.	121.38	121.38
<b>7.04% Tax Free Bonds National Bank for Agriculture and Rural Development</b>		
10,020 (31 March, 2019: 10,020) units of face value of Rs. 1,000 each.	100.33	100.33
<b>Investments measured at fair value through profit and loss</b>		
<b>Market Linked Debentures (MLD) (quoted)</b>		
<b>ECL Finance Ltd</b>	-	1,574.84
Nil (31 March, 2019: 1,320) units of face value of Rs. 1,00,000 each.		
<b>Aditya Birla Finance Ltd</b>		
Nil (31 March, 2019: 49) units of face value of Rs. 10,00,000 each.	-	497.21
<b>Mutual funds (quoted)</b>		
<b>HDFC FMP 1143D March 2018 (1) - Direct - Growth -Series -39*</b>		
1,20,00,000 (31 March, 2019: 1,20,00,000) units of face value of Rs. 10 each.	1,417.23	1,298.45
<b>Aditya Birla Sun Life Fixed Term Plan - Series PJ (1135 Days) -Direct Growth*</b>		
1,20,00,000 (31 March, 2019: 1,20,00,000) units of face value of Rs. 10 each.	1,417.11	1,298.59
<b>UTI-Fixed Term Income Fund Series XXVIII–XII (1154 Days) -Direct Growth Plan*</b>		
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each.	1,180.73	1,081.87
<b>ICICI Prudential Fixed Maturity Plan Series 82 - 1175 Days Plan Q Direct Plan Cumulative*</b>		
1,00,00,000 (31 March, 2019: 1,00,00,000 ) units of face value of Rs. 10 each.	1,180.72	1,082.00
<b>SBI Debt Fund Series - C - 12 (1122 Days) - Direct Growth*</b>		
1,00,00,000 (31 March, 2019: 1,00,00,000 ) units of face value of Rs. 10 each.	1,156.78	1,077.18
<b>IDFC Fixed Term Plan Series 142 Direct Plan -Growth (1139 Days)*</b>		
1,00,00,000 (31 March, 2019: 1,00,00,000 ) units of face value of Rs. 10 each.	1,177.93	1,080.52
<b>Nippon India Fixed Horizon Fund-XXXVIII-Series 07-Direct Growth Plan formerly known as Reliance Fixed Horizon Fund-XXXVIII-Series 07-Direct Growth Plan</b>		
2,00,00,000 (31 March, 2019: 2,00,00,000) units of face value of Rs. 10 each.	2,296.76	2,126.88
<b>SBI Debt Fund Series C-21 (1100 Days) - Direct Growth</b>		
2,00,00,000 (31 March, 2019: 2,00,00,000) units of face value of Rs. 10 each.	2,292.10	2,124.28
<b>IDFC Fixed Term Plan Series 161 –Direct Plan - Growth (1098 Days)</b>		
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each.	1,158.71	1,060.86
<b>HDFC FMP 1122 D August 2018 (1)-Direct - Growth - Series 42</b>		
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each.	1,162.42	1,064.54
<b>ICICI Prudential Fixed Maturity Plan Series 84 - 1101 Days Plan A-Direct Plan Cumulative</b>		
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each.	1,162.12	1,064.51
<b>ICICI Prudential Fixed Maturity Plan Series 83 - 1101 Days Plan Z-Direct Plan Cumulative</b>		

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 5. Investments (Contd..)

Particulars	As at	
	31 March 2020	31 March 2019
50,00,000 (31 March, 2019: 50,00,000) units of face value of Rs. 10 each.	581.76	531.80
<b>TATA Fixed Maturity Plan Series 55 Scheme I - Direct Plan - Growth</b>		
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each.	1,165.67	1,066.22
<b>HDFC FMP 1166D MAY 2017 (1) - Direct - Growth - Series-38</b>		
Nil (31 March, 2019: 2,00,000) units of face value of Rs. 10 each.	-	23.03
<b>HDFC FMP 1134D May 2018 (1) - Direct - Growth - Series-40</b>		
1,70,000 (31 March, 2019: 1,70,000) units of face value of Rs. 10 each.	20.20	18.49
<b>HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44</b>		
1,00,00,000 (31 March, 2019: 1,00,00,000) units of face value of Rs. 10 each.	1,114.83	1,013.71
<b>Axis Fixed Term Plan - Series 102 (1133 Days) Direct Growth</b>		
50,00,000 (31 March, 2019: 50,00,000) units of face value of Rs. 10 each.	556.08	506.10
<b>HDFC FMP 1165D April 2017 (1) - Direct - Growth - Series-38</b>		
Nil (31 March, 2019: 1,30,000) units of face value of Rs. 10 each.	-	14.90
<b>HDFC FMP 1133D February 2019 (1) - Direct - Growth -Series 44</b>		
14,50,000 (31 March, 2019: 14,50,000) units of face value of Rs. 10 each.	161.65	146.99
<b>HDFC FMP 1133D July 2018 (1) - Direct - Growth - Series 41</b>		
3,80,000 (31 March, 2019: 3,80,000) units of face value of Rs. 10 each.	43.76	40.52
<b>Total</b>	<b>19,674.94</b>	<b>20,221.87</b>
Aggregate value of quoted investments in bonds	428.38	428.38
Market value of quoted investments in bonds	471.39	430.90
Aggregate market value of quoted investments in mutual funds and MLD	19,246.56	19,793.49

\*Investments includes Rs. 6,400 (cost) [(31 March 2019: Rs. 6,400) (cost)] under lien with banks for overdraft facilities.

### 6. Loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Security deposits	46.08	207.73	170.88	1.74
Loans and advances to employees	-	0.43	-	1.50
<b>Total</b>	<b>46.08</b>	<b>208.16</b>	<b>170.88</b>	<b>3.24</b>

### 7. Other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Bank deposits due for maturity after twelve months from the reporting date (refer note 13A)	202.50	-	-	-
Other advances	-	29.79	-	13.12
<b>Total</b>	<b>202.50</b>	<b>29.79</b>	<b>-</b>	<b>13.12</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 8. Deferred tax assets/ (Deferred tax liabilities) (net)

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Deferred tax assets rising on timing differences on account of:</b>		
Provisions for employee benefits	132.44	140.06
Fair valuation of financial assets/ liabilities	41.13	4.05
<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.	(1,734.18)	(2,114.08)
Investments at fair value through profit or loss	(882.36)	(471.31)
<b>Total</b>	<b>(2,442.97)</b>	<b>(2,441.28)</b>

### Movement in deferred tax assets/(liabilities)

#### 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	4.05	37.08	-	41.13
<b>Deferred tax assets/(liabilities)</b>	<b>(2,441.28)</b>	<b>(15.18)</b>	<b>13.49</b>	<b>(2,442.97)</b>

#### As at 31 March 2019

Particulars	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2019
<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.	(1,410.17)	(703.91)	-	(2,114.08)
Investments at fair value through profit or loss	(151.54)	(319.77)	-	(471.31)
<b>Less: Deferred tax assets</b>				
Provisions for employee benefits	90.89	43.30	5.87	140.06
Fair valuation of financial assets/ liabilities	3.31	0.74	-	4.05
<b>Deferred tax assets/(liabilities)</b>	<b>(1,467.51)</b>	<b>(979.64)</b>	<b>5.87</b>	<b>(2,441.28)</b>

### 9. Non-current tax assets (net) / Current tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current tax assets (net)	21.16	98.84
Current tax liabilities (net)	264.53	272.63

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 10. Other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
<i>Unsecured, considered good, unless otherwise stated</i>				
Prepaid expenses	11.50	121.68	13.43	81.13
Balance with government authorities	-	129.46	-	30.43
Deferred rent	27.69	6.56	50.38	16.97
<b>Total</b>	<b>39.19</b>	<b>257.70</b>	<b>63.81</b>	<b>128.53</b>

