



Dated: January 20, 2023

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

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

**Sub: Investor Presentation & Press Release on Unaudited Financial Results for the quarter ended December 31, 2022.**

Dear Sir / Madam,

With reference to above mentioned subject, please find attached **Investor Presentation & Press Release on Unaudited Financial Results for the quarter ended December 31, 2022.**

The above information will also be made available on the website of the Company [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  
CFO, Company Secretary & Compliance Officer  
Membership No. ACS-16264

Encl: as above

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**Indian Energy Exchange Ltd**

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

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

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**CIN: L74999DL2007PLC277039 | Website: [www.iexindia.com](http://www.iexindia.com)**



# Investor Presentation – Q3FY'23

# In this presentation:

Sector in Transition

Electricity Value Chain

IEX: Who We Are

Indian Gas Exchange (IGX)

International Carbon Exchange (ICX)

Way Forward

# Sector in Transition



## Decarbonisation

Deployment of low-carbon technologies - wind and solar



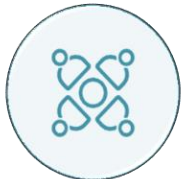
## Decentralisation

Small-scale generation across T&D network



## Democratisation

Empowered consumers - economic power shift



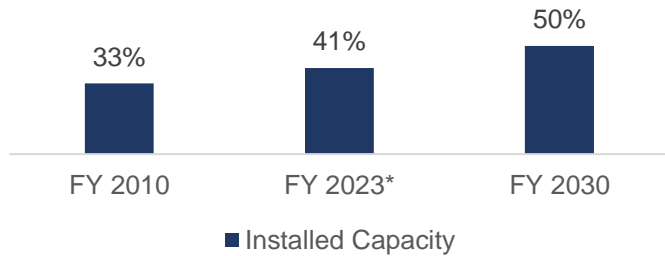
## Digitisation

Intelligent Apps to optimize plants and grid

\*FY23 data till Dec'22

## Shifting Energy Mix

% Renewable



- 168 GW installed renewable capacity (including large hydro) in Dec'22
- India aspires to achieve 500 GW of renewable capacity by 2030

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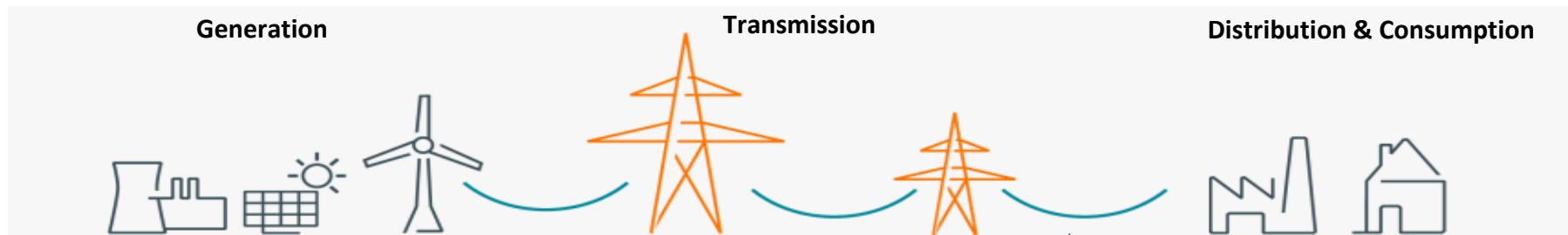
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# Electricity Value Chain



## Energy Transition

Installed Capacity	As on 31 <sup>st</sup> Dec'22	FY 2030 CEA Proj.
<b>Total GW</b>	410	817
<b>Coal Cap GW</b>	211	267
<b>Coal (%)</b>	51.4	32.7
<b>RE &amp; Hydro GW</b>	168	506
<b>RE &amp; Hydro %</b>	40.9	61.9
<b>Upcoming Coal Cap GW (in next 3 Yrs)</b>	27 GW	-

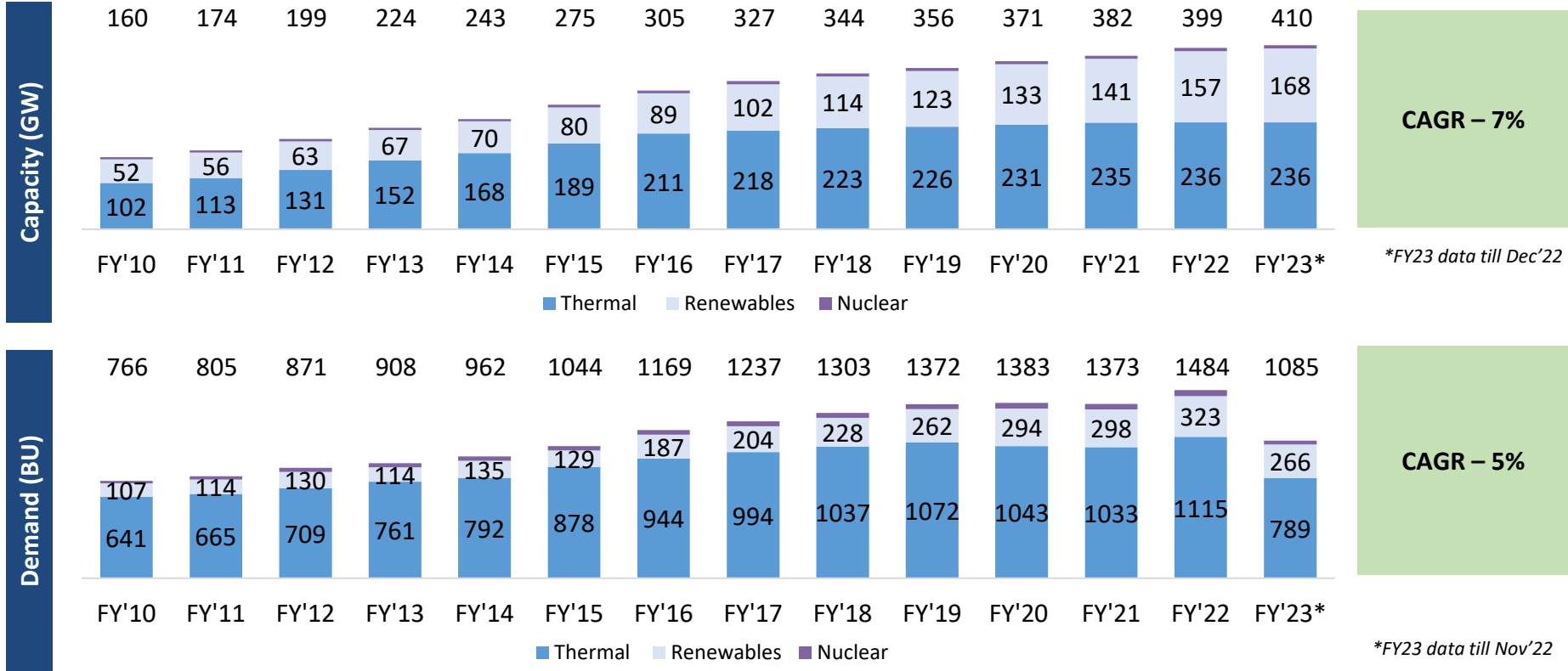
## World's largest network

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

## Reforms Underway

- **Avg. AT & C Losses:** 21% presently to 15%
- **Reduction in Outstanding dues & ensuring future payments**
- Liquidity infusion schemes
- Choice to consumers
- Electrification as decarbonization lever: EV, Cooking, Traction