### 11. Current investments

Particulars	As at 31 March 2020	As at 31 March 2019
<b>A) Investments measured at fair value through profit and loss</b>		
<b>Mutual funds</b>		
<b>Quoted</b>		
HDFC FMP 1132D February 2016 (1) - Direct - Growth -Series-35 Nil (31 March, 2019: 1,70,000) units of face value of Rs. 10 each.	-	21.69
HDFC FMP 1155D February 2016 (1) - Direct - Growth -Series-35 Nil (31 March, 2019: 1,60,000) units of face value of Rs. 10 each.	-	20.48
HDFC FMP 1183D January 2016 (1) - Direct - Growth -Series-35 Nil (31 March, 2019: 1,60,000) units of face value of Rs. 10 each.	-	20.55
HDFC FMP 1166D MAY 2017 (1) - Direct - Growth - Series-38 2,00,000 (31 March, 2019: Nil) units of face value of Rs. 10 each.	25.18	-
HDFC FMP 1165D April 2017 (1) - Direct - Growth - Series-38 1,30,000 (31 March, 2019: Nil ) units of face value of Rs. 10 each.	16.06	-
<b>Market Linked Debentures (MLD) (quoted)</b>		
Aditya Birla Finance Ltd 49 (31 March, 2019: Nil) units of face value of Rs. 10,00,000 each.	538.07	-
<b>Unquoted</b>		
IDFC Arbitrage Fund - Growth - (Direct Plan) 67,12,539.828 (31 March, 2019:44,24,857.077) units of face value of Rs. 10 each.	1,727.19	1,066.70
Aditya Birla Sun Life Arbitrage Fund - Growth-Direct Plan 1,26,80,893.801 (31 March, 2019:Nil) units of face value of Rs. 10 each.	2,653.72	-
ICICI Prudential Equity Arbitrage Fund - Direct Plan-Growth 98,29,284.978 (31 March, 2019:21,08,725.908) units of face value of Rs. 10 each.	2,652.15	532.42
Kotak Equity Arbitrage Fund - Direct Plan-Growth 52,83,957.955 (31 March, 2019:78,35,586.706) units of face value of Rs. 10 each.	1,535.99	2,131.51
Axis Arbitrage Fund - Direct Growth 1,41,42,138.304 (31 March, 2019:Nil) units of face value of Rs. 10 each.	2,101.25	-
HDFC Money Market Fund - Direct Plan - Growth Option 23,853.263 (31 March, 2019:Nil) units of face value of Rs. 1000 each.	1,006.57	-
Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan 3,71,373.491 (31 March, 2019:Nil) units of face value of Rs. 100 each.	1,006.13	-
Aditya Birla Sun Life Floating Rate Fund - Growth-Direct Plan 8,76,364.154 (31 March, 2019:Nil) units of face value of Rs. 100 each.	2,211.03	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 11. Current investments (Contd..)

Particulars	As at 31 March 2020	As at 31 March 2019
ICICI Prudential Liquid Fund-Direct Growth 4,43,909.551 (31 March, 2019: Nil) units of face value of Rs. 100 each.	1,304.12	-
Axis Liquid Fund -Direct Growth- CFDG 95,485.266 (31 March, 2019: 1,08,068.728) units of face value of Rs. 1,000 each.	2,104.82	2,240.83
Aditya Birla Sun Life Savings Fund - Growth-Direct Plan 7,56,083.591 (31 March, 2019: 7,56,083.591) units of face value of Rs. 100 each.	3,030.60	2,810.80
Axis Treasury Advantage Fund - Direct Growth 95,175.396 (31 March, 2019: Nil) units of face value of Rs. 1000 each.	2,212.97	-
Axis Banking & PSU Debt Fund - Direct Growth 62,140.321 (31 March, 2019: Nil) units of face value of Rs. 1000 each.	1,206.14	-
ICICI Prudential Savings Fund - Direct Plan - Growth (formerly ICICI Prudential Mutual Fund- Flexible Income Plan) 3,41,190.123 (31 March, 2019: 3,41,190.123) units of face value of Rs. 100 each.	1,331.90	1,232.27
UTI Ultra Short Term Fund - Direct Growth Plan 35,467.516 (31 March, 2019: 35,467.516) units of face value of Rs. 1,000 each.	1,147.53	1,113.21
UTI Liquid Cash Plan- Direct Growth Plan Nil (31 March, 2019: 1,40,940.484) units of face value of Rs. 1,000 each.	-	4,313.82
Kotak Liquid Direct Plan Growth 44,850.522 (31 March, 2019: 1,19,009.842) units of face value of Rs. 1000 each.	1,800.69	4,503.72
SBI Liquid Fund- Direct Growth 10,859.366 (31 March, 2019: 49,768.813) units of face value of Rs. 1000 each.	337.62	1,457.51
Tata Liquid Fund Direct Plan - Growth (formerly Tata money market fund) 8,032.003 (31 March, 2019: 1,49,661.563) units of face value of Rs. 1000 each.	251.56	4,406.69
IDBI Liquid Fund- Direct Plan - Growth Nil (31 March, 2019: 52,891.265) units of face value of Rs. 1000 each.	-	1,059.41
HDFC Arbitrage Fund - Wholesale Plan - Growth - Direct Plan 61,83,687.326 (31 March, 2019: Nil) units of face value of Rs. 10 each.	920.44	-
HDFC Liquid Fund- Direct Plan - Growth Option 1,545.956 (31 March, 2019: 8,479.628) units of face value of Rs. 1000 each.	60.39	311.91
<b>Total</b>	<b>31,182.12</b>	<b>27,243.52</b>
Aggregate market value of quoted investments	579.31	62.72
Aggregate value of unquoted investments	30,602.81	27,180.80

### 12. Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
Trade receivables		
Secured, considered good	18.54	4,588.65
<b>Total</b>	<b>18.54</b>	<b>4,588.65</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 13. Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks		
- in current accounts	427.35	3,336.07
- in settlement accounts	858.53	1,745.44
<b>Total</b>	<b>1,285.88</b>	<b>5,081.51</b>

### 13A. 'Other Bank balance

Particulars	As at 31 March 2020	As at 31 March 2019
Bank deposits having maturity of more than three months but less than twelve months from the reporting date*	1,460.79	1,673.71
<b>In earmarked accounts</b>		
-Current Accounts (unpaid dividend)#	17.45	6.31
<b>Total</b>	<b>1,478.24</b>	<b>1,680.02</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 "	1460.79	1673.71
Fixed Deposits due to mature after 12 months of reporting date included under "Other financial assets"	202.50	-
	<b>1,663.29</b>	<b>1673.71</b>

\*Bank deposits includes Rs. 200 (31 March 2019: Rs. 400) under lien with banks for overdraft facilities.

#The above mentioned bank balances are restricted bank balances which are to be used for specified purposes.

### 14. Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Authorised equity share capital *</b>		
40,25,00,000 Equity shares of face value of Rs.1 each (31 March 2019: 40,25,00,000 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>		
30,32,86,240 Equity shares of face value of Rs.1 each (31 March 2019: 30,32,86,240 Equity shares of face value of Rs.1 each )	3,032.86	3,032.86
Less: 12,31,570 Equity shares of face value of Rs 1 each (31 March 2019: 13,67,220 Equity shares of face value of Rs 1 each) held by IEX ESOP Trust	(12.32)	(13.67)
Less: 37,29,729 Equity shares of face value of Rs 1 each extinguished due to buyback	(37.30)	-
	<b>2,983.24</b>	<b>3,019.19</b>

\* Refer to Note 14 (a)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 14. Equity share capital (Contd..)

- a. 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 Rs. 1 each, thereby keeping the paid share capital intact. The record date for the said corporate action was 22 October 2018.

b. **Movements in equity share capital outstanding at the beginning and at the end of the year:**

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
Outstanding at the beginning of the year (31 March 2019: Rs. 1 each, 31 March 2018 : Rs. 10 each)	30,19,19,020	3,019.19	3,01,59,992	3,016.00
Add : Increase due to sub-division of equity shares (Refer to Note 14 (a))	-	-	27,14,39,928	-
Add: Option vested and exercised during the year (refer note 14 (g))	1,35,650	1.35	31,9,100	3.19
Less: 37,29,729 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 (31 March 2020: Rs. 1 each, 31 March 2019 : Rs. 1 each)</b>	<b>29,83,24,941</b>	<b>2,983.24</b>	<b>30,19,19,020</b>	<b>3,019.19</b>

c. **Rights, preferences and restrictions attached to equity shares**

The Holding Company has only one class of equity share. The par value of the shares issued was Rs.1 per share. Each holder of equity shares is entitled to one vote per share. The Holding 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 11 March 2020. The same has been paid before the year-end.

d. **Details of shareholders holding more than 5% shares in the Holding Company:**

Particulars	31 March 2020		31 March 2019	
	No. of shares	% holding	No. of shares	% holding
<b>Equity shares of Rs. 1 each, fully paid up held by:</b>				
TVS Shriram Growth Fund 1B LLP	3,00,03,351	10.02	4,54,92,930	15.00
Dalmia Power Limited	3,00,03,361	10.02	3,03,28,630	10.00

e. **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 4 years immediately preceding the reporting date. However, the Holding Company has on 10 April 2019 completed the buyback of 37,29,729 fully paid-up equity shares of Rs.1 each of the Holding 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. The buyback was carried out through the 'Tender Offer' route as prescribed under the Buyback Regulations which was approved through the Postal Ballot on 29 January 2019.

f. **Employee stock options**

Terms attached to stock options granted to employees are described in Note 38 regarding employee share based payments issued under the Employee Stock Option Scheme 2010.