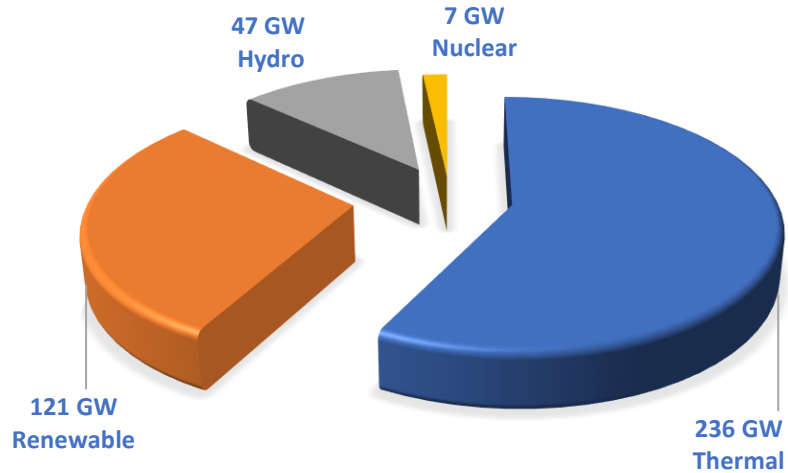
# Installed Capacity has grown at a faster pace compared to the Demand



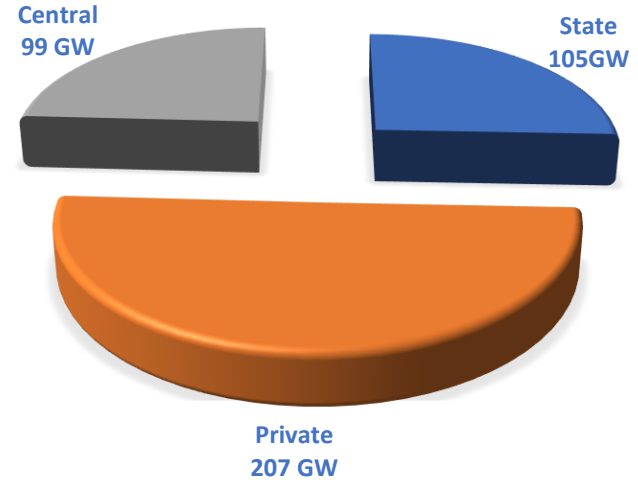
Capacity growth of 7% and Demand increase of 5% since FY 2010

# Installed Capacity = 410 GW

## Capacity by Source

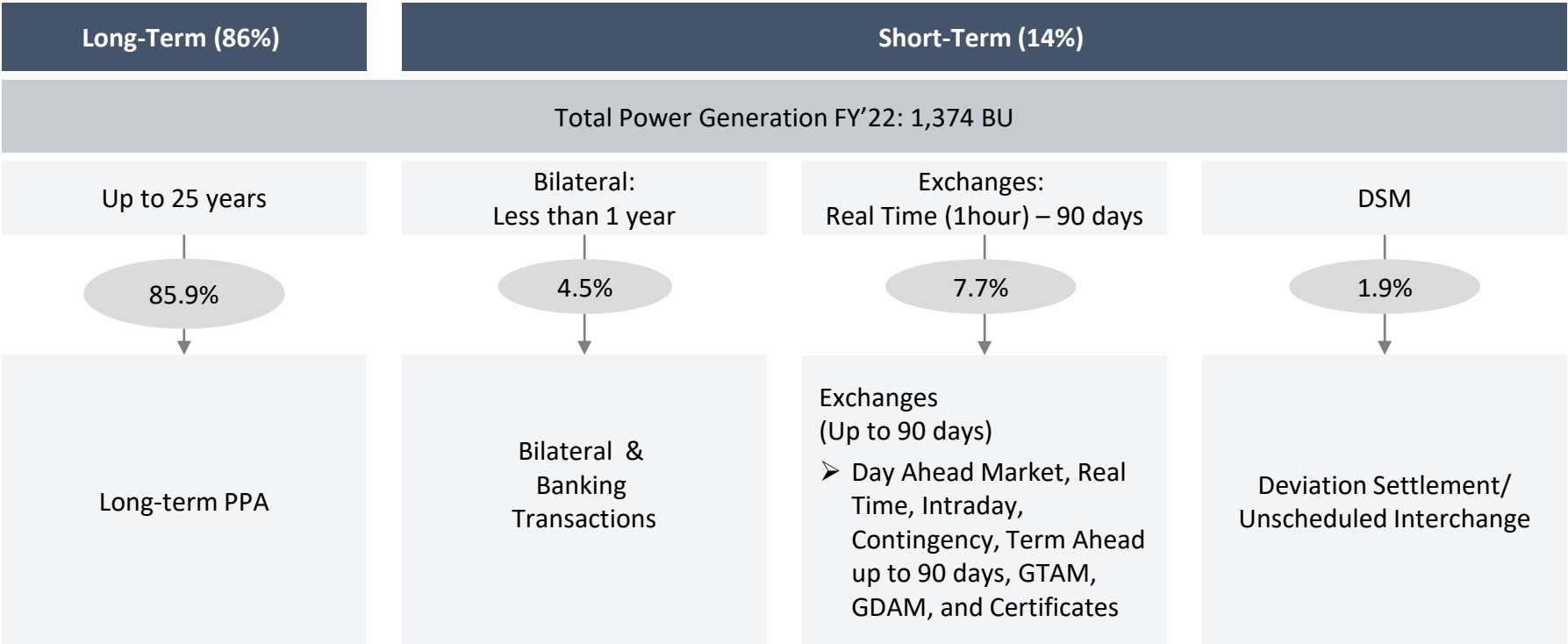


## Capacity by Ownership





# Sector Construct

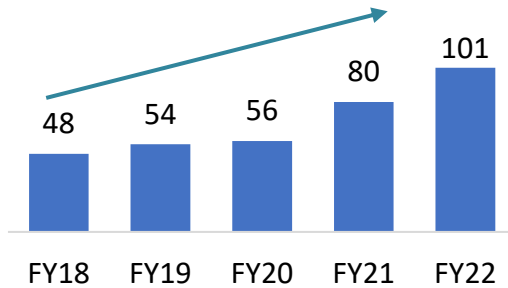


Total Power Generation excludes renewable power  
Source: CERC

# Fast Growing Exchange Markets

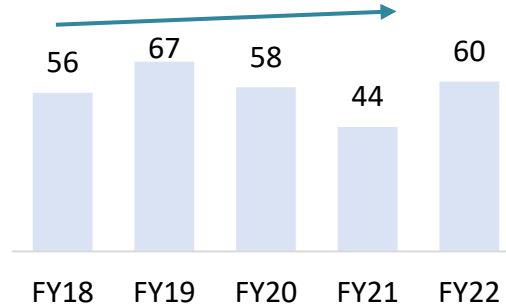
## Exchanges (BU)

CAGR: 20.4%



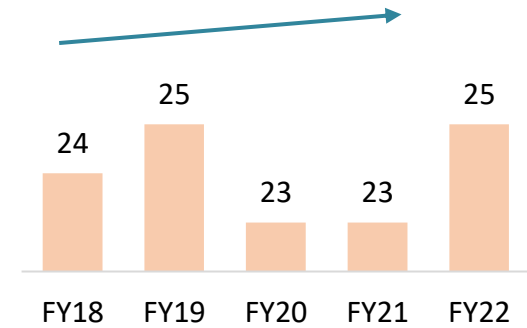
## Bilateral (BU)

CAGR: 1.7%



## DSM (BU)

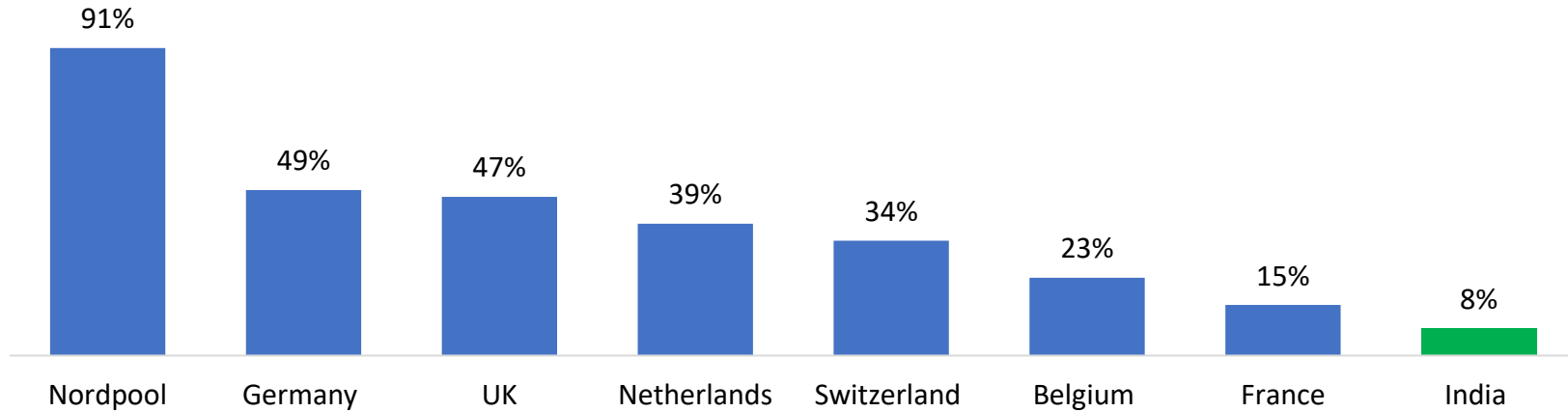
CAGR: 1.0%



Source: CERC

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

# Immense Potential to Deepen India's Power Market

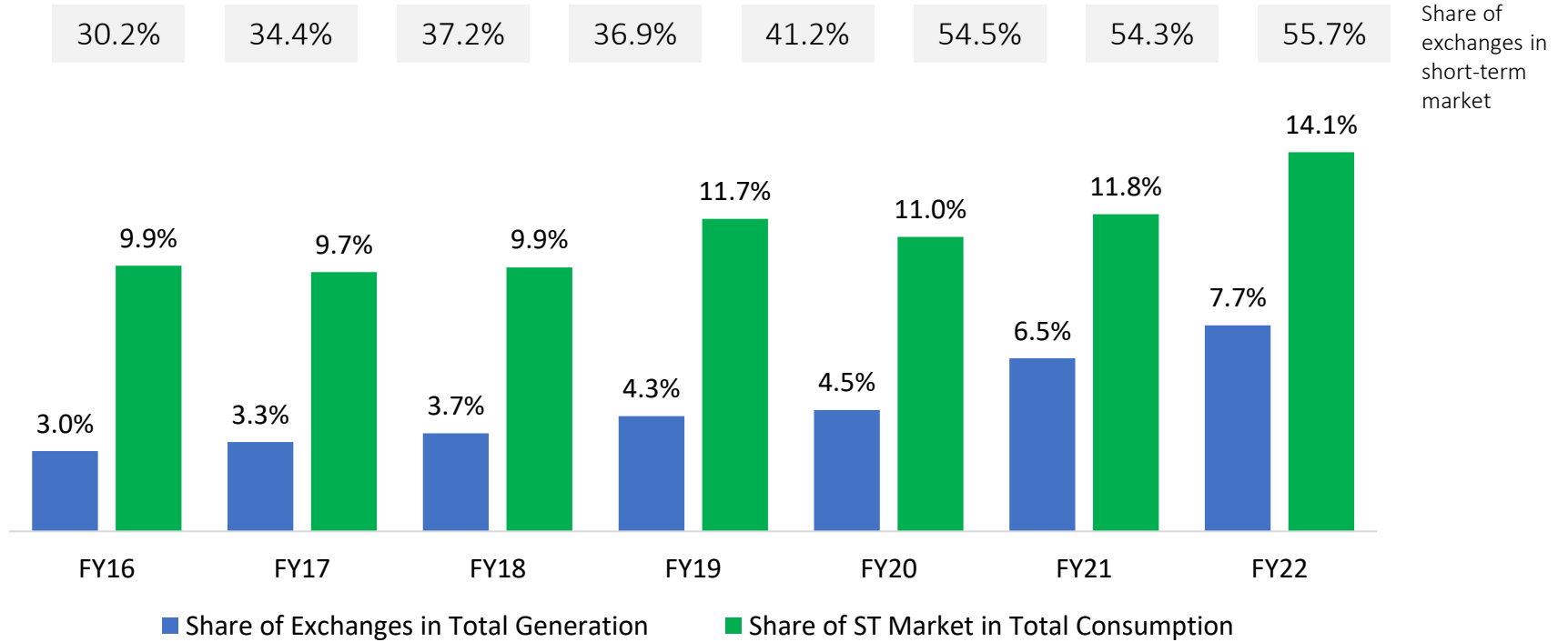


Source: CRISIL Study

**Markets are in the range of 30-80% in developed economies.  
At 7.7%, India has an opportunity to deepen the power market.**

# Exchanges Share in Short Term Market

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



Share of exchanges in short-term market

Source: CERC

# Electricity Growth Drivers

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

## ➤ Industrialization

- ✓ High GDP growth of about 8% expected to drive electricity
- ✓ Core sector, traction, EV, cooking will drive electricity consumption

## ➤ Rapid urbanization/ Rural Electrification

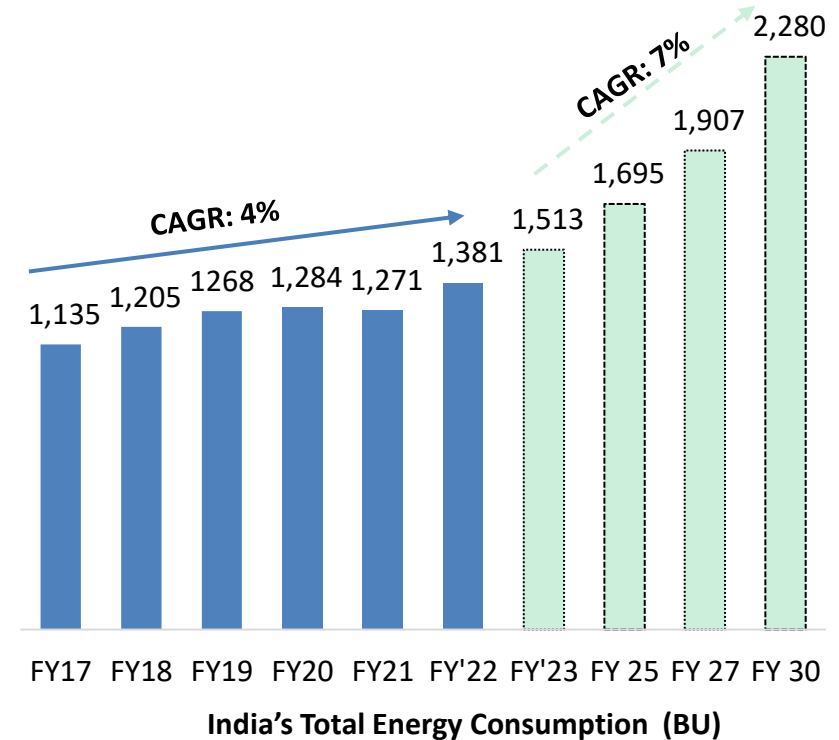
- ✓ 17 of 20 world's fastest growing cities in India