- g. During the year ended 31 March 2020, 1,35,650 options (each option entitle the holder to get one equity share of Rs. 1 each) were exercised from the options granted earlier, by the employees. Further during the year 1,00,000 ESOPs (each option entitle the holder to get one equity share of Rs. 1 each) were granted to the employees of the Holding Company.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 15. Other equity

Particulars	As at 31 March 2020	As at 31 March 2019
Securities premium account	-	3,196.94
General reserves	-	3,018.72
Employee stock options outstanding account	91.42	44.72
Retained earnings	34,896.42	27,114.31
ESOP trust reserve	786.78	633.02
Capital redemption reserve	37.30	-
<b>Total</b>	<b>35,811.92</b>	<b>34,007.71</b>
	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>(a) Securities premium account</b>		
Opening balance	3,196.94	3,196.94
Less: Utilised during the year for buyback	(3,196.94)	-
<b>Closing balance</b>	<b>-</b>	<b>3,196.94</b>
<b>(b) General reserve</b>		
Opening balance	3,018.72	3,018.72
Less: Utilised during the year for buyback	(3,018.72)	-
<b>Closing balance</b>	<b>-</b>	<b>3,018.72</b>
<b>(c) Employee stock options outstanding account</b>		
Opening balance	44.72	19.62
Add: employee stock option expense (refer note 38)	46.70	25.10
<b>Closing balance</b>	<b>91.42</b>	<b>44.72</b>
<b>(d) Retained earnings</b>		
Opening balance	27,114.31	18,698.22
Add: Profit for the year	17,571.79	16,503.67
Add: Re-measurement gain/(loss) on defined benefit obligations (net of tax) (Refer note 28)	(40.12)	(14.27)
Less: Final equity dividend paid (Refer note 15 (g)) *	-	(6,672.30)
Dividend distribution tax paid on equity dividend	-	(1,371.51)
Interim dividend on Equity Shares (Refer note 15 (g)) *	(7,488.91)	-
Interim dividend distribution tax paid on equity dividend	(1,539.72)	-
Transfer to ESOP trust reserve	(36.59)	(29.50)
Utilised during the year for buyback	(647.04)	-
Adjustment on account of transfer to capital redemption reserve	(37.30)	-
	<b>34,896.42</b>	<b>27,114.31</b>
* includes dividend paid on shares held by ESOP trust		
<b>(e) ESOP Trust reserve</b>		
Opening balance	633.02	422.89
Add: Addition during the year	36.59	29.50
Add: Profit earned on sale of shares to employees by ESOP Trust	88.38	148.64
Add: Dividend on shares held by the ESOP Trust from retained earnings	28.79	31.99
	<b>786.78</b>	<b>633.02</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 15. Other equity (Contd..)

Particulars	for the year ended 31 March 2020	for the year ended 31 March 2019
<b>(f) Capital redemption reserve</b>		
Opening balance	-	-
Add: Adjustment on account of buyback of equity shares	37.30	-
<b>Closing balance</b>	<b>37.30</b>	<b>-</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 40 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. 37

### (g) Following dividend has been declared and paid by the Holding Company

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>(i) Equity shares</b>		
Final dividend for the year ended 31 March 2019 of Rs. Nil (31 March 2018 is Rs. 2.20 per share)	-	6,672.30
Interim Dividend for the year ended 31 March 2020 of Rs. 2.50 (31 March 2019 is Rs. Nil per share)	7,488.91	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 16. Other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Deposits towards settlement guarantee fund	171.50	11,517.93	158.59	13,288.14
Deposit from employees	20.07	1.39	13.01	5.64
Creditors for capital goods	-	117.55	-	1.67
Unpaid dividends	-	17.45	-	6.31
Other liabilities	-	70.01	-	0.01
Employee related payables	-	396.05	-	453.90
Deposit from clearing and settlement bankers	-	1,600.00	-	1,600.00
Lease liability	1,169.62	221.34	-	-
<b>Total</b>	<b>1,361.19</b>	<b>13,941.72</b>	<b>171.60</b>	<b>15,355.67</b>

### 17 Provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Provision for employee benefits (Refer Note 28)				
Gratuity	317.88	2.94	214.78	19.66
Compensated absences	253.00	5.99	150.45	16.08
<b>Total</b>	<b>570.88</b>	<b>8.93</b>	<b>365.23</b>	<b>35.74</b>

### 18 Other liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Deferred income settlement guarantee fund	17.57	21.56	16.90	17.99
Unamortised subscription fee income	-	918.78	-	878.43
Other advances	-	152.83	-	13.30
Statutory dues payables	-	572.40	-	577.91
<b>Total</b>	<b>17.57</b>	<b>1,665.57</b>	<b>16.90</b>	<b>1,487.63</b>

### 19 Trade Payables

Particulars	As at 31 March 2020	As at 31 March 2019
Due to micro and small enterprises *	-	-
Due to others	7,657.25	12,288.71
Liability towards congestion revenue	-	1,093.92
<b>Total</b>	<b>7,657.25</b>	<b>13,382.63</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 Group, there are no amounts required to be disclosed in relation to Micro and Small Enterprises as at 31 March 2020 and 31 March 2019.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 20. Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Sale of services</b>		
Transaction fees	23,833.42	23,452.12
Annual subscription fees	1,810.81	1,864.42
Admission, processing and transfer fees	47.00	71.50
	<b>25,691.23</b>	<b>25,388.04</b>
Other operating revenues		
Amortisation of deferred settlement guarantee fund	21.88	19.64
<b>Total</b>	<b>25,713.11</b>	<b>25,407.68</b>

### 21. Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income from bank deposits	124.26	268.34
Interest income from financial assets at amortised cost (security deposits)	33.06	14.99
Other interest income	29.58	29.58
Net gain on sale of investments	1,263.42	1,693.80
Fair value gain on investments	2,498.60	1,933.09
Miscellaneous income	78.03	68.38
<b>Total</b>	<b>4,026.95</b>	<b>4,008.18</b>

### 22. Employee benefits expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus	2,875.67	2,184.12
Contribution to provident funds	96.02	72.52
Gratuity	85.67	53.43
Compensated absences	112.27	58.43
Employee stock options expense (refer to note no 38)	46.70	25.10
Staff welfare expense	106.81	89.59
<b>Total</b>	<b>3,323.14</b>	<b>2,483.19</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 23. Finance Costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense on financial liabilities (settlement guarantee fund) measured at amortised cost	21.02	18.87
Interest		
- on bank overdraft	3.78	3.70
- on members security guarantee fund	80.18	50.85
- on lease liability	51.57	-
- on others	0.01	-
<b>Total</b>	<b>156.56</b>	<b>73.42</b>

### 24. Depreciation and amortisation

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation of property, plant and equipment	675.88	206.42
Amortisation of intangible assets	848.40	835.99
<b>Total</b>	<b>1,524.29</b>	<b>1,042.41</b>

### 25. Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Rent	105.81	355.87
Technology	336.70	269.29
Business promotion/ development	122.93	90.08
Training and coaching	21.91	88.29
Legal and professional *	475.54	854.37
Travelling and conveyance	157.23	119.99
Advertisement	80.99	29.17
Insurance	10.82	10.16
Communication	82.01	71.22
CERC regulatory fee	53.00	57.00
Printing and stationery	19.95	27.58
Directors sitting fees	52.80	37.50
Repairs and maintenance - building	85.02	86.31
Repairs and maintenance - others	17.88	11.82
Electricity	50.29	46.32
Loss on sale of property, plant and equipment ('PPE') /PPE written off	1.85	7.14
Contribution towards corporate social responsibility	389.04	348.53
Rates and taxes	19.41	-
Miscellaneous	90.96	131.70
<b>Total</b>	<b>2,174.14</b>	<b>2,642.34</b>

#### a) Details in respect of payment to auditors:

* Include payment to auditors as follows :		
-Audit fee	26.00	18.00
-Other services	16.50	16.50
-Reimbursement of expenses	4.18	2.85
<b>Total</b>	<b>46.68</b>	<b>37.35</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 26. 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. It also explains significant estimates made in relation to the Group tax positions.