## ➤ Consumer demand growth

- ✓ Last mile connectivity –Power on 24x7 basis
- ✓ FY22 energy consumption growth 8.1% YoY

## ➤ Power Demand Projection for FY 23-30

- ✓ FY 23 onwards – CEA demand growth projections
- ✓ Expected to grow at CAGR of 7%



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# India's Premier Technology-led Energy Marketplace



- Nation wide, automated and transparent trading platform for physical delivery of electricity, renewables & certificates
- Commenced operations in 2008; CERC regulated
- Publicly listed company – 2017 (NSE and BSE)
- ISO 9001:2015, ISO 27001:2013, ISO 14001:2015
- **DAM & RTM Market Share : 99.9%**
- **Overall Market Share incl DAM, TAM, RTM, Green Market FY22: 94.2%**
- Electricity volume CAGR 33% since 2008
- FY 23 electricity volume: 66.3 BU

Robust Ecosystem		
<b>7,300+</b> Registered participants	<b>4,400+</b> Commercial & Industries	<b>1,500+</b> RE Generators & Obligated Entities
<b>600+</b> Generators	<b>55+</b> Discoms (all)	<b>100+</b> ESCert Entities
<b>33%</b> Volume Growth CAGR since 2008	<b>99%</b> Market Share in DAM	<b>100%</b> Market Share in RTM

Note: FY23 data till Dec'22

# Benefitting Power Sector...and the Nation

- Provides **benchmark prices** for all electricity transactions
- **Transparent Mechanism** for Price Discovery
- **High liquidity** on exchange has ensured lowest cost and assured supply

## Truly benefited Indian Power Sector



Generation

Signals for Generating Capacity addition



Transmission

Investments in transmission-congestion free –  
**One Grid One Price**



Distribution

- Lower power prices for discoms, end consumers
- Avoids buying undertake-or-pay contracts
- Flexibility on 15-min basis
- Delivery in 1 hour notice



# Our Values



24X7 Power



Transparency



Flexibility in Power  
Procurement



Competitive Price



Payment Security



Cost Saving

# Market Segments

## Integrated Day Ahead Market

DAM since Jun'08

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

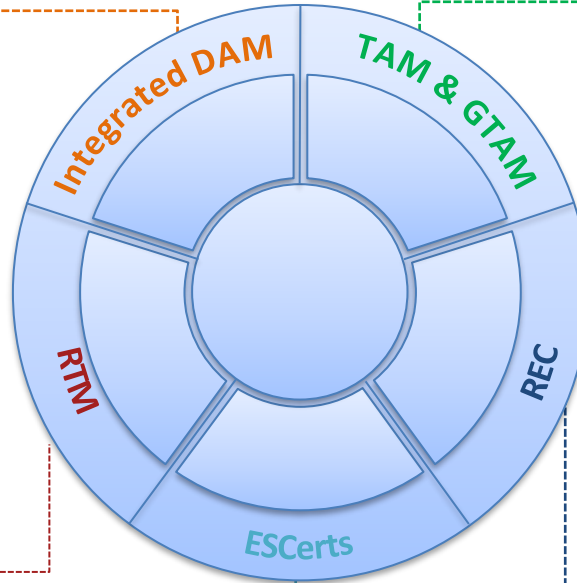
G-DAM since Oct'21

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

## Real Time Market

Since Jun'20

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



## Energy Saving Certificates

Since Sep'17

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

## Intraday Market & Contingency Market Segment

Since Jul'15

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

## Term-Ahead Contracts

Since June'22 (up to 3 months)

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

## Green Term-Ahead Contracts

Since 21 Aug'20

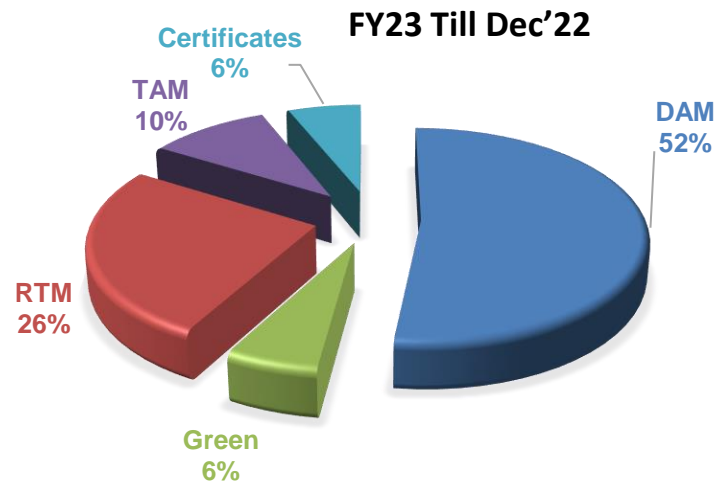
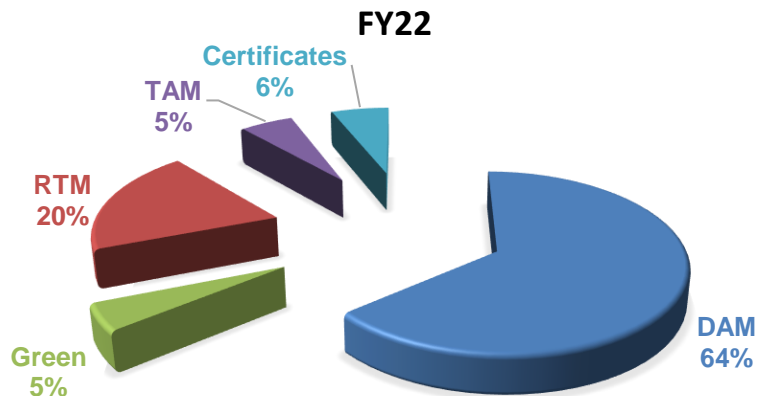
- 15-minute quotation of quantity (MW) and price (Rs/MWh)
- Price discovery and matching on 'Continuous Trade' basis
- Revision in schedule not allowed

## Renewable Energy Certificates

Since Feb'11

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

# Product Mix

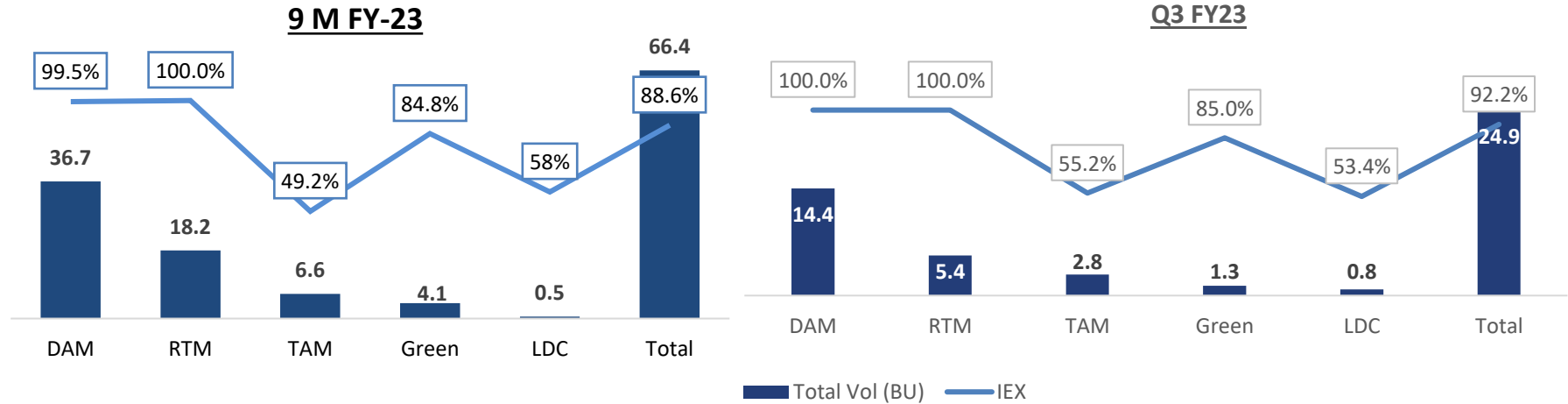


**Total Volume: 102 BUs**

**Total Volume: 70.7 BUs Till Dec'22**

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

# IEX Market Share Product Wise



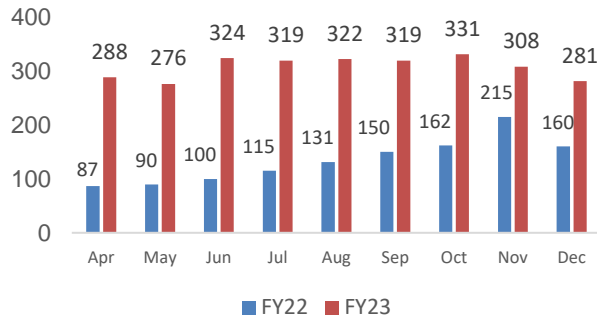
- TAM & DAC Volume increased by 87% in first 9-months YoY basis
- Temporary Shift in Volume from DAM to DAC segment was *observed due to*
  - ✓ Firm tie up due to uncertainty of availability in peak hours
  - ✓ Double charging of transmission charges in collective transactions
- Volume likely to shift to DAM/RTM with improvement in supply & implementation of sharing regulation

# Supply Side Constraints Leading to High Price Discoveries Recently

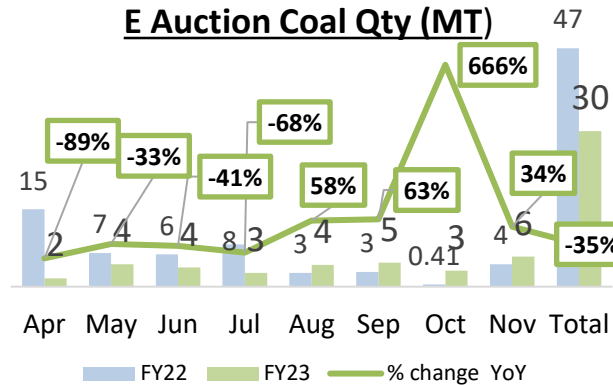


## Geo-Political factors have impacted international coal and electricity prices worldwide

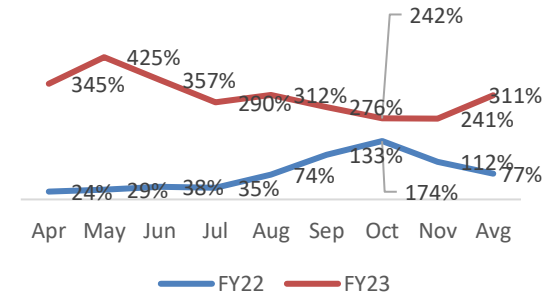
**HBA Index (\$/T)**



**E Auction Coal Qty (MT)**



**E-auction Prices Above Notified Price (%)**

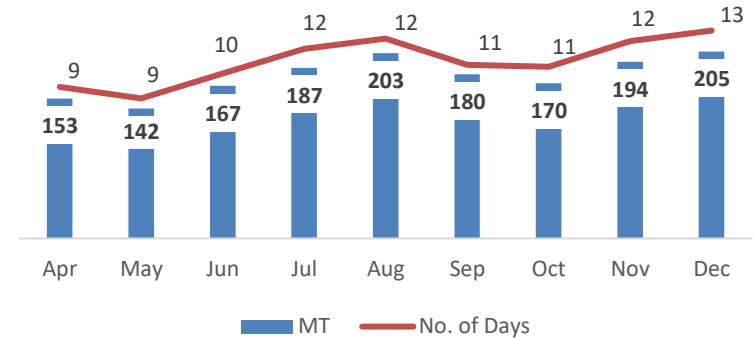


- International Coal prices have shot up by more than **128% YoY basis (Apr-Dec)**
- Variable cost of imported coal- based generation has increased over **100% from Rs. 4.5/kWh to Rs. 9/kWh**
- **LNG price** increased to record high level of 54\$/MMBTU
- Special forward E Auction for Power Sector discontinued, Coal available under common E Auction for all sectors incl Power
- Quantity offered through e-auction has reduced to **30 MT from 47 MT, reduction by 35% YoY (Apr-Nov)**
- E-auction Prices increased **311%** over notified prices in FY23 till November

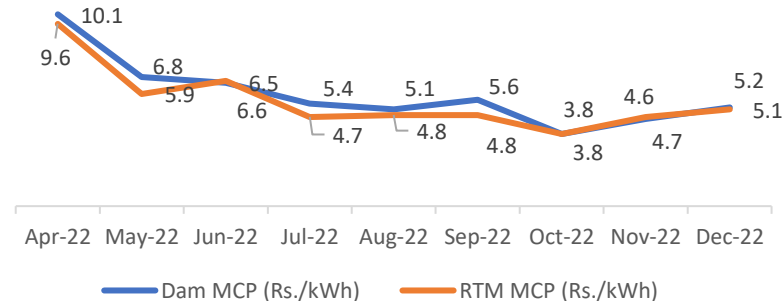
# Coal Supply & Inventory

- Coal production increased by 16% YoY and dispatch to power sector increased by 10.7% YoY in first 9 months of this fiscal.
- Captive mines production increased by 22% YoY in first 9 months
- Coal production generally goes down during July/Aug – no impact this year. July'22 and Aug'22 production increased by 12% and 9% YoY resp
- As inventory at power plant has increased, MoP has eased coal import norms – no additional import
- Coal position expected to improve in short to medium term:
  - ✓ Mines and Minerals Act, 1957 amended to allow sell up to 50% of their annual production after meeting the requirement of the end use plant.
  - ✓ 100% FDI allowed for commercial mining; auction process of 46 blocks completed
  - ✓ CIL has offered 20 discontinued coal mines for re-opening on revenue sharing basis
  - ✓ CIL has also invested in the construction of 7 critical new rail line project