#### i) Income tax recognised in Statement of Profit and Loss

	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Current tax expense</b>		
Current tax	4,959.67	5,727.69
Current tax for earlier years	15.30	(36.50)
<b>Total current tax expense</b>	<b>4,974.96</b>	<b>5,691.19</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	15.17	979.64
	15.17	979.64
<b>Total income tax expense</b>	<b>4,990.14</b>	<b>6,670.83</b>

#### ii) Income tax recognised in other comprehensive income

	31 March 2020			31 March 2019		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Remeasurement of defined benefit plans	(53.61)	13.49	(40.12)	(20.14)	5.87	(14.27)
	(53.61)	13.49	(40.12)	(20.14)	5.87	(14.27)

#### iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	31 March 2020	31 March 2019
Profit before income tax expense	22,561.93	23,174.50
Enacted tax rates in India	25.17%	29.12%
<b>Computed expected tax (expenses)/credit</b>	<b>5,678.84</b>	<b>6,748.41</b>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible tax expenses (net of allowances)	109.67	51.09
Tax-exempt income	(7.44)	(8.61)
Deferred Tax - Opening	(588.87)	-
Others	(202.06)	(120.06)
<b>Income tax expense</b>	<b>4,990.14</b>	<b>6,670.83</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 27. Earnings per Share ('EPS')

#### (a) Basic and diluted earnings per share (in Rs.)

	31 March 2020	31 March 2019
Basic earnings per share	5.89	5.47
Diluted earnings per share	5.89	5.46
<b>Nominal value per share</b>	<b>1.00</b>	<b>1.00</b>

#### (b) Profit attributable to equity shareholders (used as numerator)

	31 March 2020	31 March 2019
Profit attributable to equity holders	17,571.79	16,503.67

#### (c) Weighted average number of equity shares (used as denominator) (in Nos.)

	31 March 2020	31 March 2019
Opening balance of issued equity shares	30,19,19,020	30,15,99,920
<b>Weighted average number of equity shares outstanding at the end of year for calculation of Basic earnings per share</b>	<b>29,83,33,735</b>	<b>30,17,05,629</b>
Add: Number of potential equity shares in respect of stock option	63,817	2,92,703
<b>Weighted average number of equity shares for calculation of diluted earnings per share</b>	<b>29,83,97,552</b>	<b>30,19,98,332</b>

### 28. Employee benefits

#### (i) Defined contribution plans:

##### Provident fund

The Holding 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. 96.02 (31 March 2019 Rs. 72.52).

#### (ii) Defined benefit plans:

##### A. Gratuity

The Holding 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:

	As at 31 March 2020	As at 31 March 2019
<b>a) Net defined benefit liability:</b>		
Gratuity (unfunded)	320.82	234.44
	<b>320.82</b>	<b>234.44</b>
<b>b) Classification of defined benefit liability in current and non-current:</b>		
Non-current	317.88	214.78
Current	2.94	19.66

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 28. Employee benefits (Contd..)

#### c) Reconciliation of present value of defined benefit obligation:

	Defined benefit obligation	
	31 March 2020	31 March 2019
Balance at the beginning of the year	234.44	168.08
Benefits paid	(52.90)	(7.21)
Current service cost	67.71	40.47
Interest cost	17.96	12.96
<b>Actuarial (gain)/ loss recognised in other comprehensive income</b>		
-Demographic assumptions	-	-
-Financial assumptions	71.87	27.18
-Experience adjustment	(18.26)	(7.04)
<b>Balance at the end of the year</b>	<b>320.82</b>	<b>234.44</b>

#### d) Expense recognised in profit or loss:

	31 March 2020	31 March 2019
Current service cost	67.71	40.47
Interest Cost	17.96	12.96
	<b>85.67</b>	<b>53.43</b>

#### e) Remeasurement recognised in other comprehensive income:

	31 March 2020	31 March 2019
Actuarial (gain)/ loss on defined benefit obligation	53.61	20.14
	<b>53.61</b>	<b>20.14</b>

#### f) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	31 March 2020	31 March 2019
Discount rate	6.82%	7.66%
Salary escalation rate	10.00%	9.00%
Retirement age (years)	60	60
Mortality rates inclusive of provision for disability	IALM(2012-14)	IALM(2006-08)
<b>Ages</b>	<b>Withdrawal Rate (%)</b>	<b>Withdrawal Rate (%)</b>
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.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 28. Employee benefits (Contd..)

#### 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.

	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(23.32)	25.78	(13.88)	15.27
Salary escalation rate (0.5% movement)	24.87	(22.78)	15.00	(13.78)

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 not 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

	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at 31 March 2020	2.94	4.89	49.90	263.08	320.81
As at 31 March 2019	19.66	3.37	10.86	200.55	234.44

Expected contributions to post-employment benefit plans for the year ending 31 March 2020 are Rs. 114.33 (31 March 2019: Rs. 64.30).

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.93 years (31 March 2019: 19.77 years).

##### (iii) Other long term employee benefit plans

Other long term employee benefit plans comprises of compensated absences.

The Holding Company operates compensated absences plan (earned leaves), where in every employee is entitled to the benefit equivalent to 21 days salary for every completed year of service which is subject to maximum of 60 days accumulation of leaves. The same is payable during early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

The Holding Company also recognises sick leave provision, where in every employee is entitled to the benefit equivalent to 10 days salary for every completed year of service which is subject to maximum of 60 days accumulation of leaves. The salary for calculation of earned leave & sick leaves are last drawn basic salary.

The amount of the provision of Rs. 6.00 (31 March 2019: Rs. 16.08) is presented as current liability and Rs 253 (31 March 2019 : Rs.150.45) is presented as non current liability as per the actuarial report.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 29. Leases

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Group has adopted Ind AS 116, effective annual reporting period beginning 1 April 2019 and applied the standard to its leases and has adopted modified retrospective approach in accordance with the standard, with the cumulative effect of initially applying the Standard, recognized on the date of initial application (1 April 2019). Accordingly, the Group has not restated comparative information.

For transition, the Group has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Group has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Group has used a single discount rate to a portfolio of leases with similar characteristics.

The Group has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on April 1, 2019 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Group is not required to restate the comparative figures.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset of Rs. 1,130 and a lease liability of Rs. 1,067. During the quarter ended 31 December 2019, management of the Holding Company based on its future plan re-estimated the lease terms for certain premises and has adjusted the resultant impact thereof in these financial statements.

The weighted average incremental borrowing rate of 10% has been applied to lease liabilities recognized in the balance sheet at the date of initial application. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right of use asset, and finance cost for interest accrued on lease liability.

### 30. Contingent liabilities and commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 462.62 (previous year Rs. 65.40).

### 31. Provisions and contingent liabilities

a) 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. The total provision in the financial statements in respect of these cases is Rs. 37 (previous year: Rs. 22). Further, the Group has created an additional provision of Rs. 44 (previous year: Rs. 43) in respect of certain other assessment years where there is presently no litigation. 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 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.

c) During the previous year, 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.

d) 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 Group's management, pending decision on the subject review petition and directions from the EPFO, the Group's 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 32. Corporate social responsibility

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 2020

a) Gross amount required to be spent by the Holding Company during the year was Rs. 387.30

b) Amount spent 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>

#### 31 March 2019

a) Gross amount required to be spent by the Holding Company during the year was Rs. 343.55

b) Amount spent during the year on

Particulars	In cash	Yet to be paid	Total
Construction/acquisition of any assets	-	-	-
On purpose other than (i) above	348.53	-	348.53
<b>Total</b>	<b>348.53</b>	<b>-</b>	<b>348.53</b>

### 33. 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 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>50,428.69</b>	<b>474.46</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 33. Fair Value Measurements (Contd...)

Particulars	Carrying amount			Fair value		
	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial liabilities</b>						
<b>Non-current</b>						
Other financial liabilities						
-Settlement guarantee fund #	-	171.50	171.50	-	-	171.50
-Deposits from employees	-	20.07	20.07	-	-	20.07
-Lease liability	1,169.62	-	1,169.62	-	-	1,169.62
<b>Current</b>						
Trade payables*						
-	-	7,657.25	7,657.25	-	-	-
Other financial liabilities						
-Settlement guarantee fund #	-	11,517.93	11,517.93	-	-	11,517.93
-Others (excluding settlement guarantee fund)*	-	2,423.79	2,423.79	-	-	-
	<b>1,169.62</b>	<b>21,790.54</b>	<b>22,960.16</b>	-	-	<b>12,879.12</b>

As at 31 March 2019

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	2,072.05	-	2,072.05	-	2,072.05	-
Loans (security deposits)#	17,721.44	-	17,721.44	-	17,721.44	-
Bank deposits*	-	170.88	170.88	-	-	170.88
<b>Current</b>						
<b>Investments</b>						
- Mutual funds	27,243.52	-	27,243.52	-	27,243.52	-
Trade receivables*	-	4,588.65	4,588.65	-	-	-
Loans (current security deposit and advances to employees)*	-	3.24	3.24	-	-	-
Cash and cash equivalents*	-	5,081.51	5,081.51	-	-	-
Bank balances other than cash and cash equivalent*	-	1,680.02	1,680.02	-	-	-
Other financial assets-others recoverable*	-	13.12	13.12	-	-	-
	<b>47,037.01</b>	<b>11,965.80</b>	<b>59,002.81</b>	-	<b>47,037.01</b>	<b>599.26</b>

### Financial liabilities

#### Non-current

Other financial liabilities

-Settlement guarantee fund #	-	158.59	158.59	-	-	158.59
-Deposits from employees	-	13.01	13.01	-	-	-

#### Current

Trade payables*						
-	-	13,382.63	13,382.63	-	-	-
Other financial liabilities						
-Settlement guarantee fund #	-	13,288.14	13,288.14	-	-	13,288.14
-Others (excluding settlement guarantee fund)*	-	2,067.53	2,067.53	-	-	-
	-	<b>28,909.90</b>	<b>28,909.90</b>	-	-	<b>13,446.73</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 33. Fair Value Measurements (Contd...)

\*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

### 34. Financial Risk Management

The Group 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 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 have 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 (to the extent applicable).

The audit committee of Holding Company and Board of Director of 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 do 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 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 Holding Company mitigates its exposure to risks relating to trade receivables from its members / clients by requiring them to comply with the Holding Company's established financial requirements and criteria for admission as members / clients. As a process, the Holding 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 Holding Company also holds and maintain settlement guarantee funds for settlement of defaults by any of the members/ clients.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 34. Financial Risk Management (Contd...)

#### (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 2020	31 March 2019
<b>Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b>		
Investments (Non current and current)	50,857.06	47,465.39
Non-current loans	46.08	170.88
Other non-current financial assets - bank deposits	202.50	-
Cash and cash equivalents	1,285.88	5,081.51
Other Bank balance	1,478.24	1,680.02
Current loans	208.16	3.24
Other current financial assets - other recoverable	29.79	13.12
	<b>54,107.71</b>	<b>54,414.16</b>
<b>Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)</b>		
<b>Trade receivables</b>	<b>18.54</b>	<b>4,588.65</b>

#### (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 Holding 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 2020	-	13.80	-	-	-	4.74	18.54
Gross carrying amount as 31 March 2019	-	4,583.23	-	-	-	5.42	4,588.65

#### 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 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 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 34. Financial Risk Management (Contd...)

#### (i) Financing arrangements

The Holding Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 March 2020	31 March 2019
Floating-rate borrowings		
Overdraft facilities from banks*	5,180.00	5,360.00
<b>Total</b>	<b>5,180.00</b>	<b>5,360.00</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 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>22,960.16</b>	<b>21,379.66</b>	<b>353.02</b>	<b>378.51</b>	<b>1,055.53</b>	<b>271.44</b>	<b>23,438.16</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 34. Financial Risk Management (Contd...)

31 March 2019

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	13,382.63	13,382.63	-	-	-	-	13,382.63
Deposits towards settlement guarantee fund- Non current	158.59	-	-	92.50	100.00	-	192.50
Deposits towards settlement guarantee fund- Current	13,288.14	13,240.16	50.00	-	-	-	13,290.16
Deposit from employees- Non Current	13.01	-	-	-	13.01	-	13.01
Deposit from employees- Current	5.64	4.25	1.39	-	-	-	5.64
Employee related payables	453.90	453.90	-	-	-	-	453.90
Deposit from clearing and settlement bankers	1,600.00	1,600.00	-	-	-	-	1,600.00
Creditors for capital goods	1.67	1.67	-	-	-	-	1.67
Advance from customers	-	-	-	-	-	-	-
Unpaid dividend	6.31	6.31	-	-	-	-	6.31
Other liabilities	0.01	0.01	-	-	-	-	0.01
	<b>28,909.90</b>	<b>28,688.93</b>	<b>51.39</b>	<b>92.50</b>	<b>113.01</b>	<b>-</b>	<b>28,945.83</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 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 2020	31 March 2019
<b>Financial Assets</b>		
<b>Fixed-rate instruments</b>		
Investments in bonds	428.38	428.38
Bank deposits	1,663.29	1,673.71
	<b>2,091.67</b>	<b>2,102.09</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.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 35. 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, Instruments entirely equity in nature and other equity comprises securities premium, retained earnings etc.

Particulars	As at 31 March 2020	As at 31 March 2019
Adjusted net debt	27,930.62	33,529.31
Less : Cash and cash equivalent and Other bank balance	2,966.62	6,761.53
<b>Adjusted net debt (A)</b>	<b>24,963.99</b>	<b>26,767.78</b>
<b>Adjusted equity (B)</b>	<b>38,795.16</b>	<b>37,026.90</b>
<b>Adjusted net debt to adjusted equity ratio (A/B)</b>	<b>64.35%</b>	<b>72.29%</b>

### 36. Operating segments

In the context of reporting business/ geographical segment as required by Ind AS 108 - "Operating Segments", the Group's operations presently comprise only one business segment – power exchange operations as the operations of gas exchange have not yet commenced. Hence, there is no reportable segment as per Ind AS 108.

### 37. Related Party Disclosures

a) List of Related parties:

i) Key Managerial Personnel (KMP):

Name	Relationship
Rajiv Srivastava (till 20.07.2019)	Whole Time Director
Rajiv Srivastava (w.e.f. 21.07.2019)	Managing director & CEO
Satyanarayan Goel (till 20.07.2019)	Managing director & CEO
Satyanarayan Goel (w.e.f. 21.07.2019)	Non-executive director
Dinesh Kumar Mehrotra	Independent director
Tejpreet Singh Chopra	Independent director
Sudha Pillai (w.e.f. 26.04.2019)	Independent director
Kayyalathu Thomas Chacko	Independent director
Ajeet Kumar Agarwal (REC representative )	Non-executive director (Nominee)

b) Transactions with the related parties are as follows:

Transactions during the year	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>i. Compensation to Key managerial personnel ( S.N. Goel) - MD &amp; CEO</b>		
Salary, wages and bonus	71.92	236.77
Gratuity and leave encashment	27.36	-
Share based payment	-	1.54
Perquisites	0.13	-
<b>Compensation to Key managerial personnel ( S.N. Goel) - Non-executive director</b>		
Commission (including provision of Rs. 70 lakh towards variable commission)	125.32	-
Sitting fees	12.00	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 37. Related Party Disclosures (Contd...)

Transactions during the year	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>ii Compensation to Key managerial personnel ( Rajiv Srivastava) - WTD</b>		
Salary, wages and bonus #	48.29	-
Compensation to Key managerial personnel ( Rajiv Srivastava) - MD & CEO		
Salary, wages and bonus #	317.88	-
Perquisites	0.30	-
<b>iii Sitting fees</b>		
Tejpreet Singh Chopra	6.30	-
Sudha Pillai	11.70	-
Dinesh Kumar Mehrotra	4.20	15.00
K.T.Chacko	17.70	17.10
Vallabh Bhanshali	-	2.70
Ajeet Kumar Agarwal (REC representative )	0.90	2.70

# Does not include gratuity and compensated absences since these are determined for the Holding Company as whole.

#### c) Outstanding balances with related parties are as follows:

Particulars	31 March 2020	31 March 2019
<b>Payable to key management personnel</b>		
Rajiv Srivastava	61.59	-
Satyanarayan Goel	91.87*	72.00

\* including provision of Rs. 70 lakh towards variable commission.

### 38. 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 6,06,572 number of equity shares of Rs. 10 each ( post sub division equivalent to 60,65,720 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 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 38. Share based payment arrangements (Contd...)