## Coal Inventory at Power Plant



## IEX Price



# Price - Volume Outlook

## ➤ Easing supply constraints

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

## ➤ GNA implementation

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

# Customer Centric Technology and Product Strategy

## CUSTOMER CENTRIC



- **Digital Experience**
  - ✓ Secure Web Access
  - ✓ Integrated bids across segments
  - ✓ Easy User Management for creating new Users and for managing access for the Users
- **Ease of Bidding**
  - ✓ Automated Bidding through API
  - ✓ Bid Creation Tool
  - ✓ Smart Power Procurement
- **Security**
  - ✓ 24\*7 Security Operating Centre (SOC)
  - ✓ Cyber Security Framework

## EFFICIENT



- **Comprehensive Product Portfolio**
  - ✓ TAM contracts upto 90 days
  - ✓ Green Market (GDAM)
  - ✓ Cross Border Transactions
- **Automation**
  - ✓ Auto Carry Forward of Uncleared Bids
  - ✓ Seamless DC-DR Transition to ensure business continuity
  - ✓ Real Time reporting
  - ✓ Alerts/Notifications
  - ✓ SAP integration

## STATE OF THE ART

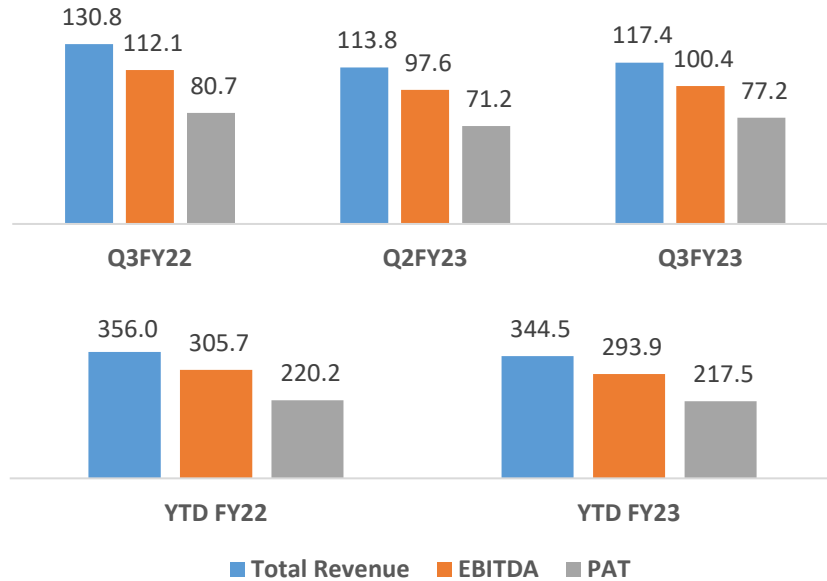


- **National Open Access Registry**
  - ✓ Integration of NOAR
- **Economic Surplus/Social Welfare optimization**
  - ✓ MILP
- **Data Insights**
  - ✓ Bid Data Analytics for Senior Management
  - ✓ Power Market Data Analytics
  - ✓ Financial Reconciliation



# Robust Financial Performance

## Consolidated Financials Rs Cr



Breakup of standalone revenues (%)	Q3FY22	Q2FY23	Q3FY23
Transaction Fees	86%	80%	81%
Admission and Annual Fees	4%	4%	4%
Other Income	10%	16%	15%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Robust business model and financial strength

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# Indian Gas Exchange (IGX)



## VISION

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

**01**

**1st natural gas trading exchange**

**02**

**Automated platform with cutting edge technology**

**03**

**Efficient & transparent market driven price discovery mechanism**

**04**

**Indigenous price benchmark**

# IGX – Key Highlights

## Q3FY23 Business Updates

<b>Total Volume</b>	24.4 Million MMBtu
<b>YoY growth (%)</b>	568%
<b>Total number of trades</b>	914
<b>No. of members</b>	37
<b>Active clients</b>	120+

## Strategic Partners



## Domestic Gas Ceiling Price

- Commenced trading on 23<sup>rd</sup> May'22
- Traded Volume: 16 Million MMBtu
- India's First Gas Index - GIXI



Launched on 19<sup>th</sup> December 2022

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

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

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

30-12-2022					
GIXI IGX GAS INDEX		Month	₹/ MMBTU	\$/MMBTU	% Change
		Jan-23	₹ 1,480	\$18.1	▲ 15.1%
		Dec-22	₹ 1,322	\$16.1	■ 0%

Month	Delivery Point	₹/ MMBTU	\$/MMBTU	% Change	
GIXI	Jan-23	Dahej DH	1,525	18.6	-
		Ankot AN	1,500	18.3	▼ -6.3%
		Hazira HZ	1,714	20.9	-
		Bhadbhut BD	1,649	20.1	-
		Mhaskal MS	1,460	17.8	▲ 14.6%
		Suvali SV	1,550	18.9	-
Dec-22	Jan-22	Dahej DH	1,445	17.6	-
		Ankot AN	1,500	18.3	-
		Hazira HZ	-	-	-
		Bhadbhut BD	-	-	-
		Mhaskal MS	1,322	16.1	-
		Suvali SV	1,420	17.3	-



- Note
- 1) Monthly GIXI Cumulative Prices are delivery month-wise volume weighted average price
  - 2) Prices are excluding ceiling price gas
  - 3) For details of gas hubs and delivery points, please refer Circular No. 59
  - 4) \$/INR conversion rate considered at 82.
  - 5) Last Domestic Gas Ceiling Price Auction held on 27 Dec 22 at INR 1032/MMBtu

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

- Government's vision of increasing share of Natural Gas in total energy basket from ~6.3% to 15% by 2030 will increase gas consumption in the economy from current 160 MMSCMD to 500+ MMSCMD
- With completion of 11<sup>th</sup> CGD bidding round >90% population will be covered in next 6 years
- LNG terminal capacity is expected to grow from current 42.5 MMTPA to around 72 MMTPA in 3 years
- Transmission pipeline network is expected to grow from ~20,000 km to around 35,000 km by 2023
- Presently out of 160 MMSCMD of gas consumption ~85 MMSCMD is imported through short term
- Unified transmission tariff (two-zone) under implementation
- Implementation of new Access Code Regulations and Incorporation of TSO
- Declaration of CGD GAs as common carrier

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

# Key Gas Market Enablers

Inclusion of Natural Gas under GST



Implementation of Unified Tariff Regulations by PNGRB



Implementation of New Access Code Regulations



Declaration of CGD Exclusivity (Open Access within CGD Areas)



Incorporation of TSO



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**International Carbon Exchange (ICX)**