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 Rs. 1 each, thereby all the numbers have been reinstated. Out of total shares allotted to IEX ESOP Trust, ESOP Trust has granted 52,43,950 (net of 15,05,050 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:

S.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 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 38. Share based payment arrangements (Contd...)

#### 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
5-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**	159	160	24.25%	2.5 to 4.51 years	Based on dividend declared prior to the date of grant	7.45%
18/12/2018**	165	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 2020 (All amounts in Rupees lakhs, unless otherwise stated)

### 38. Share based payment arrangements (Contd...)

#### c. Effect of employee stock option scheme on the Statement of Profit and loss:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Employee stock option expenses	46.70	25.10
<b>Total</b>	<b>46.70</b>	<b>25.10</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 2020**		31 March 2019**	
	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	3,18,900	75.00	6,41,000	75.00
	1,00,000	160.00	1,12,500	15.00
	50,000	166.00	-	-
Exercisable at the beginning of the year	-	-	-	-
Add: Options granted during the year	1,00,000	142.00	1,00,000	160.00
			50,000	166.00
Less: Options forfeited and expired during the year	23,450	75.00	1,15,500	75.00
Less: Options exercised during the year	1,35,650	75.00	1,12,500	15.00
			2,06,600	75.00
Options outstanding as at the year end	1,49,900	75.00	3,18,900	75.00
	70,000	160.00	1,00,000	160.00
	35,000	166.00	50,000	166.00
	1,00,000	142.00	-	-
Exercisable at the end of the year	9,900	75.00	-	-
	30,000	160.00	-	-
	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 Holding Company from face value of Rs. 10 to Rs 1)

The options outstanding at 31 March 2020 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 2019: 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 2.67 years (31 March 2019: 3.05 years).

The weighted average share price at the date of exercise for share options exercised in 2019-20 was Rs. 75 for 1,35,650 shares of Rs. 1 each (2018-19: Rs. 53.85 for 3,19,100 shares of Rs. 1 each).

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2020 (All amounts in Rupees lakhs, unless otherwise stated)

- 39 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. 11,689.42 (previous year Rs. 13,446.73) and same has been disclosed under note 16 - Other current financial liabilities i.e. Rs. 11,517.93 (previous year Rs. 13,288.14) under Deposits towards Settlement Guarantee Fund and note 16 - Other non current financial liabilities - Deposits towards Settlement Guarantee Fund i.e. Rs. 171.50 (previous year Rs. 158.59). 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. 905.00 (previous year Rs. 755.00) which does not form part of the Balance Sheet.

40. Additional information required as at and for the year ended 31 March 2020 as per Schedule III to the Act in respect of the entities consolidated in these financial statements.

Name of the Entity	Net Asset		Share in profit and loss		Share in Other Comprehensive Income (net of taxes)		Share in total comprehensive income	
	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount
Holding Company								
Indian Energy Exchange Limited	101%	39,014.98	101%	17,791.61	100%	(40.12)	101%	17,751.49
Subsidiary Company	2%	780.18	-1%	(219.82)	0%	-	-1%	(219.82)
Indian Gas Exchange Limited								
Elimination / Adjustments	-3%	(1,000.00)						
		38,795.16	100%	17,571.79	100%	(40.12)		17,531.68

41. 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 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/-

**Ashwin Bakshi**

Partner

Membership No.: 506777

UDIN: 20506777AAAAAX8808

Place : New Delhi

Date : 14 May 2020

For and on behalf of the Board of Directors of

**Indian Energy Exchange Limited**

Sd/-

**S. N. Goel**

Chairman

DIN-02294069

Sd/-

**Rajiv Srivastava**

Managing Director & CEO

DIN-03568897

Sd/-

**Vineet Harlalka**

Chief Financial Officer & Company Secretary

Place : Noida

Date : 14 May 2020

## Corporate Information

### Board of Directors

**Mr. Satyanarayan Goel**  
Non Executive Chairman

**Mr. Rajiv Srivastava**  
Managing Director and Chief Executive Officer

**Ms. Sudha Pillai**  
Independent Director

**Mr. Tejpreet Singh Chopra**  
Independent Director

**Mr. Gautam Dalmia**  
Non-Executive Director

**Prof. Kayyalathu Thomas Chacko**  
Independent 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

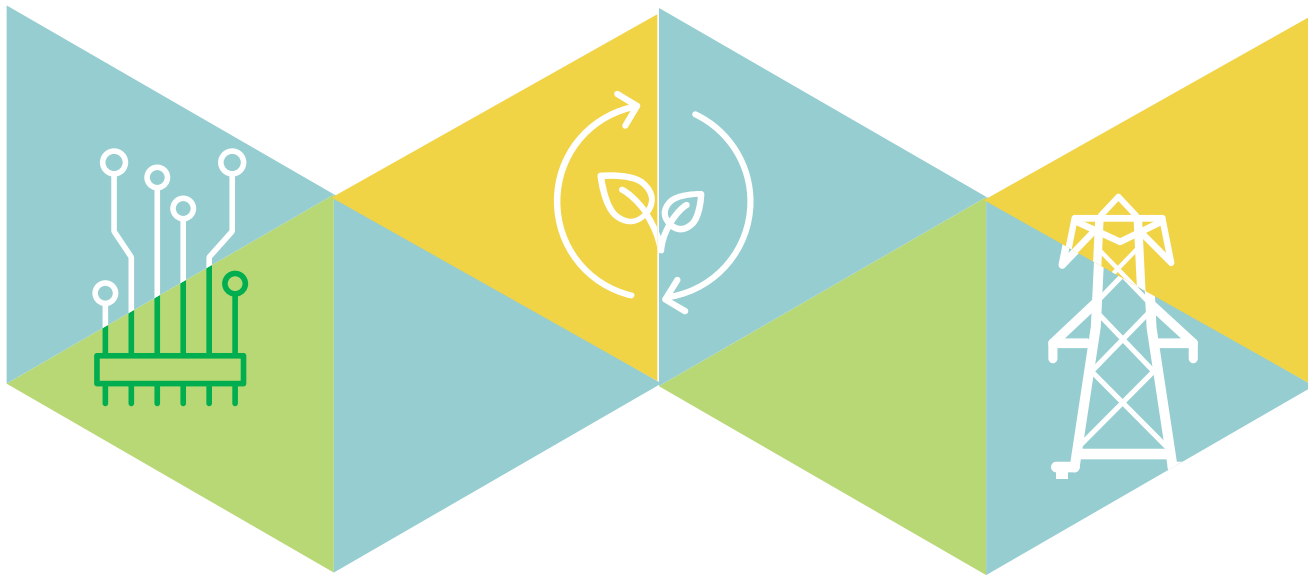
### Registered & Corporate Office

#### Indian Energy Exchange Limited

Unit No. 3, 4, 5 & 6, Fourth Floor,  
TDI Centre Plot. No. 7,  
District Centre, Jasola,  
South Delhi-110025, India.  
Tel: ++91-11-4300 4000 | Fax: +91-11-4300 4015  
Website: [www.iexindia.com](http://www.iexindia.com)



[www.iexindia.com](http://www.iexindia.com)







**INDIAN ENERGY EXCHANGE LIMITED**

**CIN: L74999DL2007PLC277039**

Regd. & Corp. Off.: Unit No. 3-6, 4<sup>th</sup> Floor, TDI Centre, District Centre, Jasola, New Delhi – 110025

**NOTICE**

NOTICE is hereby given that the **Fourteenth (14<sup>th</sup>) Annual General Meeting (“AGM”)** of the Members of the Indian Energy Exchange Limited will be held on **Friday, August 28, 2020 at 11:00 a.m. 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, 2020, 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, 2020, together with the Report of the Auditors thereon, and in this regard, to pass the following resolutions as Ordinary Resolutions:

- i. **“RESOLVED THAT** the audited standalone financial statements including the Balance Sheet of the Company as at March 31, 2020, 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.”
- ii. **“RESOLVED THAT** the audited consolidated financial statements including Consolidated Balance Sheet of the Company as at March 31, 2020, 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. To confirm the payment of Interim Dividend of Rs. 2.50 (Two Rupees Fifty Paise) per equity share of face value of Rs. 1/- (Rupees One) each for the financial year ending March 31, 2020, based on the financial performance of the Company for the period ended December 31, 2019, and in this regard, 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 Rs. 1/- each absorbing Rs. 9,028.63 Lakh (including Rs. 1,539.72 lakh towards dividend distribution tax), for the financial year ended March 31, 2020 based on the financial performance of the Company for the period ended December 31, 2019, paid on March 24, 2020

be and is hereby noted and confirmed as the Final Dividend for the Financial Year 2019-20.”

**3. To appoint Mr. Gautam Dalmia (DIN 00009758), 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. Gautam Dalmia (DIN 00009758), 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. Appointment of Mr. Amit Garg (DIN: 06385718) as a Non-executive and Non-Independent 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 provisions of Section 152, 160 and any other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Amit Garg (DIN: 06385718) who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 14, 2020 and whose term of office expires at this Annual General Meeting and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature be and is hereby appointed as a Non-Executive and Non-Independent Director of the Company being liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors or the Company Secretary be and are hereby severally authorized to do all acts and take such steps as may be necessary, proper or expedient to give effect to this resolution.”

**5. Approval for payment of remuneration in the form of Commission to Mr. Satyanarayan Goel (DIN: 02294069), 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 the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing 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 the payment of remuneration in the form of commission to Mr. Satyanarayan Goel (DIN: 02294069) Non-executive Chairman of the Board, and in such amounts or proportions and in such manner as the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination & remuneration Committee which the board has constituted to exercise its powers, including the powers, conferred by this resolution) may determine, subject to maximum of 1% (one percent) of the net profits of the Company, calculated in accordance with the provisions of Section 198 of the Act, as detailed below:

- The remuneration shall be a combination of both fixed and variable portion as given below-

- 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 quantum of payout of variable portion 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.
  - 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.

**RESOLVED FURTHER THAT** the above remuneration shall be in addition to sitting fee payable to Mr. Satyanarayan Goel for attending the Board or Committee (s) Meetings of the Company thereof and reimbursement of expenses for attending the Board and Committee (s) meetings of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all acts and take such steps as may be necessary, proper or expedient to give effect to this resolution.”

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:** 29 July, 2020

**Place:** New Delhi

**Regd. & Corporate Office:**

Unit No. 3-6, 4<sup>th</sup> Floor, TDI Centre,  
District Centre, Jasola, New Delhi – 110025  
CIN: L74999DL2007PLC277039  
Website : www.iexindia.com  
Email: compliance@iexindia.com  
Tel: +91-11-4300 4000  
Fax: + 91-11-4300 4015

**NOTES: -**

- 1) In view of the continuing COVID-19 pandemic, the Govt. of India, Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the physical presence of the members at the meeting. Accordingly, the MCA issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue.
- 2) In accordance with the MCA and SEBI 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. The detailed procedure for participation in the meeting through VC/OAVM 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 Nos. 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 and SEBI 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, a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting through e-voting.
- 6) Explanatory Statement pursuant to Section 102(1) of the Act, in respect of item no. 4 to 5 is annexed and forms a part of this Notice. The Board of Directors, at their meeting held on July 29, 2020 has decided that the special business set out under item nos. 4 to 5, being considered unavoidable, be transacted at the AGM of the Company.
- 7) The Register of Members and Share Transfer Books will remain closed from Saturday, August 22, 2020 to Friday, August 28, 2020 (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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings issued, 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 Board of Directors at its meeting held on March 11, 2020 , had declared interim dividend of Rs. 2.50/- per equity share of Rs.1/- each for the financial year ending March 31, 2020, based on the financial performance of the Company for the period ended December 31, 2019. The payment was made on March 24 , 2020. The Board of Directors wish to conserve resources for future expansion and growth of the Company. Hence, the Board of Directors have not recommended the final dividend, the payment of interim dividend may be treated as final dividend for financial year-2019-20.
- 10) At the 13<sup>th</sup> AGM held on September 18, 2019 the Members approved appointment of B S R & Co LLP, Chartered Accountants (Firm Registration No.116231W/W-100024) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 18<sup>th</sup> AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away with the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the fourteenth AGM.
- 11) 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.
- 12) Institutional investors, who are members of the Company, are encouraged to attend and vote at the AGM of the Company.

## DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

- 13) 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 Circular dated May 12, 2020, 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.ixindia.com](http://www.ixindia.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.karvy.com](https://evoting.karvy.com)
- 14) Shareholders who have not registered their mail address and in consequence the Annual Report, Notice of AGM and e-voting notice could not be serviced, may temporarily get their email address and mobile number provided with the RTA, KFIN, by clicking the link: [https://ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/) for sending the same. Shareholders 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, shareholder may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
- 15) For receiving all communication (including Annual Report) from the Company electronically:
- 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@ixindia.com](mailto:compliance@ixindia.com) or to KFIN at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)
  - Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.

## PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

- 16) The Company will provide VC / OAVM facility to its Members for participating at the AGM.
- Members will be able to attend the AGM through VC / OAVM at <https://emeetings.kfintech.com> by using their e-voting login credentials.

Members are requested to follow the procedure given below:

- Launch internet browser (chrome/firefox/safari) by typing the URL: <https://emeetings.kfintech.com>
  - Enter the login credentials (i.e., User ID and password for e-voting).
  - After logging in, click on "Video Conference" option
  - Then click on camera icon appearing against AGM event of Indian Energy Exchange Limited, to attend the Meeting.
- Members who do not have 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 E-voting instructions.
  - Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
  - Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.
  - Please note that Participants 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.
  - Facility to join the meeting shall be opened 30 minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.
  - 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 1800-425-8998 /1800-345-4001 . Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.
  - 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.
- 17) 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 AND E-VOTING AT THE AGM:

18) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations, the Company is providing to its members facility to exercise their right to vote on resolutions proposed to be passed at AGM by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting").

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 Insta Poll.

### Instructions for e-voting at the AGM are as under:-

- The e-Voting "Thumb sign" on the left hand corner of the video screen shall be activated upon instructions of the Chairman during the AGM proceedings. Members shall click on the same to take them to the "instapoll" page.
- Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
- Only those Members, who will be present in the AGM through video conferencing facility and have not cast their vote through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting at the AGM.

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.

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 24, 2020

**End of remote e-voting:** 5:00 p.m. IST on Thursday, August 27, 2020

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.

Voting rights of a member / beneficial owner (in case of electronic shareholding) shall be in proportion to his share in the paid-up equity share capital of the Company

as on the cut-off date, i.e., Friday, August 21, 2020.

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.

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.

Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Friday, August 28, 2020.

- 19) The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman or a person authorized by him in writing.
- 20) The result of e-voting will be declared within forty-eight hours of the conclusion of the Meeting and the same, along with the consolidated Scrutiniser'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.karvy.com>. The result will simultaneously be communicated to the stock exchanges.
- 21) Members seeking any information on the Company, its financial statements for the Financial Year ended 31 March, 2020 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.
- 22) Members who would like to express their views/ask questions during the AGM may log into <https://emeetings.kfintech.com/> and click on "Post your Questions". Thereafter, the Members may post their queries/views in the window provided by mentioning the name, demat account number/folio number, email id, mobile number. "Post your Questions" shall commence on Tuesday, August 25, 2020 (09:00 a.m. IST) and close on Thursday, August 27, 2020 (5:00 p.m. IST). Please note that only questions of the members holding the shares as on cut-off date will be considered.
- 23) 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.

- 24) 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.
- 25) 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.
- 26) 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.
- 27) Members of the Company holding shares either in physical form or in Dematerialised forms as on Friday, July 31, 2020 will receive Annual Report and AGM Notice through electronic mode.
- 28) 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.
- 29) 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.

- 30) Since the AGM will be held through VC / OAVM, the Route Map is not annexed hereto.

## Information and Instructions relating to e-voting are as under:

- 1) The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
- 2) A member can opt for only single mode of voting per E-Voting Event Number (EVEN) i.e., through remote e-voting or voting at the Meeting (Insta Poll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".
- 3) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., **Friday, August 21, 2020** only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting through Insta Poll. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.
- 4) In case a person becomes a Member of the Company after dispatch of this Notice but on or before the cutoff date for e-voting i.e., Friday, August 21, 2020, he/she may obtain the User ID and Password in the manner as mentioned below:
  - i. 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>XXXXIN12345612345678

**Example for CDSL:**  
MYEPWD<space>XXXX1402345612345678

**Example for Physical:**  
MYEPWD <space> XXXX1234567890
  - ii. 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.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii. Member may call the RTA's toll free number 1800-345-4001 (from 9:00 a.m. to 6:00 p.m.). Member may send an e-mail request to at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

If the member is already registered with KFIN e-voting platform, then he can use his existing password for logging in.