Way Forward



# International Carbon Exchange (ICX)



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

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



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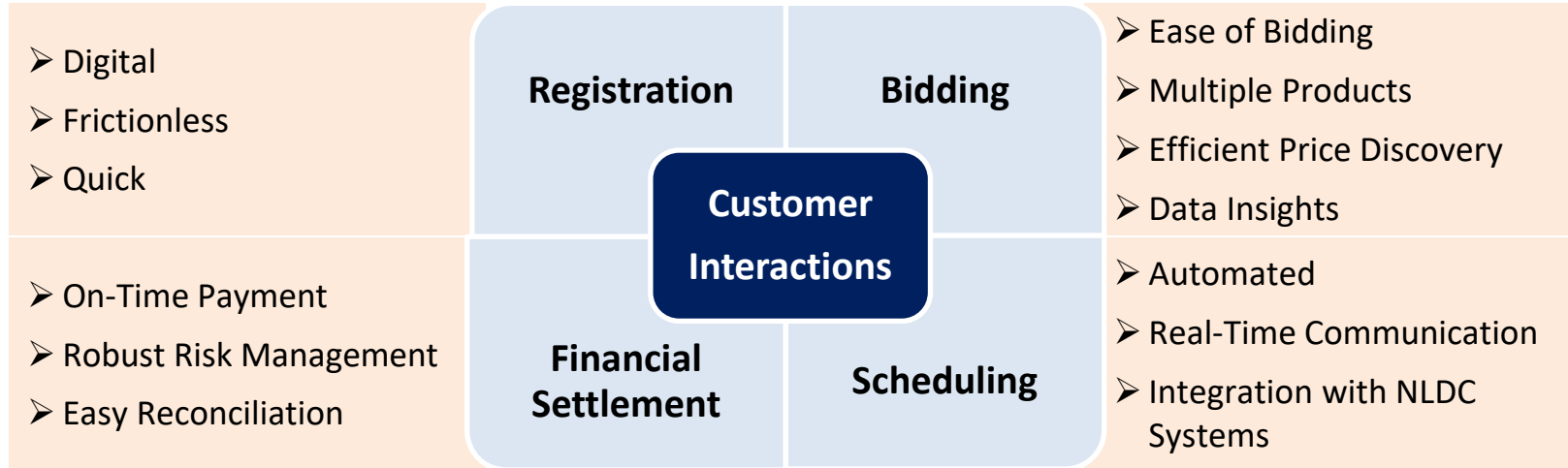
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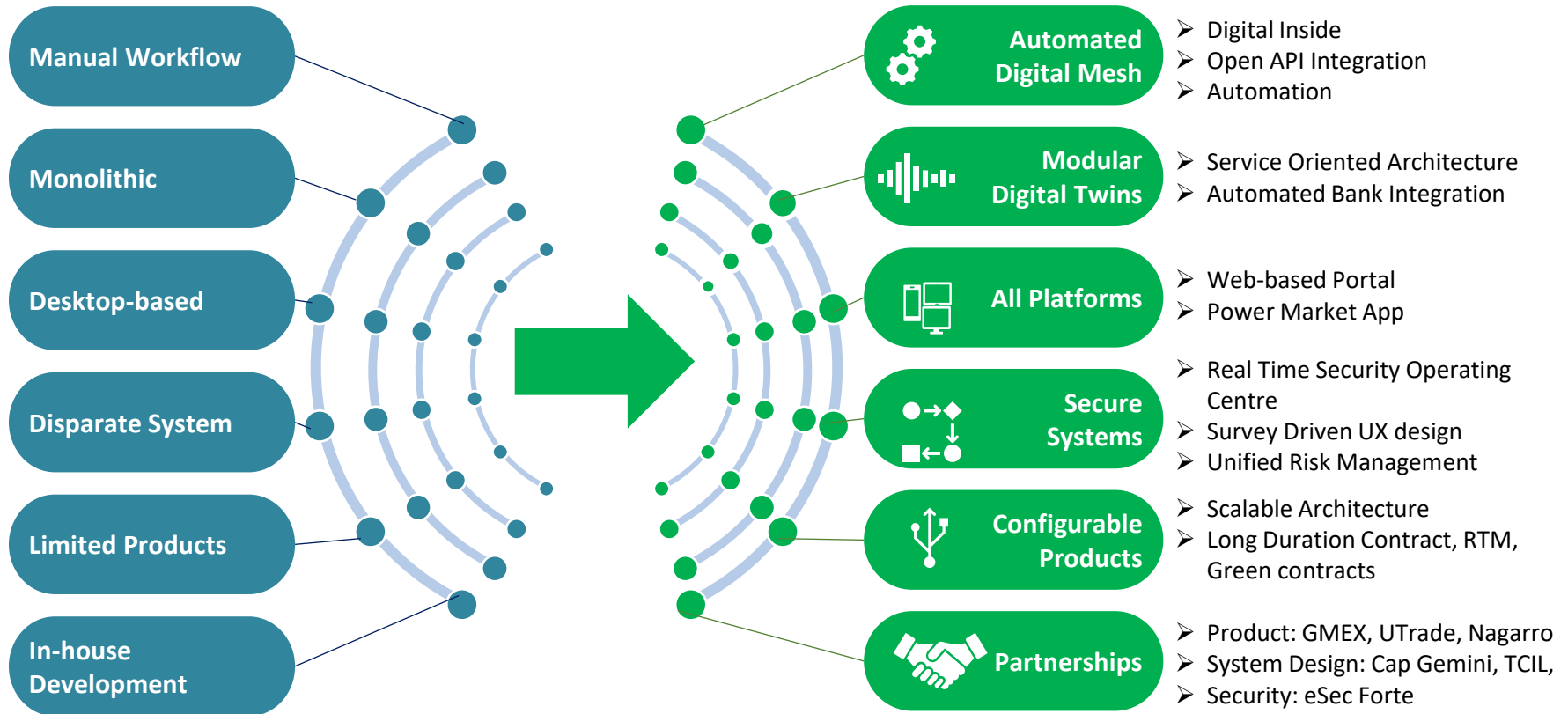
International Carbon Exchange (ICX)

Way Forward

# Create Customer Delight for Each Interaction



# Transitioning Towards a Futuristic Tech Architecture



# Policy Advocacy to Enhance Liquidity in the Spot Market



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

<b>Growth from recently launched products</b>	<ul style="list-style-type: none"><li>➤ RTM: June'20</li><li>➤ <b>Green Markets: GTAM</b> launched in Aug'20, <b>GDAM</b> launched in Oct'21</li><li>➤ <b>Cross Border:</b> April'21</li><li>➤ <b>Term Ahead Market Up to 3-Months</b> in June'22</li></ul>
<b>New Products</b>	<ul style="list-style-type: none"><li>➤ HP-DAM and Ancillary Market</li><li>➤ Launch of Derivatives will provide price hedging opportunity and lead to lower volatility in prices thereby increasing liquidity in the spot market</li><li>➤ Capacity Market</li><li>➤ RE capacity through exchanges; Contract for Differences</li></ul>
<b>New Business</b>	<ul style="list-style-type: none"><li>➤ IGX launched in 2020 and achieved breakeven within first year of operations. Robust volume growth over next 5 years expected</li><li>➤ ICX – International Carbon Exchange – wholly owned subsidiary incorporated in Dec'22. Exploring business opportunities in voluntary carbon credit market</li><li>➤ Coal Exchange</li><li>➤ Other opportunity in the energy marketplace</li></ul>

<b>Favorable Policy and Regulatory Initiatives</b>	<ul style="list-style-type: none"><li>➤ Spot markets share to increase significantly as per Draft NEP 2021</li><li>➤ GNA Regulation, Sharing Regulations, Grid Code, Late Payment Surcharge Rules, and sale of un-requisitioned power on exchanges will help deepen the power markets</li></ul>
<b>Coal Supply</b>	<ul style="list-style-type: none"><li>➤ Government of India aims to increase coal production from 780 Mn tonne in FY22 to 1.2 Bn tonne by 2025 to further drive the availability of coal; will lead to lower electricity prices on the Exchange</li></ul>
<b>Demand for Electricity</b>	<ul style="list-style-type: none"><li>➤ The electricity consumption grew by 4% in last 5 years and is expected to further increase by 7% in next 8 years</li></ul>

# New Business Initiatives

## Renewable Through Markets – Merchant RE

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

## Carbon Markets

- ICX – International Carbon Exchange – wholly owned subsidiary incorporated in Dec'22 to explore business opportunities in voluntary carbon credit market
- Govt aggressively working to introduce compliance Carbon Market in India. IEX working closely with Govt agencies like BEE, major Carbon Exchanges, potential players in this space

## Coal Exchange

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



# Future Opportunities

## Virtual PPA's

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

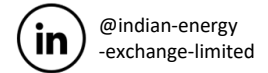
## P2P Trading


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


## Green Hydrogen & Battery Energy Storage System


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

# Thank you



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## INDIAN ENERGY EXCHANGE (IEX) ANNOUNCES ITS UNAUDITED FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED 31<sup>st</sup> DECEMBER 2022

- IEX ACHIEVES 24.2 BU OVERALL VOLUME IN Q3 FY'23
- ELECTRICITY VOLUME AT 23 BU, GROWS 9% QoQ
- CONSOLIDATED PAT RISES 8.4% QoQ
- REAFFIRMS COMMITMENT TO SUSTAINABILITY- FORMS INTERNATIONAL CARBON EXCHANGE TO PROMOTE VOLUNTARY CARBON MARKET
- BECOMES INDIA'S FIRST CARBON-NEUTRAL POWER EXCHANGE

**New Delhi, Friday, 20 January 2023:**

The key highlights of the unaudited consolidated financial results\* for the third quarter ended December 31, 2022, as declared by the Company on January 20, 2023, are given below:

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

Particulars	Consolidated				
	Q3FY22	Q2FY23	Q3FY23	YoY%	QoQ%
Electricity Volume (in BU)	23.5	21.2	23.0	-2.2%	8.6%
Certificates Volume (in BU)	4.2	1.9	1.2	-71.1%	-36.4%
Total Volume (in BU)	27.7	23.1	24.2	-12.3%	4.8%
Total Revenue	130.8	113.8	117.4	-10.3%	3.1%
Total Operating Expense	18.7	16.2	17.0	-9.2%	4.5%
EBITDA	112.1	97.6	100.4	-10.4%	2.9%
Finance, Depreciation & Amortisation Cost	4.9	5.1	5.6	13.8%	9.9%
Share in profit of associates, net of tax	-	1.1	6.0	-	-
Profit before tax	107.1	93.6	100.8	-5.9%	7.7%
Income Tax Expense	26.4	22.4	23.6	-10.7%	5.5%
PAT	80.7	71.2	77.2	-4.4%	8.4%

### Indian Energy Exchange Ltd

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

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## BUSINESS AND FINANCIAL PERFORMANCE HIGHLIGHTS

During Q3 FY23, the Exchange achieved electricity volumes of 23 BU, growth of 9% QoQ. However, electricity volumes declined 2% on YoY basis as compared to Q3 FY22. Volumes were impacted largely due to supply side constraints, led by high prices of e- auction coal. REC volumes at 1.2 BU during Q3 FY23, witnessed a de-growth of 68% on YoY basis as Q3 FY22 had exceptionally high REC volumes of 38.3 lacs to fulfil the pent-up demand caused by stay on REC trading by APTEL for a period of 16-months.

The overall volume at the Exchange was 24.2 BU during Q3 FY23, a 5% QoQ growth across all market segments. However, the overall volume declined by 12% on a YoY basis, because of power supply side constraints, high prices discovered during Q3 FY 2023 and high REC traded volumes during Q3 FY22.

On a consolidated basis, revenue for the quarter increased by 3.1% QoQ, from Rs. 113.8 Cr. in Q2FY'23 to Rs. 117.4 Cr. in Q3FY'23. PAT grew by 8.4% QoQ from Rs. 71.2 Cr. to Rs. 77.2 Cr. with a margin of 66%.

In the quarter, the price of e-auction coal continued to be high. While the quarterly average price premium declined from 293% in Q2 FY2023 to 242% in Q3 FY 2023, it was considerably higher as compared to 35% for the special forward e-auction price for the power sector in FY2022. As a result of this, input cost for Gencos continued to be high. Continuing high spot e-auction coal prices led to the average clearing price in the Day-ahead market at Rs 4.56 in Q3 FY2023, while lower from Rs.5.40 in the previous quarter, but still high to provide optimization potential for Discoms and Open Access consumers. Improving coal inventory and further reduction in e-auction coal prices are expected to result in a decline in power prices on the Exchange and provide further cost optimisation opportunities to Discoms and Open Access consumers. This is expected to result in higher volumes on the Exchange.

On the Gas market front, IGX traded a total volume of 24.42 million MMBtu during Q3 FY23, which was a 568% YoY increase. This growth was largely on the back of participation from major domestic gas producers and an increase in the number of participants. During the

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quarter, profit after tax at Rs 12.76 Cr. witnessed a growth of 427% on QoQ basis and 1437% on YoY basis.

In line with the company's diversification strategy, during this quarter, IEX incorporated a wholly owned subsidiary - International Carbon Exchange (ICX) to leverage opportunities in the voluntary carbon market. By facilitating corporates to meet their climate commitments goals, ICX will help India achieve its target of reducing the emission intensity of its GDP by 45% by 2030 to limit global warming to 1.5 degrees Celsius. IEX also became India's first carbon-neutral Power Exchange, using market based tradable instruments to offset its carbon emissions.

Going forward, IEX will continue to work towards building a sustainable and efficient energy future for India. In addition to developing new products such as HP DAM and Ancillary markets, the company is doing policy advocacy to create a framework for setting up a Coal Exchange.

## POWER SECTOR HIGHLIGHTS UPDATE

With increased economic activity within the country, electricity consumption in India for Q3 FY23 stood at 343 BU, which is a YoY growth of 6.8%. Installed capacity in India achieved 410 GW as on 31st December 2022. In line with the country's commitments towards arresting climate change and evolving into a net-zero emitter by 2070, the installed capacity for renewables grew to 168 GW. This growth of green energy is expected to help India attain its vision of achieving 50% of its entire energy consumption from non-fossil fuel sources by 2030.

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## ABOUT IEX

*IEX is India's premier energy exchange providing a nationwide, automated trading platform for physical delivery of electricity, renewable power, renewable energy certificates and energy saving certificates. The exchange platform enables efficient price discovery and increases the accessibility and transparency of the power market in India while also enhancing the speed and efficiency of trade execution. The Exchange is ISO Certified for quality management, Information security management*

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*and environment management since August 2016. The Exchange is a publicly listed company with NSE and BSE since October 2017 and is approved and regulated by Central Electricity Regulatory Commission since 27 June 2008.*

*For further details, log on to: [www.ixindia.com](http://www.ixindia.com)*

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