- 5) **In case a member receives an e-mail from the Company / KFIN [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]:**
- a. Launch internet browser by typing the URL: <https://evoting.karvy.com>
  - b. Enter the login credentials (User ID and password given in the e-mail). The E-Voting Event Number+Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFIN for e-voting, you can use the existing password for logging in. If required, please visit <https://evoting.karvy.com> or contact toll-free numbers 1800- 425-8998 / 1800-345-4001 (from 9:00 a.m. to 6:00 p.m.) for your existing password.
  - c. After entering these details appropriately, click on "LOGIN".
  - d. You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging in for the first time. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, 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.
  - e. You need to login again with the new credentials.
  - f. On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Indian Energy Exchange Limited. SHAREHOLDERS TO SELECT THE RESPECTIVE EVEN AND VOTE UPON THEIR SHAREHOLDING.
  - g. On the voting page, enter the number of shares as on the cutoff date under either "FOR" or "AGAINST" or alternatively, you may partially enter any number under "FOR" / "AGAINST", but the total number under "FOR" / "AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose to "ABSTAIN" and vote will not be counted under either head.
  - h. Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- i. 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".
  - j. You may then cast your vote by selecting an appropriate option and click on "SUBMIT".
  - k. A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.
  - l. Once you confirm, you will not be allowed to modify your vote.
  - m. Corporate / Institutional Members (i.e., other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutiniser at e-mail id: [nazim@mnkassociates.com](mailto:nazim@mnkassociates.com) with a copy marked to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be "Corporate Name EVENT NO."
- 6) **In case of a member whose e-mail address is not registered / updated with the Company / KFIN / Depository Participant(s), please follow the following steps to generate your login credentials:**
- a. Members holding shares in dematerialised mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register / update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.
  - b. After due verification, the Company / KFIN will forward your login credentials to your registered email address.
  - c. Follow the instructions at 6 (a) to (m) to cast your vote.
- 7) **In case of any query pertaining to e-voting, members may refer to the "Help" and "FAQs" sections / E-voting user manual available through a dropdown menu in the "Downloads" section of KFIN website for e-voting: <https://evoting.karvy.com> or contact KFIN as per the details given under sub-point no. 8 below.**

- 8) Members are requested to note the following contact details for addressing e-voting grievances: Mr. Prem Kumar Nair, (Unit: Indian Energy Exchange Ltd) KFin Technologies Private Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 Phone No.: +91 40 6716 1500 Toll-free No.: 1800-345-4001 E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

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:** 29 July, 2020

**Place:** New Delhi

**Regd. & Corporate Office:**

Unit No. 3-6, 4<sup>th</sup> Floor, TDI Centre,  
District Centre, Jasola, New Delhi – 110025  
CIN: L74999DL2007PLC277039  
Website : [www.iexindia.com](http://www.iexindia.com)  
Email: [compliance@iexindia.com](mailto:compliance@iexindia.com)  
Tel: +91-11-4300 4000  
Fax: + 91-11-4300 4015



## Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

### ITEM NO. 4:

Mr. Amit Garg (DIN: 06385718) was appointed by the Board as an Additional Director with effect from May 14, 2020 in terms of provisions of Section 161 of the Companies Act, 2013, and rules made thereunder.

As per the provisions contained under Section 161 of the Companies Act, 2013, the "Additional Director" so appointed shall hold office upto the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Accordingly, Mr. Amit Garg, as an Additional Director, holds office upto the date of this Annual General Meeting.

The Board has received a notice from a member proposing candidature of Mr. Amit Garg, for the office of Director in terms of Section 160 of the Companies Act, 2013.

A brief profile covering the details of his age, qualification, experience, terms and conditions of appointment, etc. as required pursuant to the Secretarial Standards on General Meetings, is annexed to this Notice as Annexure I. The Board considers that on account of vast knowledge and experience of Mr. Amit Garg, his appointment will be in the interest of the Company.

Mr. Amit Garg is interested in this resolution and relatives of Mr. Amit Garg may be deemed to be interested in this resolution, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed Resolutions.

The Board of Directors of your Company recommends that the Resolution under Item No. 4 be passed in the interest of your Company.

The documents, if any, referred above, will be made available for inspection in electronic mode.

### ITEM NO. 5:

Mr. Satyanarayan Goel post expiry of his term as MD & CEO of the Company was appointed as the Non-Executive Chairman of the Board with effect from July 21, 2019. Mr. Goel brings with him rich experience and expertise in Power

Sector and in appreciation of his contribution and services he will be rendering to the Company, it is proposed to pay him remuneration in the form of Commission as Non-Executive Chairman commencing from July 21, 2020. Mr. Goel can support the Board and the Company immensely in matters related to Regulatory issues & Policy Advocacy and guiding management team.

In terms of Section 197 of the Companies Act, 2013 a Company can make payment of remuneration to Non-Executive Directors, a sum not exceeding 1% of the net profits of the company and in terms of Regulation 17 (6) (ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Members by way of Special Resolution is required every year, if the remuneration payable to a single Non-Executive Director in that year exceeds 50% of the aggregate remuneration payable to all the Non-Executive Directors taken together. Your approval is therefore sought for the payment of remuneration in the form of commission to Mr. Goel for one year commencing from July 21, 2020. The proposed commission shall be in addition to the sitting fee payable to him and out-of pocket expenses incurred for attending meetings of the Board and Committees thereof.

It is proposed that Mr. Goel shall be paid remuneration in the form of commission, which can be combination of both fixed and variable portion for one year as set out in the resolution number 5 of this notice.

Mr. Satyanarayan Goel is interested in this resolution and relatives of Mr. Satyanarayan Goel may be deemed to be interested in this resolution, to the extent of their shareholding interest, if any, in the Company.

In accordance with the Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements), 2015, Mr. Satyanarayan Goel is interested in this resolution to the extent of his shareholding interest in the Company and he will not participate in the discussion or cast vote in the proposed resolution.

Save and except the above, none of the other Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed Resolutions.

The Board of Directors of your Company recommends that the Resolution under Item No. 5 be passed in the interest of your 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:** 29 July, 2020

**Place:** New Delhi

#### Regd. & Corporate Office:

Unit No. 3-6, 4th Floor, TDI Centre,  
District Centre, Jasola, New Delhi – 110025  
CIN: L74999DL2007PLC277039  
Website : www.iexindia.com  
Email: compliance@iexindia.com  
Tel: +91-11-4300 4000  
Fax: + 91-11-4300 4015

## 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.

S. No.	Name of the Director	Mr. Gautam Dalmia	Mr. Amit Garg
1.	DIN	00009758	06385718
2.	Age	52 Years	52 years
3.	Qualification	BS and MS degree in Electrical Engineering from Columbia University, USA	Chemical Engineering from IIT Varanasi and PGDM from IIM Lucknow
4.	Experience and Expertise in specific functional area	With over 27 years of experience in both Cement and Sugar Industries, he has been one of the driving forces behind the exponential growth witnessed by the Dalmia Bharat Group. He leads a professional team to pursue accelerated growth while maintaining the core values which have been the foundation of this 75- year old conglomerate with interests in cement, sugar and refractories.	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	As per the Nomination, Remuneration & Board Diversity Policy of the Company as placed on the Company's website i.e. www.iexindia.com	
6.	Details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Nil	Nil
7.	Date of first appointment on the Board	December 20, 2018 as an Additional Director	May 14, 2020, as an Additional Director
8.	Shareholding in the Company	3,000 Equity Shares as on March 31, 2020	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.	Not Applicable as he was appointed on the Board of the Company w.e.f. May 14, 2020.
11.	Other Directorships	Refer report on Corporate Governance Report section of the Annual Report 2019-20	<ol style="list-style-type: none"> <li>1. Sarvapriya Healthcare Solutions Pvt. Ltd.</li> <li>2. Cointribe Technologies Private Limited</li> <li>3. Myparichay Services Private Limited</li> <li>4. Hopco Industries Limited</li> </ol>
12.	Membership/Chairmanship of Committees of other Boards as on March 31, 2020	<ol style="list-style-type: none"> <li>1. Dalmia Bharat Sugar and Industries Ltd - Member of Stakeholders Relationship Committee</li> <li>2. Dalmia Bharat Limited (Formerly known as Odisha Cement Limited) - Member of Stakeholders Relationship Committee</li> </ol>	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: 29 July, 2020  
Place: New Delhi

**Regd. & Corporate Office:** Unit No. 3-6, 4th Floor, TDI Centre,  
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